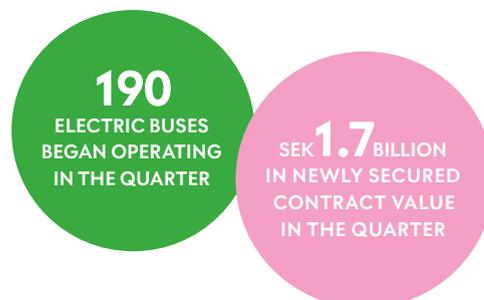


Strong earnings and reduced climate impact

Nobina reported a very strong second quarter of 2021/2022 and noted the highest quarterly earnings in the Group's history. The earnings improvement is largely due to a strong performance by our Covid-19 testing activities, higher level of pandemic-adapted contracts in place compared to corresponding quarter last year, more replacement traffic and positive index effects. The recovery in passenger volumes continued in the second quarter. It is also gratifying to see the positive trend in terms of our ambition to reduce the Group's climate impact, which is reflected in a major step taken during the second quarter towards reaching our target to reduce carbon dioxide emissions per driven kilometre by 80 percent no later than 2030.



The second quarter

- Net sales amounted to **SEK 3,040 million** (2,564), an increase of **18.6 percent** compared with the prior-year quarter, of which +14.8 percent was organic growth, +4.0 percent acquisitions and –0.2 percent currency effects.
- EBITA amounted to **SEK 333 million** (190).
- EBIT amounted to **SEK 307 million** (175).
- Profit after tax amounted to **SEK 218 million** (114), and earnings per share totalled **SEK 2.52** (1.29) before dilution.
- Cash flow from operations was **SEK 658 million** (483).

The first half of the year

- Net sales amounted to **SEK 6,314 million** (5,073), an increase of **24.5 percent**, of which +21.9 percent was organic growth, +3.1 percent acquisitions and –0.5 percent derived from currency effects.
- EBITA amounted to **SEK 588 million** (279).
- EBIT amounted to **SEK 543 million** (245).
- Profit after tax amounted to **SEK 365 million** (135), and earnings per share totalled **SEK 4.23** (1.53) before dilution.
- Cash flow from operations was **SEK 1,127 million** (1,051).

Significant events during and after the quarter

- New 10-year contract was won with Västtrafik in Vänersborg and 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 due to the contracts secured in 2020.
- As of 1 July 2021, the strategic acquisition Telepass AB, market leader for service traffic in Skåne, was consolidated into the Nobina Group's operations and accounts.
- After the end of the quarter, a 10-year agreement with Movia in Copenhagen was renewed and expanded, valued at approximately SEK 780 million.

Key metrics (SEK million, except as otherwise indicated)	Quarter		Period		Full year	Rolling 12 months
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021	Sep 2020–Aug 2021
Net sales	3,040	2,564	6,314	5,073	10,787	12,028
EBITDA	721	481	1,312	847	1,951	2,416
EBITA	333	190	588	279	757	1,066
EBIT	307	175	543	245	689	987
EBT	267	138	458	169	534	822
Adjusted EBT ¹⁾	293	153	503	203	602	902
Adjusted EBT margin	9.6%	6.0%	8.0%	4.0%	5.6%	7.5%
Profit after tax	218	114	365	135	445	675
Cash flow for the period	–89	86	19	491	760	288
				31 Aug 2021	31 Aug 2020	28 Feb 2021
Net debt/EBITDA				2.4x	3.2x	2.6x
Net debt/EBITDA, excluding bus financing				0.1x	0.2x	0.1x
Equity/assets ratio, %				16.6	14.9	17.0
				31 Aug 2021	31 Aug 2020	28 Feb 2021
Reduction of CO ₂ emissions ²⁾				65%	n/a	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



The second quarter of the fiscal year was again very strong and Nobina noted the highest quarterly earnings in the Group's history. Sales, adjusted for currency effects, rose 18.6 percent to more than SEK 3 billion and adjusted EBT amounted to SEK 293 million (153). The strong earnings must also be seen in light of an impairment of our bus fleet of SEK 72 million during the quarter as certain buses, due to their vehicle specification, have been identified as difficult to optimise, or where production of vehicles has ceased with subsequent problems acquiring spare parts.

The earnings improvement is largely due to a strong performance by our Covid-19 testing activities, which were still in a start-up phase in the second quarter of last year. During the second quarter of the year, Nobina operated an average of approximately 250 test lines, compared with the corresponding quarter last year when we operated an average of approximately 50 test lines. We can also see that our testing activities tend to have a higher persistence than we previously assessed. Our testing capacity, in the form of the number of testing lines, was reduced slightly for most of the second quarter compared with the first quarter of the year, though this was in line with our expectations. However, at the end of the period the trend reversed and we now expect testing activities in the third quarter to remain at roughly the same high level as for the second quarter. The assessment is therefore that the contribution from testing activities in the third quarter will be greater than in the year-earlier quarter, which would in such a case exceed our previous expectations. The relevant authorities can best explain the reason for this trend, but we can see indications that it is linked to the fact that insufficient numbers in certain areas have been vaccinated and possibly that many, out of concern for col-

"We can also see that our testing activities tend to have a higher persistence than we previously assessed"

leagues and friends, have continued to test themselves as society now slowly opens up. The performance of the underlying operations in Samtrans, Göteborgs Buss and Telepass, which we acquired in the first quarter, is positive. Work to capitalise on our shared expertise is well on track and is helping to consolidate our role as the market's leading provider of service traffic.

In bus operations, the underlying business also developed positively during the period and the recovery in passenger volumes we noted earlier this year has continued in the second quarter. During the quarter, we also received remuneration in accordance with our Covid-adapted incentive contracts, which we have renegotiated due to the pandemic and was slightly higher than in the prior-year period. In addition, our successful and profitable activities in replacement buses and positive index effects contributed to the improvement in earnings. We believe our core business in Sweden will continue its strong recovery in the third quarter.

The large-scale transition to electric buses is continuing in public transport and Nobina is unquestionably playing an active role in driving the development. In the second quarter alone, by starting up 190 new ones, we doubled our number of electric buses in traffic. Electrification is well suited to us and our sustainability agenda and we have made a substantial effort to adapt our own fleet to the new reality. Nobina has decided to further accelerate its sustainability work. It is therefore gratifying to see the positive trend in reducing the Group's climate impact, which is reflected in a major step towards reaching our target to reduce carbon dioxide emissions per driven kilometre by 80 percent no later than 2030. In the quarter, we again demonstrated our competitiveness with the renewed contract to operate public transport in Vänersborg, Trollhättan and Lilla Edet for a total contract value of about SEK 1.7 billion. In addition, Movia in Denmark has chosen to renew two new contracts with Nobina after the end of the quarter, one of which also involves an expansion of the current collaboration and has a total contract value of approximately SEK 780 million. The contracts comprise a total of 89 scheduled buses, of which most operate on electricity and a few on biogas, and these will make further contributions in our journey to reduce climate impact.

Furthermore, I can confirm that the recent stable and successful development of operations has naturally further strengthened the company's financial position, giving us more scope to quickly and flexibly act in a market that remains characterised by favourable long-term growth conditions, so that we can continue to create value for all of our stakeholders. We are confident as we enter the autumn of 2021 that we will once again become the natural choice for all those who wish to travel – both young and old. We look forward to this.

Magnus Rosén,
President and CEO

Nobina's financial performance

Second quarter (1 June–31 August 2021) and first half of the year (1 March–31 August 2021)

Net sales

The second quarter

Nobina's second-quarter net sales amounted to SEK 3,040 million (2,564), up 18.6 percent compared with the prior-year period. Organic growth was 14.8 percent. The development in net sales was largely due to the positive performance of Samtrans in Covid-19-related services, pandemic-adapted contracts in Sweden and positive index effects. Acquisitions in the Swedish operations increased sales by 4.0 percent. Currency effects amounted to –0.2 percent for the quarter.

The first half of the year

Nobina's net sales for the first half of the year amounted to SEK 6,314 million (5,073), up 24.5 percent compared with the prior-year period. Organic growth was 21.9 percent. The increase is primarily attributable to Covid-19-related business for Samtrans, and also positive index effects, pandemic-adapted contracts in Sweden and positive contract migration. Acquisitions increased sales by 3.1 percent and currency effects amounted to –0.5 percent in the first half of the year.

1) Sales for the quarter include SEK 33 million (27) in retroactive negotiated revenue, of which SEK 14 million relate to the first quarter and SEK 19 million to the previous fiscal year. Sales for the first half of the year include SEK 49 million (0) in retroactive negotiated revenue. 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 second quarter

EBITA for the second quarter amounted to SEK 333 million (190), an increase of 75.3 percent, largely attributable to the performance of Samtrans, positive index effects in Sweden and the pandemic-adapted contracts in place in the Swedish operations. Earnings were negatively impacted by an impairment of SEK –72 million on buses, which due to their vehicle specification have been identified as difficult to optimise, or where production of vehicles has ceased with subsequent problems acquiring spare parts. EBIT for the second quarter amounted to SEK 307 million (175), an increase of 75.4 percent. Profit after tax amounted to SEK 218 million (114). Adjusted profit before tax totalled SEK 293 million (153).

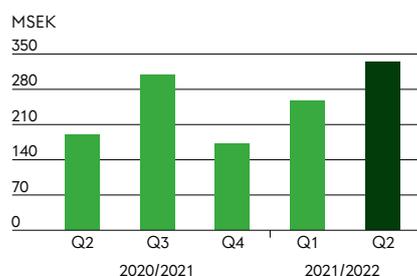
The first half of the year

EBITA for the first half of the year amounted to SEK 588 million (279), an increase of 110.8 percent. The improvement was mainly due to the strong performance of Samtrans, positive index effects and the pandemic-adapted contracts in place. Acquisitions also made a positive contribution, while impairment of buses (SEK –72 million) and a revaluation of available-for-sale buses due to a reduction in commercial traffic related to Covid-19 (SEK –30 million) – both of which are recognised as depreciation – had a negative impact compared with the year-earlier period. Operating profit (EBIT) for the first half of the year amounted to SEK 543 million (245), an increase of 121.6 percent. Profit after tax amounted to SEK 365 million (135). Adjusted profit before tax totalled SEK 503 million (203).

Net sales



EBITA



We are raising our ambitions

Nobina is accelerating its sustainability work, for example by introducing an even more structured approach in the organisation and by raising ambitions. One such ambition is 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 analyse the Group's emissions based on Scope 1, 2 and 3. When the analysis is completed, it will provide supporting data that can be used in the application process to establish an emissions target that is in accordance with SBTi's guidelines, which is a science-based target in line with the Paris Agreement.

"Nobina already contributes to a better planet by encouraging people to travel by bus rather than by car, which reduces congestion and emissions. But we want to, and can do, more. This is why we are

accelerating our efforts and setting new, ambitious targets, including climate targets," says Petra Axelsson, Director of Strategy and Sustainability at Nobina.

There is an existing target to reduce CO₂ emissions per driven kilometre by 80 percent no later than 2030, with 2015 as the baseline year, and to operate all buses solely on renewable fuels. The new targets being drawn up cover not only the vehicle fleet but all areas of the business that have a direct impact on the climate, including acquired companies. Moreover, an evaluation is taking place of emissions throughout Nobina's value chain, for example from bus manufacturers. Petra:

"We want to show that we are serious in our sustainability ambitions and this requires us to have knowledge and control over all areas that are in any way relevant to the Group. To help us in these efforts, we employ effective analysis and monitoring tools, which



have already resulted in one of the Nordic region's most complete offerings of expertise, support and services in sustainable public transport. Our long-term commitment to Science Based Targets reflects our willingness to lead our industry towards an even more sustainable future and will further improve our competitiveness.

Read more about SBTi on sciencebasedtargets.org.

Income tax

Nobina's income tax in the income statement for the second quarter comprised current tax of SEK 0 million (1) and the change in estimated deferred tax of SEK 49 million (23). The effective rate of tax was 18.5 percent (17.4). Tax paid in the second quarter amounted to SEK 0 million (0). Nobina's income tax for the first half of the year comprised current tax of SEK 1 million (4) and a change in estimated deferred tax of SEK 92 million (30). The effective rate of tax was 20.3 percent (20.1). Tax paid in the first half of the year amounted to SEK 6 million (4).

Financial position

Cash and cash equivalents amounted to SEK 1,073 million (786) at the end of the period. Nobina has an available bank credit facility of SEK 300 million (300) as of 31 August 2021. Nobina's interest-bearing liabilities amounted to SEK 6,906 million (6,306), mainly divided between right-of-use liabilities of SEK 2,498 million (2,975) and other external liabilities, mainly loans for bus financing, of SEK 4,016 million (2,836). 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 312 million (428), see Note 1 of the Financial Statements. 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 5,833 million (5,520) at the end of the period, and net debt/EBITDA was 2.4x (3.2x). Shareholders' equity totalled SEK 1,842 million (1,491). The equity/assets ratio at the end of the period was 16.6 percent (14.9).

Investments and divestments

The second quarter

Bus investments in the second quarter amounted to SEK 890 million (313) and other investments were SEK 38 million (19). Nobina signed right-of-use agreements of SEK -17 million (-27) and new loans of SEK -868 million (-253) were raised. Nobina's cash investments for procurement of buses, accessories and other PPE amounted to SEK 43 million (52). Nobina sold buses and other PPE for a value of SEK 50 million (2). During the second quarter, the revaluation of buses and other PPE available for sale amounted to SEK -19 million (-13) and impairment of SEK -72 million on buses, which due to their vehicle specification have been identified as difficult to optimise, or where production of vehicles has ceased with subsequent problems acquiring spare parts. For more information, see Note 2.

The first half of the year

Bus investments in the first half of the year amounted to SEK 1,101 million (956) and other investments were SEK 59 million (38). Nobina signed finance leases of SEK -17 million (-27) and new loans of SEK -1,071 million (-825). Nobina's cash investments for procurement of buses, accessories and other PPE amounted to SEK 72 million (142). Nobina sold buses and

other PPE for a value of SEK 52 million (7). The sale generated a capital loss of SEK -3 million (-1). During the first half of the year, the revaluation of buses and other available-for-sale PPE amounted to SEK -68 million (-27) and impairment of SEK -72 million on buses, which due to their vehicle specification have been identified as difficult to optimise, or where production of vehicles has ceased with subsequent problems acquiring spare parts. For more information, see Note 2.

Cash flow

The second quarter

Cash flow from operations before changes in working capital amounted to SEK 713 million (485) mainly influenced by higher earnings. The change in working capital amounted to SEK -56 million (-2) and related primarily to the impact of postponed final settlements pertaining to incentive contracts due to Covid-19, the settlement of holiday pay liabilities and the payment of trade receivables related to Samtrans' testing activities.

Cash flow from investing activities amounted to SEK -953 million (-350) and included a purchase price, net of SEK -91 million related to the Telepass acquisition and investments in buses and equipment, which were financed by loans amounting to SEK 868 million (253).

Cash flow from financing activities amounted to SEK 206 million (-47). Total cash flow for the quarter amounted to SEK -89 million (86) and was positively impacted by the strong earnings but negatively impacted by the reintroduction of dividends, higher repayments and the purchase price for Telepass.

The first half of the year

Cash flow from operations before changes in working capital amounted to SEK 1,302 million (848) mainly influenced by higher earnings. The change in working capital amounted to SEK -169 million (-207) and reflected primarily the impact of postponed final settlements pertaining to incentive contracts due to Covid-19, the settlement of holiday pay liabilities and the payment of trade receivables related to Samtrans' testing activities.

Cash flow from investing activities amounted to SEK -1,198 million (-1,007) and was impacted by a payment of a purchase price, net of SEK -91 million related to the acquisition of Telepass as well as investments in buses and equipment of SEK -1,143 million (-967), which were financed by loans amounting to SEK 1,071 million (1,025), which also included proceeds of SEK 200 million from the financing of previous acquisitions.

Cash flow from financing activities amounted to SEK 19 million (491), which was impacted by the decision to reintroduce dividends, which amounted to SEK -325 million. Total cash flow for the first half of the year amounted to SEK 19 million (491) 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
	Jun-Aug 2021	Jun-Aug 2020	Mar-Aug 2021	Mar-Aug 2020	Mar 2020-Feb 2021
Investments in new buses	-890	-313	-1,101	-956	-1,377
Other investments	-38	-19	-59	-38	-108
Total investments	-928	-332	-1,160	-994	-1,485
Lease-financed investments	17	27	17	27	27
Non-lease-financed investments	-911	-305	-1,143	-967	-1,458
Of which loan-financed investments	868	253	1,071	825	1,192
Total cash investments ¹⁾	-43	-52	-72	-142	-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 March–August 2020	5,073	203	
Price and Volume	942	488	The positive effect of price and volume on sales and earnings is primarily attributable to the strong performance of Samtrans, mainly Covid-19 testing stations, and pandemic-adapted contracts. Acquisitions also had a positive impact on both sales and earnings. Currency effects had a negative impact on sales.
Contract migration	123	-41	Positive impact on sales of contract migration primarily in Sweden. Contract migrations impacted the results negatively, primarily in Sweden and Denmark.
Indexation and operational efficiency	176	-6	Indexation had a positive impact on sales, primarily in Sweden. Operational efficiency slightly lower than previous year.
Other		-131	This item includes other costs, primarily within central functions and central fleet costs. The negative impact on earnings is primarily attributable to the revaluation of available-for-sale buses during the first quarter (SEK -30 million) due to a reduction in commercial traffic related to Covid-19 and also an impairment on buses during the second quarter (SEK -72 million).
Net financial items		-9	Profit for the year was adversely impacted by currency effects in comparison with the previous year.
Period from March–August 2021	6,314	503	

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.

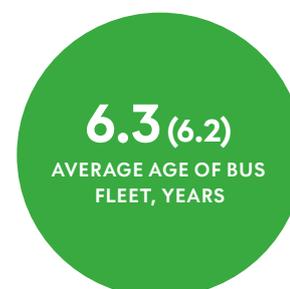
Age structure second quarter



The duration of contracts varies between countries, and was on average (weighted by the number of buses) 8.8 years.



The average contract age (weighted by the number of buses) was 5.4 years.



Nobina's bus fleet had an average age of 6.3 years.

1) Incorrectly presented in last year's second quarterly report as 7.6 years.

Segments

Net sales by segment (SEK million)	Quarter		Period		Full year	Rolling 12 months
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021	Sep 2020–Aug 2021
Nobina Sweden	2,206	1,729	4,666	3,414	7,575	8,827
Production contracts	1,440	1,164	3,105	2,284	5,111	
Incentive contracts	519	495	1,109	988	2,127	
Other revenue	247	70	452	142	337	
Nobina Denmark	224	224	445	465	903	883
Production contracts	213	219	424	446	867	
Incentive contracts	–	2	1	4	7	
Other revenue	11	3	20	15	29	
Nobina Norway	322	320	611	583	1,120	1,148
Production contracts	268	246	527	498	967	
Incentive contracts	–	–	–	1	1	
Other revenue	54	74	84	84	152	
Nobina Finland	291	292	600	619	1,202	1,183
Production contracts	278	304	568	608	1,170	
Incentive contracts	10	5	15	8	22	
Other revenue	3	–17	17	3	10	
Group	3,043	2,565	6,322	5,081	10,800	12,041
Production contracts	2,199	1,933	4,624	3,836	8,115	
Incentive contracts	529	502	1,125	1,001	2,157	
Other revenue	315	130	573	244	528	
Central functions and other items	1	–	–	–	2	2
Elimination of sales within the Group	–4	–1	–8	–8	–15	–15
Total net sales	3,040	2,564	6,314	5,073	10,787	12,028

EBITA per segment (SEK million)	Quarter		Period		Full year	Rolling 12 months
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021	Sep 2020–Aug 2021
Nobina Sweden	358	150	668	224	714	1,158
Nobina Denmark	16	–4	10	6	21	25
Nobina Norway	37	40	39	53	81	67
Nobina Finland	7	24	22	45	70	47
Central functions and other items	–85	–20	–151	–49	–129	–231
Total EBITA	333	190	588	279	757	1,066

Summary

Nobina reported higher sales and higher operating profit in the second quarter compared with the prior-year period. Sales were positively impacted by the strong performance of Samtrans, the pandemic-adapted contracts in place in Sweden and positive index effects. Excluding adjustment for currency effects and acquisitions, sales increased 14.8 percent.

EBITA increased year-on-year, due to the performance of Samtrans, positive index effects in Sweden and pandemic-adapted contracts in the Swedish operations. Earnings were negatively impacted by an impairment of SEK -72 million on buses, which due to their vehicle specification have been identified as difficult to optimise, or where production of vehicles has ceased with subsequent problems acquiring spare parts.

Sweden

Nobina Sweden's net sales for the second quarter of the year increased compared with the prior-year period primarily due to the continued positive performance of Samtrans, as the Covid-19 testing activities remained at a high level during the second quarter. Swedish operations were also positively impacted by index effects, the pandemic-adapted contracts in place and acquired companies.

EBITA increased for the quarter, mainly driven by the positive performance of Samtrans, and also positive index effects, the pandemic-adapted contracts in place and increased extra traffic.

Denmark

Nobina Denmark's net sales for the second quarter were unchanged compared with the prior-year period, impacted by negative currency effects. Adjusted for currency effects, sales rose slightly, positively impacted by index effects and higher volumes within service traffic.

EBITA was higher year-on-year, driven by positive index effects and increased extra traffic, and underlying efficiency improvements.

Norway

Nobina Norway's sales for the second quarter were slightly higher than in the prior-year period, impacted by positive currency effects. Organic sales were slightly lower, attributable to a lower share of replacement traffic.

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

Finland

Nobina Finland's net sales for the second quarter were slightly lower than the prior-year period, impacted by negative currency effects. Adjusted for this, 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 related to two new contract starts in the quarter.

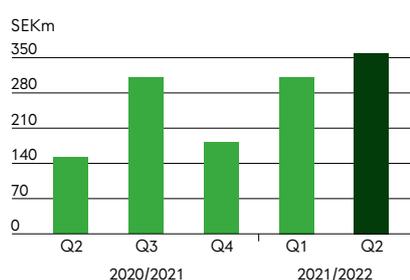
Central functions and other items

The main items reported under the Central functions and other items heading are central head office functions and central fleet costs.

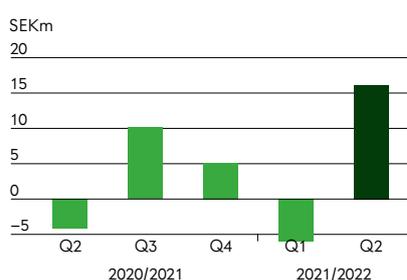
Increased year-on-year costs for the quarter are mainly attributable to an impairment of buses (SEK -72 million), which due to their vehicle specification have been identified as difficult to optimise, or where production of vehicles has ceased with subsequent problems acquiring spare parts.

EBITA per segment

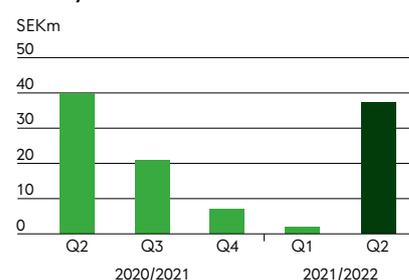
Sweden



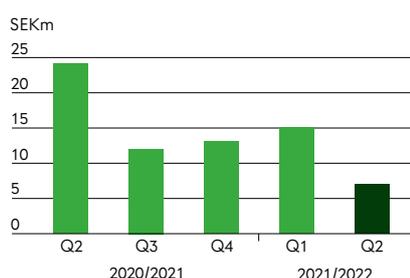
Denmark



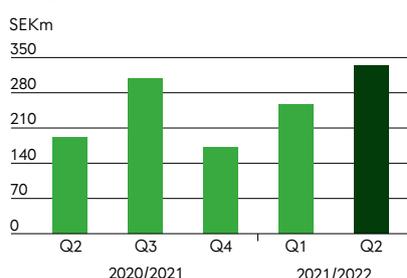
Norway



Finland

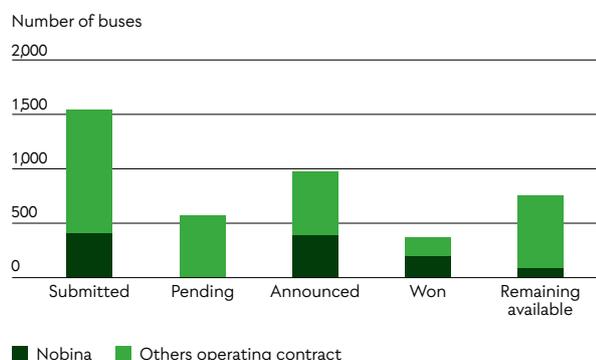


Nobina



Tender and contract changes

Tender volume, current year, March–August 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

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

Tender outcome comment

During the second quarter, contracts operated by Nobina for 87 buses were tendered, of which 67 buses were secured. Out of the total market volume of 970 buses tendered during the current year, contracts operated by Nobina for 394 buses have been tendered and Nobina has won 367 buses. This represents a renewal rate of 93 percent for the first half of the year.

Traffic start-ups and terminations during the coming 12 months, September 2021–August 2022

During the coming 12-month period, Nobina will start traffic involving 337 buses. Of these, 177 buses are expected to be newly acquired. During the same period, Nobina will terminate traffic involving 452 buses.

Traffic start-ups

Clients	No. of years	Start of service	No. of buses	New buses
HSL, Finland	7	August 2022	122	58
Västtrafik, Sweden	10	June 2022	63	33
Östgötatrafiken, Sweden	10.5	June 2022	49	45
Skånetrafiken, Sweden	8	February 2022	44	1
Sydtrafik, Denmark	12	June 2022	26	26
Movia, Denmark	3,5	December 2021	18	5
Movia, Denmark	10	December 2021	14	8
Movia, Denmark	2	December 2021	1	1
Total buses			337	177¹⁾

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

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 first half of the year, Nobina initiated contracts for 244 buses and terminated contracts for 244 buses.

Mar 2021–Aug 2021	Traffic changes during the period (No. of buses)	
	Started	Expired
Sweden	125	130
Norway	0	0
Finland	110	95
Denmark	9	19
Total	244	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 970 buses and Nobina won tenders for 367 buses. Contracts for 87 buses are under appeal and pending decision.

Mar 2021–Aug 2021	Tenders during the period (No. of buses)	
	Announced	Won
Sweden	591	219
Norway	109	0
Finland	154	122
Denmark	116	26
Total	970	367

Expired traffic

Clients	End of service	No. of buses
UL, Sweden	June 2022	172
SL, Sweden	August 2022	92
HSL, Finland	August 2022	86
Skånetrafiken, Sweden	December 2021	43
Östgötatrafiken, Sweden	June 2022	27
Movia, Denmark	December 2021	18
Skånetrafiken, Sweden	December 2021	13
Movia, Denmark	December 2021	1
Total buses		452

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 31 August 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 28,626. 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 31 August 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	2020/21	Target	Definition
Annual, accumulated, average, percentage of growth in net sales	8.8%	5.3%	5%	Nobina's target is 5 percent accumulated annual average net sales growth with 18/19 as the base year.
Adjusted EBT margin ¹⁾	7.5%	5.6%	5%	Nobina's target is to achieve an EBT margin of 5 percent at an average contract age of 50 percent of the average contract length.
Net debt/EBITDA ²⁾	2.4x	2.6x	3.0x–4.0x	Under normal circumstances, Nobina aims to maintain a net leverage ratio of between 3.0x and 4.0x EBITDA, including strategic debt financing.
Dividend policy ³⁾	n/a	63% ⁴⁾	75 percent of earnings (EBT) after tax paid	Under normal circumstances, Nobina expects to pay a dividend of at least 75 percent of earnings (EBT) after actual tax paid.

1) Adjusted EBT is defined as profit before tax after adjustment for costs and depreciation/amortisation related to acquisition accounting effects.

2) 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.

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

4) The Annual General Meeting resolved on a dividend based on the Board's proposal of SEK 3.77/share, which corresponds to 75 percent of the Group's net profit or 63 percent expressed in accordance with the current dividend policy.

Other information

Personnel

Nobina had an average of 12,832 (10,601) employees (FTEs) per end of August 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 (10) 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 13 million (17) during the second quarter. Loss before tax for the second quarter amounted to SEK -21 million (-1). Net sales for the period and profit before tax for the first half of the year totalled SEK 26 million (34) and SEK 252 million (109) respectively. The Parent Company's earnings in the second quarter and first half of the year as well as the corresponding year-earlier periods were impacted by intra-Group dividends as stated in Note 4. Cash and cash equivalents amounted to SEK 988 million (775) at the end of the period. Investments in PPE and intangible assets amounted to SEK 0 million (0). On 31 August 2021, the Parent Company's shareholders' equity was SEK 2,644 million (2,224). The equity/assets ratio was 37 percent (38).

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 26.

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.

The Finnish Transport Workers Union (AKT ry) has requested that the Labour Court in Finland consider a civil case concerning holiday pay for bus drivers. The dispute has been completed with no financial obligations for Nobina.

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 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 31 August 2021.

Financial targets and Dividend policy

In connection with the company's Capital Markets Day on 9 October 2018, Nobina's Board of Directors adopted new financial targets and a new dividend policy, which replaced the targets and policy adopted ahead of the IPO in 2015 (see page 9).

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 1–28, 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 and Board of Directors hereby provide 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, 30 September 2021

Johan Bygge
Chairman of the Board

Liselott Kilaas
Director

Graham Oldroyd
Director

Bertil Persson
Director

Malin Frenning
Director

Magnus Rosén
President and CEO

Financial calendar

Interim report 1 September–30 November 2021	22 December 2021
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

Telephone conference

Nobina will present the interim report and answer questions during a telephone conference at 10.00 a.m. CEST on Thursday, 30 September 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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Reg. no. 556576-4569

Auditor's report

Nobina AB (publ). reg. no. 556576-4569

Introduction

We have reviewed the condensed interim financial information (interim report) of Nobina AB (publ) as of 31 August 2021 and the six-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other

generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 30 September 2021

Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorised Public Accountant

Condensed consolidated income statement

SEK million	Quarter		Period		Full year
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021
Net sales	3,040	2,564	6,314	5,073	10,787
Operating expenses					
Fuel, tyres and other consumables	–460	–398	–948	–807	–1,691
Other external expenses	–464	–392	–1,123	–744	–1,635
Personnel expenses	–1,395	–1,293	–2,931	–2,675	–5,510
Total EBITDA	721	481	1,312	847	1,951
Capital gains/losses from the disposal of non-current assets, Note 2	–	–	–3	–1	2
Depreciation/impairment of PPE, Note 2	–388	–291	–721	–567	–1,196
Total EBITA	333	190	588	279	757
Acquisition-related income and costs	–5	1	–7	–2	–4
Amortisation/impairment of intangible assets	–21	–16	–38	–32	–64
Operating profit (EBIT)	307	175	543	245	689
Profit from net financial items					
Financial income	–	–	–	–	2
Financial expenses, Note 1	–40	–37	–85	–76	–157
Net financial items	–40	–37	–85	–76	–155
Profit before tax (EBT)	267	138	458	169	534
Income tax	–49	–24	–93	–34	–89
PROFIT FOR THE PERIOD	218	114	365	135	445
Profit for the period attributable to Parent Company shareholders	218	114	365	135	445
Earnings per share before dilution (SEK), attributable to Parent Company shareholders	2.52	1.29	4.23	1.53	5.03
Earnings per share after dilution (SEK), attributable to Parent Company shareholders	2.49	1.28	4.19	1.52	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)	87,293	89,405	87,200	89,405	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
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021
Profit for the period	218	114	365	135	445
Other comprehensive income	218	114	365	135	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	2	–11	9	–32	–38
Other comprehensive income for the period, net after tax	2	–11	9	–32	–37
Comprehensive income for the period	220	103	374	103	408
COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	220	103	374	103	408

Condensed consolidated balance sheet

SEK million	31 Aug 2021	31 Aug 2020	Full year 28 Feb 2021
ASSETS			
Non-current assets			
Goodwill	828	771	780
Other intangible assets	507	436	424
Real estate and costs for leasehold improvements	847	756	897
Equipment, tools, fixtures and fittings	165	166	148
Vehicles	6,410	5,979	5,865
Deferred tax assets	21	54	28
Assets for pension commitments	22	15	15
Other non-current receivables	6	5	5
Total non-current assets	8,806	8,182	8,162
Current assets			
Inventories	65	58	65
Trade receivables	678	689	838
Other current receivables	58	22	47
Deferred expenses and accrued income	434	273	415
Cash and cash equivalents	1,073	786	1,049
Total current assets	2,308	1,828	2,414
TOTAL ASSETS	11,114	10,010	10,576
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to Parent Company shareholders	1,842	1,491	1,795
Non-current liabilities			
Borrowing, Note 1	5,776	5,378	5,101
Deferred tax liabilities	406	261	295
Provision for pensions and similar commitments	30	29	23
Other provisions	37	37	37
Total non-current liabilities	6,249	5,705	5,456
Current liabilities			
Accounts payable	502	544	636
Borrowing, Note 1	1,100	899	1,083
Other current liabilities	300	261	268
Accrued expenses and deferred income	1,121	1,110	1,338
Total current liabilities	3,023	2,814	3,325
Total liabilities	9,272	8,519	8,781
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES, Note 3	11,114	10,010	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	-	-	-	135	135
Other comprehensive income	-	-	-32	-	-32
Transactions with owners					
Share-based remuneration	-	-	-	8	8
Closing equity, 31 August 2020	318	3,212	36	-2,075	1,491
Opening equity, 1 March 2021	318	3,212	30	-1,765	1,795
Profit for the period	-	-	-	365	365
Other comprehensive income	-	-	9	-	9
Transactions with owners					
Dividend	-	-	-	-325	-325
Share-based remuneration	-	-	-	-2	-2
Closing equity, 31 August 2021	318	3,212	39	-1,727	1,842

There are no non-controlling interests.

Condensed consolidated cash-flow statement

SEK million	Quarter		Period		Full year
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021
Cash flow from operating activities					
Profit after financial items	268	138	459	169	534
Adjustment for non-cash items	445	347	843	679	1,417
Cash flow from operations before changes in working capital	713	485	1,302	848	1,951
Cash flow from changes in working capital					
Change in inventories	–1	–2	–	4	1
Changes in operating receivables	304	73	199	100	–181
Changes in operating liabilities	–359	–73	–368	103	379
Total change in working capital	–56	–2	–169	207	199
Received interest income	1	–	–	–	2
Tax paid	–	–	–6	–4	–5
Cash flow from operating activities	658	483	1,127	1,051	2,147
Cash flow from investing activities					
Investments in PPE and intangible assets	–911	–305	–1,143	–967	–1,458
Acquisitions	–92	–47	–107	–47	–102
Divestment of PPE and intangible assets	50	2	52	7	18
Cash flow from investing activities	–953	–350	–1,198	–1,007	–1,542
Cash flow from financing activities					
Amortisation of right-of-use liabilities	–137	–151	–276	–303	–607
Amortisation of other external loans	–159	–107	–296	–190	–458
New borrowing, other external loans	868	253	1,071	1,025	1,392
Financing costs	–	–	–	–1	–1
Interest paid	–41	–42	–84	–84	–171
Dividend	–325	–	–325	–	–
Cash flow from financing activities	206	–47	90	447	155
Cash flow for the period	–89	86	19	491	760
Cash and cash equivalents at beginning of period	1,161	704	1,049	307	307
Cash flow for the period	–89	86	19	491	760
Exchange-rate difference	1	–4	5	–12	–18
Cash and cash equivalents at end of period	1,073	786	1,073	786	1,049

Condensed income statement – Parent Company

SEK million	Quarter		Period		Full year
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021
Net sales	13	17	26	34	69
Operating expenses					
Other external expenses	–6	–16	–17	–18	–33
Personnel expenses	–25	–20	–43	–38	–47
Operating loss (EBIT)	–18	–19	–34	–22	–11
Profit from participations in Group companies, Note 4	–	–	293	117	603
Financial income	2	23	5	30	18
Financial expenses	–5	–5	–12	–16	–1
Net financial items	–3	18	286	131	620
Profit/loss before tax (EBT)	–21	–1	252	109	609
Income tax	–	–	–	–	–14
PROFIT/LOSS FOR THE PERIOD	–21	–1	252	109	595

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

Condensed balance sheet – Parent Company

SEK million	31 Aug 2021	31 Aug 2020	Full year 28 Feb 2021
ASSETS			
Non-current assets			
Participations in Group companies	4,460	4,181	4,334
Non-current receivables in Group companies	700	500	500
Deferred tax assets	–	14	0
Total non-current assets	5,160	4,695	4,834
Current assets			
Receivables from Group companies	956	339	1,064
Other current receivables	4	8	5
Deferred expenses and accrued income	–	–	1
Cash and cash equivalents	988	775	1,005
Total current assets	1,948	1,122	2,075
TOTAL ASSETS	7,108	5,817	6,909
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to Parent Company shareholders	2,644	2,224	2,712
Non-current liabilities			
Borrowing	957	823	763
Provision for pensions and similar commitments	1	1	2
Total non-current liabilities	958	824	765
Current liabilities			
Accounts payable	2	2	3
Borrowing	108	143	114
Liabilities to Group companies	3,372	2,592	3,291
Other current liabilities	7	4	0
Accrued expenses and deferred income	17	28	24
Total current liabilities	3,506	2,769	3,432
Total liabilities	4,464	3,593	4,197
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	7,108	5,817	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/loss 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/loss for the period	-	-	-	-	109	109
Share-based remuneration	-	-	-	8	-	8
Closing equity, 31 August 2020	318	1	1,336	460	109	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	-	-	-	-	252	252
Share-based remuneration	-	-	-	5	-	5
Dividend	-	-	-	-325	-	-325
Closing equity, 31 August 2021	318	1	1,336	737	252	2,644

There are no non-controlling interests.

Notes

NOTE 1 FINANCING

SEK million, except as otherwise indicated	Quarter		Period		Full year
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021
Borrowing					
Loans for acquisition financing	312	428	312	428	360
Bond loans	703	500	703	500	500
Capitalised financing expenses	–4	–6	–4	–6	–5
Loans for bus financing	3,313	2,336	3,313	2,336	2,622
Right-of-use liabilities	2,498	2,975	2,498	2,975	2,686
Contingent consideration not paid	54	44	54	44	21
Total	6,876	6,277	6,876	6,277	6,184
Of which short-term repayment by instalment of portion of the Group's borrowings	1,100	899	1,100	899	1,083
Of which long-term portion of the Group's borrowings	5,776	5,378	5,776	5,378	5,101
Total liabilities	6,876	6,277	6,876	6,277	6,184
Interest expenses and similar loss items					
Interest expenses for right-of-use liabilities	–21	–25	–43	–53	–104
Interest expense, other loans	–19	–17	–37	–32	–65
Other financial expenses	–	–2	–3	–3	–5
Realised and unrealised exchange gains/losses, net	–	7	–2	12	17
Total	–40	–37	–85	–76	–157

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
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 2020	Mar 2020–Feb 2021
Sales proceeds with respect to buses and other PPE sold during the period	50	2	52	7	18
Recognised residual value with respect to buses and other PPE sold during the period	–50	–2	–55	–8	–16
Total	0	0	–3	–1	2
Depreciation/impairment of PPE					
Depreciation	–369	–278	–653	–540	–1,141
Revaluation of buses and other PPE available for sale	–19	–13	–68	–27	–55
Total depreciation/impairment of PPE	–388	–291	–721	–567	–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	50	2	52	7	18
Recognised residual value with respect to buses and other PPE sold during the period	–50	–2	–55	–8	–16
Revaluation of buses and other PPE available for sale	–19	–13	–68	–27	–55
Total	–19	–13	–71	–28	–53

NOTE 3 PLEDGED ASSETS AND CONTINGENT LIABILITIES

SEK million, except as otherwise indicated	Group		Parent Company	
	31 Aug 2021	31 Aug 2020	31 Aug 2021	31 Aug 2020
Pledged assets				
Pledged assets pertaining to shares/net assets in subsidiaries	1,837	1,411	906	906
Chattel mortgages	150	150	–	–
Other pledged assets	–	–	279	326
Contingent liabilities				
Guarantee of lease obligations and other obligations	6,293	4,729	6,272	5,207
Total pledged assets and contingent liabilities	8,280	6,290	7,457	6,439

NOTE 4 PROFIT FROM PARTICIPATIONS IN GROUP COMPANIES

SEK million, except as otherwise indicated	Quarter		Period		Full year
	Jun–Aug 2021	Jun–Aug 2020	Mar–Aug 2021	Mar–Aug 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

NOTE 5 ACQUISITIONS

Preliminary acquisition calculation — acquisition of Telepass AB

Purchase price SEK 217 million	Fair value
Acquired assets and liabilities	
Goodwill	46
Customer relation	108
Property, plant and equipment	60
Other current assets	46
Cash and cash equivalents	83
Borrowing	-45
Deferred tax liabilities	-31
Other operating liabilities	-50
Total	217
Effect of acquisitions on cash flow	
Purchase consideration including contingent consideration	-217
Purchase consideration not paid	43
Cash and cash equivalents in the acquired company	83
Impact on cash and cash equivalents	-91

Nobina entered into an agreement in May 2021 for the strategic acquisition of all shares in Telepass AB, the market-leading player for service traffic in southern Sweden. The acquisition of Telepass entails further diversification that provides an opportunity to pool resources and continue to expand and develop the provision of service traffic throughout Sweden, through the wholly owned subsidiary Samtrans. The acquisition encompasses operations with 310 employees in tendered special public transport services, sales in the 2020 calendar year of SEK 343 million and EBT result of SEK 35 million, with the settlement date of July 2021. The acquisition is part of Nobina's strategy to strengthen and develop its position in special needs transportation. The total purchase price is SEK 217 million include with a potential additional consideration of up to SEK 45 million (nominally), which is based on the outcome of certain predefined financial targets and forecasts and will be paid in

instalments during the period 2021–2023. The acquisition is consolidated into Nobina from 1 July 2021 and reported in the Sweden segment. Sales were reported under the Sweden segment and amounted to SEK 61 million during the July–August 2021 period. The acquisition analysis is preliminary and subject to final adjustment not later than one year after the date of acquisition. Nobina consider the calculation to be preliminary during the period when there is uncertainty about, for example, the outcome of guarantees in the acquisition agreement concerning the company's capital employed. Goodwill and customer relations (traffic contracts) arising in connection with the acquisition are primarily attributable to market, synergies and agreed traffic contracts. Customer relationships will be amortized over seven years. Any impairment of goodwill is not tax deductible.

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.
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
	Q2	Q3	Q4	Q1	Q2	Mar 2020–Feb 2021
Net sales for the period	2,564	2,854	2,860	3,274	3,040	10,787
EBITDA	481	603	501	591	721	1,951
EBITDA margin	18.8%	21.1%	17.5%	18.1%	23.7%	18.1%
EBITA	190	307	171	255	333	757
EBITA margin	7.4%	10.8%	6.0%	7.8%	10.9%	7.0%
EBIT	175	288	156	236	307	689
EBIT margin	6.8%	10.0%	5.5%	7.2%	10.0%	6.4%
EBT	138	251	114	191	267	534
EBT margin	5.4%	8.8%	4.0%	5.8%	8.8%	4.9%
EBT adjusted	153	270	129	210	293	602
EBT margin – adjusted	6.0%	9.5%	4.5%	6.4%	9.6%	5.6%
Profit for the period	114	199	111	147	218	445
Cash flow for the period	86	97	172	108	–89	760
Cash and cash equivalents	786	876	1,049	1,161	1,073	1,049
Equity/assets ratio, %	14.9%	16.7%	17.0%	18.2%	16.6%	17.0%
Shareholders' equity	1,491	1,682	1,795	1,950	1,842	1,795
Shareholders' equity/ordinary share, SEK	16.9	19.4	20.3	22.1	20.8	20.3
Number of buses (on balance-sheet date)	3,954	3,807	3,964	4,009	4,010	3,964
Estimated FTEs	10,601	10,674	10,982	12,406	12,832	10,711
Production hours	2,304	2,499	2,384	2,496	2,306	9,442
Production kilometres	68,921	73,840	71,571	74,333	69,674	281,976

Calculation of alternative performance measures for continuing operations

SEK million, except as otherwise indicated	2020/2021			2021/2022		Full year
	Q2	Q3	Q4	Q1	Q2	Mar 2020–Feb 2021
Interest-bearing liabilities:						
Non-current borrowing	5,378	5,207	5,101	5,113	5,776	5,101
Pension liability	29	24	23	23	30	23
Current borrowing	899	901	1,083	1,048	1,100	1,083
Total interest-bearing liabilities	6,306	6,132	6,207	6,184	6,906	6,207
Cash	–786	–876	–1,049	–1,161	–1,073	–1,049
Total net debt	5,520	5,256	5,158	5,023	5,833	5,158
Total net debt excluding bus financing	390	375	202	63	134	202
EBITDA Q1	366	366	366	591	591	366
EBITDA Q2	481	481	481	481	721	481
EBITDA Q3	538	603	603	603	603	603
EBITDA Q4	357	357	501	501	501	501
Total EBITDA full year	1,742	1,807	1,951	2,176	2,416	1,951
Net debt/EBITDA	3.2x	2.9x	2.6x	2.3x	2.4x	2.6x
Net debt excluding bus financing/EBITDA	0.2x	0.2x	0.1x	0.0x	0.1x	0.1x

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 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 is also undergoing strong growth and with healthy profitability through Samtrans, which was acquired in 2018, and Göteborgs Buss as well as 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 area of Smart 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 adjusted EBT by 15.1 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.



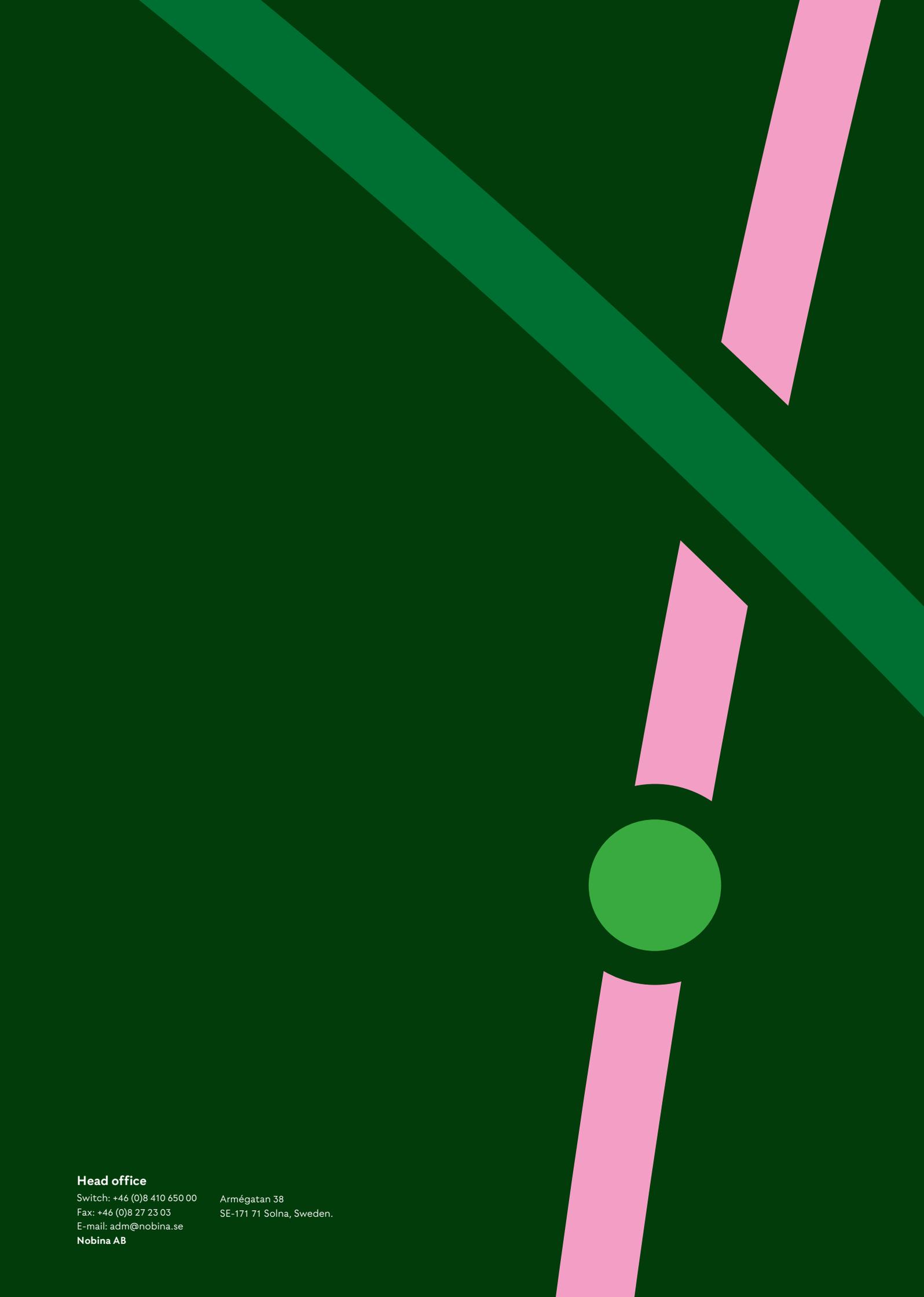
Goal 12: Responsible consumption and production

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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