



**Q2 2021-2022**

**Strong earnings and reduced climate impact**



# 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 Q2 2021/22
- Summary
- Q&A



## Earnings almost doubled mainly due to continued Samtrans performance and pandemic-adjusted contracts



Another quarter with net sales exceeding SEK 3 billion and highest quarterly earnings in the Group's history



# Continued strong competitiveness and doubled number of electric buses in traffic

- New contract win in Vänersborg/Trollhättan worth SEK 1.7 billion
- During the quarter, Nobina started new traffic with a total of 244 buses in Skåne, Helsinki, Turku, Piteå and Copenhagen as a result of contracts won in 2020
- Number of electric buses in operations doubled in the quarter after starting up traffic with 190 new electric buses
- As of 1 July, the acquired Telepass AB was consolidated into the Group's operations and accounts
- After the end of the quarter, two new contracts won in Copenhagen of which one was renewed and expanded, valued at appr. SEK 780 million



# Accelerating our sustainability ambitions

- Raised ambition to further reduce the Group's climate impact and energy consumption.
- It was recently announced that Nobina has joined the Science Based Target initiative (SBTi), after commencing comprehensive efforts to analyze the Group's emissions based on Scope 1, 2 and 3.
- When completed, the analysis will provide data that can be used in the application process to establish an emissions target that is in line with SBTi's guidelines, which is a science-based target in line with the Paris Agreement.



SCIENCE  
BASED  
TARGETS

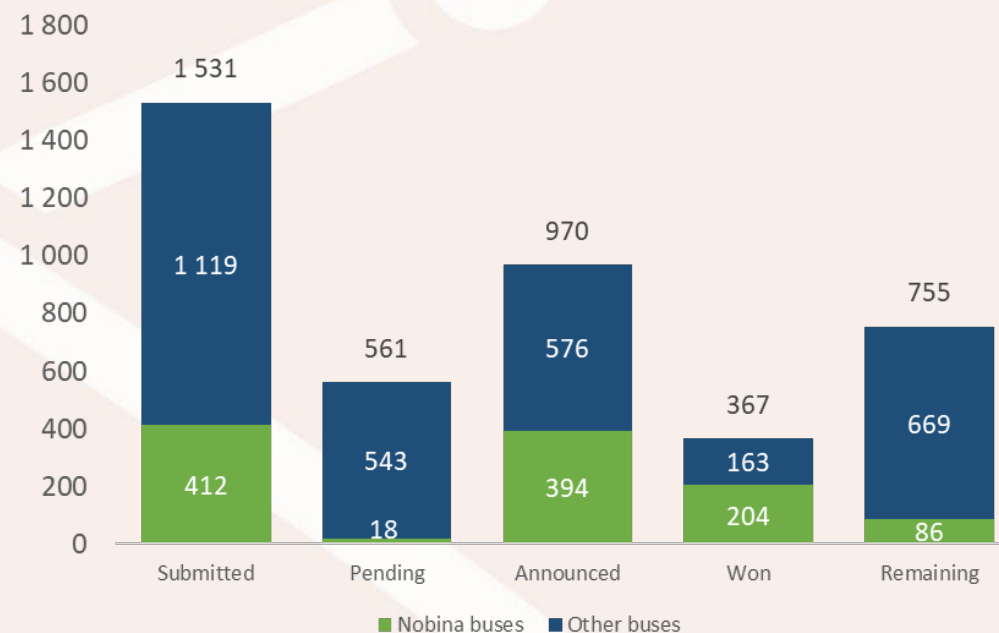
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

# Nobina won 367 buses YTD FY21/22

## Highlights (year-to-date)

- Tenders of 1,531 buses were submitted YTD FY21/22.
- The number of Nobina buses announced year to date amounts to 394 buses and during the same period Nobina has won 367 buses, corresponding to a renewal rate of 93% for the quarter.

March 21 – Aug 21	Tender results during the period	
	Announced	Won
Sweden	591	219
Norway	109	0
Finland	154	122
Denmark	116	26
<b>Total</b>	<b>970</b>	<b>367</b>



# Main traffic starts in Sweden and Finland during the period

Mar 21 – Aug 21	Traffic changes during the period		
	Ended	Started	Net
Sweden	130	125	-5
Norway	0	0	0
Finland	95	110	+15
Denmark	19	9	-10
<b>Total</b>	<b>244</b>	<b>244</b>	<b>0</b>

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

**8.8**  
(8.8)

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

**5.4**  
(4.7)

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

**6.3**  
(6.2)



# Majority of the bus investments continues to be electric buses

## Expiring contracts Sep 2021 – Aug 2022

PTA	Traffic end	No. of buses
UL (SE)	Jun 2022	172
SL Norrtälje (SE)	Aug 2022	92
HSL (FI)	Aug 2022	86
Skånetrafiken (SE)	Dec 2021	43
Östgötatrafiken (SE)	Jun 2022	27
Movia (DK)	Dec 2021	18
Skånetrafiken (SE)	Dec 2021	13
Movia (DK)	Dec 2021	1
<b>Total</b>		<b>452</b>

- Nobina will end contracts involving a total of 452 in-service buses in the next 12 months.

## Traffic starts Sep 2021 – Aug 2022

PTA	No. of years	Traffic start	No. of buses	New buses
HSL (FI)	7	Aug 2022	122	58
Västtrafik (SE)	10	Jun 2022	63	33
Östgötatrafiken (SE)	10,5	Jun 2022	49	45
Skånetrafiken (SE)	8	Feb 2022	44	1
Sydtrafik (DK)	12	Jun 2022	26	26
Movia (DK)	3,5	Dec 2021	18	5
Movia (DK)	10	Dec 2021	14	8
Movia (DK)	2	Dec 2021	1	1
<b>Total</b>			<b>337</b>	<b>177</b>

- Nobina will start new contracts involving a total of 337 in-service buses in the next 12 months whereof 130 are new electric buses.


# Highest quarterly earnings in the Group's history

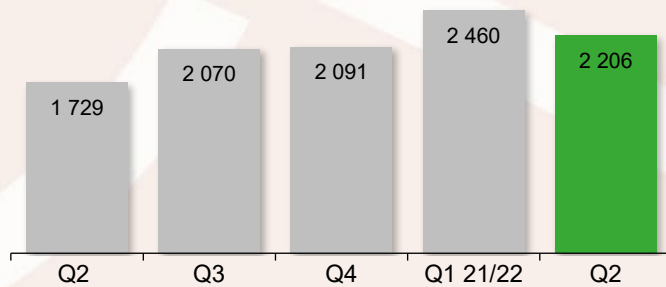
## Key points Q2

- Net sales: +18.6% vs last year
  - Organic growth +14.8%
    - Samtrans Covid-19 business,
    - Pandemic adapted agreements
    - Positive index effects
  - Acquisitions +4.0%
  - Exchange rate effects -0.2%
- EBITA: +143 MSEK
  - Performance of Samtrans
  - Positive index effects
  - Pandemic adapted incentive agreements
- Sweden the main driver to the improved EBITA.  
Negative impact from impairment of buses

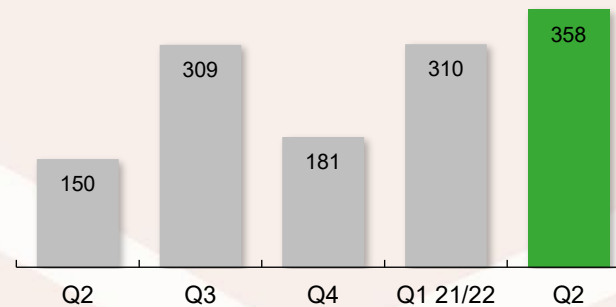
SEK million	Q2 21/22	Q2 20/21	Change	YTD 21/22	YTD 20/21	Change
Net sales	3 040	2 564	476	6 314	5 073	1 241
EBITDA % of net sales	721 23.7%	481 18.8%	240	1 312 20.8%	847 16.7%	465
EBITA % of net sales	333 10.9%	190 7.4%	143	588 9.3%	279 5.4%	309
EBIT % of net sales	307 10.0%	175 6.8%	132	543 8.6%	245 4.8%	298
Interest income	-	-	-	-	-	-
Interest expenses	-40	-44	4	-83	-88	5
FX net	-	7	-7	-2	12	-14
EBT*	267	138	129	458	169	289
% of net sales	8.8%	5.4%		7.2%	3.3%	
Tax	-49	-24	-25	-93	-34	-59
Earnings after tax	218	114	104	365	135	230


# Positive effect from Samtrans Covid-19 business in Sweden. Increase in Denmark from index effects, extra traffic and efficiency.

 **SE Net sales**  
SEK million



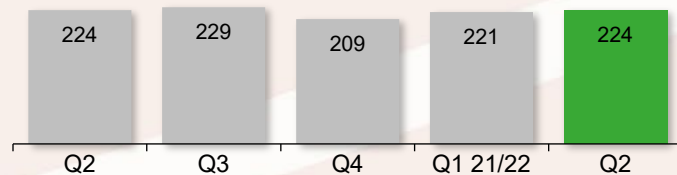
 **SE EBITA**  
SEK million



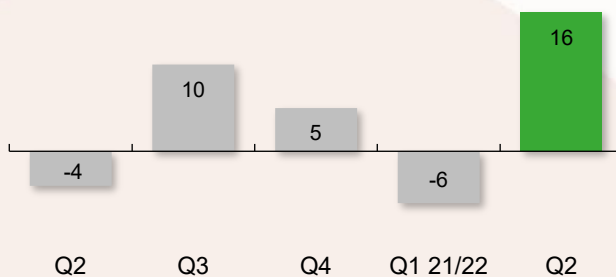
 **Q2 Highlights**


- Net sales
  - Samtrans' Covid-19 related business
  - Positive index effects
  - Pandemic adapted agreements
  - Acquisitions
- EBITA +209 MSEK vs LY
  - Samtrans Covid-19 business
  - Positive index effects
  - Pandemic adapted agreements
  - Increased extra traffic

 **DK Net sales**  
SEK million



 **DK EBITA**  
SEK million

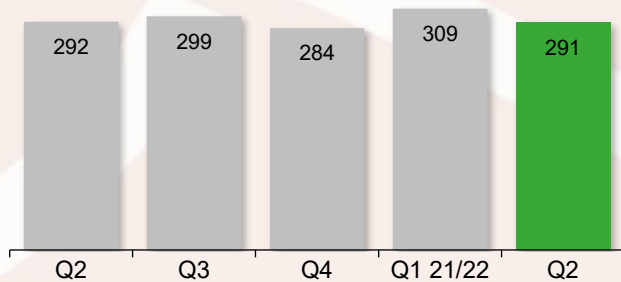


 **Q2 Highlights**

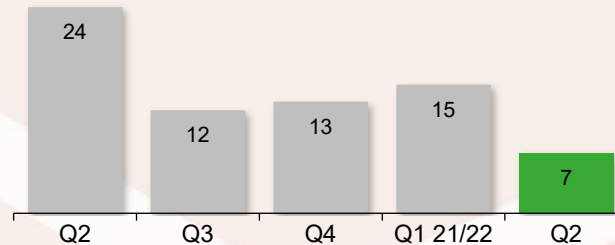
- Net sales
  - Positive index effects
  - Increased volume within Service traffic
  - Negative currency effects
- EBITA +21 MSEK vs LY
  - Positive index effects
  - Increased extra traffic
  - Efficiency improvements


# Finland negatively impacted by contract migration. Norway impacted by a decline within replacement traffic

 **FI Net sales**  
SEK million




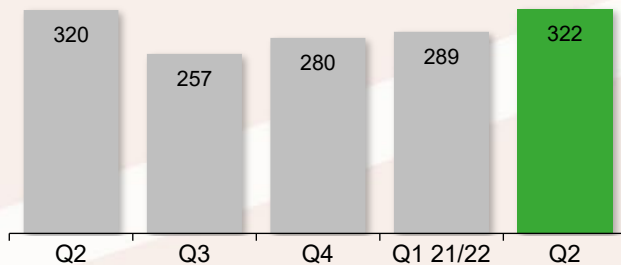
 **FI EBITA**  
SEK million




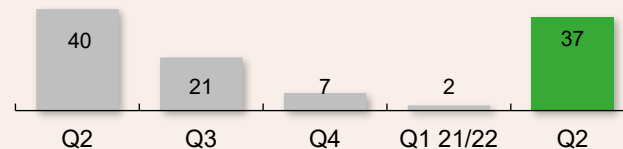
 **Q2 Highlights**


- Net sales
  - Negative currency effect
  - Positive index effects
- EBITA -16 MSEK vs LY
  - Negative contract migration effects from two traffic starts during the quarter

 **NO Net sales**  
SEK million



 **NO EBITA**  
SEK million



 **Q2 Highlights**

- Net sales
  - Positive currency effect
  - Lower replacement traffic
- EBITA -3 MSEK vs LY
  - Lower replacement traffic



# The increase in EBT Adj is driven by Price and volume, mainly strong performance within Samtrans

## Key points

- Price & Volume:
  - Positive impact on both revenue and earnings from:
    - Samtrans
    - Pandemic adapted contracts
    - Acquisitions
- Contract migration:
  - Positive effect on net sales from started contracts in Sweden
  - Negative effect on earnings in Sweden and Denmark
- Indexation & operational efficiency
  - Indexation net sales: driven by Sweden
  - Slightly lower operational efficiency
- Other:
  - revaluation of buses that are available for sale due to reduction in commercial traffic related to Covid-19
  - impairment on buses, which due to their vehicle specification have been identified as difficult to optimize, or where production of vehicles has ceased with subsequent problems acquiring spare parts

SEK million	Net sales	EBT Adj.
YTD Mar 2020 – Aug 2020	<b>5,073</b>	<b>203</b>
Price and volume	942	488
Contract migration	123	-41
Indexation & operational efficiency	176	-6
Other	-	-131
Financial net	-	-9
YTD Mar 2021 – Aug 2021	<b>6,314</b>	<b>503</b>

# Positive cash flow effect from significantly strengthened earnings offset by reintroduced dividend

- Cash flow from operations significantly strengthened due to increased earnings
- Total cash flow for the quarter weaker than Q2 last year mainly due to:
  - Reintroduced dividend (325 MSEK)
  - Negative working capital swings
  - Higher level of payments related to M&A
  - Higher amortizations on loans following increased investments in buses.
- Total cash flow YTD weaker than YTD last year mainly due to:
  - Reintroduced dividend (325 MSEK)
  - Negative working capital swings
  - Q1 LY boosted by 200 MSEK new acquisition-related bank loan
  - Higher level of payments related to M&A
  - Higher amortizations on loans following increased investments in buses

SEK million	Q2 21/22	Q2 20/21	Change	YTD 21/22	YTD 20/21	Change
Cash flow from operations before changes in working capital	713	485	228	1 302	848	454
Changes in working capital	-56	-2	-54	-169	207	-376
Interest received and tax payment	1	-	1	-6	-4	-2
Cash flow from operations after changes in working capital	658	483	175	1 127	1 051	76
Cash flow from investing activities	-953	-350	-603	-1 198	-1 007	-191
Cash flow from financing activities	206	-47	253	90	447	-357
Cash flow for the period	-89	86	-175	19	491	-472

# High level of total CAPEX relates to electric bus investments

- Out of the total bus investments in the quarter 100% relates to electric buses
- Out of the total bus investments YTD 99% relates to electric buses

SEK million	Q2 21/22	Q2 20/21	Change	YTD 21/22	YTD 20/21	Change
Investments in buses	-890	-313	-577	-1 101	-956	-145
Other investments	-38	-19	-19	-59	-38	-21
Total investments	-928	-332	-596	-1 160	-994	-166
Lease financing	17	27	-10	17	27	-10
Capex	-911	-305	-606	-1 143	-967	-176
Whereof: Loan financing of buses	868	253	615	1 071	825	246
Whereof: Cash financing	-43	-52	9	-72	-142	70

*\*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 1 073 million (786)
- Equity ratio of 16.6% (14.9%)
- Net debt/EBITDA was 2.4x (3.2x)

SEK million	2021-08-31	2020-08-31	Change
<b>ASSETS</b>			
Total non-current assets	8 806	8 182	624
Trade receivables and other current rec.	1 235	1 042	193
Cash and cash equivalents	1 073	786	287
<b>Total current assets</b>	<b>2 308</b>	<b>1 828</b>	<b>480</b>
<b>TOTAL ASSETS</b>	<b>11 114</b>	<b>10 010</b>	<b>1 104</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity	1 842	1 491	351
Total non-current liabilities	6 249	5 705	544
Total current liabilities	3 023	2 814	209
<b>TOTAL LIABILITIES</b>	<b>11 114</b>	<b>10 010</b>	<b>1 104</b>



# Testing business more persistent than expected

- Highest quarterly earnings in the Group's history of SEK 293 million despite an impairment of the bus fleet with SEK 72 million
- Samtrans' strong performance in testing and related services linked to Covid-19 continued in Q2 and is expected to remain roughly at the same high level also in Q3
- Continued positive trend in ridership as society is opening up and Nobina's underlying business also developed positively during the quarter.
  - We believe our core business in Sweden will continue its strong recovery in the third quarter
- Confirming Nobina's position as leading Nordic eBus operator after starting up 190 new electric buses in operations
- We accelerate our sustainability ambitions through the commitment to SBTi, with the goal to set a new carbon emission target



# 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 frame. A single bird is captured in flight on the left. The Nobina logo, consisting of the word 'Nobina' in white and a green circle, is centered in the upper half of the image.

# Nobina