

ISS INVESTOR PRESENTATION

# Q1 2025 trading update



6 May 2025 - Kasper Fangel, Group CEO & Mads Holm, Group CFO





INVESTOR PRESENTATION Q1 2025

# Agenda

- ▶ Executive summary
- ▶ Business update
- ▶ Financials
- ▶ Outlook
- ▶ Q&A



KASPER FANGEL, GROUP CEO

# Executive summary

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# Solid start to 2025: Focused execution, confirmed outlook

## Business update



### Commercial initiatives gaining momentum

Traction in our chosen customer segments and supporting clients with improving engagement



### DTAG arbitration process progressing as planned

Oral hearing mid-July



### Leaner EGM structure accelerating execution

Sharper focus, faster decisions

## Performance highlights



### 2025 Outlook confirmed

Across all three KPIs



### Q1 organic growth at 4.3%

Contributed by price increases, volume and above-base



### Retention rate at 94%

Strong customer loyalty across all accounts



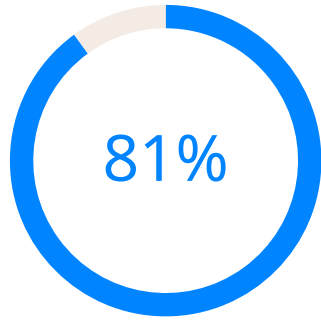
KASPER FANGEL, GROUP CEO

## Business update

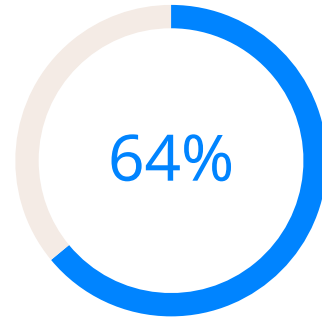
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BUSINESS UPDATE

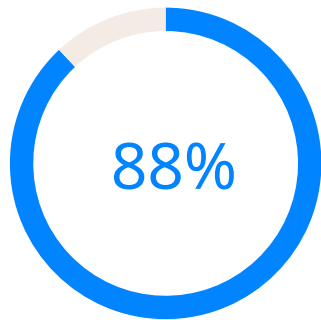
# Workplaces are **evolving** – and with them, the opportunity to grow



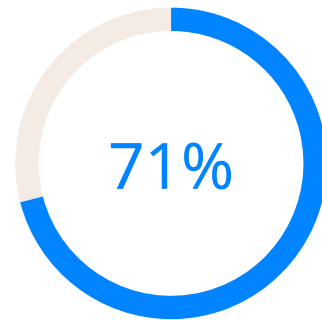
.. works in a hybrid fashion, typically, 1-2 days home per week



... facilities and office experiences would motivate them to be in the workplace more often



... identifies risks with working from home



....believes the office is important

The need is clear:  
Employees expect a better workplace experience

- We curate outstanding workplace experiences that bring people back
- We unlock engagement through food, facilities, and services that matter
- We help customers retain talent and boost productivity - at scale
- We turn office space into a strategic asset

# Pipeline remains **solid** and retention rate improves

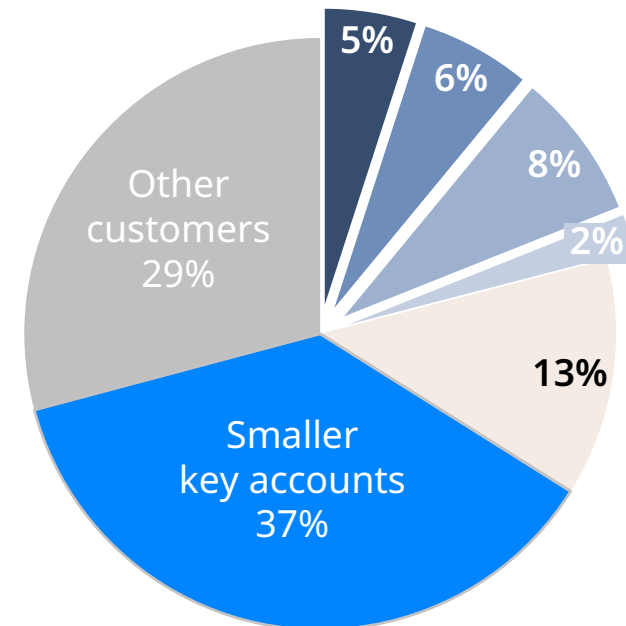
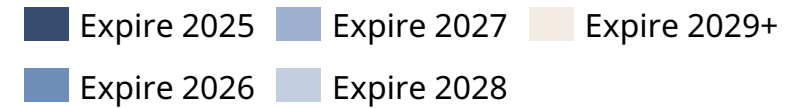
## Expansions

- Australia Pacific Airports (Melbourne), (revenue increased by c. 0.1%)
- Construction, Türkiye, (revenue increased by c. 0.1%)
- Public Healthcare, Southeast Asia, (revenue increased by c. 0.1%)

## Extensions

- Danish Crown A/S, Denmark
- Salling Group A/S, Denmark
- Healthcare, Spain
- Real Estate, Hong Kong

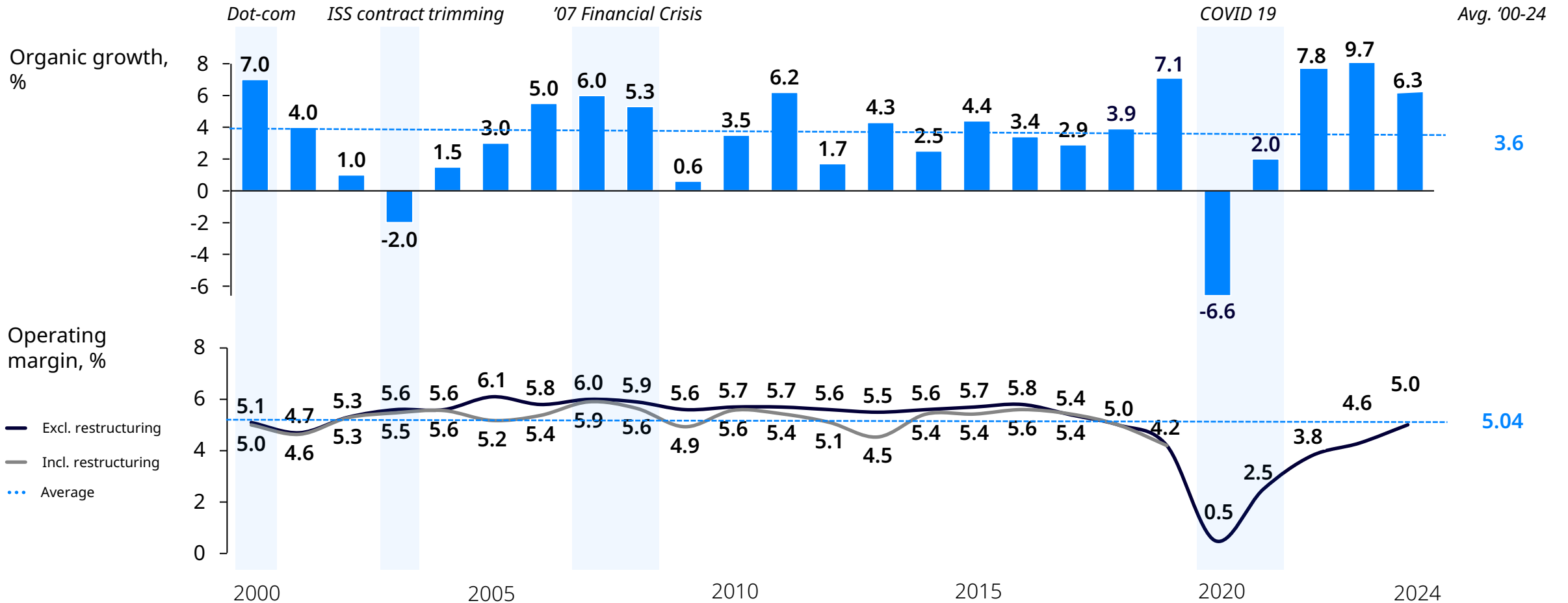
## Large key accounts<sup>2)</sup> contract maturity profile



1) Since Q4 2024 results on 20 February 2025. Includes contracts above DKK 100 million annually

2) Chart is based on all global key accounts and key accounts generating revenue above DKK 200 million annually

# Resilient through cycles: A proven and predictable model





MADS HOLM, GROUP CFO

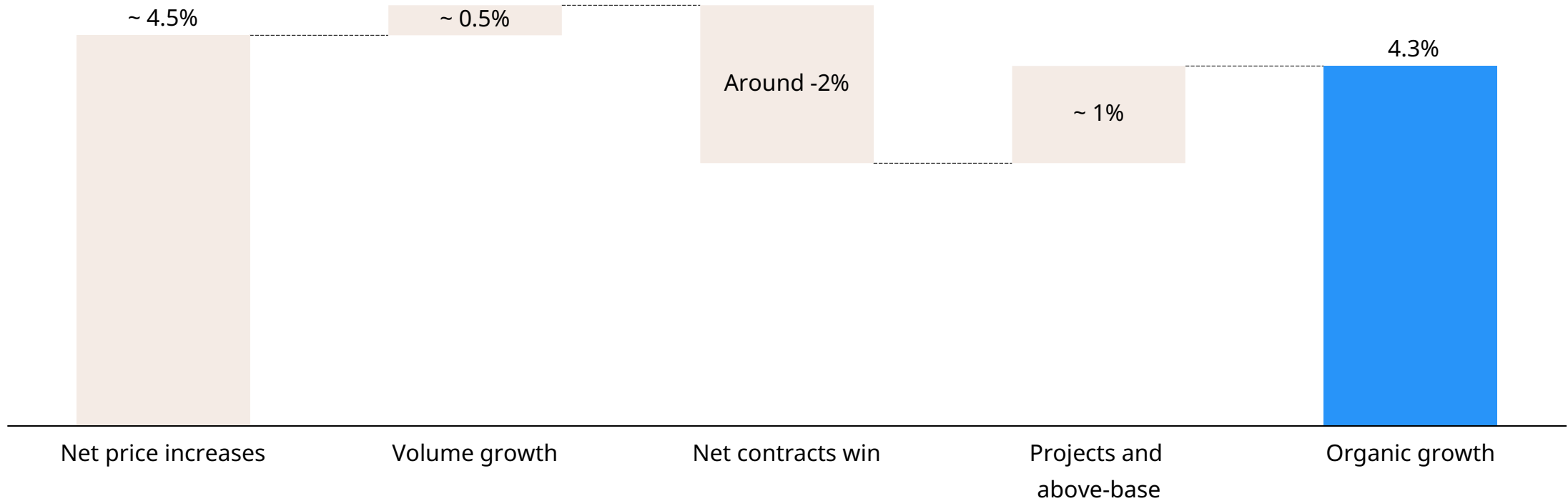
# Financials

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FINANCIALS

# Organic growth of 4.3% in Q1 2025 mainly driven by price & above-base

## Organic growth building blocks



# Growth impacted by **strategic** contract trimming

## Northern Europe

(37% of group)

Q1 2024: 5% Q1: 4%

- Organic growth was mainly driven by price increases, supported by volume growth from higher activity levels – offset by net negative contract wins.
- Growth was broad-based across all countries, with the UK as the largest contributor.

## Central & Southern Europe

(34% of group)

Q1 2024: 12% Q1: 9%

- Organic growth in Q1 was primarily driven by price increases in Türkiye.
- Solid performance across the region, supported by both pricing and volume growth.

## Asia & Pacific

(18% of group)

Q1 2024: 5% Q1: 4%

- Organic growth was mainly driven by price increases and volume growth – partly offset from deliberate contract exits in 2024, reflecting a sharpened focus on selective bidding and sustainable margins.
- The strongest growth contributors were Australia and Singapore, driven by increased activity levels and price increases.

## Americas

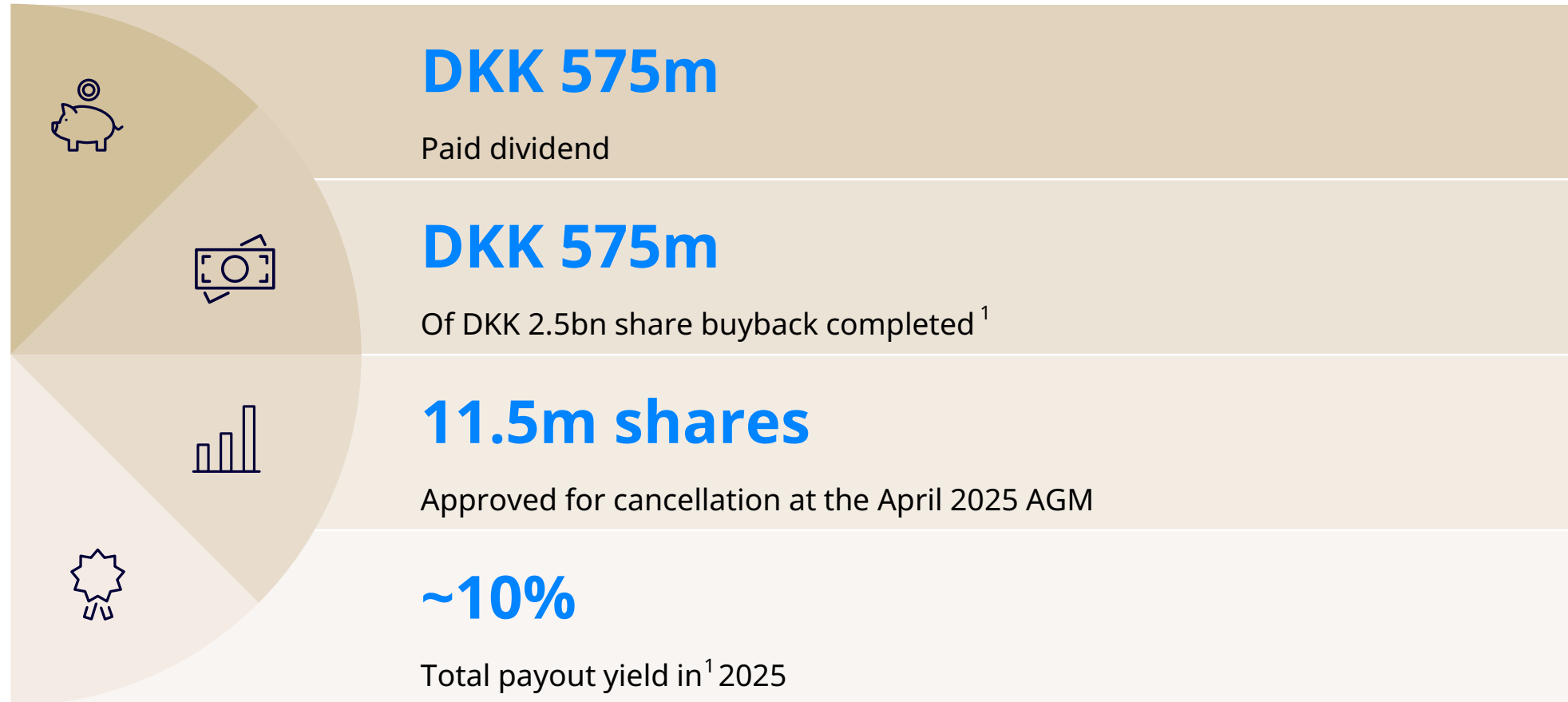
(10% of group)

Q1 2024: -2% Q1: -9%

- Organic growth in Q1 was impacted by deliberate trimming of non-accretive contracts and planned contracts exits in the beginning of H2 2024 - offset by better than expected above base turnover.

*Note other countries represented 1% of Group revenue.*

# Significant cash return in 2025



1) As per 5 May 2025



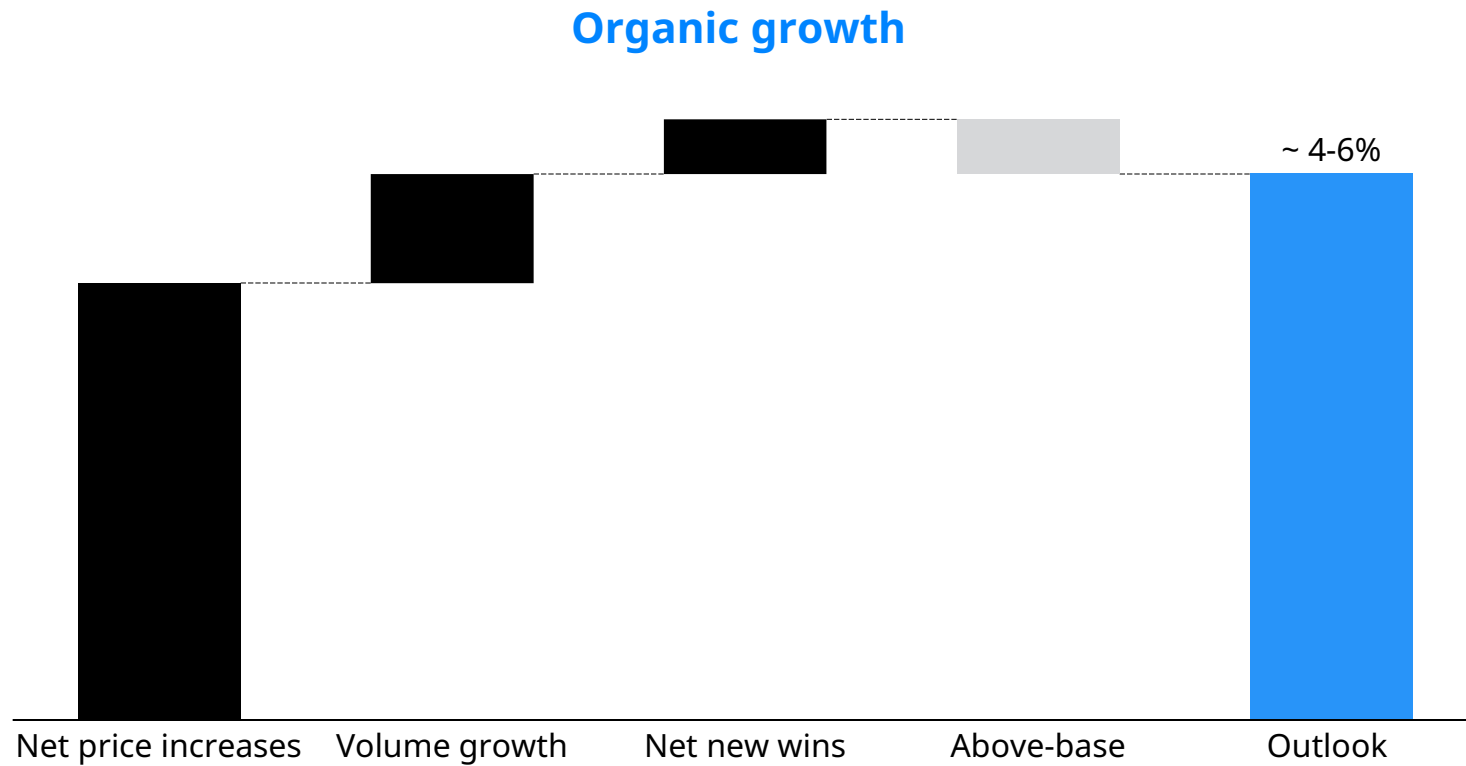
KASPER FANGEL, GROUP CEO

# Outlook

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OUTLOOK

# Delivering on our strategy: Outlook reconfirmed for 2025



## Operating margin<sup>1)</sup>

"Above 5%"

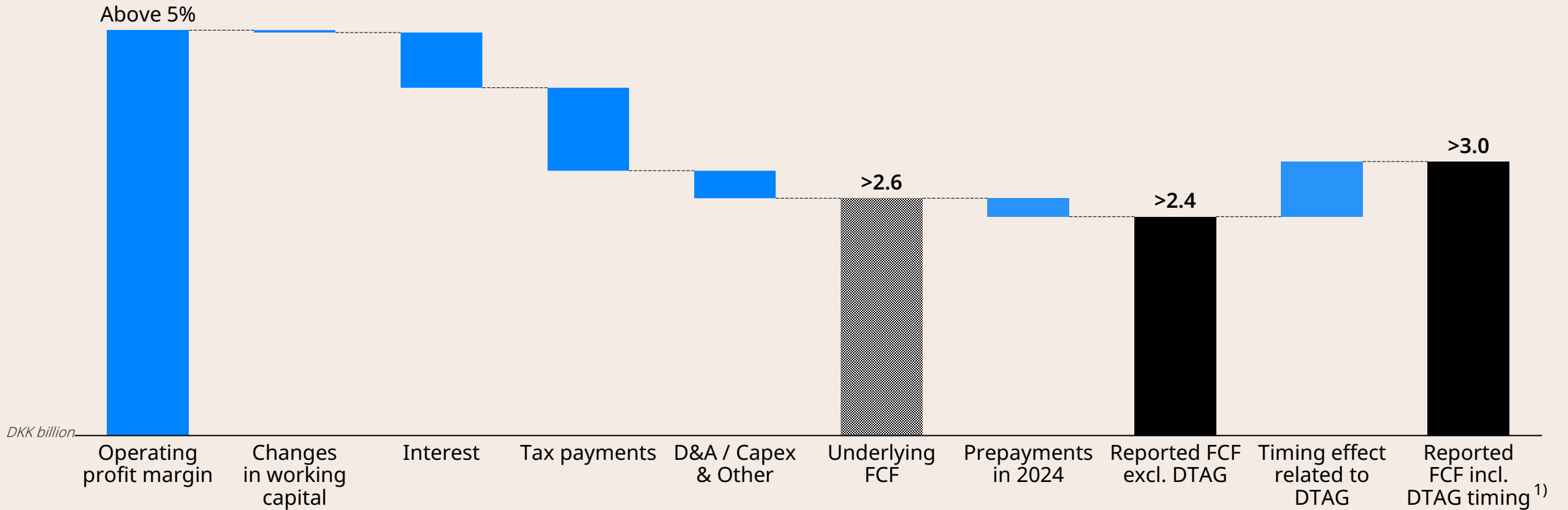
Operating margin

1) Excl IAS 29



OUTLOOK

# Delivering on our strategy: Outlook **reconfirmed** for 2025



1) If the payments withheld in 2024 are paid in 2025





We make space for people and businesses to thrive.





KASPER FANGEL, GROUP CEO &  
MADS HOLM, GROUP CFO

## Q&A

*To ask a question press 5\**

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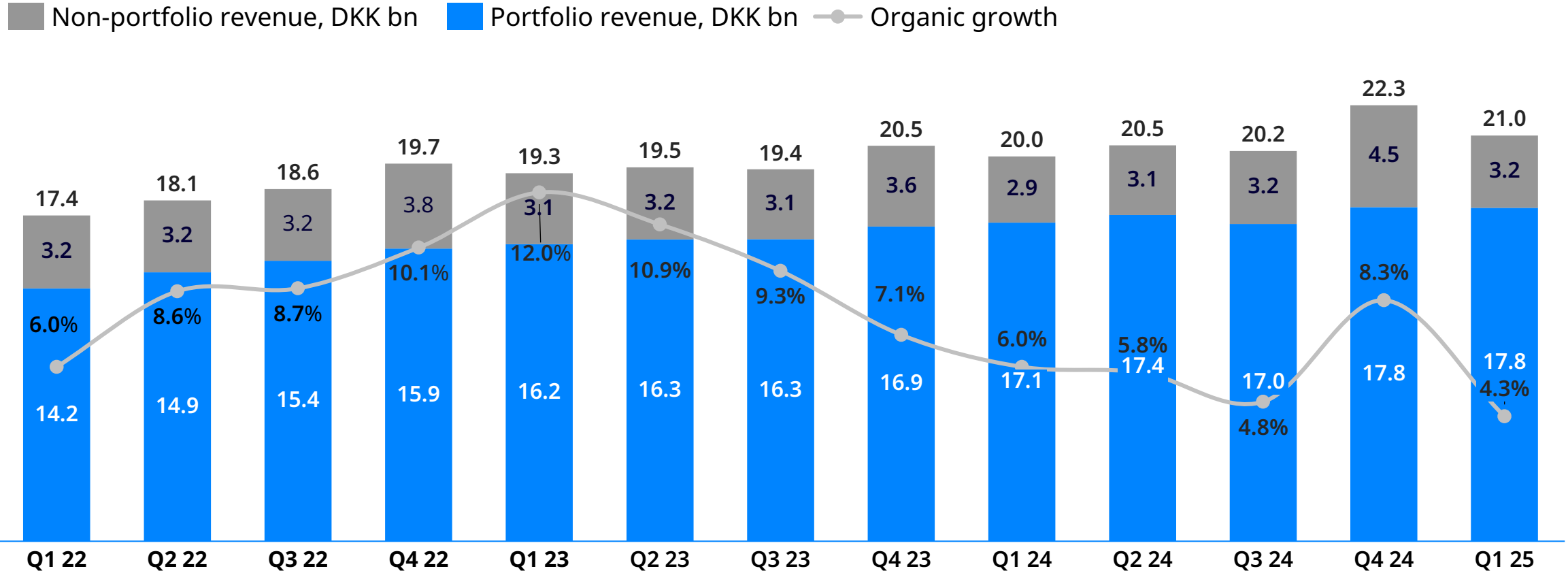
# Appendix

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APPENDIX

# Quarterly organic growth

Quarterly revenue<sup>1)</sup> and organic growth



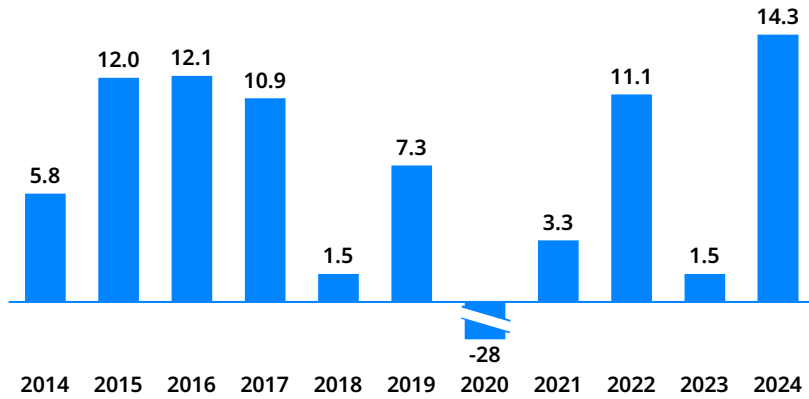
1) Excl IAS 29



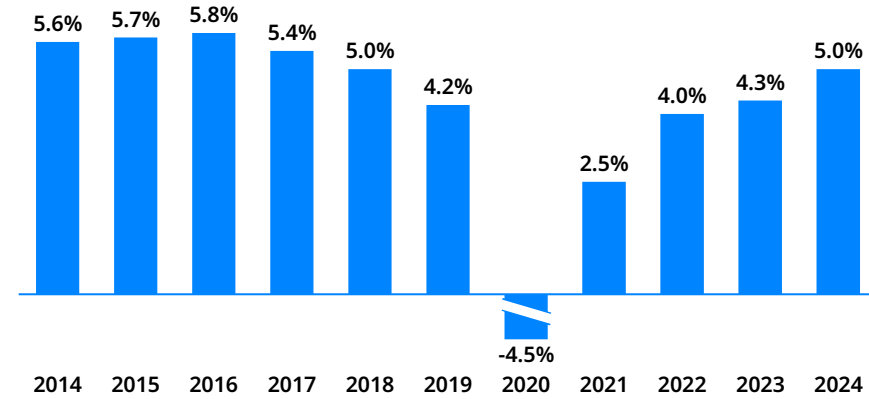
APPENDIX

# ISS in charts

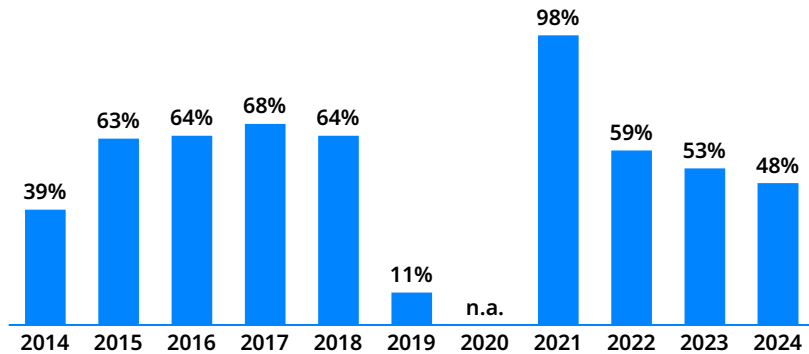
We have restored EPS (CAGR 9.4% 2014-24), DKK



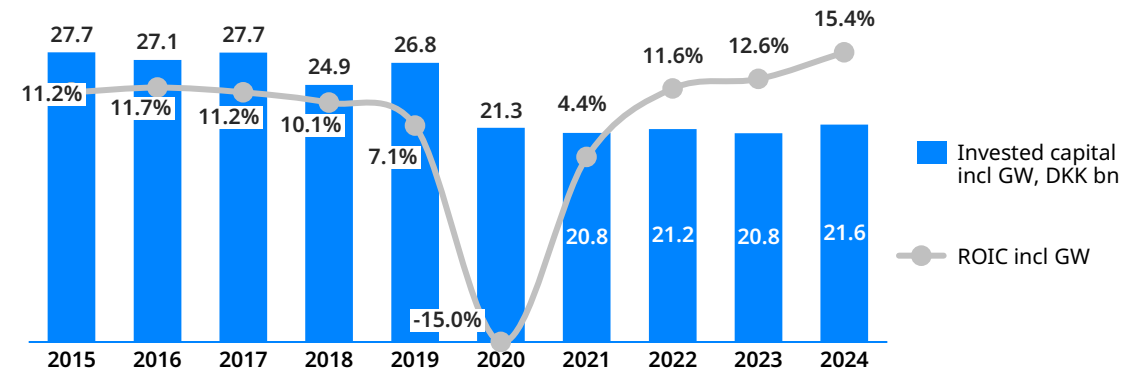
Our operating margin is recovering to >5% <sup>1)</sup>



We deliver solid cash conversion (57% avg. in 2014-24) <sup>2)</sup>



Growing ROIC on stable invested capital base <sup>1)</sup>



1) Excl IAS 29

2) Cash conversion, % = Free cash flow/Operating profit before other items



RATINGS

# Credit & Sustainability ratings

## Sustainability Ratings



Methodology note, AAA = top score  
AA rating – 5 straight years



Methodology note, low risk = good  
13.5 / 100 – low risk



Methodology note, 100 = top score  
47 / 100 – above industry average  
in all disclosure categories



Methodology note, A = top score  
C+ – prime status, B highest rating  
in the industry



Methodology note, A = top score  
B- – C average for the industry

## Timing

2020

2020 Q4

2022 Q2

2024 Q2/Q4

## Credit rating



Baa2 (neg)

BBB (stab)

Baa3 (stab)

BBB- (neg)

Baa3 (stab)

BBB- (stab)

Baa3 (pos)

BBB (stab)

## CONTACT INFORMATION

## Investor Relations

## Investor Relations contacts

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## Financial calendar

**H1 2025 Interim Report**  
12 August 2025

**Q3 2025 Trading Update**  
5 November 2025

**Capital Market Day**  
To be confirmed

## Share information

Trading symbol	ISS
Identification number / ISIN	DK0060542181
Number of shares	185,668,000
Sector	Business Services
Nominal value, DKK	1
Free float	100%

## Bond information

ISIN	Maturity	Value EUR
XS1673102734	2027	600m
XS2013618421	2026	500m
XS2199343513	2025	500m
XS2832954270	2029	500m

# Forward looking statements

This annual report contains forward-looking statements, including, but not limited to, the statements and expectations contained in Outlook on p.13. Statements herein, other than statements of historical fact, regarding future events or prospects, are forward-looking statements. The words “may”, “will”, “should”, “expect”, “anticipate”, “believe”, “estimate”, “plan”, “predict,” “intend” or variations of these words, as well as other statements regarding matters that are not historical fact or regarding future events or prospects, constitute forward-looking statements. ISS has based these forward-looking statements on its current views with respect to future events and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of ISS. Although ISS believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ, e.g. as the result of risks related to the facility service industry in general or ISS in particular including those described in the Annual Report 2024 of ISS A/S and other information made available by ISS.

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