



# Investor Presentation

## Q3 FY20/21

Strong earnings, two acquisitions and a new climate target

# Sharply improved earnings mainly due to strong Samtrans performance and improved efficiency



## Q3 Financial highlights

- Net sales\* increased by 5.1% mainly driven by contract migration and the strong performance of Samtrans.
- Adjusted EBT increased to SEK 270 million mainly due to the strong performance of Samtrans, improved efficiency and retroactive negotiated incentive revenue linked to Covid-19.
- Cash flow from operations increased to SEK 485 million (318) and total cash flow increased to SEK 97 million (-261). Total cash flow for the quarter significantly stronger than Q3 last year mainly due to higher earnings, positive working capital swings, high levels of bus financing funded by the green bond last year and less share buybacks.

*\*Adjusted for currency effects*

# Samtrans's performance and improved efficiency compensated the weak Q1 leading to earnings being stronger than previous year



## YTD Financial highlights

- Net sales\* was in line with last year with negative effects from decline in ridership due to Covid-19 but offset by new activities in Samtrans linked to Covid-19 testing stations and positive contract migration in Norway.
- Adjusted EBT increased to SEK 473 million due to the strong performance in Samtrans as well as improved efficiency.
- Cash flow from operations increased to SEK 1,536 million (1,121) and total cash flow increased to SEK 588 million (-867). Total cash flow YTD significantly stronger than last year mainly due to cancelled dividend, high levels of bus financing funded by the green bond last year, new bank loan and working capital swings.

*\*Adjusted for currency effects*



## Strong earnings, two acquisitions and a new climate target

- All-time-high earnings of SEK 270 million reported in Q3
- Samtrans Omsorgsresor's continued their strong performance based on rapid readjustment of their organization to support new needs in the society with testing services related to Covid-19
- During the quarter Nobina has continued to reach agreements with PTA's regarding the management of the effects of the pandemic resulting in retroactive compensation.
- In November a new climate target was launched that demonstrates Nobina's high ambitions by reducing our climate-affecting emissions with 80% by 2030 and with 2015 as base year
- New contract wins in Turku, Öresund (bus-for-rail) and Lund (after the quarter) with a total contract value of appr. SEK 2.3 billion and involving 141 buses.
- After the quarter two strategic acquisitions were made:
  - In line with Nobina's strategy to grow in the Nordic market KE Buss AB was acquired adding synergies, a young contract portfolio as well as a platform to build further competitiveness in smaller contracts
  - Nobina, through the wholly owned subsidiary Samtrans, also acquired Göteborgs Buss AB based in Gothenburg and thereby, strengthened its position in special needs transportation and at the same time achieved market access in western Sweden.

# Nobina has won contracts of 220 buses in the first three quarters

## Highlights (year-to-date)

- Tenders of 1,689<sup>1</sup> buses are submitted so far in FY20/21.
- Only a few tenders are pending, several have been postponed due to Covid-19 (approx. 800 buses). Tenders corresponding to 1,675 buses have been announced. Nobina has won 220 buses so far in FY20/21.
- Two of the major tenders in the Stockholm region have been appealed.

### Definitions

#### Submitted:

Number of buses in tenders submitted by Nobina

#### Pending:

Number of buses in submitted less announced

#### Announced:

Number of buses in tenders where results are announced

#### Won:

Number of buses Nobina has won out of announced tenders

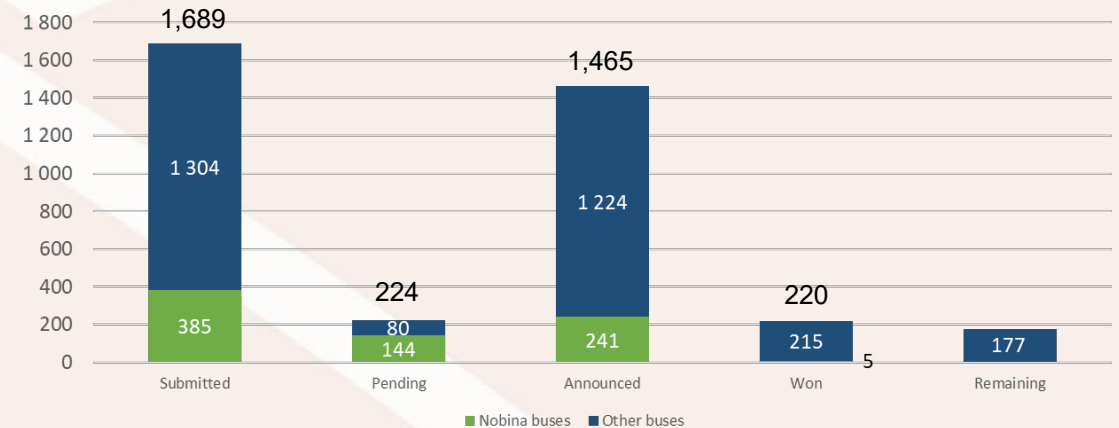
#### Remaining available:

Number of remaining buses available in tenders FY20/21

### March 20 – November 20

### Tender results during the period

	Announced	Won
Sweden	392	63
Norway	528	0
Finland	362	110
Denmark	183	47
<b>Total</b>	<b>1,465</b>	<b>220</b>



<sup>1</sup>Less than last quarter due to new procurement process in Sweden, SL



# Nobina has gained market share in the first three quarters

Mar 20 – Nov 20	Traffic changes during the period	
	Started	Ended
Sweden	252	58
Norway	0	0
Finland	0	20
Denmark	22	23
<b>Total</b>	<b>274</b>	<b>101</b>

**Average weighted contract length**  
(last year)

**7.6**  
(7.6)

**Average weighted contract age**  
(last year)

**5.0**  
(4.6)<sup>1</sup>

**Average age of bus fleet**  
(last year)

**6.2**  
(6.3)

<sup>1</sup>In the quarterly report last Q3 we incorrectly presented 4.3

# Majority of buses starting the next 12 months will be electric buses

## Traffic starts Dec 2020 – Nov 2021

PTA	No. of years	Traffic start	No. of buses	New buses
Skånetrafiken (SE)	6	Jun 2021	101	72
HSL (FI)	7	Aug 2021	68	58
Turku (FI)	8	Jul 2021	42	42
Västtrafik (SE)	10.5	Dec 2020	35	35
Movia (DK)	4.5	Dec 2020	34	0
Norrbottn (SE)	10	Dec 2020	13	13
Piteå (SE)	10	Jul 2021	12	12
Norrbottn (SE)	10	Jun 2021	12	0
<b>Total</b>			<b>317</b>	<b>232</b>

- Nobina will start new contracts involving a total of 317 in-service buses in the next 12 months whereof 197 are new electric buses.


## Expiring contracts Dec 2020 – Nov 2021

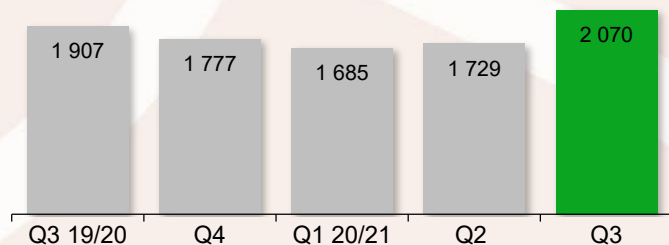
PTA	Traffic end	No. of buses
HSL (FI)	August 2021	101
SL (SE)	June 2021	91*
Skånetrafiken (SE)	June 2021	82
Movia (DK)	December 2020	34
Västtrafik (SE)	June 2021	33
Skånetrafiken (SE)	June 2021	13
Västtrafik (SE)	June 2021	8
HSL (FI)	December 2020	7
<b>Total</b>		<b>369</b>

- Nobina will end contracts involving a total of 369 in-service buses in the next 12 months.

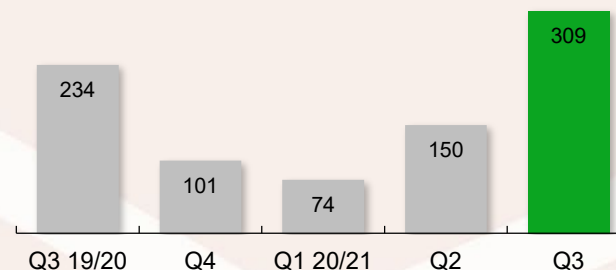
*\*The award is under appeal and pending decision*


# Positive effect from Samtrans Covid-19 test stations and increased efficiency in Sweden. Negative contract migration in Denmark

 **SE Net sales**  
SEK million




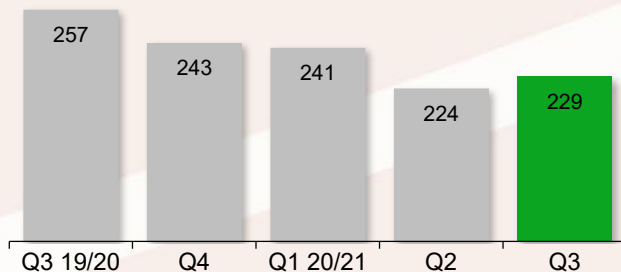
 **SE EBITA**  
SEK million



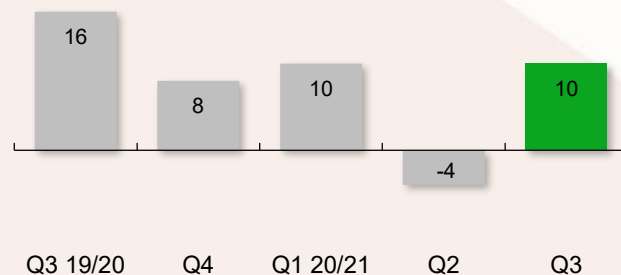
 **Q3 Highlights**


- Net sales for the third quarter increased compared with the prior year period primarily due to positive development for Samtrans and positive contract migration effect.
- EBITA increased due to Samtrans increasing new business, increased efficiency and cost control, and retroactive compensation for incentive income of 17 MSEK. Contract migration had a marginal negative effect on the result.

 **DK Net sales**  
SEK million



 **DK EBITA**  
SEK million



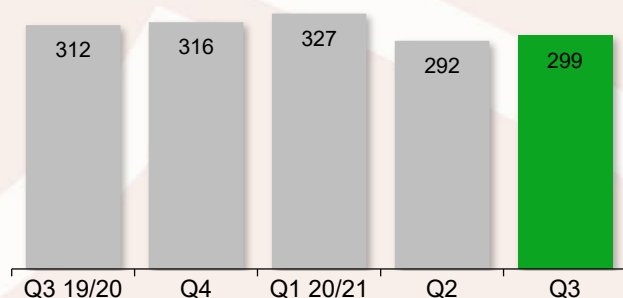
 **Q3 Highlights**

- Net sales lower than last year due to negative contract migration.
- EBITA was lower than the prior year period mainly due to negative contract migration.

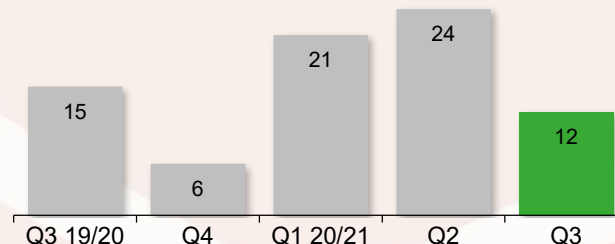



# Increased extra traffic and positive contract migration drives result in Norway

 **FI Net sales**  
SEK million




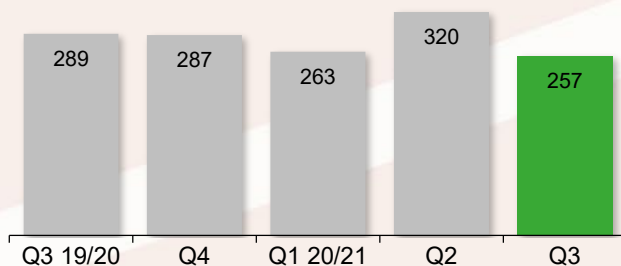
 **FI EBITA**  
SEK million




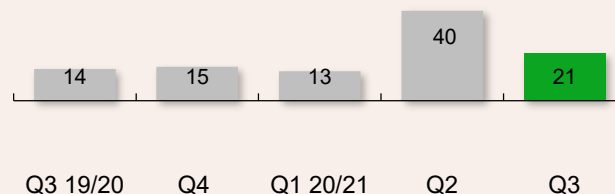
 **Q3 Highlights**


- Net sales for the third quarter were slightly lower than the prior year period due to less traffic as an effect from Covid-19 and currency effects.
- EBITA for the quarter was somewhat lower than in the corresponding period last year. Positive one-time effect last year (damage reversal).

 **NO Net sales**  
SEK million



 **NO EBITA**  
SEK million



 **Q3 Highlights**

- Net sales for the third quarter were lower than in Q3 last year due to negative currency effect and the union strike in the end of September.
- EBITA for the quarter was higher than same quarter last year due to increased extra traffic and positive contract migration.

# Earnings at all time high in the quarter

SEK million	Q3 20/21	Q3 19/20	Change	YTD 20/21	YTD 19/20	Change
Net sales	2 854	2 763	91	7 927	8 040	-113
EBITDA % of net sales	603 21,1 %	538 19,5 %	65	1 450 18,3 %	1 407 17,5 %	43
EBITA % of net sales	307 10,8 %	243 8,8 %	64	586 7,4 %	573 7,1 %	13
EBIT % of net sales	288 10,0 %	225 8,1 %	63	533 6,7 %	533 6,6 %	-
Interest income	2	-	2	2	-	2
Interest expenses	-42	-48	6	-130	-145	15
FX net	3	14	-11	15	1	14
EBT % of net sales	251 8,8 %	191 6,9 %	60	420 5,3 %	389 4,8 %	31
Tax	-52	-43	-9	-86	-84	-2
Earnings after tax	199	148	51	334	305	29

## Key points

- Organic net sales increased in the quarter with 5.1%, mainly driven by positive contract migration in Sweden and Samtrans's development.
- EBT of 251 MSEK in Q3 includes income and cost related to acquisition accounting. Adjusted EBT is 270 MSEK.
- Positive EBITA effect from Samtrans due to new business with mobile test stations for Covid-19, retroactive compensation and increased efficiency.
- Contract migration affected slightly positive compared to last year Q3.

# Negative effects on core business from Covid-19 mitigated by new Samtrans business and increased efficiency

SEK million	Net sales	EBT Adj.
YTD Mar 2019 – Nov 2019	8,040	429
Price and volume	-99	1
Contract migration	-7	-29
Indexation & operational efficiency	-7	50
Other	-	-9
Financial net	-	31
YTD Mar 2020 – Nov 2020	7,927	473

## Key points

- Effects of price and volume negative regarding net sales driven by decrease in travel volume resulting from the Covid-19 pandemic. Samtrans had a positive impact on both revenue and earnings.
- Negative contract migration effect from previous quarters, offset in third quarter by contracts started in second quarter. Contract migrations have been extensive this year and impacted the results negatively in Sweden and Denmark. Positive impact of migration in Norway and Finland.
- Operational efficiency improved year-on-year, partly due to lower fuel and damage cost, as well as less overtime.
- Other represents cost deviations, primarily within central functions, and includes result from the fleet operations.
- Profit for the year was positively affected by exchange rate effects.

# Significantly strengthened cash flow YTD affected by temporary and one-time effects

SEK million	Q3 20/21	Q3 19/20	Change	YTD 20/21	YTD 19/20	Change
Cash flow from operations before changes in working capital	603	538	65	1 451	1 393	58
Changes in working capital	-119	-211	92	88	-261	349
Interest received and tax payment	1	-9	10	-3	-11	8
Cash flow from operations after changes in working capital	485	318	167	1 536	1 121	415
Cash flow from investing activities	-82	-194	112	-1 089	-1 476	387
Cash flow from financing activities	-306	-385	79	141	-512	653
Cash flow for the period	97	-261	358	588	-867	1 455

## Key points

- Cash flow from operations higher than Q3 previous year as a result of higher earnings and positive working capital swings.
- Positive effect from working capital changes YTD primarily due to impact of postponed liquidity settlements with PTA's pertaining to incentive contracts and timing-effects related to bus purchases and VAT-payments in the fleet organization.
- Cash flow from investing activities stronger than Q3 previous year since we made bus investments of 118 MSEK last year paid in cash and financed by the green bond which was issued in Q4 2019/2020.
- Improved cash flow from financing activities in Q3 due to the reduced purchases of treasury shares which last year amounted to 37 MSEK.
- Total cash flow for the quarter significantly stronger than Q3 last year mainly due to higher earnings, positive working capital swings, high levels of bus financing funded by the green bond last year and reduced purchases of treasury shares.
- Total cash flow YTD significantly stronger than last year mainly due to cancelled dividend, high levels of bus financing funded by the green bond last year, new bank loan and working capital swings.

# Reduced investments YoY due to massive traffic starts last year

SEK million	Q3 20/21	Q3 19/20	Change	YTD 20/21	YTD 19/20	Change
Investments in buses	-27	-460	433	-983	2 275	1 292
Other investments	-59	-25	-34	-97	-34	-63
Total investments	-86	-485	399	-1 080	-2 309	1 229
Lease financing	-	293	-293	27	821	-794
Capex	-86	-192	106	-1 053	-1 488	435
Whereof: Loan financing of buses	21	8	13	846	821	25
Whereof: Cash financing	-65	-184	119	-207	-667	460

*\*The table includes investments in buses and other equipment but excludes acquisitions*

## Key points

- Total bus investments in the quarter of 27 MSEK whereof 23 MSEK financed by the green bond proceeds.
- Last year's investments in Q3 included also already existing buses refinanced from financial leasing to installment loans of 311 MSEK.
- Last year's investments YTD also boosted with SEK 813 million by refinancing of existing buses from financial leasing to installment loans.
- Investments in buses also includes residual value purchases of buses in expired leasing contracts.
- All new bus investments are financed through installment loans, financial leasing or by green bonds.

# Strong liquidity and leverage ratio below lower end of the range

SEK million	2020-11-30	2019-11-30	Change
<b>ASSETS</b>			
Total non-current assets	8 022	8 005	17
Trade receivables and other current rec.	1 179	1 099	80
Cash and cash equivalents	876	192	684
<b>Total current assets</b>	<b>2 055</b>	<b>1 291</b>	<b>764</b>
<b>TOTAL ASSETS</b>	<b>10 077</b>	<b>9 296</b>	<b>781</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity	1 682	1 388	294
Total non-current liabilities	5 570	5 070	500
Total current liabilities	2 825	2 838	-13
<b>TOTAL LIABILITIES</b>	<b>10 077</b>	<b>9 296</b>	<b>781</b>

## Key points

- Total non-current assets increased relating to investment in new buses. Investment in new buses and other equipment during Q3 was SEK 86 (485) million.
- Cash position increased to SEK 876 million (192) due to new bank loan of SEK 200 million in Q1 and cancelled dividend in Q2 which last year amounted to SEK 331.
- Equity ratio of 16.7% (14.9%).
- Interest-bearing liabilities was SEK 6,132 million (5,893), including acquisition related loan of 385 (259) MSEK.
- Net debt/EBITDA was 2.9x (3.2x).



# Continued progress on the sustainable journey towards profitable growth

- All-time-high earnings as a result of:
  - Samtrans's agile and strong performance
  - Retroactive compensation from PTA agreements
  - Improved efficiency
- Tackling climate challenges by launching a new GHG-reduction target meaning Nobina will convert the entire bus fleet to 100-percent renewable fuels or electricity from only renewable sources by 2030
- Increased market share YTD and showing competitiveness by winning new contracts in Turku, Öresund (bus-for-rail) and Lund (after the quarter) with a total contract value of appr. SEK 2.3 billion
- Reinforcing our strategy for profitable growth and strengthening our M&A track record with two strategic acquisitions (after the quarter):
  - KE Buss AB; adding synergies, a young contract portfolio as well as a platform to build further competitiveness in smaller contracts
  - Göteborgs Buss AB; strengthening Nobina's position in special needs transportation and at the same time achieving market access in western Sweden.



# Appendix



# Investment highlights

1

Non-cyclical business model with high earnings visibility and stable cash flow generation based on a strong underlying contract portfolio

2

Leading market position in the Nordic public transport sector enabling economies of scale and market-leading profitability

3

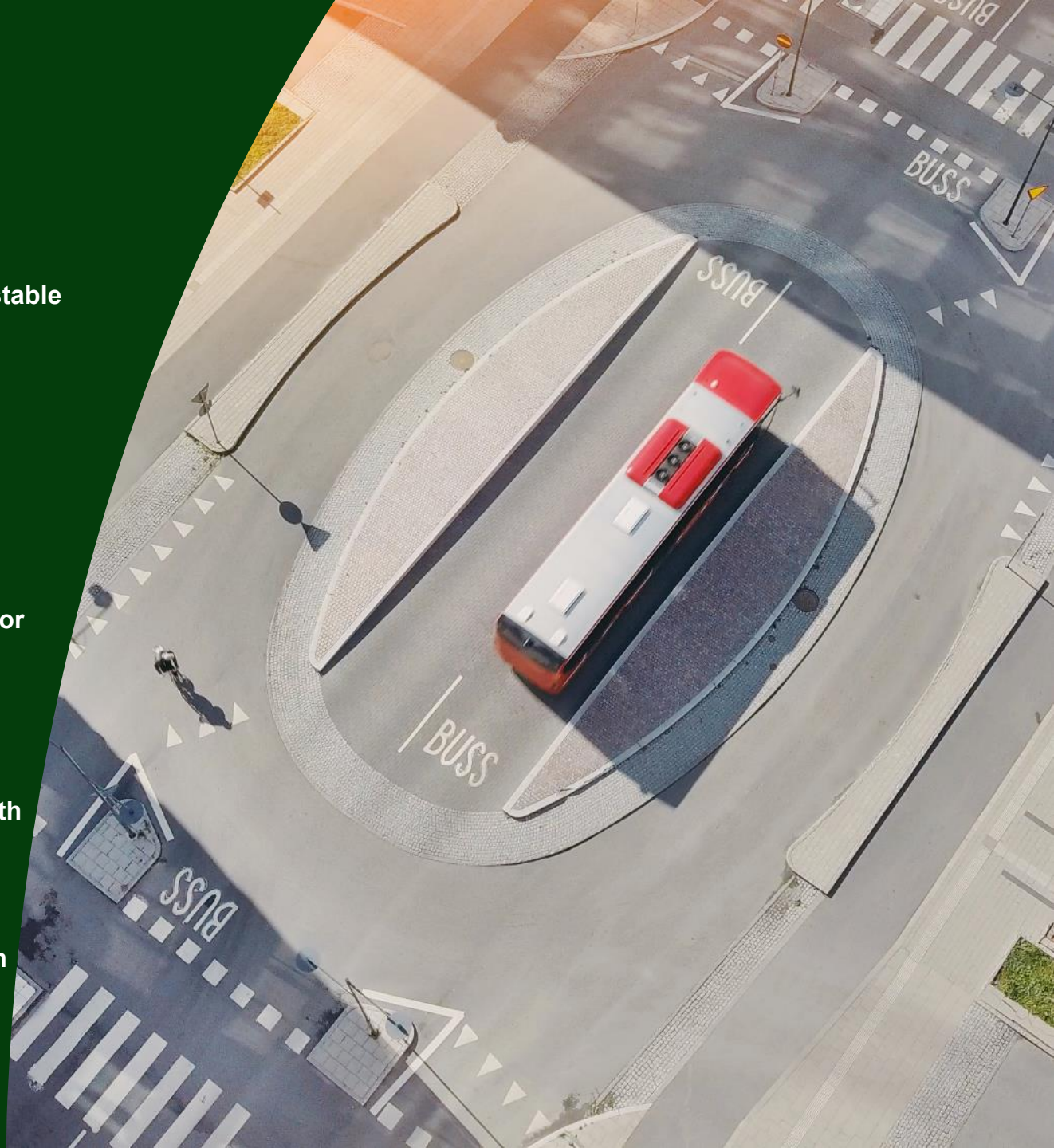
Strong underlying market fundamentals with political support for public transport to increase mobility and connectivity while minimizing environmental footprint

4

Long track record of continuous improvements and solid growth

5

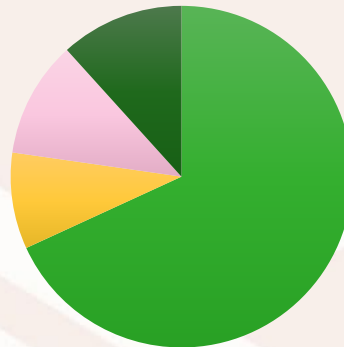
Well positioned to capture growth both organically and through acquisitions



# Largest public transport company in the Nordic region

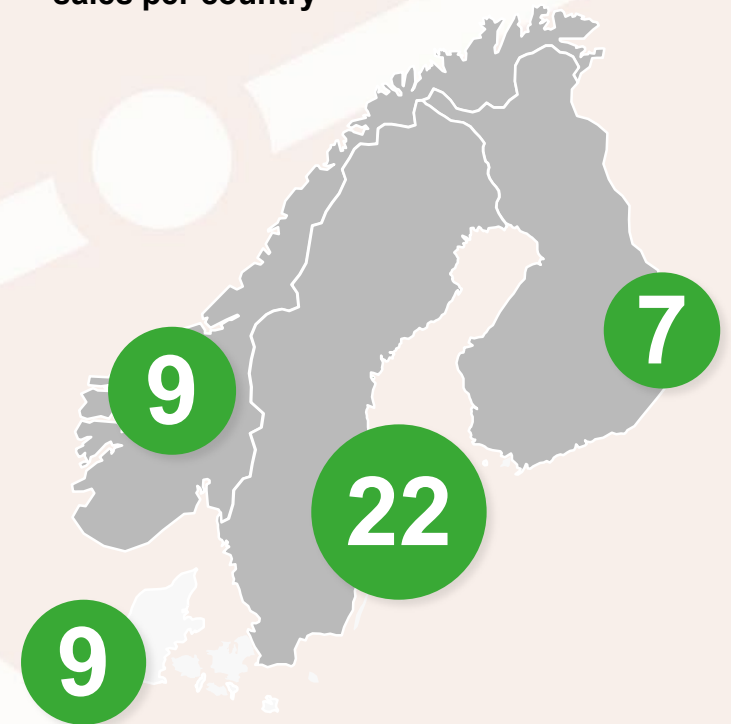
- Nobina's economies of scale, market expertise and outstanding bus fleet, combined with long-term delivery of quality, make Nobina the industry leader in terms of profitability
- Stable operations and growing market. More than 97% of revenues supported by long term contracts, typically lasting 5-10 years with a potential 1-2 year extension
- Nobina aims to grow profitability through active contract and portfolio management and to increase the value added by delivering benefits to passengers, clients and society

**Nobina - Net sales per country  
2019/2020 (Total SEK 10,7 billion)**



■ Sweden 7 275  
■ Denmark 974  
■ Norway 1 178  
■ Finland 1 249

**Total market SEK 47 billion – Annual net  
sales per country**





The Nobina logo is centered in the upper half of the image. It features the word "Nobina" in a white, bold, sans-serif typeface. A vibrant green circle is positioned behind the letters "i" and "n", partially enclosing them. The background of the entire image is a panoramic view of a city at sunset. The sky is filled with dramatic, dark clouds tinged with orange and red from the low sun. In the foreground, various city buildings are visible, including a prominent white multi-story building in the center. To the right, two construction cranes stand against the horizon. A single bird is captured in flight on the left side of the frame. The overall atmosphere is serene yet dynamic, capturing the transition from day to night in an urban setting.

# Nobina