

Strong earnings and stable core business

Nobina continues to deliver a strong performance. During the third quarter of the fiscal year, net sales rose 20 percent to SEK 3,427 million and EBITA increased to SEK 410 million, marking the highest result ever for a single quarter. This result include a positive lump-sum payment of SEK 97 million from Afa Försäkring and an impairment related to shortened depreciation of SEK 124 million for the portion of the bus fleet made up of biogas buses. Adjusted for these nonrecurring items, earnings were just over 40 percent higher than in the prior-year quarter.

68%

REDUCTION OF CO₂ EMISSIONS PER DRIVEN KILOMETRE COMPARED WITH 2015

SEK 13.5 BILLION IN NEWLY SECURED CONTRACT VALUE IN THE QUARTER

The third quarter

- Net sales amounted to **SEK 3,427 million** (2,854), an increase of **20.0 percent** compared with the prior-year quarter, of which +13.6 percent was organic growth, +6.3 percent acquisitions and +0.1 percent currency effects.
- EBITA amounted to **SEK 410 million** (307).
- EBIT amounted to **SEK 387 million** (288).
- Profit after tax amounted to **SEK 272 million** (199), and earnings per share totalled **SEK 3.15** (2.25) before dilution.
- Cash flow from operations was **SEK 841 million** (485).

The nine-month period

- Net sales amounted to **SEK 9,741 million** (7,927), an increase of **22.9 percent**, of which +18.9 percent was organic growth, +4.3 percent acquisitions and –0.3 percent currency effects.
- EBITA amounted to **SEK 998 million** (586).
- EBIT amounted to **SEK 930 million** (533).
- Profit after tax amounted to **SEK 637 million** (334), and earnings per share totalled **SEK 7.38** (3.78) before dilution.
- Cash flow from operations was **SEK 1,968 million** (1,536).

Significant events during and after the quarter

- A ten-year agreement with Movia in Copenhagen was renewed and expanded, valued at approximately DKK 570 million.
- Two new ten-year contracts were awarded by SL in Huddinge–Botkyrka–Söderort and Nacka–Värmdö, valued at approximately SEK 12.7 billion and involving 530 scheduled buses.
- A lump-sum payment from Afa Försäkring had a positive impact of approximately SEK 97 million on the Group's earnings in the third quarter of 2021/2022.
- At the company's Capital Markets Day, Nobina announced a refined strategic framework, new business areas and revised financial targets of annual net sales growth of 7 percent, an EBITA margin of 6.5 percent, a net leverage ratio of 3–4 times EBITDA and a dividend policy of at least 60 percent of net profit.
- After careful consideration, the Board of Directors of Nobina AB (publ) unanimously concluded to recommend shareholders to accept the public offer from Basalt, via Ride BidCo, of SEK 108 in cash which was presented to the Board on Friday, December 10.

Key metrics

(SEK million, except as otherwise indicated)	Quarter		Period		Full year	Rolling 12 months
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021	Dec 2020–Nov 2021
Net sales	3,427	2,854	9,741	7,927	10,787	12,601
EBITDA	859	603	2,171	1,450	1,951	2,672
EBITA	410	307	998	586	757	1,169
EBIT	387	288	930	533	689	1,088
EBT	345	251	803	420	534	918
Adjusted EBT ¹⁾	368	270	871	473	602	1,002
Adjusted EBT margin	10.7%	9.5%	8.9%	5.9%	5.6%	8.0%
Profit after tax	272	199	637	334	445	749
Cash flow for the period	408	97	427	588	760	599
				30 Nov 2021	30 Nov 2020	28 Feb 2021
Net debt/EBITDA				1.9*	2.9*	2.6*
Net debt/EBITDA, excluding bus financing				–0.2*	0.2*	0.1*
Equity/assets ratio, %				18.7	16.7	17.0
				30 Nov 2021	30 Nov 2020	28 Feb 2021
Reduction of CO ₂ emissions ²⁾				68%	61%	61%

A complete table of key metrics, including definitions, can be found on page 25–26.

1) Adjusted for income, costs and amortisations related to acquisition accounting effects.

2) By 2030, Nobina aims to reduce carbon dioxide emissions per driven kilometre by 80 percent with 2015 as base year.

The climate target refers to greenhouse gas intensity measured in carbon dioxide equivalents per driven kilometre.

Statement from the CEO



Nobina continues to deliver a strong performance. During the third quarter of the fiscal year, currency-adjusted net sales rose 20 percent to SEK 3,427 million (2,854) and EBITA increased to SEK 410 million (307), marking the highest result ever for a single quarter. This result included a positive lump-sum payment of SEK 97 million from Afa Försäkring and an impairment related to shortened depreciation of SEK 124 million for the portion of the bus fleet made up of biogas buses (read more on page 4). Adjusted for these nonrecurring items, earnings were just over 40 percent higher than in the prior-year quarter.

It is particularly gratifying to note that our core business, namely our contract business with our 4,000 buses, continued to note stable development and contributed to our positive performance in the quarter. Despite the fact that passenger volumes were approximately 20 percent lower than in the corresponding quarter in 2019, meaning before the Covid-19 pandemic, we have succeeded in strengthening our services and profitability through an improved contract mix, extra traffic and efficiency enhancements. As the Nordic region's largest operator, we are able to leverage economies of scale and at the same time offer our clients additional services that create added value for our passengers. The results of this work were particularly clear in our operations in Sweden and Norway during the quarter.

In the quarter we also received further confirmation that we have a strong offering in the form of a number of important contract wins. We defended and expanded our services with Movia in North Zealand in Denmark, expanded our contract with Länstrafiken i Norrbotten, secured a contract for bus-for-rail services for Västtrafik and, in a highly anticipated announcement, won two major contracts in Stockholm, thereby expanding our bus services in rapidly growing areas. All of the buses included in these contracts meet the highest environmental requirements and will run on 100-percent fossil-free fuel or green electricity. The contracts in Stockholm include a large number of electric buses, which will be the first time this type of vehicle will be introduced on a broader scale in the Stockholm region. We are a leader in electric buses in the Nordic region and will continue to drive this development to respond to future challenges in the cities in the region.

We explained our view of these challenges and how we plan to address them at our Capital Markets Day on 24 November. Underlying market factors such as climate change, demographic trends and urbanisation are among the top priorities that must be addressed by society. Public transport plays a central role in this regard. As the largest and most experienced public transport operator in the Nordic region, we naturally see favourable opportunities for continued profitable growth in this environment. At the Capital Markets Day, we announced revised financial targets, launched a refined strategic framework and presented new business areas – Nobina Bus, Nobina Care and Nobina Mobility. We have a stable and sustainable business and a financial position that

will enable us to continue pursuing an acquisition agenda focused on both geographies and segments.

Our new Nobina Care business area has been built up through acquisitions. Samtrans, which we acquired in 2018, constitutes the core of these operations and is currently a leading player in service traffic. The operations have subsequently been expanded geographically through the acquisitions of Telepass, Göteborgs Buss and Örslev. Service traffic is an exciting market that is becoming increasingly important to society, not least given the needs that have arisen during the pandemic. Our Covid-19 testing activities have also contributed to the Group's earnings and continued to do so during the third quarter. As a result of increased transmission and demand for testing in December, we see a continued high rate of activity in the area in the fourth quarter of the fiscal year.

An important aspect of improving the passenger experience is offering smart digital solutions that make it easier for passengers to plan and purchase trips – from door to door – with various modes of transport. Our Nobina Mobility business area offers a complete solution for this type of mobility in the Travis app. Travis has been available for passengers in Stockholm for just over two years and is highly appreciated. The number of active users has doubled in a short period of time, partly because SL's new 10/30 ticket – which allows passengers to choose ten travel days during a 30-day period – can only be purchased in our app.

During the third quarter, we also added a new partner to Travis, TIER Mobility, broadening our electric scooter offering.

The Covid-19 pandemic has had a major impact on our business but not only negatively as many had expected.

On the contrary, by broadening our operations and applying new business models we have been able to capitalise on, for example, the enormous need for mobile testing operations. At the same time, we have also gradually strengthened the conditions for our core operations in a temporarily challenging environment with fewer passengers. With three strong and future-oriented business areas in place, it is therefore easy to be optimistic – about both the short and the long

term. It was also especially gratifying to announce early in December that we had strengthened the management team in preparation for this work. We are pleased to welcome Henrik Dagnäs, Petra Axelsson and Martin Pagrotsky to their new roles and the next stage of our journey. With yet another strong quarter of high growth and profitability behind us, we are now continuing our work to create profitable and sustainable growth over time while at the same time maximising our positive impact on the environment, travellers and society.

On 13 December, Basalt, through Ride BidCo AB announced a recommended public offer of SEK 108 in cash per share to the shareholders of Nobina. Nobina's Board of Directors has unanimously recommended that the shareholders accept the bid, and the process is expected to be ongoing until around 14 January. Basalt is an independent investor that takes a long-term and sustainable approach to investment in companies and infrastructure, including solar cells, broadband and marine vessels, as well as light rail in Madrid. It currently has approximately USD 5 billion under management on behalf of pension funds, state investment funds, banks and insurance companies.

The offer in itself is confirmation that Nobina stands for quality and is developing its operations in the right direction. But for all of us at Nobina, our clients, partners, employees and management, if the offer is accepted by shareholders, it will essentially entail very little change to our operations – we will maintain the same strong values and focus on our passengers, delivery, performance and our clients, regardless of who our owner is.

To conclude, I would like to thank our more than 12,000 employees, clients and passengers for all their efforts during an eventful year and wish you all a Merry Christmas!

Magnus Rosén,
President and CEO

"It is particularly gratifying to note that our core business continued to note stable development and contributed to our positive performance in the quarter"

Nobina's financial performance

Third quarter (1 September–30 November 2021) and nine-month period (1 March–30 November 2021)

Net sales¹⁾

The third quarter

Nobina's third quarter net sales amounted to SEK 3,427 million (2,854), up 20.0 percent compared with the prior-year period. Organic growth was 13.6 percent. The development in net sales was largely due to the stable underlying growth in the core business in both public transport and service traffic, the positive performance of Samtrans in Covid-19-related services and a higher share of replacement traffic in Sweden. Acquisitions in the Swedish operations increased sales by 6.3 percent. Currency effects amounted to 0.1 percent for the quarter.

The nine-month period

Nobina's net sales for the nine-month period amounted to SEK 9,741 million (7,927), an increase of 22.9 percent compared with the prior-year period. Organic growth was 18.9 percent. The increase was mainly due to Sweden and its stable increase in its core business and Covid-19-related services for Samtrans. Acquisitions increased sales by 4.3 percent and currency effects amounted to -0.3 percent for the nine-month period.

¹⁾ Sales for the quarter include SEK 0 million (17) in retroactive negotiated revenue. The nine-month period includes SEK 49 million (0) in retroactive negotiated revenue. As the SEK 17 million received last year related to previous quarters the same year, there was no effect in the nine-month period. Nobina normally reports incentive contracts according to the provisions of the agreement in force at the time based on passengers registered as travelling, and this has also been the case during the pandemic. Agreements with clients on alternative measures for the contracts are normally implemented retroactively and Nobina identifies any retroactive effects on revenue.

Results

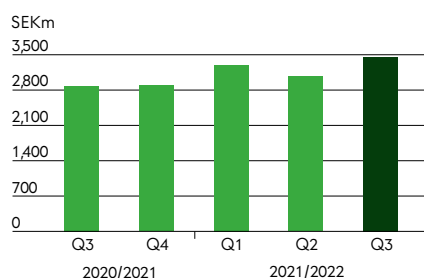
The third quarter

EBITA for the third quarter amounted to SEK 410 million (307), an increase of 33.6 percent, largely attributable to stable growth in the core business, Samtrans's Covid-19-related services and acquisitions in the Swedish operations. Earnings were positively impacted by a lump-sum payment of SEK 97 million from Afa Försäkring related to 2004-2008. Impairment related to shortened depreciation periods for all of the Group's biogas buses which negatively impacted earnings in the amount of SEK -124 million. EBIT for the third quarter amounted to SEK 387 million (288), an increase of 34.4 percent. Profit after tax amounted to SEK 272 million (199). Adjusted profit before tax totalled SEK 368 million (270).

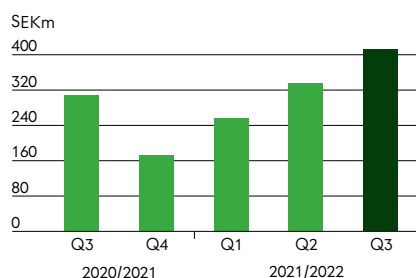
The nine-month period

EBITA for the nine-month period amounted to SEK 998 million (586), an increase of 70.3 percent. The increase was mainly due to the stable performance in core business in both public transport and service traffic, the strong performance of Samtrans in Covid-19-related services and acquired companies. However, an increase in depreciation had a negative impact compared with the preceding year. The increased depreciation was mainly related to an impairment related to shortened depreciation periods for biogas buses of SEK -124 million, impairment of buses of SEK -72 million and a revaluation of available-for-sale buses due to a reduction in commercial traffic related to Covid-19 of SEK -30 million. EBIT for the nine-month period amounted to SEK 930 million (533), an increase of 74.5 percent. Profit after tax amounted to SEK 637 million (334). Adjusted profit before tax totalled SEK 871 million (473).

Net sales



EBITA



We are formalising our sustainability agenda and will report our progress for our most important sustainability metrics from Q1 2022/2023

Nobina operates in a market driven by some of the largest challenges facing society: climate change that is increasing the need for sustainable transport solutions, a growing and ageing population that places higher demands on healthcare and flexible solutions, and increasing urbanisation that requires new forms of mobility. Nobina is part of the solution for tackling these challenges. We make it possible for people to leave their car at home and travel more sustainably by public transport instead. We offer flexible transport solutions for all, regardless of age, health status or location. Nobina currently welcomes more than 1,000,000 passengers every day and we perform more than 10,000 journeys for passengers with special needs. In addition, we are a large employer with more than 12,000 employees, making us one of the 20 largest private employers in Sweden. We are proud to say that sustainability is part of our DNA.

However, we are not content with simply having a sustainable business model as a base, rather we are further accelerating our sustainability agenda with two strategic objectives: Maximising positive effect on environment, travellers and society; and Enable our employees to strive and deliver on Nobina's traveller promise with pride. To formalise this work further, Nobina will include sustainability metrics related to the strategic sustainability objectives in its external reporting from Q1 2022/2023.

Maximise positive effect on environment, travellers, and society involves a new climate target encompassing Nobina's Scope 1, 2 and 3 GHG emissions. The target is in the process of being validated by Science Based Targets Initiative (read more about SBTi at sciencebasedtargets.org). We will also report the progress of Nobina's eco driving concept of "share of green drivers" (target: at least 90 percent) and "share of fleet driven by renewable fuel" (target: 100%).



In addition, Nobina will also include the target of "growth in traveller volumes" with the aim of growth increasing quicker than population growth.

Enabling our employees to strive and deliver on Nobina's traveller promise with pride entails a continuing focus on employee commitment that is regularly measured using our "Pulse" tool. Nobina is to achieve good employee motivation in at least 14 of the 16 questions in the annual employee survey. Nobina works actively to promote gender equality with the target of women accounting for at least 30 percent of Nobina managers and 20 percent of drivers.

Income tax

Nobina's income tax in the income statement for the third quarter comprised current tax of SEK 33 million (2), change in estimated deferred tax of SEK 48 million (50) and recognition of prior, unrecognised deferred taxes of SEK –8 million (–). The effective rate of tax was 21.0 percent (20.7). Tax paid in the third quarter amounted to SEK 1 million (1). Nobina's income tax for the nine-month period comprised current tax of SEK 34 million (6), change in estimated deferred tax of SEK 140 million (80) and recognition of prior, unrecognised deferred taxes of SEK –8 million (–). The effective rate of tax was 20.7 percent (20.5). Tax paid in the nine-month period amounted to SEK 7 million (5).

Financial position

Cash and cash equivalents amounted to SEK 1,481 million (876) at the end of the period. Nobina has an available bank credit facility of SEK 300 million (300) as of 30 November 2021. Nobina's interest-bearing liabilities amounted to SEK 6,648 million (6,132), mainly divided between right-of-use liabilities of SEK 2,420 million (2,930) and other external liabilities, mainly loans for bus financing, of SEK 3,850 million (2,753). The bus financing also includes Nobina's green bond of SEK 703 million (500). Nobina's liabilities are primarily attributable to the financing of investments in buses and equipment used in operations, but also include certain strategic debt in the form of two loans related to acquisition financing amounting to SEK 287 million (385), see Note 1. Nobina has pledged shares in Samtrans Omsorgsresor AB and Nobina Danmark Holding ApS as collateral for the two acquisition loans, see Note 3. Net debt totalled SEK 5,167 million (5,256) at the end of the period, and net debt/EBITDA was 1.9x (2.9x). Shareholders' equity totalled SEK 2,126 million (1,682). The equity/assets ratio at the end of the period was 18.7 percent (16.7).

Investments and divestments

The third quarter

Bus investments in the third quarter amounted to SEK 71 million (27) and other investments were SEK 51 million (59). Nobina signed right-of-use agreements of SEK –39 million (–) and new loans of SEK 4 million (–21). Nobina's cash investments for procurement of buses, accessories and other PPE amounted to SEK 87 million (65). Nobina sold buses and other PPE for a value of SEK 8 million (4). The sale generated a capital loss of SEK –2 million (–1). During the third quarter, the revaluation of buses and other PPE available for sale amounted to SEK –18 million (–19) and impairment related to shortened depreciation periods for all of the Group's biogas buses amounted to of SEK –124 million, which negatively impacted earnings. The trend in procured public transport has changed over time with changes to vehicle requirements, which has resulted in very limited future opportunities for optimising biogas buses after the end of our existing contracts. Another aggravating and restricting factor for optimisation is the infrastructure for gas tanks and availability of biogas, which involves highly costly investments in new gas infrastructure. For more information, see Note 2.

The nine-month period

Bus investments in the nine-month period amounted to SEK 1,172 million (983) and other investments were SEK 110 million (97). Nobina signed finance leases of SEK –56 million (–27) and new loans of SEK –1,067 million (–846). Nobina's cash investments for procurement of buses, accessories and other PPE amounted to SEK 159 million (207). Nobina sold buses and other PPE for a value of SEK 60 million (11). The sale generated a capital loss of SEK –5 million (–2). During the nine-month period, the revaluation of buses and other PPE available for sale amounted to SEK –86 million (–46) and impairment mainly related to shortened depreciation periods for all of the Group's biogas buses amounted to of SEK –196 million, which negatively impacted earnings. For more information, see Note 2.

Cash flow

The third quarter

Cash flow from operations before changes in working capital amounted to SEK 864 million (603), mainly influenced by higher earnings. The change in working capital amounted to SEK –21 million (–119) and was primarily related to effects of postponed final settlements.

Cash flow from investing activities amounted to SEK –78 million (–82) and included a net purchase price of SEK –3 million related to the Telepass acquisition and investments in buses and equipment, which were financed by loans amounting to SEK –83 million (–86).

Cash flow from financing activities amounted to SEK –355 million (–306). Total cash flow for the quarter was SEK 408 million (97) and was positively impacted by the strong earnings.

The nine-month period

Cash flow from operations before changes in working capital amounted to SEK 2,166 million (1,451) mainly influenced by higher earnings. The change in working capital amounted to SEK –190 million (88), and primarily reflected effects of postponed final settlements.

Cash flow from investing activities amounted to SEK –1,276 million (–1,089) and was impacted by a payment of a net purchase price of SEK –95 million related to the acquisition of Telepass and the final settlement of the additional consideration for the acquisition of Samtrans of SEK –11 million as well as investments in buses and equipment of SEK –1,226 million (–1,053), which were financed by loans amounting to SEK 1,067 million (1,046), which also included proceeds of SEK 200 million from the financing of previous acquisitions.

Cash flow from financing activities amounted to SEK –265 million (141), which was impacted by the decision to reintroduce dividends, which amounted to SEK –325 million. Total cash flow for the nine-month period amounted to SEK 427 million (588) and was positively impacted by the strong earnings but negatively impacted primarily by the reintroduction of dividends, higher repayments and that the year-earlier period was strengthened through liquidity of SEK 200 million from the financing of previous acquisitions.

Cash flow effect relating to Investments

	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Investments in new buses	–71	–27	–1,172	–983	–1,377
Other investments	–51	–59	–110	–97	–108
Total investments	–122	–86	–1,282	–1,080	–1,485
Lease-financed investments	39	–	56	27	27
Non-lease-financed investments	–83	–86	–1,226	–1,053	–1,458
Of which loan-financed investments	–4	21	1,067	846	1,192
Total cash investments¹⁾	–87	–65	–159	–207	–266

1) The investment table includes investments in buses and other equipment but excludes acquisition financing.

Results analysis, year to date

Management's assessment of explanatory items regarding net sales and adjusted EBT

(SEK million)	Net sales	Adj. EBT	Comments on the outcome
Period Mar–Nov 2020	7,927	473	
Price and Volume	1,384	647	The positive effect of price and volume on sales and earnings is primarily attributable to the stable growth in the core business, the strong performance of Samtrans's Covid-19-related services, mainly testing stations, and acquired companies. Currency effects had a negative impact on sales.
Contract migration	129	–70	Positive impact on sales of contract migration primarily in Sweden. Contract migrations impacted the results negatively, primarily in Sweden.
Indexation and operational efficiency	300	–44	Indexation had a positive impact on sales, primarily in Sweden. Operational efficiency slightly lower than previous year.
Other		–120	This item includes other costs, primarily within central functions and central fleet costs. The negative effect on earnings was primarily attributable to higher depreciation expenses, mainly impairment related to shortened depreciation periods on all the Group's biogas buses, impairment of buses and revaluation of available-for-sale buses due to a reduction in commercial traffic related to Covid-19 had a total negative impact of SEK –226 million. A lump-sum payment of SEK 97 million from Afa Försäkring had a positive impact on earnings.
Net financial items		–14	Profit for the year was adversely impacted by currency effects in comparison with the previous year.
Period Mar–Nov 2021	9,741	871	

Result analysis for net sales and earnings

The results analysis above explains accumulated results from the preceding year to the current year, related to net sales and adjusted EBT.

Price and volume show the effects of changes in existing traffic contracts relating to prices of performed transport as well as changed transport volumes. This explanatory item includes all active traffic contracts carried out by Nobina during both the preceding and current period and also the effects of acquired companies.

Contract migration shows the effect of changes in the contract portfolio. A started traffic contract entails increased sales, and often an initial adverse impact on earnings due to start-up costs and lower initial efficiency. A concluded traffic contract results in lower sales and loss of the contract's contribution to earnings.

Indexation shows the impact of indexation on net sales compared with underlying cost inflation as regards pay, fuel, consumables, etc., in existing contracts. This item can also include effects of ex post adjustment of index revenues, with different lag times depending on the structure of the traffic contracts.

Operational efficiency shows the effect on earnings of changes in efficiency in the operations in the form of personnel expenses, maintenance, damage, etc.

Other includes property expenses, marketing and sales costs, other administrative expenses as well as results from fleet operations which includes the effect of sales of buses on earnings.

Net financial items include the effect on earnings of interest payments, exchange rates and other financial items.

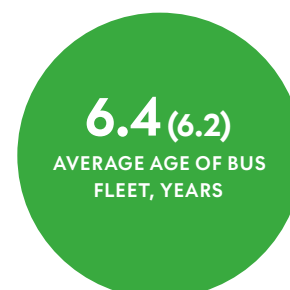
Age structure third quarter



The duration of contracts varies between countries, and was on average (weighted by the number of buses) 9.2 years.



The average contract age (weighted by the number of buses) was 5.7 years.



Nobina's bus fleet had an average age of 6.4 years.

1) Incorrectly presented in last year's third quarter report as 7.6 years.

Segments

Net sales by segment (SEK million)	Quarter		Period		Full year	Rolling 12 months
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021	Dec 2020–Nov 2021
Nobina Sweden	2,561	2,070	7,227	5,484	7,575	9,318
Production contracts	1,602	1,391	4,707	3,675	5,111	
Incentive contracts	635	609	1,744	1,597	2,127	
Other revenue	323	70	775	212	337	
Nobina Denmark	229	229	674	694	903	883
Production contracts	222	216	646	662	867	
Incentive contracts	1	2	2	6	7	
Other revenue	6	11	26	26	29	
Nobina Norway	341	257	952	840	1,120	1,232
Production contracts	277	211	804	709	967	
Incentive contracts	–	–	–	1	1	
Other revenue	63	46	147	130	152	
Nobina Finland	299	299	899	918	1,202	1,183
Production contracts	290	290	858	898	1,170	
Incentive contracts	6	4	21	12	22	
Other revenue	4	5	21	8	10	
Group	3,430	2,855	9,752	7,936	10,800	12,616
Production contracts	2,391	2,108	7,015	5,944	8,115	
Incentive contracts	642	615	1,767	1,616	2,157	
Other revenue	397	132	970	376	528	
Central functions and other items	–1	–	–	–	2	3
Elimination of sales within the Group	–3	–1	–11	–9	–15	–18
Total net sales	3,427	2,854	9,741	7,927	10,787	12,601

EBITA per segment (SEK million)	Quarter		Period		Full year	Rolling 12 months
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021	Dec 2020–Nov 2021
Nobina Sweden	517	309	1,185	533	714	1,366
Nobina Denmark	8	10	18	16	21	23
Nobina Norway	36	21	75	74	81	82
Nobina Finland	–5	12	17	57	70	30
Central functions and other items	–146	–45	–297	–94	–129	–335
Total EBITA	410	307	998	586	757	1,169

Summary

Nobina reported higher sales and higher operating profit in the third quarter compared with the prior-year period. Sales were positively impacted by stable growth in the core business, Samtrans's Covid-19-related services and acquisitions. Excluding adjustment for currency effects and acquisitions, sales increased 13.6 percent.

EBITA increased year-on-year, largely attributable to stable growth in the core business, Samtrans's Covid-19-related services and acquisitions in the Swedish operations. Earnings were positively impacted by a lump-sum payment of SEK 97 million from Afa Försäkring related to 2004–2008, while an impairment related to shortened depreciation periods for all of the Group's biogas buses had a negative effect of SEK –124 million. The depreciation periods for these buses were shortened due to future difficulties in optimising biogas buses and the depreciation periods were thus shortened to correspond to the contract lengths.

Sweden

Nobina Sweden's net sales for the third quarter of the year increased compared with the prior-year period primarily due to the stable performance in the core business, a higher share of replacement traffic and continued positive performance of Samtrans's Covid-19-related services. Net sales for the Swedish operations were also positively impacted by acquired companies.

EBITA increased for the quarter, mainly driven by the stable performance of the core business, Samtrans's Covid-19-related business and acquired companies. A lump-sum payment of SEK 97 million from Afa Försäkring related to 2004–2008 had a positive impact on earnings.

Denmark

Nobina Denmark's net sales for the third quarter were unchanged compared with the prior-year period, impacted by negative currency effects. Adjusted for currency effects, net sales increased, mainly driven by higher revenue in service traffic.

EBITA was lower than the prior-year period, driven by negative contract migration.

Norway

Nobina Norway's sales for the third quarter were higher than the prior-year period, driven by an increased share of replacement traffic.

The higher share of replacement traffic also had a positive impact on EBITA, which was higher than the prior-year period.

Finland

Nobina Finland's net sales for the third quarter were slightly lower than the prior-year period, impacted by negative currency effects. Adjusted for currency, sales increased slightly, mainly attributable to positive index effects.

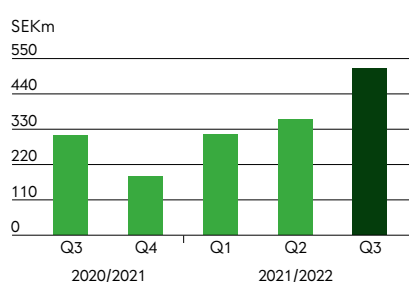
EBITA for the quarter was lower than in the prior-year period, and was impacted negatively mainly by contract migration due to two significant contract startups in Q2.

Central functions and other items

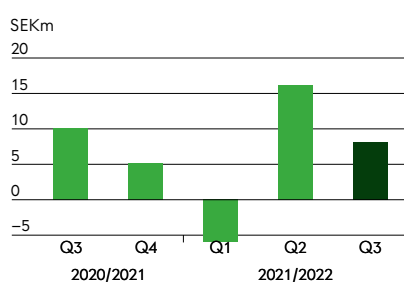
The main items reported under the Central functions and other items heading are central head office functions and central fleet costs. Higher costs for the quarter compared with the previous year are primarily attributable to an increase in depreciation expenses. In the third quarter, Nobina shortened the depreciation periods of all of the Group's biogas buses due to future difficulties in optimising such buses, which resulted in an impairment with a negative impact of SEK –124 million for the quarter, corresponding to what the historical depreciation would have been had the buses been depreciated over the length of the contract periods.

EBITA per segment

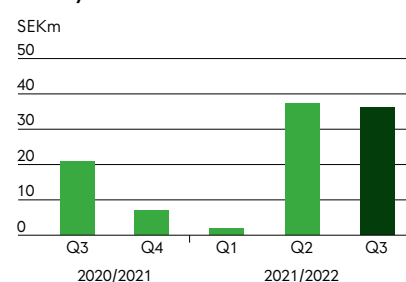
Sweden



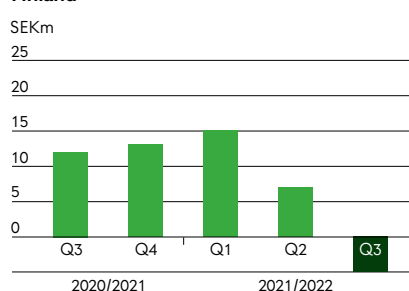
Denmark



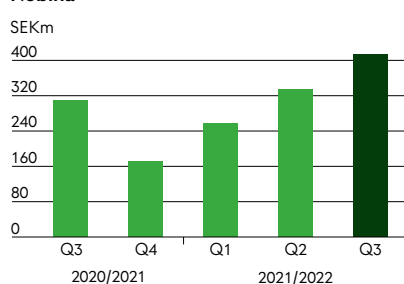
Norway



Finland



Nobina



New segment structure

From 1 March 2022

(SEK million)	Quarter		Period		Full year	Rolling 12 months
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021	Dec 2020–Nov 2021
Net sales by new segment structure						
Nobina Bus Sweden	1,961	1,790	5,628	4,838	6,553	7,343
Nobina Bus Denmark	214	216	640	660	862	842
Nobina Bus Norway	341	257	952	840	1,120	1,232
Nobina Bus Finland	299	299	899	918	1,202	1,183
Nobina Care	666	301	1,793	690	1,118	2,290
Central functions and other items	–5	–	–5	–	2	–7
Elimination of sales within the Group	–55	–9	–172	–19	–70	–282
Total net sales	3,427	2,854	9,741	7,927	10,787	12,601
EBITA per new segment structure						
Nobina Bus Sweden	339	225	659	385	442	711
Nobina Bus Denmark	5	10	18	17	26	28
Nobina Bus Norway	36	21	75	74	81	82
Nobina Bus Finland	–5	12	17	57	70	30
Nobina Care	181	84	527	147	268	653
Central functions and other items	–146	–45	–297	–94	–129	–335
Total EBITA	410	307	998	586	757	1,169
Acquisition-related income and costs	–2	–3	–9	–5	–4	–7
Total EBITA, reported	408	304	989	581	753	1,162
EBITA margin						
Nobina Bus Sweden	17.3%	12.5%	11.7%	8.0%	6.7%	9.7%
Nobina Bus Denmark	2.3%	4.6%	2.8%	2.6%	3.0%	3.3%
Nobina Bus Norway	10.6%	8.2%	7.9%	8.8%	7.2%	6.7%
Nobina Bus Finland	–1.7%	4.0%	1.9%	6.2%	5.8%	2.5%
Nobina Care	27.2%	28.0%	29.4%	21.3%	23.9%	29.2%
EBITA	12.0%	10.8%	10.2%	7.4%	7.0%	9.3%
EBITA, reported	11.9%	10.7%	10.2%	7.3%	7.0%	9.2%

Summary

An updated segment structure was presented in connection with the launch of a revised strategy at Nobina's Capital Markets Day in November 2021. Nobina will start reporting according to the coming segment structure from 1 March 2022 but presents the figures above for the third quarter according to the new structure.

Nobina Bus Sweden

Nobina Bus Sweden's net sales for the third quarter increased compared with the prior-year period primarily due to underlying growth in the core business and a higher share of replacement traffic. The acquisition of KE-buss also contributed to the increase.

EBITA increased during the quarter, mainly driven by a stable recovery in the core business as well as a lump-sum payment of SEK 97 million from Afa Försäkring related to 2004–2008.

Nobina Bus Denmark

Both net sales and earnings for Nobina Bus Denmark were lower than the preceding year, which was mainly driven by negative effects of contract migration.

Nobina Care

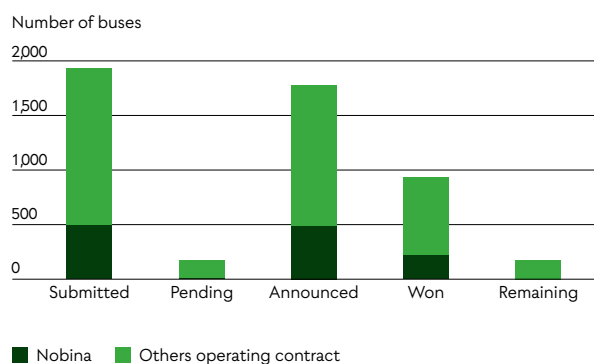
Sales for Nobina Care increased compared with the prior-year quarter, which was partly driven by a recovery in the core business but also continued strong growth in Samtrans' Covid-19-related services. Sales related to Covid-19 increased from SEK 110 million in the prior-year quarter to SEK 281 million in the third quarter of this year. In addition, the acquisitions of Göteborgs Buss and Telepass in Nobina Care contributed sales of SEK 157 million for the quarter (0 last year).

Earnings increased compared with the prior-year quarter, which was primarily an effect of the continued strong performance of Samtrans' Covid-19-related services and also acquired companies.

For other segments, refer to the description under the current segment structure.

Tender and contract changes

Tender volume, current year, March–November 2021



Definitions:

Submitted – Number of buses in tenders submitted by Nobina

Pending – Number of buses in submitted tenders less announced tenders

Announced – Submitted tenders, results are announced

Won – Nobina's wins out of announced tenders

Remaining – Number of buses available in tenders to be announced this fiscal year

Tender outcome comment

During the third quarter, contracts operated by Nobina for 89 buses were tendered, of which 18 were secured. Out of the total market volume of 1,774 buses tendered during the current year, contracts operated by Nobina for 483 buses have been tendered and Nobina has won 930 buses. This represents a renewal rate of 193 percent for the first nine months.

Contract changes, to date this year

The table shows the change of the number of buses in service as a result of started and completed contracts. During the nine-month period, Nobina initiated contracts for 245 buses and terminated contracts for 244 buses.

Mar 2021–Nov 2021	Traffic changes during the period (No. of buses)	
	Started	Expired
Sweden	125	130
Norway	0	0
Finland	110	95
Denmark	10	19
Total	245	244

Tender volume, to date this year

The table shows the results of the tendering processes in which Nobina has participated. Tenders that Nobina participated in year to date have been announced for 1,774 buses and Nobina won tenders for 930 buses. Contracts for 621 buses are under appeal and pending decision.

Mar 2021–Nov 2021	Tenders during the period (No. of buses)	
	Announced	Won
Sweden	1,194	757
Norway	272	0
Finland	154	122
Denmark	154	51
Total	1,774	930

Traffic start-ups and terminations during the coming 12 months, December 2021–November 2022

During the coming 12-month period, Nobina will start traffic involving 349 buses. Of these, 177 buses are expected to be newly acquired. During the same period, Nobina will terminate traffic involving 508 buses.

Traffic start-ups

Clients	No. of years	Start of service	No. of buses	New buses
Movia, Denmark	3.5	December 2021	18	5
Movia, Denmark	10	December 2021	14	8
Movia, Denmark	2	December 2021	1	1
Skånetrafiken, Sweden	8	February 2022	44	1
Västtrafik, Sweden	10	June 2022	63	33
Östgötatrafiken, Sweden	10.5	June 2022	49	45
Sydtrafik, Denmark	10	June 2022	26	26
LT Norrbotten, Sweden	2	June 2022	12	0
HSL, Finland	7	August 2022	122	58
Total buses			349	177¹⁾

1) Of which, 130 are new, electric buses.

Expired traffic

Clients	End of service	No. of buses
Movia, Denmark	December 2021	21
Skånetrafiken, Sweden	December 2021	13
Skånetrafiken, Sweden	February 2022	43
Movia, Denmark	April 2022	36
UL, Sweden	June 2022	172
Östgötatrafiken, Sweden	June 2022	27
HSL, Finland	August 2022	86
SL, Sweden	August 2022	92
Sydtrafik, Denmark	October 2022	18
Total buses		508

The Nobina share

The Nobina share (ticker: Nobina) is listed on Nasdaq Stockholm and belongs to the Mid Cap and Industry sector segment. As of 30 November 2021, there was a total of 88,355,682 shares in Nobina, carrying one vote each. The number of shareholders at the close of the period was 29,009. Nobina has 2,030,092 treasury shares on the balance-sheet date.

Share saving scheme

Nobina AB currently has three share saving schemes encompassing a total of not more than 1,825,671 shares, as of 30 November 2021, directed to senior executives and key employees of the Nobina Group. All share saving schemes are based on own investments. For more information regarding LTIP 2019 and LTIP 2020, refer to the corresponding section in Nobina AB's Annual Report 2020/2021 and regarding LTIP 2021, refer to the minutes of the 2021 Annual General Meeting at www.nobina.com.

Nobina's financial targets

	Rolling 12 months	Target ³⁾	Definition
Average annual net sales growth	13.9%	7%	Nobina is to achieve average annual net sales growth of 7 percent, adjusted for the Samtrans Covid-19 business.
EBITA margin	9.2%	6.5%	Nobina is to achieve a reported EBITA margin of 6.5 percent at an average contract age of 50 percent of the average contract length.
Net debt/EBITDA ¹⁾	1.9×	3.0×–4.0×	Under normal circumstances, Nobina aims to maintain a net leverage ratio of between 3.0× and 4.0× EBITDA, including strategic debt financing.
Dividend policy ²⁾	n/a	60 percent of net profit ⁴⁾	Under normal circumstances, Nobina expects to pay a dividend of at least 60 percent of net profit.

1) Profit/loss for the period before net financial items, taxes, depreciation/amortisation and impairment of intangible and tangible non-current assets, and capital gains/losses on the sale of non-current assets. EBITDA for the past twelve months. Leverage can temporarily exceed this range on the start-up of new contracts or acquisitions.

2) Taking into consideration Nobina's cash flow, investment needs and general operating conditions.

3) Nobina's financial targets were updated in connection with the Group's Capital Markets Day on 24 November 2021.

4) Net profit is defined as the profit for the period.

Other information

Personnel

Nobina had an average of 12,807 (10,674) employees (FTEs) per end of November 2021. The change in the number of employees is mainly a result of contract migration, company acquisitions and an increase in the number of employees resulting from Covid-19 testing. Nobina applies collective agreements and has well-established principles and traditions as to the manner in which working hours, remuneration conditions, information and cooperation are negotiated.

Parent Company

The Parent Company has 12 (12) employees who participate in the overall management of the Nobina Group, including financial analysis, follow-up and financing.

The Parent Company's net sales, which were comprised entirely of internal services, amounted to SEK 12 million (18) during the third quarter. Loss before tax for the third quarter amounted to SEK -14 million (-5). Net sales for the period and profit before tax for the nine-month period totalled SEK 38 million (52) and SEK 238 million (104) respectively. The Parent Company's earnings for the nine-month period as well as the corresponding year-earlier period were impacted by intra-Group dividends as stated in Note 4. Cash and cash equivalents amounted to SEK 1,385 million (757) at the end of the period. Investments in PPE and intangible assets amounted to SEK 0 million (0). On 30 November 2021, the Parent Company's shareholders' equity was SEK 2,633 million (2,224). The equity/assets ratio was 37 percent (35).

Transactions with closely related parties

No transactions with closely related parties have taken place during the fiscal year.

Seasonal variations

Sales, earnings and cash flow trends vary under normal circumstances between quarters where the third quarter is the strongest due to higher traffic volumes, a larger number of working days, and high levels of travel activity for the general public, while the second and fourth quarters are weaker due to lower traffic volumes during vacation and public holiday periods and higher costs during the winter. The breakdown of sales and earnings by quarter is shown in the key metrics table on page 25.

Risks and uncertainty factors

Nobina is exposed to risks associated with situations where authorities recommend the public to avoid public transport, such as in connection with terrorist threats or pandemics where, due to the increased risk of infection, passengers may be temporarily recommended to avoid public transport. The need to reconfigure buses and operational practice for safe travel in a pandemic situation may mean that passenger tickets may not be able to be validated and therefore actual passenger numbers may be understated. Such a situation mainly affects the incentive contracts where the revenue is variable and based on the number of passengers boarding. The decline in travel and reduced revenues may also mean that the public transport authorities (PTAs) temporarily want to reduce traffic production. This can result in reduced revenue for the operator while the cost base does not decrease to the same extent. A third risk related to pandemics is that Nobina, due to material or driver shortages, is forced to cancel services, which can then result in no compensation and fines from the PTAs. All of the above risks are handled through contract management and in dialogue with the relevant PTAs in order to ensure a functioning public transport with a stable financial framework even during a pandemic.

Nobina is exposed to interest rate risks since the Company's financial and operational leases primarily carry variable interest. The interest rate risk is largely offset by revenue indexation in traffic contracts. During the quarter, Nobina had no interest-rate hedging.

Nobina is exposed to currency risks in conjunction with translation of the balance sheets and income statements of subsidiaries and acquisition financing in a currency other than SEK. Nobina also has indirect exposure to USD/SEK and EUR/SEK since biodiesel (HVO) is purchased in USD and biodiesel (RME) is purchased in EUR in the international commodities markets. Nobina's finance policy provides that, if the need exists, currency risks may be hedged through currency derivatives. Nobina had no currency hedging during the quarter.

Nobina is exposed to changes in the price of fuel in its purchases of fuel. The commodity price accounts for less than one-half of the total biodiesel price, with the remainder comprising taxes, transportation and processing. Within the contract operations, compensation for changes in the fuel price is obtained through revenue indexation in traffic contracts. The index baskets in the traffic contracts are relatively well matched against the cost breakdown, but compensation takes place with a time lag of one to six months, which results in a negative impact on earnings during a period of increasing prices. An imbalance may also arise between costs incurred in a contract and index-based compensation if the index fails to reflect the actual cost structure. This may, for example, occur if an index is based on the price of biodiesel, while the contract in question requires buses to be run on biogas. This risk is limited through careful risk evaluation in the tender process. Most contracts now have an index which matches the type of fuel. Nobina may be affected by the result of appeals regarding the tender outcome. However, the impact is limited as no vehicle is on order and no other investments will be made before a traffic contract is signed.

Nobina is exposed to risks associated with acquisitions where any acquisition process gives rise to new risks. The starting points for the valuation of acquired companies are based, among other things, on documented data on the target companies' financial positions and historical results, but above all on assessments and assumptions about future market developments, Nobina's ability to develop the companies, the companies' ability to win new traffic contracts and future earnings. Risks can arise if assumptions and judgments deviate from the expectations that existed at the time of acquisition, which may affect the view of the acquired values.

For more information regarding risks and uncertainty factors, refer to the corresponding section in Nobina AB's Annual Report 2020/2021.

Disputes

Nobina has no ongoing disputes.

Pledged assets

Nobina has pledged shares in Samtrans Omsorgsresor AB and Nobina Danmark Holding ApS as collateral for the two acquisition loans, see Note 3.

Financing

Nobina has as its primary strategy to finance the purchase of vehicles with finance leases or hire purchase loans with a term of ten years at a residual value of 10 percent. Lease liabilities are recognised as finance leases and are, like loans, visible in the balance sheet. In addition, some financing is raised in the green bond market for which Nobina AB has pledged collateral. Nobina's liabilities are primarily attributable to the financing of investments in buses and equipment used in operations, but also include strategic debt financing.

Nobina has an available bank credit facility of SEK 300 million (300) as of 30 November 2021.

Financial targets and Dividend policy

In connection with the company's Capital Markets Day on 24 November 2021, Nobina's Board of Directors adopted new financial targets and a new dividend policy, which replaced those adopted at the previous Capital Markets Day on 9 October 2018 (see page 10).

Accounting policies

Nobina applies International Financial Reporting Standards (IFRS) as adopted by the EU and applies RFR 1 "Supplementary accounting rules for groups." Nobina applies the same accounting policies and calculation methods as in the 2020/2021 Annual Report. The financial statements for the Parent Company, Nobina AB, and the Group were prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities, as well as opinions issued by the Swedish Financial Reporting Board. This interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act and covers pages 1–26, and the interim period information on pages 1–12 thus constitutes an integral part of this financial report. There are no new IFRS standards or IFRIC statements adopted by the EU that are applicable to Nobina, or have a material impact on the Group's profit and financial position in 2021/2022.

Assurance

The CEO hereby provides an assurance that the interim report provides a true and fair view of the operations, financial position and earnings of the company and the Group and describes the significant risks and uncertainty factors facing the Company and companies within the Group.

Stockholm, 22 December 2021

Magnus Rosén
President and CEO

The content in this interim report has not been
subject to review by the company's auditor.

Financial calendar

Year-end Report 2021/2022	7 April 2022
Annual General Meeting 2021/2022	31 May 2022
Interim report 1 March–31 May 2022	1 July 2022
Interim report 1 June–31 August 2022	30 September 2022
Interim report 1 September–30 November 2022	22 December 2022

Telephone conference

Nobina will present the interim report and answer questions during a telephone conference at 10.00 a.m. CET on Wednesday, 22 December 2021. The presentation will be available on the website in connection with the telephone conference. Telephone numbers and web link for participants are available on www.nobina.com.

Contact persons

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Nobina AB

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www.nobina.com
Reg. no. 556576-4569

Condensed consolidated income statement

SEK million	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Net sales	3,427	2,854	9,741	7,927	10,787
Operating expenses					
Fuel, tyres and other consumables	–535	–425	–1,483	–1,232	–1,691
Other external expenses	–564	–436	–1,687	–1,180	–1,635
Personnel expenses	–1,469	–1,390	–4,400	–4,065	–5,510
Total EBITDA	859	603	2,171	1,450	1,951
Capital gains/losses from the disposal of non-current assets, Note 2	–2	–1	–5	–2	2
Depreciation/impairment of PPE, Note 2	–447	–295	–1,168	–862	–1,196
Total EBITA	410	307	998	586	757
Acquisition-related income and costs	–2	–3	–9	–5	–4
Amortisation/impairment of intangible assets	–21	–16	–59	–48	–64
Operating profit (EBIT)	387	288	930	533	689
Profit from net financial items					
Financial income	–	2	–	2	2
Financial expenses, Note 1	–42	–39	–127	–115	–157
Net financial items	–42	–37	–127	–113	–155
Profit before tax (EBT)	345	251	803	420	534
Income tax	–73	–52	–166	–86	–89
PROFIT FOR THE PERIOD	272	199	637	334	445
Profit for the period attributable to Parent Company shareholders	272	199	637	334	445
Earnings per share before dilution (SEK), attributable to Parent Company shareholders	3.15	2.25	7.38	3.78	5.03
Earnings per share after dilution (SEK), attributable to Parent Company shareholders	3.12	2.23	7.29	3.74	4.98
Average number of shares before dilution (000s)	86,325	88,356	86,325	88,356	88,356
Average number of shares after dilution (000s)	87,258	89,334	87,316	89,328	89,235
Number of shares outstanding at end of period (000s)	86,325	86,147	86,325	86,147	86,147

Statement of consolidated comprehensive income

SEK million	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Profit for the period	272	199	637	334	445
Other comprehensive income	272	199	637	334	445
Items not to be reclassified to profit or loss for the period					
Revaluation of defined-benefit pension plan	–	–	–	–	1
Tax on items that will not be reclassified to profit or loss for the period	–	–	–	–	–
Items that can later be reclassified to profit or loss for the period					
Exchange-rate differences in foreign operations	9	–13	18	–45	–38
Other comprehensive income for the period, net after tax	9	–13	18	–45	–37
Comprehensive income for the period	281	186	655	289	408
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	281	186	655	289	408

Condensed consolidated balance sheet

SEK million	30 Nov 2021	30 Nov 2020	Full year 28 Feb 2021
ASSETS			
Non-current assets			
Goodwill	835	767	780
Other intangible assets	494	423	424
Real estate and costs for leasehold improvements	857	826	897
Equipment, tools, fixtures and fittings	163	174	148
Vehicles	6,091	5,770	5,865
Deferred tax assets	20	42	28
Assets for pension commitments	33	15	15
Other non-current receivables	6	5	5
Total non-current assets	8,499	8,022	8,162
Current assets			
Inventories	68	57	65
Trade receivables	717	704	838
Other current receivables	65	57	47
Deferred expenses and accrued income	560	361	415
Cash and cash equivalents	1,481	876	1,049
Total current assets	2,891	2,055	2,414
TOTAL ASSETS	11,390	10,077	10,576
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to Parent Company shareholders	2,126	1,682	1,795
Non-current liabilities			
Borrowing, Note 1	5,548	5,207	5,101
Deferred tax liabilities	445	302	295
Provision for pensions and similar commitments	41	24	23
Other provisions	39	37	37
Total non-current liabilities	6,073	5,570	5,456
Current liabilities			
Accounts payable	626	565	636
Borrowing, Note 1	1,059	901	1,083
Other current liabilities	302	232	268
Accrued expenses and deferred income	1,204	1,127	1,338
Total current liabilities	3,191	2,825	3,325
Total liabilities	9,264	8,395	8,781
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES, Note 3	11,390	10,077	10,576

Condensed consolidated statement of changes in equity

SEK million	Share capital	Other contributed capital	Translation differences	Profit/loss brought forward	Total equity attributable to Parent Company shareholders
Opening equity, 1 March 2020	318	3,212	68	-2,218	1,380
Profit for the period	-	-	-	445	445
Other comprehensive income	-	-	-38	-2	-40
Transactions with owners					
Share-based remuneration	-	-	-	10	10
Closing equity, 28 February 2021	318	3,212	30	-1,765	1,795
Opening equity, 1 March 2020	318	3,212	68	-2,218	1,380
Profit for the period	-	-	-	334	334
Other comprehensive income	-	-	-45	-	-45
Transactions with owners					
Share-based remuneration	-	-	-	13	13
Closing equity, 30 November 2020	318	3,212	23	-1,871	1,682
Opening equity, 1 March 2021	318	3,212	30	-1,765	1,795
Profit for the period	-	-	-	637	637
Other comprehensive income	-	-	18	-	18
Transactions with owners					
Dividend	-	-	-	-325	-325
Share-based remuneration	-	-	-	1	1
Closing equity, 30 November 2021	318	3,212	48	-1,452	2,126

There are no non-controlling interests.

Condensed consolidated cash flow statement

SEK million	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Cash flow from operating activities					
Profit after financial items	345	251	803	420	534
Adjustment for non-cash items	519	352	1,363	1,031	1,417
Cash flow from operations before changes in working capital	864	603	2,166	1,451	1,951
Cash flow from changes in working capital					
Change in inventories	-3	1	-3	5	1
Changes in operating receivables	-176	-130	23	-30	-181
Changes in operating liabilities	158	10	-210	113	379
Total change in working capital	-21	-119	-190	88	199
Received interest income	-1	2	-1	2	2
Tax paid	-1	-1	-7	-5	-5
Cash flow from operating activities	841	485	1,968	1,536	2,147
Cash flow from investing activities					
Investments in PPE and intangible assets	-83	-86	-1,226	-1,053	-1,458
Acquisitions	-3	-	-110	-47	-102
Divestment of PPE and intangible assets	8	4	60	11	18
Cash flow from investing activities	-78	-82	-1,276	-1,089	-1,542
Cash flow from financing activities					
Amortisation of right-of-use liabilities	-141	-143	-417	-446	-607
Amortisation of other external loans	-169	-142	-465	-332	-458
New borrowing, other external loans	-4	21	1,067	1,046	1,392
Financing costs	-	-	-	-1	-1
Interest paid	-41	-42	-125	-126	-171
Dividend	-	-	-325	-	-
Cash flow from financing activities	-355	-306	-265	141	155
Cash flow for the period	408	97	427	588	760
Cash and cash equivalents at beginning of period	1,073	786	1,049	307	307
Cash flow for the period	408	97	427	588	760
Exchange-rate difference	-	-7	5	-19	-18
Cash and cash equivalents at end of period	1,481	876	1,481	876	1,049

Condensed income statement – Parent Company

SEK million	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Net sales	12	18	38	52	69
Operating expenses					
Other external expenses	–7	–11	–24	–29	–33
Personnel expenses	–18	–17	–61	–55	–47
Operating loss (EBIT)	–13	–10	–47	–32	–11
Profit from participations in Group companies, Note 4	–	–	293	117	603
Financial income	3	15	8	45	18
Financial expenses	–4	–10	–16	–26	–1
Net financial items	–1	5	285	136	620
Profit/loss before tax (EBT)	–14	–5	238	104	609
Income tax	–	–	–	–	–14
PROFIT/LOSS FOR THE PERIOD	–14	–5	238	104	595

Since there are no items attributable to other comprehensive income, other comprehensive income is not recognised.

Condensed balance sheet – Parent Company

SEK million	30 Nov 2021	30 Nov 2020	Full year 28 Feb 2021
ASSETS			
Non-current assets			
Participations in Group companies	4,463	4,181	4,334
Non-current receivables in Group companies	700	500	500
Deferred tax assets	0	14	0
Total non-current assets	5,163	4,695	4,834
Current assets			
Receivables from Group companies	522	873	1,064
Other current receivables	14	4	5
Deferred expenses and accrued income	1	–	1
Cash and cash equivalents	1,385	757	1,005
Total current assets	1,922	1,634	2,075
TOTAL ASSETS	7,085	6,329	6,909
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to Parent Company shareholders	2,633	2,224	2,712
Non-current liabilities			
Borrowing	933	781	763
Provision for pensions and similar commitments	11	–	2
Total non-current liabilities	944	781	765
Current liabilities			
Accounts payable	2	1	3
Borrowing	108	144	114
Liabilities to Group companies	3,373	3,154	3,291
Other current liabilities	1	–	0
Accrued expenses and deferred income	24	25	24
Total current liabilities	3,508	3,324	3,432
Total liabilities	4,452	4,105	4,197
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	7,085	6,329	6,909

Condensed Parent Company statement of changes in equity

SEK million	Share capital	Statutory reserve	Share premium reserve	Profit/loss brought forward	Profit/loss for the period	Total equity
Opening equity, 1 March 2020	318	1	1,336	515	-63	2,107
Transfer of the preceding year's profit/loss	-	-	-	-63	63	-
Profit for the period	-	-	-	-	595	595
Share-based remuneration	-	-	-	10	-	10
Closing equity, 28 February 2021	318	1	1,336	462	595	2,712
Opening equity, 1 March 2020	318	1	1,336	515	-63	2,107
Transfer of the preceding year's profit/loss	-	-	-	-63	63	-
Profit for the period	-	-	-	-	104	104
Share-based remuneration	-	-	-	13	-	13
Closing equity, 30 November 2020	318	1	1,336	465	104	2,224
Opening equity, 1 March 2021	318	1	1,336	462	595	2,712
Transfer of the preceding year's profit/loss	-	-	-	595	-595	-
Profit/loss for the period	-	-	-	-	238	238
Share-based remuneration	-	-	-	8	-	8
Dividend	-	-	-	-325	-	-325
Closing equity, 30 November 2021	318	1	1,336	740	238	2,633

There are no non-controlling interests.

Notes

NOTE 1 FINANCING

SEK million, except as otherwise indicated	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Interest expenses and similar loss items					
Interest expenses for right-of-use liabilities	-22	-24	-65	-77	-104
Interest expense, other loans	-18	-17	-55	-49	-65
Other financial expenses	-2	-1	-5	-4	-5
Realised and unrealised exchange gains/losses, net	-	3	-2	15	17
Total	-42	-39	-127	-115	-157

SEK million, except as otherwise indicated	30 Nov 2021	30 Nov 2020	Full year 28 Feb 2021
Borrowing			
Loans for acquisition financing	287	385	360
Bond loans	703	500	500
Capitalised financing expenses	-4	-5	-5
Loans for bus financing	3,147	2,253	2,622
Right-of-use liabilities	2,420	2,930	2,686
Contingent consideration not paid	54	45	21
Total	6,607	6,108	6,184
Of which short-term repayment by instalment of portion of the Group's borrowings	1,059	901	1,083
Of which long-term portion of the Group's borrowings	5,548	5,207	5,101
Total liabilities	6,607	6,108	6,184

NOTE 2 CAPITAL GAINS/LOSSES FROM THE DISPOSAL OF ASSETS AND DEPRECIATION/IMPAIRMENT OF PPE

SEK million, except as otherwise indicated	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Capital gains/losses from the disposal of non-current assets					
Sales proceeds with respect to buses and other PPE sold during the period	8	4	60	11	18
Recognised residual value with respect to buses and other PPE sold during the period	-10	-5	-65	-13	-16
Total	-2	-1	-5	-2	2
Depreciation/impairment of PPE					
Depreciation	-305	-276	-886	-816	-1,106
Impairment	-124	-	-196	-	-35
Revaluation of buses and other PPE available for sale	-18	-19	-86	-46	-55
Total depreciation/impairment of PPE	-447	-295	-1,168	-862	-1,196
Gain/(Losses) from buses sold and available for sale buses					
Sales proceeds with respect to buses and other PPE sold during the period	8	4	60	11	18
Recognised residual value with respect to buses and other PPE sold during the period	-10	-5	-65	-13	-16
Revaluation of buses and other PPE available for sale	-18	-19	-86	-46	-55
Total	-20	-20	-91	-48	-53

NOTE 3 PLEDGED ASSETS AND CONTINGENT LIABILITIES

SEK million, except as otherwise indicated	Group		Parent Company	
	30 Nov 2021	30 Nov 2020	30 Nov 2021	30 Nov 2020
Pledged assets				
Pledged assets pertaining to shares/net assets in subsidiaries	1,941	1,400	906	906
Chattel mortgages	150	150	–	–
Other pledged assets	–	–	301	274
Contingent liabilities				
Guarantee of lease obligations and other obligations	5,851	4,436	5,829	4,896
Total pledged assets and contingent liabilities	7,942	5,986	7,036	6,076

NOTE 4 PROFIT FROM PARTICIPATIONS IN GROUP COMPANIES

SEK million, except as otherwise indicated	Quarter		Period		Full year
	Sep–Nov 2021	Sep–Nov 2020	Mar–Nov 2021	Mar–Nov 2020	Mar 2020–Feb 2021
Nobina Sverige AB, Group contribution	–	–	–	–	34
Nobina Fleet AB, net after impairment of Group contribution	–	–	–	–	–2
Nobina Fastigheter AB, net after impairment of Group contribution	–	–	–	–	–5
Nobina Busco AB, net after impairment of Group contribution	–	–	–	–	29
Nobina Sverige 2 AB, net after impairment of dividends and Group contribution	–	–	260	–	430
Nobina Oy, net after impairment of dividends	–	–	21	117	117
Nobina AS, dividend	–	–	10	–	–
Nobina Europe AB, net after impairment of dividends	–	–	–2	–	–
Nobina Sverige 3 AB, net after impairment of dividends	–	–	4	–	–
Total	–	–	293	117	603

Information on performance measures

Definitions

Alternative performance measures

Nobina applies the ESMA's guidelines for APMs (alternative performance measures) and the performance measures provide valuable and significant information for investors and company management. Financial non-IFRS measures are subject to limitations as analytical tools and should not be regarded as isolated or as replacements for financial

measures prepared pursuant to IFRS. Financial non-IFRS measures are reported in order to improve the investors' evaluation of the company's results from operations and position. The financial non-IFRS measures presented in this report can differ from similar measures used by other companies.

Key metrics	Description
Rolling 12 months	Total for the most recent four quarters.
EBITDA	Operating profit before net financial items, tax, depreciation, amortisation, earnings from sale of non-current assets.
EBITDA margin	EBITDA in relation to net sales.
EBITA	Earnings before interest, tax and amortisation of intangible assets and adjusted for fair value of conditional acquisition not paid and acquisition-related income and costs.
EBITA margin	EBITA in relation to net sales.
EBITA Reported	Earnings before interest, tax and amortisation of intangible assets.
EBITA Reported margin	EBITA Reported in relation to net sales.
EBIT	Operating profit before net financial items and taxes.
EBIT margin	EBIT in relation to net sales.
EBT	Operating profit before tax.
EBT margin	EBT in relation to net sales.
EBT adjusted	Operating profit before tax adjusted for amortisation of intangible assets and adjusted for fair value of conditional acquisition not paid and acquisition-related income and costs.
Acquisition-related income and costs	Adjustments of fair value of contingent considerations not paid and acquisitions-related costs. Acquisitions-related costs includes costs attributable to ongoing, completed and continuing acquisitions.
Acquisition growth	Growth achieved by the acquisition/divestment of companies owned by Nobina only for part of two comparative periods.
Items affecting comparability	Items affecting comparability include events and transactions, the effect of which on earnings is important to report when profit for the period is compared with previous periods.
Interest-bearing liabilities	Interest-bearing non-current and current liabilities (external loans, pension liabilities and operating and finance lease liabilities).
Net debt	Interest-bearing non-current and current liabilities (external loans, pension liabilities, operating and finance lease liabilities) after deducting cash and cash equivalents.
Net debt/EBITDA	Interest-bearing non-current and current liabilities (external loans, pension liabilities, operating and finance lease liabilities) after deducting cash and cash equivalents in relation to EBITDA during four sequential quarters.
Net debt excluding bus financing/EBITDA	Interest-bearing non-current and current liabilities (external loans, pension liabilities, operating and finance lease liabilities) after deducting cash and cash equivalents and bus financing.
Renewal rate	All won tenders/All own announced tenders.
Retention rate	Defended tenders/Own announced tenders.
Average number of employees (FTEs)	The number of hours paid divided by normal working hours for a full-time employee.
Cash investments	Cost of investments in non-current assets less loan-financed investments.
Reallocation rate	Number of buses allocated to a new contract during the year/Total number of buses.
Earnings per share	Profit for the period divided by average number of shares.
Earnings per share after full dilution	Profit for the period divided by average number of shares after full dilution.
Shareholders' equity per ordinary share	Shareholders' equity per ordinary share as per the balance-sheet date.
Dividend yield	Dividend in relation to the company's share price as per the balance-sheet date.
Equity/assets ratio	Equity in relation to total assets at the end of the period.
Yield	Revenue per driven kilometre.
Contract length	A publicly tendered contract concluded for the provision of transport services between a client and a public transport company. The duration of the contract is typically five to eight years, with the option of extending for an additional one or two years. It is based on either a production or an incentive contract.
Production hours	Number of hours produced as part of a contract.
Production kilometres	Total number of kilometres produced as part of a contract.
Number of buses	The number of buses that are owned, right-of-use agreements (finance and operating leases) and rented on a short-term basis at the end of the period.

Key metrics

SEK million, except as otherwise indicated	2020/2021		2021/2022		Full year	
	Q3	Q4	Q1	Q2	Q3	Mar 2020–Feb 2021
Net sales for the period	2,854	2,860	3,274	3,040	3,427	10,787
EBITDA	603	501	591	721	859	1,951
EBITDA margin	21.1%	17.5%	18.1%	23.7%	25.1%	18.1%
EBITA	307	171	255	333	410	757
EBITA margin	10.8%	6.0%	7.8%	10.9%	12.0%	7.0%
EBIT	288	156	236	307	387	689
EBIT margin	10.0%	5.5%	7.2%	10.0%	11.3%	6.4%
EBT	251	114	191	267	345	534
EBT margin	8.8%	4.0%	5.8%	8.8%	10.1%	4.9%
EBT adjusted	270	129	210	293	368	602
EBT margin – adjusted	9.5%	4.5%	6.4%	9.6%	10.7%	5.6%
Profit/loss for the period	199	111	147	218	272	445
Cash flow for the period	97	172	108	–89	408	760
Cash and cash equivalents	876	1,049	1,161	1,073	1,481	1,049
Equity/assets ratio, %	16.7%	17.0%	18.2%	16.6%	18.7%	17.0%
Shareholders' equity	1,682	1,795	1,950	1,842	2,126	1,795
Shareholders' equity/ordinary share, SEK	19.4	20.3	22.1	20.8	24.1	20.3
Number of buses (on balance-sheet date)	3,807	3,964	4,009	4,010	4,184	3,964
Estimated FTEs	10,674	10,982	12,406	12,832	12,807	10,711
Production hours	2,499	2,384	2,496	2,306	2,513	9,442
Production kilometres	73,840	71,571	74,333	69,674	75,021	281,976

Calculation of alternative performance measures for continuing operations

SEK million, except as otherwise indicated	2020/2021		2021/2022		Full year	
	Q3	Q4	Q1	Q2	Q3	Mar 2020–Feb 2021
Interest-bearing liabilities:						
Non-current borrowing	5,207	5,101	5,113	5,776	5,548	5,101
Pension liability	24	23	23	30	41	23
Current borrowing	901	1,083	1,048	1,100	1,059	1,083
Total interest-bearing liabilities	6,132	6,207	6,184	6,906	6,648	6,207
Cash	–876	–1,049	–1,161	–1,073	–1,481	–1,049
Total net debt	5,256	5,158	5,023	5,833	5,167	5,158
Total net debt excluding bus financing	375	202	63	134	–391	202
EBITDA Q1	366	366	591	591	591	366
EBITDA Q2	481	481	481	721	721	481
EBITDA Q3	603	603	603	603	859	603
EBITDA Q4	357	501	501	501	501	501
Total EBITDA full year	1,807	1,951	2,176	2,416	2,672	1,951
Net debt/EBITDA	2.9*	2.6*	2.3*	2.4*	1.9*	2.6*
Net debt excluding bus financing/EBITDA	0.2*	0.1*	0.0*	0.1*	–0.2*	0.1*

Nobina in brief

We are the Nordic region's largest public transport operator, with about 12,000 employees across four countries. Every day, all year round, one million people choose to travel more sustainably with us. Together, we keep society moving every day.

Why invest in Nobina?

Nobina offers the Nordic market's most complete offering of expertise, support and services in public transport. We operate bus transport and service traffic, and develop digital payment solutions and planning tools for door-to-door travel. 99 percent of our buses in Sweden and 84 percent in the Nordic region operate on green electricity or renewable fuel, which makes us attractive to our clients and increases access to green financing on competitive terms.

Our public transport operations, Nobina Bus, are focused on high-growth regions. We combine our cyclically robust contract business with growth in replacement services, extra traffic, bus-for-rail services and other areas with an attractive profitability profile and low capital intensity. Our clients mainly comprise regional councils, with which we have a close relationship and with which we cooperate, based on people's travel habits, to optimise and increase environmentally friendly travel using digital solutions, a high service level and, over time, electric-powered buses.

Our business in service traffic, Nobina Care, is also undergoing strong growth and with healthy profitability through Samtrans, which was acquired in 2018, Örslev in 2019 and Göteborgs Buss and Telepass, which joined Nobina in 2020 and 2021, respectively. The growing number of elderly people in the Nordic region and a fragmented provider market create excellent conditions to continue our profitable growth by consolidating the Nordic market for service traffic, healthcare-related travel and related areas, both organically and through acquisitions.

We also foresee major opportunities for long-term growth within the business area Nobina Mobility, which we are addressing through the 2019 launch of the Travis app, thus marking the beginning of the third business leg that is based on a commission-based business model and third-party cooperation. This initiative, which is being conducted together with selected partners, comprises an offering in travel planning and payment management for door-to-door travel, including buses, autonomous vehicles, trains, metro, e-bikes and electric taxis. In spring 2020, we commenced the roll-out of the service in Stockholm and we aim to create a market-leading position in the 20 largest cities in the Nordic region.

Over the past five years, Nobina's annual sales rose by an average of 5.3 percent and our rapid growth continues. In 2020/21, we reached SEK 10.8 billion in sales with an adjusted EBT margin of 5.6 percent.

Our sustainability agenda

Sustainability is an integral part of Nobina – from the inside out – from why we exist and what we offer to how we govern our operations. Our

sustainability agenda encompasses three areas in particular that we must focus on to make the greatest difference and be successful in everything we do.

Bus solutions for a sustainable society

We strive to make more people view public transport as a safe and attractive mode of transport, and to choose to travel by bus rather than by car. This reduces traffic and congestion, emissions and stress.

Long-term resource use

We are economic with resources – in connection with major decisions and in our day-to-day activities. We will make choices wisely when purchasing buses, fuel, other energy and equipment. We place demands on and challenge suppliers and we serve as an active partner to clients.

Responsible employer and societal stakeholder

We depend on many individuals choosing Nobina as employer. In return, we offer a welcoming, pleasant and stimulating job, for young people and for people who have – for whatever reason – been long term unemployed from the Nordic labour market.

Our market

Sales in the Nordic public transport market for buses are estimated at SEK 52 billion, of which Sweden accounts for almost half of this value. In all of the different markets, an average of half of the cost of regional travel is financed through the budgets of regional public administrations and the remainder through ticket revenue. Virtually the entire market is today exposed to competition. Regional tendered public transport has shown favourable growth in recent years and is expected to continue to grow moving forward, in line with a political will to increase the use of public transport and as more people choose to travel by bus. There is also a trend in all countries to include more quality criteria as part of the tender process, and towards better compensation models where incentives are based on the number of passengers and the quality experienced by the customers.

Nobina is market leader in the Nordic region with a market share of approximately 16 percent (company assessment 2020/2021). In Sweden, our leading market position is a result of high efficiency and successful work in the management and refinement of the contract portfolio. In Finland, in the role as market leader in the Helsinki region, Nobina is well positioned to increase its market share in a growing market. In the Norwegian and Danish markets, Nobina is in a challenger position, while these markets are also growing in terms of volume and the number of contracts. As the Nordic region's largest and most experienced public transport company, the conditions remain good for profitable growth.

Contributions to the global goals

The UN Sustainable Development Goals form a key starting point for Nobina's sustainability agenda. In particular, Nobina has the greatest opportunity to make a positive contribution to goals 11, 12 and 8.



Goal 11: Sustainable cities and communities

The goal is to make cities and human settlements inclusive, safe, resilient, and sustainable. Nobina's greatest contribution is to interim target 11.2 on providing access to safe, affordable, accessible and sustainable transport systems for all.



Goal 12: Responsible consumption and production

The goal aims to ensure sustainable consumption and production patterns. Nobina is focusing on the interim target 12.2, which concerns achieving sustainable management and efficient use of natural resources.



Goal 8: Decent work and economic growth

The goal aims to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Nobina contributes to interim target 8.4 to improve resource efficiency in consumption and production as well as interim target 8.8 to protect labour rights and promote safe and secure work environments for all workers.



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