



2020-2021/Q4

Strong earnings in a challenging market



Today's presenters



Pernilla Walfridsson

CFO

Background:

- CFO of Nobina since 2019
- Previous experience include CFO of Byggmax Group AB, Finance Manager of Power AB, Business Controller of IKEA Russia and Board Member of Ahlström-Munksjö and Sortera Group AB
- Other assignments include Board Member of NetOnNet Group AB and CTEK AB
- MBA from Växjö University



Magnus Rosén

President and CEO

Background:

- CEO of Nobina since 2017
- Previous experience include CEO of Ramirent, MD of BE Group Sverige AB, MD Cramo Sverige AB and Board Member of Bonava, Llentab and Wexus AS
- MSc from Linköping University, EMBA from Stockholm School of Economics

Agenda

- Results highlights
- Business update
- Financial update Q4 2020/21
- Summary
- Q&A



Significantly improved earnings mainly due to Samtrans performance and increased extra traffic

Net sales

SEK Millions

2,860

(2,605)

EBITA

SEK Millions

171

(89)

EBT Adj

SEK Millions

129

(35)

Cash flow

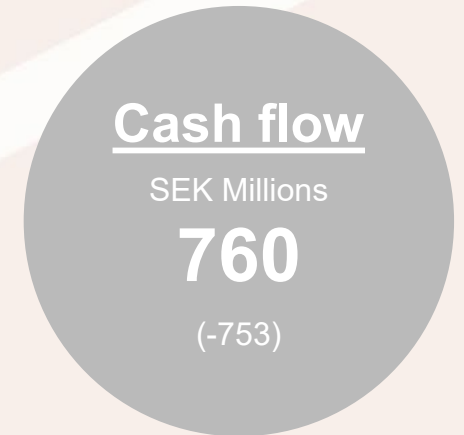
SEK Millions

172

(114)

A strong quarter with higher net sales and EBT, adj despite Covid-19 impact on bus operations

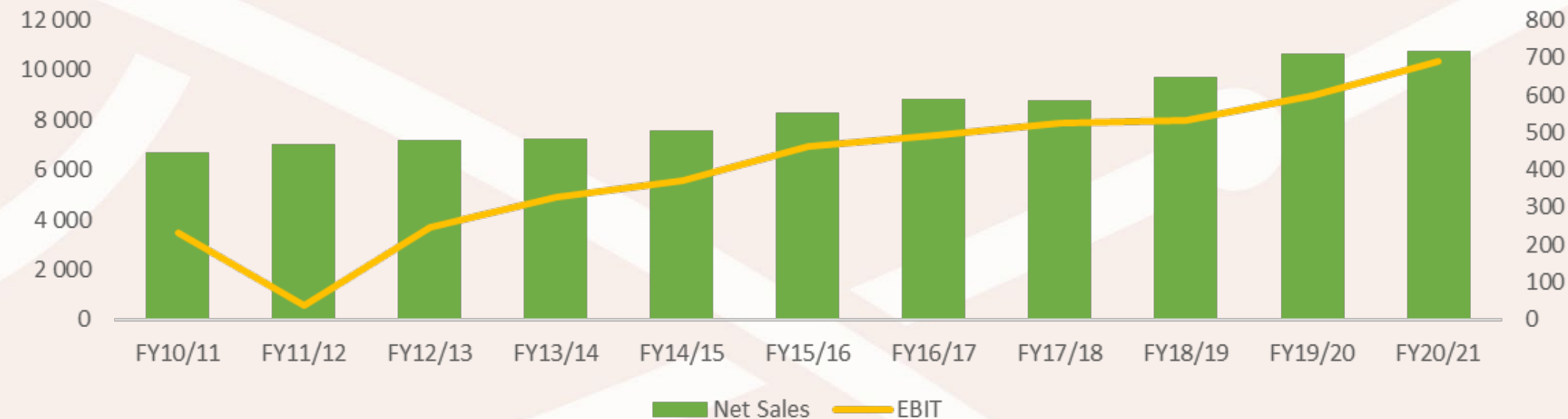
Samtrans's performance and improved efficiency compensated the decreased ridership leading to earnings being stronger than previous year



Highest FY net sales and earnings ever despite the pandemic affecting passenger volumes

Positive long-term trend in both net sales and earnings

Yearly growth (Y-on-Y acceleration)



CAGR	Net sales	EBIT
3 year	7,2%	9,4%
10 year	4,9%	11,5%

Our strategy remains focused on four focus themes

Strategic Focus Areas



Smart Traffic Solutions



Proactive Partner



Resource Efficiency



People in Focus

Operational areas



Public Transport

Service Traffic

Mobility Innovations

Coronavirus situation and it's effects on Nobina's business

Short-term impact



Public Transport

- Passenger volumes decreased 50%
- Limited impact on 80% of revenue, due to production contracts
- Significant negative impact on the remaining 20% of revenue which is based on incentive contracts
- Negotiations with all PTAs to achieve temporarily adjusted agreements



Samtrans

- Negative impact on Samtrans core business
- Adapted business model successfully
- Transportation of Covid-19 patients during 2020
- 290+ Covid-19 test stations
- Awarded new contract to continue providing Covid-19 test stations during 2021



Financials

- Record results
- Strong liquidity position

Expected long-term impact

- White collar employees expected to work from home to a larger extent than before Covid-19
- Blue collar employees, socio-economically exposed groups and students will continue depend on public transport
- Sweden's population expected to grow +8% until 2030 according to Statistics Sweden (SCB)
- Strong urbanization trend expected to continue
- Environmental awareness expected to increase further, leading to less car transport and more local and regional public transport
- Passenger volumes expected to gradually go back to previous levels within 6-12 months after the pandemic

Samtrans has balanced the negative impact from lower passenger volumes
Pandemic has opened up for M&A opportunities

Tripled earnings and two acquisitions

- New contract win in Lund with a total contract value of appr. SEK 1.6 billion and involving 99 buses.
- Strategic acquisitions of KE Buss and Göteborgs Buss completed in December 2020.
- Samtrans, in collaboration with Infosolutions, was awarded the new Public Health Agency contract for national large-scale testing of Covid-19 for 2021.
- New green bond tap issue of SEK 200 million at competitive pricing
- The board proposes a dividend of SEK 3.77 per share, corresponding to 75% of net income or 63% if expressed in accordance with current dividend policy

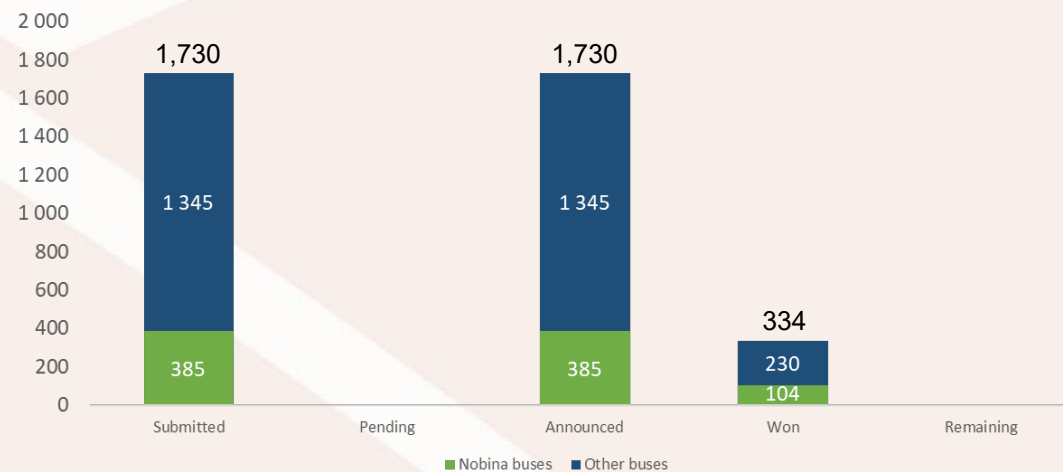


Nobina has won contracts of 334 buses in FY20/21

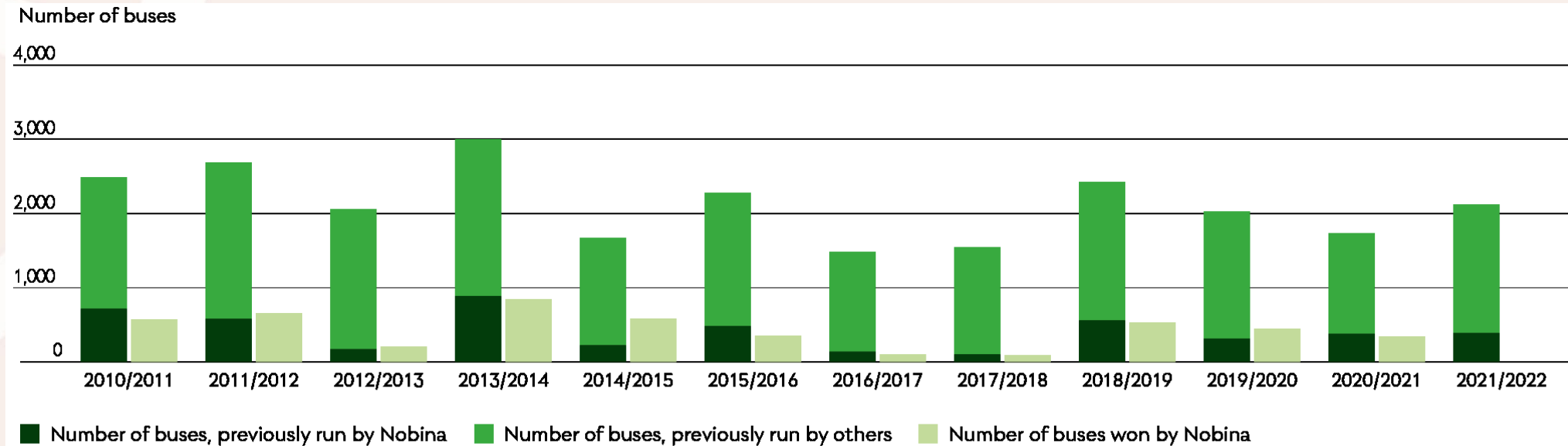
Highlights (year-to-date)

- Tenders of 1,730 buses were submitted in FY20/21.
- Several tenders have been postponed to FY21/22 due to Covid-19 (approx. 800 buses).
- Nobina has won 334 buses in FY20/21, corresponding to a renewal rate of 87% for the full year.

March 20 – February 21	Tender results during the period	
	Announced	Won
Sweden	582	162
Norway	528	0
Finland	394	110
Denmark	226	62
Total	1,730	334



Over 2,000 buses to be tendered due to some being postponed from previous year



- 2,107 buses are expected to be tendered FY21/22
- 383 buses of the total tendered buses are currently being run by Nobina, and 1,724 buses by other operators

Nobina has gained market share during the year

Mar 20 – Feb 21	Traffic changes during the period		
	Ended	Started	Net
Sweden	58	300	+242
Norway	0	0	0
Finland	27	0	-27
Denmark	57	52	-5
Total	142	352	+210

Average weighted contract length
(last year)

8.7
(8.4)

Average weighted contract age
(last year)

5.3
(4.6)

Average age of bus fleet
(last year)

6.3
(6.3)

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

Expiring contracts Mar 2021 – Feb 2022

PTA	Traffic end	No. of buses
HSL (FI)	Aug 2021	101
SL Norrtälje (SE)	Jun 2021*	91
Skånetrafiken (SE)	Jun 2021	85
Skånetrafiken (SE)	Dec 2021	43
Västtrafik (SE)	Jun 2021	33
Movia (DK)	Dec 2021	20
Skånetrafiken (SE)	Dec 2021	13
Västtrafik (SE)	Jun 2021	8
Movia (DK)	Jun 2021	6
Movia (DK)	Dec 2021	1
Total		401

- Nobina will end contracts involving a total of 401 in-service buses in the next 12 months.

*Award decision appealed to Kammarrätten and could lead to an extension of the contract of maximum 24 months

Traffic starts Mar 2021 – Feb 2022

PTA	No. of years	Traffic start	No. of buses	New buses
Skånetrafiken (SE)	3	Jun 2021	103	72
HSL (FI)	7	Aug 2021	68	58
Skånetrafiken (SE)	8	Feb 2022	44	1
Turku (FI)	8	Jul 2021	42	42
Movia (DK)	10	Dec 2021	14	8
Movia (DK)	3.5	Dec 2021	13	0
Norrbottnen (SE)	10	Jun 2021	12	0
Piteå (SE)	10	Jul 2021	12	12
Movia (DK)	3.5	Dec 2021	5	5
Movia (DK)	2	Dec 2021	1	1
Total			314	199

- Nobina will start new contracts involving a total of 314 in-service buses in the next 12 months whereof 197 are new electric buses.

Significant improvement in earnings compared with last year


Key points Q4

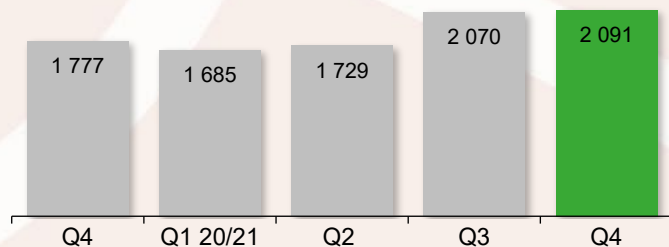
- Net sales: +9.8% and +11.4% adjusted for currency
 - Samtrans' Covid-19 testing stations
 - Contracts started in Sweden
 - Acquisitions contributed with +1.3%
- EBITA: +82 MSEK
 - Performance of Samtrans
 - Retroactive negotiated revenue
 - Increased extra traffic
- EBITA improved in Sweden and Finland compared to LY


SEK million	Q4 20/21	Q4 19/20	Change	YTD 20/21	YTD 19/20	Change
Net sales	2 860	2 605	255	10 787	10 645	142
EBITDA % of net sales	501 17.5%	357 13.7%	144	1 951 18.1%	1 764 16.6%	187
EBITA % of net sales	171 6.0%	89 3.4%	82	757 7.0%	662 6.2%	95
EBIT % of net sales	156 5.5%	64 2.5%	92	689 6.4%	597 5.6%	92
Interest income	-	-	-	2	-	2
Interest expenses	-44	-48	4	-174	-193	19
FX net	2	-6	8	17	-5	22
EBT*	114	10	104	534	399	135
% of net sales	4.0%	0.4%		4.9%	3.7%	
Tax	-3	-10	7	-89	-94	5
Earnings after tax	111	0	111	445	305	140

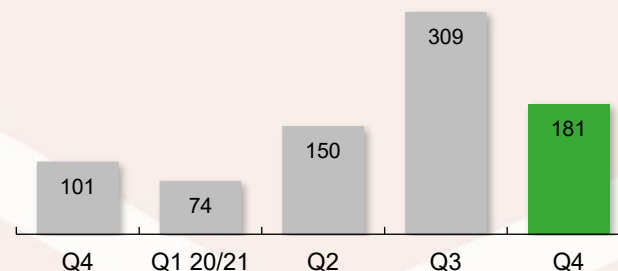
*EBT of 114 MSEK in Q4 includes income and cost related to acquisition accounting. Adjusted EBT is 129 MSEK.


Positive effect from Samtrans Covid-19 test stations and extra traffic in Sweden. Negative effect from less service traffic in Denmark

 **SE Net sales**
SEK million




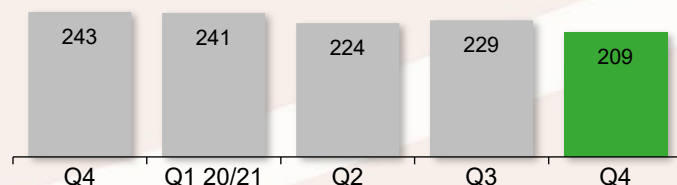
 **SE EBITA**
SEK million



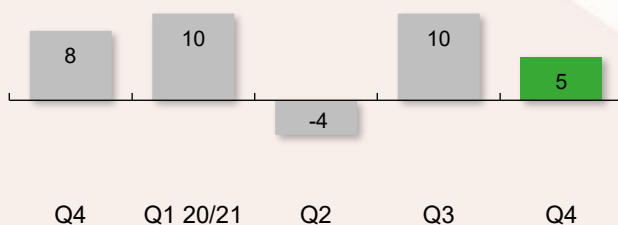
 **Q4 Highlights**


- Net sales
 - Positive contract migration
 - extension of Samtrans' testing activities for Covid-19
- EBITA +81 MSEK vs LY
 - Samtrans Covid-19 business
 - Increased extra traffic
 - Decline in travel due to Covid-19, partly offset by retroactive negotiated revenue

 **DK Net sales**
SEK million



 **DK EBITA**
SEK million

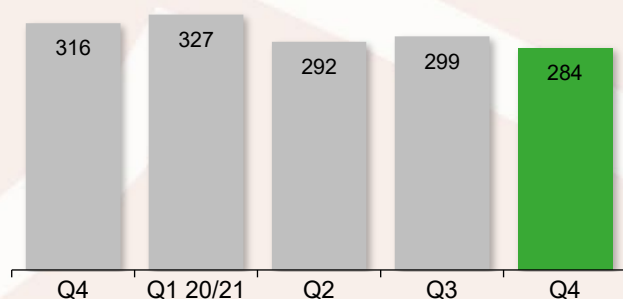


 **Q4 Highlights**

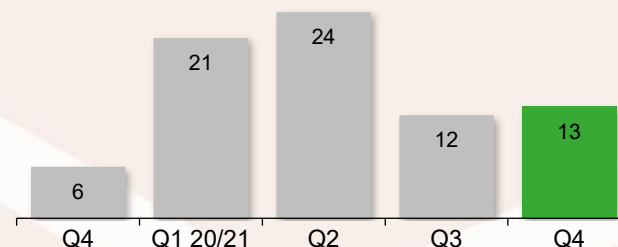
- Net sales
 - Negative contract migration
 - Negative currency effects
- EBITA -3 MSEK vs LY
 - Reduction in service traffic linked to Covid-19


Finland positively impacted by larger bonus for customer satisfaction. Norway impacted by negative index trend

 **FI Net sales**
SEK million



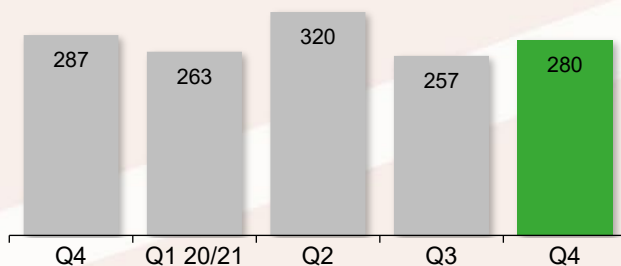
 **FI EBITA**
SEK million




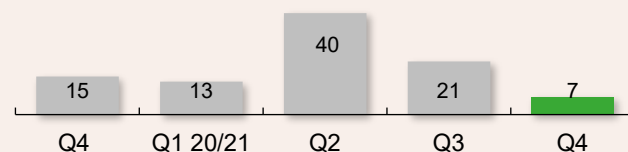
 **Q4 Highlights**


- Net sales
 - Decline in traffic due to Covid-19
 - Negative currency effect
- EBITA +8 MSEK vs LY
 - Higher bonus for customer satisfaction

 **NO Net sales**
SEK million



 **NO EBITA**
SEK million



 **Q4 Highlights**

- Net sales
 - Negative currency effect
- EBITA -9 MSEK vs LY
 - Negative index trend
 - Increased maintenance costs
 - Increased extra traffic

Samtrans testing business mitigate negative effects on core business from Covid-19

Key points

- Price & Volume:
 - Samtrans positive impact on both revenue and earnings
 - Negative effect on incentive revenues due to Covid-19
- Contract migration:
 - Positive effect in Q4 on net sales from started contracts in Sweden
 - Negative effect on earnings in Sweden and Denmark, positive in Norway and Finland
- Indexation & operational efficiency
 - Indexation has a negative impact on the net sales due to Covid-19
 - Lower fuel costs, damage costs, less overtime and lower sick leave cost. Partly due to Covid-19

SEK million	Net sales	EBT Adj.
YTD Mar 2019 – Feb 2020	10,645	464
Price and volume	60	104
Contract migration	118	-20
Indexation & operational efficiency	-36	36
Other	-	-24
Financial net	-	42
YTD Mar 2020 – Feb 2021	10,787	602

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

- Total cash flow for the quarter slightly stronger than Q4 last year mainly due to:
 - higher earnings
 - positive working capital swings
 - reduced purchases of treasury shares
- Total cash flow YTD significantly stronger than last year mainly due to:
 - higher earnings
 - cancelled dividend
 - high levels of bus financing funded by the green bond last year
 - new bank loan
 - reduced purchases of treasury shares
 - working capital swings

SEK million	Q4 20/21	Q4 19/20	Change	YTD 20/21	YTD 19/20	Change
Cash flow from operations before changes in working capital	500	346	154	1 951	1 739	212
Changes in working capital	111	65	46	199	-196	395
Interest received and tax payment	-	11	-11	-3	-	-3
Cash flow from operations after changes in working capital	611	422	189	2 147	1 543	604
Cash flow from investing activities	-453	-5	-448	-1 542	-1 521	-21
Cash flow from financing activities	14	-303	317	155	-775	930
Cash flow for the period	172	114	58	760	-753	1 513

Reduced investments YoY due to high level of traffic starts last year

- Total bus investments in the quarter of 394 MSEK whereof 23 MSEK financed by the green bond proceeds.
- Last year's investments YTD also boosted with SEK 799 million by refinancing of existing buses from financial leasing to installment loans.

SEK million	Q4 20/21	Q4 19/20	Change	YTD 20/21	YTD 19/20	Change
Investments in buses	-394	-78	-316	-1 377	-2 353	976
Other investments	-11	-45	34	-108	-79	-29
Total investments	-405	-123	-282	-1 485	-2 432	947
Lease financing	-	84	-84	27	905	-878
Capex	-405	-39	-366	-1 458	-1 527	69
Whereof: Loan financing of buses	346	39	307	1 192	860	332
Whereof: Cash financing	-59	0	-59	-266	-667	401

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

Strong liquidity and leverage ratio below lower end of the range

- Cash position increased to SEK 1 049 million (307) 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 17.0% (14.7%).
- Net debt/EBITDA was 2.6x (3.1x).

SEK million	2021-02-28	2020-02-29	Change
ASSETS			
Total non-current assets	8 162	7 904	258
Trade receivables and other current rec.	1 365	1 176	189
Cash and cash equivalents	1 049	307	742
Total current assets	2 414	1 483	931
TOTAL ASSETS	10 576	9 387	1 189
EQUITY AND LIABILITIES			
Shareholders' equity	1 795	1 380	415
Total non-current liabilities	5 456	5 262	194
Total current liabilities	3 325	2 745	580
TOTAL LIABILITIES	10 576	9 387	1 189

Strong finish of a challenging year

- Samtrans's strong performance in the testing services related to Covid-19 has worked as a hedge mitigating low ridership in our core business
- Reinforcing our strategy for profitable growth and strengthening our M&A track record with two strategic acquisitions
- Continued negotiations based on contractual interpretations with PTA's resulting in pandemic-adjusted agreements and retroactive revenues
- Positive environmental impact through continued electrification in Skåne, Sweden with the new contract win in Lund
- In light of the continued uncertainty the pandemic creates and acquisition opportunities, the proposed dividend of SEK 3.77 per share is deemed to be at a responsible level



Appendix

Attractive prospects for profitable growth

- **Clear ESG-case** with stable cash flow generation based on a strong underlying contract portfolio and long track record of continuous improvements and solid growth
- **Leading market position in the Nordic public transport sector** enabling economies of scale and market-leading profitability
- **Strong underlying market fundamentals** with growing population, urbanization, political support for public transport to increase mobility and connectivity while minimizing environmental footprint
- **New vertical within the asset light Service Traffic** sector provides additional growth opportunities with an attractive margin profile
- **Well positioned to capture growth both organically and through an increasingly active acquisition agenda**



The image features a wide-angle, high-angle shot of a city skyline at sunset. The sky is filled with dramatic, dark clouds tinged with orange and red from the low sun. The city below is a dense collection of buildings, with some lights beginning to glow. Two construction cranes are visible on the right side of the horizon. A single bird is captured in flight on the left side of the frame. The Nobina logo, consisting of the word 'Nobina' in white and a green circle, is centered in the upper half of the image.

Nobina