



Press release 24 November 2021

## Nobina presents new business areas and revised financial targets in connection with today's Capital Markets Day

Today, Nobina AB (publ), the Nordic region's largest and most experienced provider of public transport services, arranges a Capital Markets Day. Nobina announces revised financial targets of an average annual net sales growth of 7 percent, an EBITA margin of 6.5 percent, a net leverage ratio at 3-4 times EBITDA and a dividend policy of at least 60 percent of net profit. In order to realise these targets, Nobina announces new business areas and a refined strategic framework for profitable growth. This entails an increased focus on the core business in Nobina Bus, but also the new business areas Nobina Care and Nobina Mobility.

Nobina operates in a market driven by some of the biggest challenges of our time. As the leading public transport company in the Nordics, Nobina is therefore well-positioned to respond to issues such as climate change and demands that stem from shifting demographics and urbanization. These underlying market fundamentals are a top priority for society to handle, calling for even higher structural growth in the future given that public transport has a higher market share growth in comparison to any other transport modes in the coming years. To capture these opportunities ahead, Nobina has defined three new strategic objectives with an even clearer focus on business, planet, and society.

### Magnus Rosén, President and CEO of Nobina, says:

*"Nobina has a strong position in the market and to take the next step on our journey and to fully leverage the strong fundamentals that characterize the public transport services market, we are today announcing new strategic priorities and revised financial targets. It is our firm conviction that these will enable us to maintain our leading position whilst providing sustainable value to all our shareholders. For Nobina, this means achieving organic growth as well as pursuing an active acquisition agenda, holding ESG at the core of all our operations, and maintaining an attractive dividend policy."*

### Strategic objectives

The first strategic objective is *Maximizing shareholder value*, which relates to the refined financial targets for Nobina. By further focusing on enabling organic growth as well as an increasingly active M&A agenda in the Nordic countries as well as maintaining the ability to expand into add-on businesses and capture new business opportunities, Nobina will strive to further increase value for all shareholders.

The second strategic objective is to *Maximize positive effect on environment, travelers, and society*. It reflects Nobina's sustainability goals and the increased focus going forward on reaching the climate target set for the Nordic countries. As part of this, the company will launch new, firmer CO2 targets that are in process of being validated by Science Based Targets Initiative. Moreover, Nobina will report on progress for the most important sustainability metrics such as share of green drivers, share of renewable fuel, and growth in traveler volumes.

Finally, the third strategic objective is to *Enable our employees to strive and deliver on Nobina's traveler promise with pride*, focusing on employee engagement and highlighting that Nobina's employees are the foundation of all the company's operations.

In order to realise these objectives, Nobina announces new business areas for profitable growth, which make up the company's new refined strategic framework. This entails an increased focus on the core business in Nobina Bus, but also new growth business areas Nobina Care and Nobina Mobility.

### **Nobina Bus**

Nobina Bus remains the core business providing the largest share of revenues. As the largest operator in the Nordics markets, it sets in motion 4000 buses every day. Priorities for the business area going forward entails strengthening the market-leading position in the Nordics both in terms of size and profitability as well as expanding into add-on businesses to further drive competitiveness and profitability. Strategic initiatives include leveraging the strong growth platform Nobina has in all markets for organic growth and pursuing an M&A agenda in the Nordic market to build scale and enter new regions. Further, it includes developing add-on business capabilities, such as within replacement traffic, commercial B2B and B2C traffic as well as broadening the bus-related service offering.

### **Nobina Care**

Entering the market in 2018 through the acquisition of Samtrans, Nobina Care is today a leading player focused on service traffic and operates in the segments, mobility service, school traffic, health care traffic and social care services. In recent years, the business has grown both geographically – through the acquisitions of Telepass, Göteborgs Buss and Örslev – as well as has developed to encompass new services in social care. The Swedish service traffic market is valued at almost 10 BSEK, with spend on traffic growing at about 3 percent p.a. driven by demographics. The ambition looking ahead is to continue route to market leadership in Sweden, expand geographically as well as grow into new services. Strategic initiatives include using the strong platform in Sweden to further consolidate, both through organic growth and an M&A agenda as well as pursuing acquisitions in the Nordics with Denmark as a prioritized market. Further opportunities for profitability and revenue growth come from related areas such as strategic partnerships to enter adjacent markets, expanding towards care services, and further building on the position established in mobile care.

### **Nobina Mobility**

Nobina Mobility has as it aims to offer all mobility in one app with the vision of helping people to cope without private car ownership. Nobina's Travis, was launched a year ago and now has over 460,000 unique users every month. Public transport is at the core of the app, working with partners to provide transport modes such as e-scooters and taxis to make up end-to-end solutions. The service is highly scalable with key priorities going forward being the continued development of new and existing partner relationships, increased focus on customer acquisition, retention, and capitalization as well as further development of the product offering and functionality.

## Financial Targets

To conclude, with a clear ambition for the future based on new strategic objectives, Nobina also announces revised financial targets.

- Growth: An average annual net sales growth of 7 percent, adjusted for the Samtrans Covid-19 business
- Profitability: An EBITA margin of 6.5 percent at average contract age being 50 percent of average contract length
- Leverage: Under normal circumstances, the net leverage ratio is to be at 3-4 times EBITDA, including strategic debt financing
- Dividend: Under normal circumstances, Nobina expects to pay a dividend of at least 60 percent of net profit

## New Segment Reporting

A refined strategy also calls for new segment reporting. Therefore, going forward reporting will look as follows; Nobina Bus Sweden, Nobina Bus Finland, Nobina Bus Norway, Nobina Bus Denmark, and Nobina Care. Nobina Mobility will be reported within central functions, with separate KPI's reported for this area.

## Webcast

The Capital Markets Day will take place as a live webcast on November 24, 2021, commencing at 15:00 CET, and can be followed via the link below:

<https://tv.streamfabriken.com/nobina-cmd-2021>

Recordings of the presentations and associated images will be published on Nobina's website after the webcast.

This information is such that Nobina AB (publ) is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was published, through the agency of the contact persons mentioned below, on 24 November 2021, at 01:00 p.m.

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## About Nobina

This is Nobina. We are the Nordic region's largest public transport operator, with 12,000 employees across four countries. Every day, all year round, one million people choose to travel more sustainably with us. From north to south, in urban and in rural areas. To the next bus stop, or all the way home. Together with our passengers and clients, we are big enough to make a real difference. From a welcoming greeting and a comfortable bus journey, to new smart technology that contributes to more fossil-free travel. A unique opportunity to bring about change.

The Group operates in Sweden, Norway, Denmark and Finland and reported sales of almost SEK 11 billion in 2020/2021. In the Swedish and Danish markets, Nobina also operates special needs transportation under the Samtrans, Göteborgs Buss, Telepass and Ørslev brands, respectively. Nobina is listed on Nasdaq Stockholm.

Together, we keep society moving every day.

More information is available on: [www.nobina.com](http://www.nobina.com)