



**Annual and Sustainability Report
2021/22**

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This is Nobina

Nobina is the Nordic region’s largest public transport company with approximately 13,000 employees. Every day, all year round, one million people choose to travel sustainably with us. Together, we keep society moving every day.

What we do

Nobina is constantly striving to convince more people to use public transport rather than cars by developing the company’s offering and expanding business into new areas. In this way, we contribute towards a more sustainable society.

Our strategic objectives

- Maximise shareholder value
- Maximise positive effect on environment, travellers and society
- Enable our employees to deliver on Nobina’s traveller promise with pride

Growing market

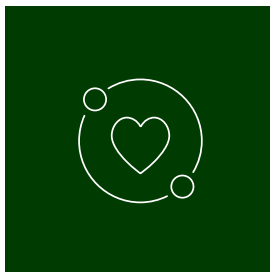
Turnover in the Nordic public transport market is estimated at approximately SEK 52 billion. The market is driven by three structural macro trends that support our business: climate change, a growing and ageing population and growing cities.

Our business areas



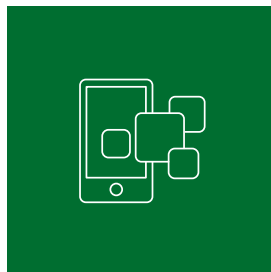
Nobina Bus

Nobina offers bus services focusing on electrification and sustainability throughout the Nordic region.



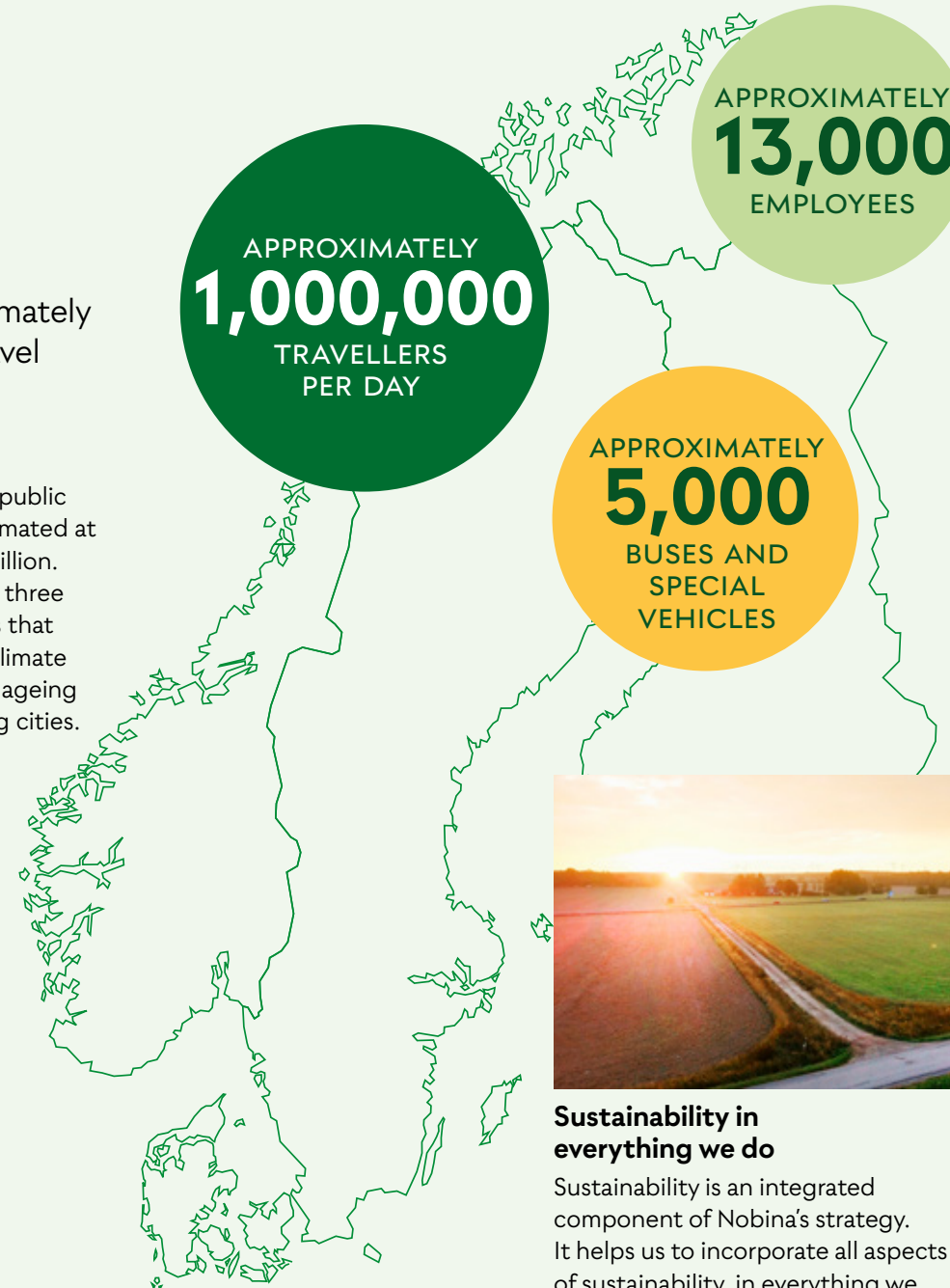
Nobina Care

Nobina has a strong position in school traffic, healthcare trips, and transport services for persons with disabilities in Sweden and Denmark through, for example, its subsidiary Samtrans.



Nobina Mobility

The Travis app is a smart travel planner where public transport is linked together with travel information and real-time on-demand services.

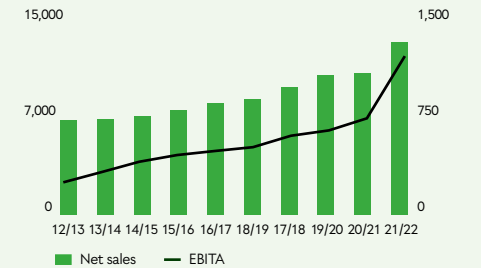


Sustainability in everything we do

Sustainability is an integrated component of Nobina’s strategy. It helps us to incorporate all aspects of sustainability, in everything we do, on all levels.

Profitable growth

Net sales, SEK million



A strong Nobina heart

We are not only responsible for creating employment for about 13,000 people. Nobina also wants to assume social responsibility to promote diversity and offer decent jobs and a healthy work environment.

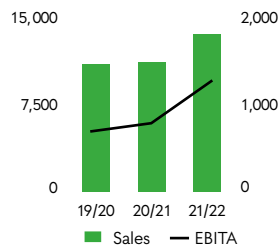
The year in brief



82%
renewable fuels

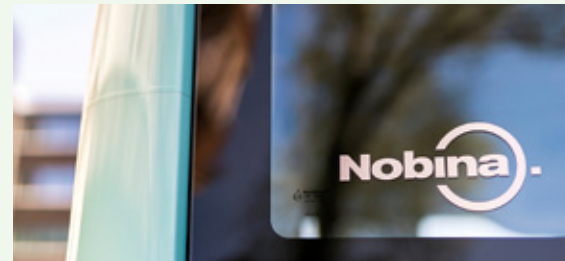
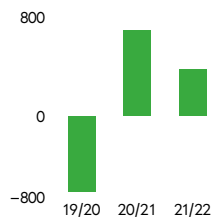
Net sales/EBITA

SEK million



Cash flow

SEK million



Basalt acquires Nobina

Nobina was delisted from Nasdaq Stockholm on 16 February following its acquisition by Basalt.



Acquisition of Telepass

Nobina acquired Telepass, with sales of approximately SEK 350 million, and through its subsidiary Samtrans becomes the leading service traffic operator in Sweden. The acquisition enables diversification and continued growth in service traffic in Sweden and Denmark.

No. of electric buses

Highest result ever, EBITA

+115% **1,247** MSEK



Major electric bus contracts in Stockholm and Denmark

Nobina has been awarded two new, ten-year contracts by SL to operate and develop public transport services in south and east Stockholm*, valued at approximately SEK 13 billion. This will be the first time that electric buses will be introduced on a broader scale in the Stockholm region.

Movia has renewed two contracts with Nobina involving 24 scheduled electric buses in Denmark at a value of DKK 570 million.

* Award appealed



Nobina joins the Science Based Target initiative (SBTi)

With the ambition of further reducing the Group's carbon footprint, Nobina has undertaken comprehensive work to analyse emissions from operations in order to establish a reduction target aligned to the Paris Agreement. The target has been submitted to SBTi for validation.

External ESG ratings



In 2021, Nobina was awarded the second highest rating (AA) from MSCI, which measures a company's resilience to long-term ESG risks.



In September 2021, Nobina received a higher ESG risk rating from Sustainalytics and is deemed to have a low risk of material negative financial impact from ESG factors.

STATEMENT FROM THE CEO

Highest earnings ever from a growing Nobina

Nobina is growing and achieved highest earnings ever. This is at a time when travel on our buses has almost halved during the pandemic. These strong earnings, despite the challenging circumstances, were in part due to the new business opportunities we have capitalised on, for example within social care services and extra traffic in the bus-for-train market. This reflects the strong and growing spirit of entrepreneurship that exists in Nobina today.

Sales for the fiscal year, adjusted for currency effects, rose 21.7 percent to SEK 13,1 billion and EBITA amounted to SEK 1,2 billion (0.8).

Despite a decline in the number of travellers using bus traffic, Nobina developed strongly and achieved a substantial improvement in earnings. I am proud that the challenges were handled so well. The ability to support each other and work together to solve difficult situations has been crucial. We were also able to defend our existing contracts, but above all gained a number of new contracts. I estimate that we won about half of the bus tenders in which Nobina participated. As a result, our market share will rise significantly in 2023. In the four Nordic markets, it currently averages about 20 percent.

One major piece of positive news is that we secured new contracts to operate and develop public transport services in Huddinge-Botkyrka-Söderort and Nacka-Värmdö. These are two of the largest contracts in the Nordic bus market. Winning these shows that we are skilled at securing the right contracts and act

in a professional manner throughout the tender process. Sustainability issues are also important in this type of contract and Nobina is already at the forefront here. Today, we have 400 electric buses in service that reduce emissions in public transport and also noise levels in the urban environment. No other Nordic company has more electric buses in service and the number is rising rapidly. In 2022 alone, another 200 electric buses will be added, which is helping to drive the electrification of the entire industry.

Strong entrepreneurship

The very strong earnings for the year are also due to the continued development of entrepreneurship in Nobina. We have identified new business opportunities outside our normal operations, mainly by extending social care services into new areas. On behalf of the Swedish Public Health Agency and several regions, Samtrans has conducted large-scale Covid-19 testing and vaccination logistics in Sweden, sometimes enlisting Nobina Sweden as a subcontractor. Internal

“During 2022 we will increase to 600 electric buses in traffic, no other Nordic company has more.”



STATEMENT FROM THE CEO



“There are now many new, attractive business opportunities in the market for care-related services, but also in other areas that require knowledge of logistics.”

changes carried out earlier are also promoting entrepreneurship. More resources and decision-making have been transferred to the traffic areas, where operations and business activities take place every day. Our traffic areas are closer to travellers and can more easily and accurately identify needs. This has helped to strengthen entrepreneurship during the year, but will also mean it can be developed further in the future. As we see it, there are now many more attractive business opportunities in the market for care-related services and in other areas that require knowledge of logistics. The volume of our extra traffic also grew during the year. This applies to replacement traffic in bus-for-rail services, where we are market leading and have secured new contracts in Sweden and Norway.

We are therefore growing by winning new contracts and broadening our offering, but also by completing several acquisitions. In 2021, Telepass joined the Nobina Group. This transaction strengthens us in service traffic, where Telepass is market leader in the Skåne region. As a result of this acquisition, we have established ourselves as a national operator in service traffic. Nobina now has a strong presence in Sweden’s metropolitan regions, where most journeys take place and can be coordinated for the benefit of society.

A new climate target

Public transport has an important role in solving the climate crisis, which is one of the largest challenges facing society. By convincing more people to leave their cars at home and instead use public transport, we can help to reduce the climate impact from the transport sector, but also be part of the solution to other societal challenges driven by growing cities and

an ageing population. One of Nobina’s sustainability targets is that 100 percent of the fleet is to be operated with fossil free fuels by 2030. We are now intensifying our sustainability work by joining the Science Based Targets initiative (SBTi) and developing a new emission reduction target. The target is under validation by SBTi to ensure that it is in line with the Paris Agreement’s 1,5 °C ambition. To get the target validated, we have mapped the emissions from our value chain and aim to reduce emissions per traveller kilometre with at least 46 percent by 2030/31 with 2019/20 as base.

Stronger Nobina

Just before the end of the year, the UK infrastructure fund Basalt announced a public offer to our shareholders. The offer was accepted and resulted in the delisting of Nobina’s shares from Nasdaq Stockholm in February 2022. As we look back over six years as a listed company, we can see a very strong performance. Nobina has grown in markets across the Nordic region while generating a total return of 355 percent for its shareholders. During the same period, the general index of Nasdaq Stockholm Mid Cap reported a yield of 220 percent. We have therefore delivered a yield that we can be very proud of and I want to thank all employees who have contributed to Nobina’s successful journey on the stock exchange. With new owners, the business will now enter a new phase, where the same values and focus on profitability and sustainable growth will form a foundation that will yield an even stronger Nobina moving forward.

Magnus Rosén
President & CEO

BASALT

Nobina's new owner focuses on growth

Basalt became the new owner of Nobina in 2022. The company sees Nobina as an important public transport operator with a leading position in the Nordic region. Nobina's strengths include the range of services, but also its strong sustainability profile with ambitious targets that include a transition to 100 percent renewable fuel consumption by 2030. Other strengths include the fact that Nobina is active in a market that demonstrates stable growth and is based on long, fixed-term contracts.

Long-term perspective and continued transformation

Basalt believes the transport system in the Nordic region will undergo extensive change in the years ahead. These changes will be driven by demand from the public for sustainable transport solutions. Both customers and public authorities that tender public transport services want solutions that meet the highest environmental and quality standards.

"To meet these demands, Nobina must continue to allocate funds to investments in new technology, electrification and new mobility solutions and services. In a private environment, Basalt can provide the long-term perspective, the financial strength and the expertise necessary for Nobina to continue to lead this transformation and succeed in its active acquisition agenda," says Rob Gregor, Managing Partner of Basalt Infrastructure Partners LLP.

This is Basalt¹

UK-based Basalt is an independent investor that has focused on specialised investments and value creation in infrastructure since 2011. Activities are aimed at medium-sized investments in the utilities, energy, transport and communication sectors in Europe and North America. Through its funds, the company has extensive experience of supporting infrastructure companies through sustainable transformations. Nobina is the both the first of Basalt's holdings in the Nordic region and the first bus company investment by Basalt.

The company manages assets valued at USD 5.6 billion. A large number of leading players have invested in Basalt's infrastructure funds, including public and private pension funds, state investment funds, insurance companies, banks and asset managers.



"Basalt can provide the long-term perspective, the financial strength and the expertise necessary for Nobina's continued development."

Rob Gregor,
Managing Partner Basalt Infrastructure Partners LLP

Assets under management

5.6 Bn USD

Number of Investment Managers

31

Number of investments

24

Number of years of experience

>361

1) The fund consists of four limited partnerships; Basalt Infrastructure Partners III A L.P., Basalt Infrastructure Partners III B L.P., Basalt Infrastructure Partners III C L.P. and Basalt Infrastructure Partners III D L.P., all of which are registered and incorporated in England and have their registered address in Guernsey, each acting through its general partner and manager Basalt Infrastructure Partners III GP Limited ("Basalt"). Basalt Infrastructure Partners III GP Limited is registered and incorporated and has its registered address in Guernsey.

MARKET DRIVERS

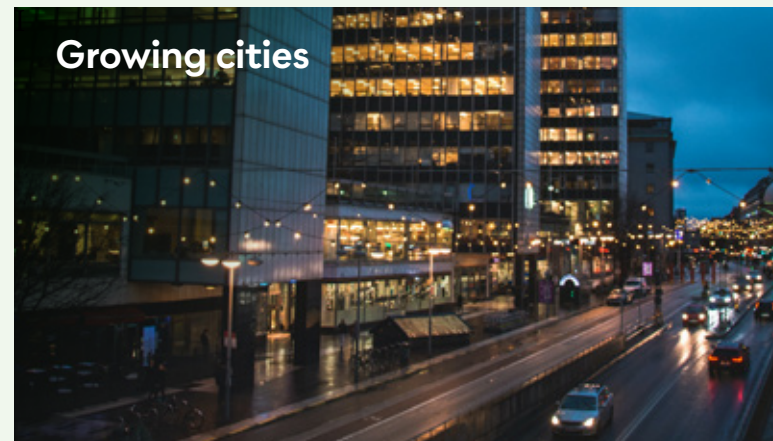
Our market is driven by three macro trends

Society is facing major challenges. Climate change must be handled in a carefully considered way in the short and long term. In parallel, the need is increasing for new housing and well-developed infrastructure, that will enable growth, security and accessibility. Add to this an ageing population, which increases healthcare needs and drives the shift towards new, smart, digital services. Modern and efficient public transport services are essential for handling the challenges and this makes Nobina part of the solution.



Climate change is one of the most burning issues of our time. It is crucial that we reduce the carbon footprint and reach national and international climate targets. There is still much to be done before we can reach these targets, not least in the transport sector, where **emissions must be reduced by 90 percent by 2050 to achieve the EU's climate-neutrality objective.**

Every day, approximately 9.5 million journeys are made by public transport in the Nordic region. One of the fastest and most cost-efficient ways to reduce the carbon footprint is through investments that mean more people choose to leave their cars at home and instead travel by public transport.



As society grows, there is an increasing need for housing and infrastructure. **In Sweden alone, almost 60,000 new homes must be built every year until 2030.** This rapid urbanisation is increasing competition for space in city areas and the need for availability and accessibility.

Public transport is part of the solution since it ensures that urban space can be utilised in an optimal manner, by everybody, regardless of where you live, how old you are or your state of health. Public transport is the network that links all parts of society, paves the way for growth and development and reduces problems of congestion and a lack of accessibility.



25 percent of the population will soon be over 65 years of age in the Nordic region. An ageing population increases the need for health and social care – at a time when society has limited resources, which means new, smart services are needed. Healthcare must become more accessible and be provided closer to people's everyday lives, which increases focus on issues such as logistics, distance and transportation. Service traffic can help to solve some of these issues, through continued investment in the route network to improve accessibility and by developing new services and solutions. These are cost-efficient services that make the healthcare system easier and more accessible for patients.

MARKET DRIVERS

Nobina is part of the solution

Public transport can make a big difference in handling the challenges facing our communities. This makes Nobina part of the solution. We have the experience, size and technology to enable this. Our approximately 5,000 buses and special vehicles offer climate-friendly and space-efficient journeys whereby many people can travel together at the same time. A large share of these buses also use renewable fuel, meaning we make a clear contribution to achieving climate targets. Through continued investments, public transport can grow even more and we can redirect travel to make passenger transport of the future more climate-smart.

Public transport simplifies everyday situations

In expanding cities, public transport and service traffic help to achieve a work-life balance. Transport services have a broad reach and help to reduce unemployment, facilitate integration, improve accessibility, increase everyday safety and improve health and social care. In partnership with our clients and other social players, we want to expand this network further, by investing

in more buses and routes, more frequent departures and improved infrastructure that benefits public transport and makes it more accessible.

Broad range of service traffic

Demands for new, smarter services will increase in health and social care. Our Nobina Care business area already offers a broad range of service traffic. During the pandemic, this offering was expanded to include mobile testing, vaccination and related logistics services.

Smart travel planning

The Group also includes the Nobina Mobility business area, which has developed the Travis digital platform. It can be used to find information, buy tickets and plan journeys. Combined with our expertise in logistics and transportation, this type of platform is an asset, particularly when digitalisation is becoming more important throughout society and the need for new services is growing.

We are Nobina

Nobina's business areas are united through a shared vision that everybody should want to travel with us. To achieve this, we provide attractive services that convince more people to leave their car at home and travel by public transport instead. Our values reflect how we behave, how we work and how we act towards each other, and serve as the Group's foundation and our internal moral compass.

VISION

Everyone wants to travel with us

We want to increase the use of public transport, both for the good of the environment and to simplify the everyday lives of people. To achieve this vision, it must be easy to travel with us. There must be clear timetables, our travellers must be given relevant information about their journey and buying a ticket should be uncomplicated. And, not least, the journey itself must be safe, comfortable and trouble-free.

MISSION

Together, we keep society moving every day

We want to contribute to a more sustainable society. We connect cities and regions so you easily can travel sustainably. Through innovation and experience, we also create a profitable and stable company that provides work for thousands of people. In the lunchroom, we exchange experiences and perspectives that help us to grow as a company, when the diversity of competencies have the chance to be shared and developed. In this way, we can create an even better journey for you and for society.

VALUES

We respect each other

We safeguard the equal value of all human beings and treat each other with courtesy and consideration. Together, we create a secure and creative working climate. We take action in the case of lack of respect towards travellers, each other and the company.

We care

We are committed, attentive and care about each other. We take active responsibility for the environment, society, safety and security. We promote health and personal development.

We take responsibility

Our work is characterised by responsibility, trust and participation. We take responsibility for our own development and the development of the company. We act as good examples.

Strategic framework for profitable growth

Nobina’s strategy is based on our profitable growth. During the year, the strategy was broadened and clarified in a number of ways. It is based on three strategic objectives and encompasses the three business areas, Nobina Bus, Nobina Care and Nobina Mobility. Sustainability has also been given a clearer role.

Our strategic objectives

Nobina’s strategic framework for profitable growth contains three overarching strategic objectives:

Maximise shareholder value

Profitable growth is the basis of Nobina’s operations. Profitability is linked to specific financial targets, but we are clear at the same time that profitability also means we have a long term perspective and can grow sustainably over time.

Maximise positive effect on environment, travellers and society

The more services we produce, the better for the environment, travellers and society as a whole. Emissions and traffic congestion decrease while accessibility to different parts of a city or region increase. This is why we want to grow public transport as much as possible.

Enable our employees to deliver on Nobina's traveller promise with pride

Our traveller promise captures how we meet traveller needs: *“You should feel welcome, safe, receive information that is important for your journey and should always feel confident that you are travelling sustainably.”* The promise is realised through committed, motivated employees and we can offer travellers the best possible journey every day.

Business areas built on a common base

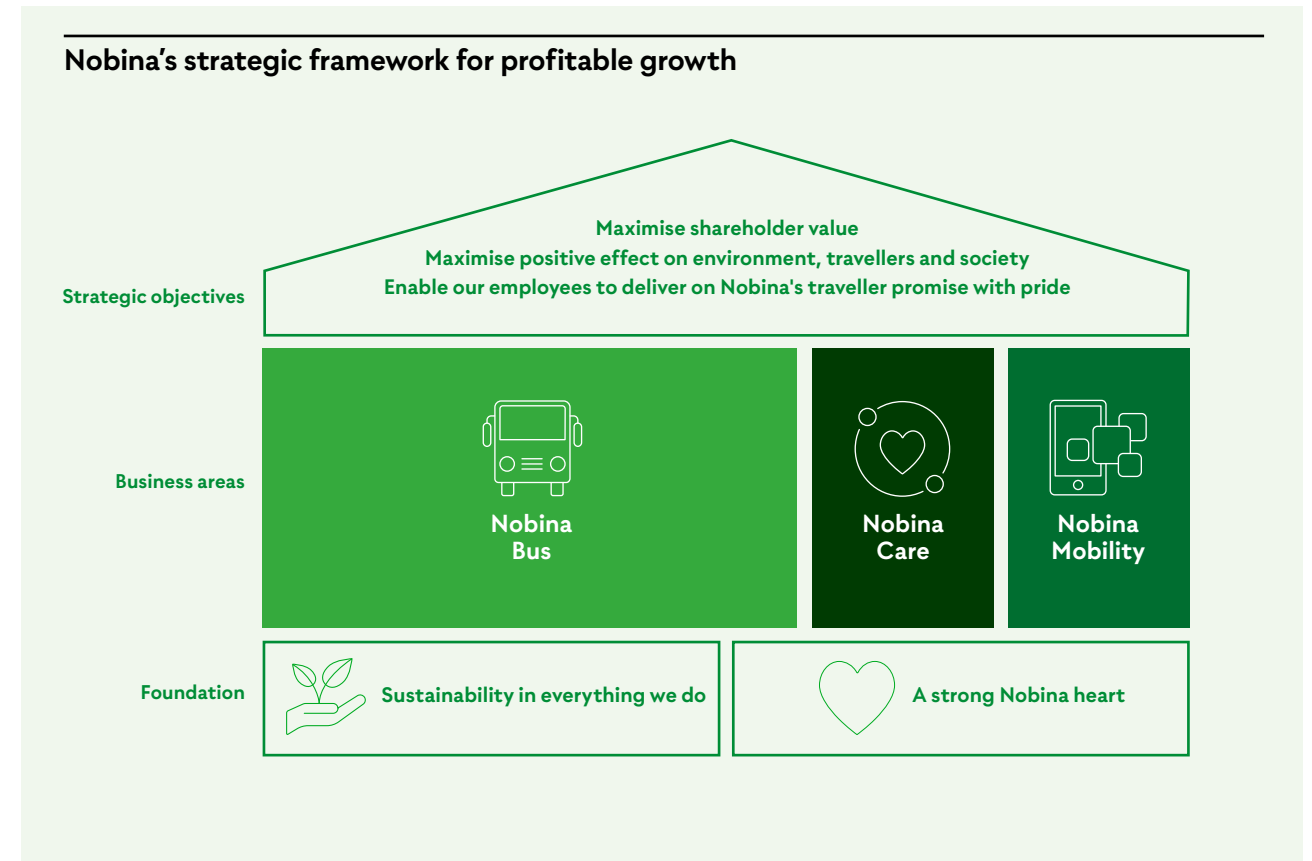
The strategy was refined and meant operations were divided into three business areas with specific strategic priorities and targets for each business area. Nobina Bus focuses on public bus transport services, Nobina Care specialises in service traffic while Nobina Mobility offers digital mobility solutions in public transport. The business areas’ operations share a common base:

Sustainability in everything we do

This is a promise of sustainability in everything we do, addressed to ourselves, PTAs, travellers and to society as a whole. The concrete sustainability work focuses on a number of environmental issues, such as minimising carbon dioxide emissions, and also social sustainability with a focus that includes work environment, equality and on our role as societal stakeholder.

A strong Nobina heart

This concept summarises the values and culture that are to permeate Nobina. This highlights the significance of commitment in everyday situations, but also everything from competence assurance to the importance of providing safe and secure workplaces where all employees feel they be the best version of themselves.



Growth through acquisitions

Acquisitions are an important part of Nobina's strategy and a natural driver of the Group's sales and profitability growth in recent years. Since 2018/19, we have completed six acquisitions – in Nobina Bus and Nobina Care.

Growth through acquisitions aims to expand operations geographically or to adjacent activities and to obtain new knowledge and grow volume.

The geographic focus of acquisitions is in the Nordic region and both large and small potential targets are of interest. All new companies that join the Group can share Nobina's profound knowledge of the markets in which we operate, expertise in contracted business with public-sector customers and strength in driving market developments together with various stakeholders.

In service traffic, which is a part of the business area Nobina Care, we strive to extend our geographic footprint and consolidate the market. In regular public transport and the business area Nobina Bus, we aim to strengthen profitable volume growth and find ways to enhance our offering in new geographies.

Acquisitions 2021/22



Nobina acquires Telepass and becomes leading service traffic provider in Sweden

2021 Telepass is a market leader in service traffic in Skåne. Following the acquisition, Nobina, through its subsidiary Samtrans, becomes a leading player in service traffic in Sweden. The acquisition of Telepass has enabled Nobina to establish itself as a national player in service traffic, with a strong presence in all three of Sweden's metropolitan regions.

"We are very pleased that we will now be able to work together with Samtrans, a large, long-term and very well-managed company. We also have a positive view of the intention to retain Telepass as a separate subsidiary in the Group to leverage the strengths of the company in the best way. We look forward to continue driving the development of service traffic forward together with Samtrans," says Otto Svensson, founder and Managing Director of Telepass.

Previous acquisitions



Previous acquisitions Nobina Bus

2020 KE's Bussar operates public buses and school traffic in Varberg and Kungsbacka and coach hire. At the time of acquisition, the company had sales of about SEK 90 million. The acquisition is part of Nobina's strategy to both broaden and grow in the Nordic market, while at the same time building a platform for increased competitiveness in, for example, smaller contracts.

2018 At the end of 2018, Danish DBO Busser Holding A/S "De Blaa Omnibusser" was acquired by Nobina and contributed three new contracts in tendered scheduled traffic with annual sales of approximately DKK 160 million and 65 buses.



Previous acquisitions Nobina Care


2020 Göteborgs Buss AB operates tendered service traffic in the Gothenburg region. At the time of acquisition, the company had sales of SEK 156 million. The acquisition broadened Nobina's offering in social care trips and enlarged its geographic presence outside the Stockholm region.

2019 In early 2019, Danish Örslev Holding ApS was acquired with operations in public transport contracts and service traffic. At the time of acquisition, the company had sales of about DKK 40 million.

2018 In October 2018, Samtrans Omsorgsresor was acquired, the leading player in service traffic in the Stockholm market. At the time of the acquisition, the company reported sales of SEK 750 million distributed between 24 contracts. The acquisition was Nobina's first step in broadening its activities outside regular public transport.


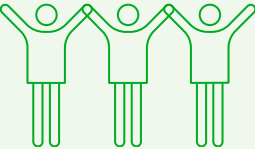
Financial targets and outcome

Nobina has the experience, size and technology to help to resolve societal challenges with efficient public transport services. To achieve this, we must grow profitably and we have identified four financial targets that will help us. Due to the change of ownership, the financial goals will undergo a review.

Strategic objectives	Definition	Target	Outcome 2021/22
 <p>Maximise shareholder value</p>	Growth	Nobina's target is to have an average annual net sales growth of 7 percent (adjusted for Samtrans Covid-19 business).	14.1%
	Profitability	Nobina's target is to achieve an EBITA margin of 6.5 percent at average contract age being 50 percent of average contract length.	9.5%
	Net leverage ratio	Under normal circumstances, Nobina's net leverage ratio is to be within 3 to 4 times EBITDA , including strategic debt financing.	1.9%
	Dividend policy	Nobina expects to, under normal circumstances, pay a dividend of at least 60 percent of net profit.	0%

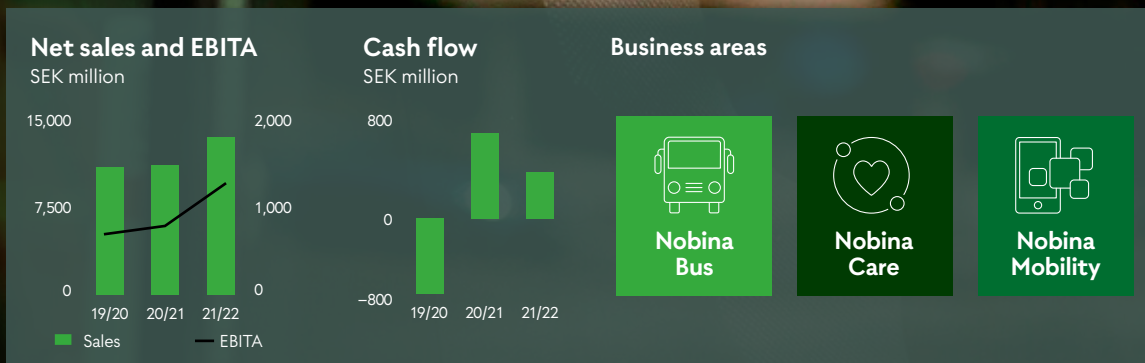
Sustainability targets and outcome

Long-term and enduring profitable growth is central in securing the necessary resources to continue to invest in operations and to contribute to a sustainable development of society. Nobina's long-term targets and key metrics are designed to meet both market demands and changes in society. Due to the change of ownership, the sustainability goals will undergo a review.

Strategic objectives	Definition	Target	Outcome 2021/22
 <p>Maximise positive effect on environment, travellers and society</p>	CO₂ emissions	By 2030/2031, we have reduced our CO ₂ e emissions per driven person kilometre with at least -46 percent with 2019/2020 as base. Target is under validation by SBTi to ensure alignment with the Paris Agreement's 1,5 °C ambition.	-9%
	Green drivers	The proportion of drivers using eco-driving is to amount to 90 percent .	81%
	Fuel consumption	Not later than 2030, 100 percent of Nobina's total fuel consumption is to consist of renewable fuel.	82%
	Suppliers	At least 95 percent of Nobina's suppliers are to have signed our Code of Conduct.	98%
 <p>Enable our employees to deliver on Nobina's traveller promise with pride</p>	Employee commitment	Nobina is to achieve good employee motivation in at least 14 of the 16 questions in the annual employee survey.	11/16
	Share of female managers	At least 30 percent of our managers should be women.	26%
	Share of female drivers	At least 20 percent of our drivers should be women.	10%
	Sick leave	Sick leave in the Group should decrease every year and in the longer term be below 2.1 percent .	4.3%
	Workplace injuries	Nobina's vision is zero workplace injuries.	0.7 injuries per million driven kilometres

Operations

Nobina offers the Nordic market's most complete offering of support, services and expertise in public transport. Operations are pursued in three business areas: Nobina Bus, Nobina Care and Nobina Mobility.



NOBINA BUS

Public transport that keeps society moving – every day

In the Nordic region, approximately one million travellers travel every day on Nobina's buses – to school, work, leisure activities or to meet friends. They can travel with us conveniently and safely, but also sustainably in a society where public transport is part of the solution to future challenges.

With so many travellers boarding each day, we have a great social responsibility, given that we keep society moving every day – to or from home, school, work or perhaps a leisure activity. This also means that public transport simplifies daily life for many people. Furthermore, public transport has an important role to play in society as a whole, particularly given the challenges ahead. Climate change is becoming more pressing, urbanisation is accelerating and demands are growing for modern and well-developed city infrastructure. Public transport can contribute with its efficient, sustainable solutions, rooted in people's decision to travel together by bus.

About Nobina Bus

Nobina is the largest bus operator in the Nordic region, with a market share of approximately 20 percent. The Nobina Bus business area has operations in Sweden, Denmark, Finland and Norway. Sweden is the largest market, where we are the leading operator with a share of approximately 30 percent of the public transport market for bus services. In Denmark, Finland and Norway, we are currently a market challenger with strong positions in all capital areas, where public transport growth is strongest.

Throughout the Nordic region, Nobina Bus has roughly



Strategic priorities

- Solid organic growth in all markets
- M&A to build scale in existing markets
- Add-on business to drive competitiveness and profitability

NOBINA BUS

“The year was marked by a high rate of activity in the tender market, with Nobina Bus winning new contracts in the Swedish, Danish and Finnish markets.”

11,500 employees and about 4,000 buses. There is a distinct focus in all markets on sustainability. More than 80 percent of all buses in the Nordic region run on renewable fuels. The figure in Sweden is 99 percent. In parallel, we are driving the electrification of public transport in metropolitan regions. In 2021/2022, we had about 400 electric buses in service – a figure that will increase to more than 600 next year alone.

Competitive advantages include the size of operations and knowledge about public transport that provide us with economies of scale. This means we can operate bus services effectively, but also develop services together with PTAs and with society as a whole. Operational management mainly concerns ensuring efficient flows in day-to-day services, taking a proactive position in the event of disruption and offering flexible, trouble free logistics solutions that are appreciated by travellers and PTAs.

Development work focuses on managing shifts in technology, which includes the current phasing out of fossil fuels. A larger and more complex question is how public transport is developing in pace with the cities in which Nobina Bus operates. Public transport infrastructure must be adapted when urban environments are developed or altered. Work focuses on issues relating to routing, service frequency, safety initiatives, improved traffic information and much more. The ability to develop traffic services is also important in rural areas. Different solutions are needed in areas where the traveller base varies. One such example is to offer

flexible bus stops and timetables that improve accessibility to public transport.

Public transport market for buses

The public transport market for buses in the Nordic region has sales of approximately SEK 52 billion. Sweden is the largest market with sales of about SEK 24 billion and is growing by an average 3–4 percent per year. It is a politically controlled market, with governance to ensure the fulfilment of goals for efficient and attractive public transport services. Concurrently, public transport is used as an instrument to make communities more sustainable. Bus services are largely tendered in free competition and based on agreements between operators and PTAs in the Nordic countries. Contracts usually extend for 8–10 years and provide operators with long-term, predictable income.

The past year

During the past fiscal year, sales for Nobina Bus increased by 12 percent, primarily driven by positive index development, growth in underlying operations and positive contract migration effects. At the same time, earnings amounted to SEK 896 million. This is up 45 percent compared with the preceding year.

Despite the drawn out pandemic, our delivery capacity was 99.8 percent. This is testament to the performance of our organisation and reflects the responsibility shown at a time of great disruption in society. The year was also marked by a high rate of



NOBINA BUS

activity in the tender market, with Nobina Bus winning new contracts in Sweden, Denmark and Finland. In Sweden, these included contracts in Stockholm and Gothenburg. On behalf of Stockholm Public Transport (SL), we will operate public transport in Huddinge-Botkyrka-Söderort and in Nacka-Värmdö. In Gothenburg, Nobina Bus will operate city transport in and around Angered. In Finland, our assignment was expanded and we were entrusted with operating bus services in

Helsinki. In the Danish market, a contract was signed with Sydtrafik, whereby we will operate city transport in Kolding and the surrounding area from summer 2022.

Additional services are also increasingly important for Nobina Bus, primarily contracts for replacement traffic when trains are at a standstill. Several new contracts were signed during the year, including with Mälartåg, which operates rail services in Stockholm-Mälardalen, and also with PTAs in the Norwegian rail transport market.



Strong delivery capacity during the pandemic

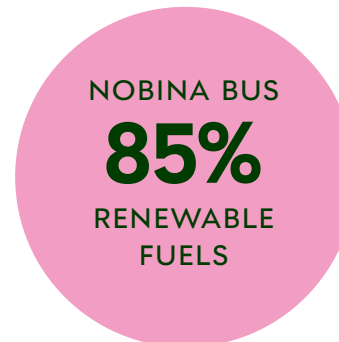
Despite the drawn out pandemic, our delivery capacity during the year was 99.8 percent, which is a testament to the performance of our organisation at a time of great disruption in society.

Focus looking ahead

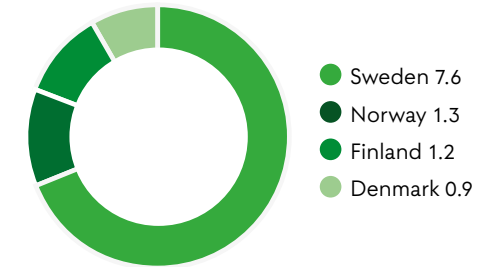
Nobina Bus will continue to grow in a way that is profitable. Organic growth is highly important in contract-based operations. We grow gradually by securing new assignments. We achieve this through our skill at winning new tenders and operating efficient bus services that meet the expectations of travellers and PTAs. We also grow through acquisitions, in regions that are new to us and to strengthen our position in existing markets.

Furthermore, we strive to develop new additional services, in particular through contracts with current clients. The services may relate to new areas in transport and logistics, where we can leverage our vehicle fleet and knowledge of smart, sustainable transport solutions.

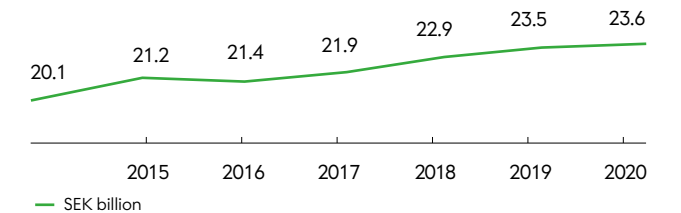
The focus for coming years is also to increase travel volumes to pre-pandemic levels. We also want to focus on preparing for traffic start-ups in new contracts won. Operating city transport in Huddinge-Botkyrka-Söderort and in Nacka-Värmdö from 2023 involves two of the largest assignments in the Nordic region. The new collaboration with Västtrafik in Gothenburg/Angered is also a major assignment with services starting in 2022 and 2023.



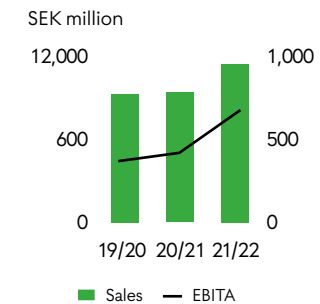
Revenue SEK billion



An annual increase in expenditure for public bus transport services in Sweden of more than 3 percent



Net sales and EBITA
SEK million



Market positions

- Largest operator in the Nordic region
- # 1 in Sweden
- # 1 in Helsinki
- # 1 in Copenhagen
- # 2 in Oslo

NOBINA CARE

Care services that makes everyday activities possible

Nobina Care offers reliable transport services for people with special needs. This helps to create an inclusive society, in which everyone has an opportunity to participate on equal terms and have a functioning daily life. In pace with the growing needs of society, we also offer new social care services.

We operate where society needs us by offering traveller journeys for people with accessibility needs for anyone who is unable to travel by regular public transport. This creates a more inclusive society where everyone can travel to school, work, hospital or leisure activities on the same terms. Alongside traveller journeys, new services are under development to meet rising demand from society for social care. One such example is the extensive testing activities that were established during the pandemic.

About Nobina Care

Nobina Care comprises four operations that offer service traffic in various parts of Sweden and in Denmark. Sweden is the core market, where we are currently one of the three largest operators. The dominant business is Samtrans, which is market leader in the Stockholm region. Samtrans was acquired in 2018 and has since grown profitably and strengthened its market position. Telepass was acquired in 2021 and is market leading in service traffic in south Sweden. Göteborgs Buss – which joined Nobina Care in 2020 – has a strong position in west Sweden. Ørslev is a minor operator that offers service traffic in south Zealand. The company was acquired in 2019 and acts as a platform for Nobina Care's continued expansion in the Danish market.

Strategic priorities

- Strengthen position in Sweden
- Expand geographically
- Grow into new services



APPROXIMATELY
1,500
EMPLOYEES

NOBINA CARE

“During the past fiscal year, the care-related business has grown through acquisitions and the Covid-19 business, but also organically.”

Every day, our approximately 1,500 employees and partners perform more than 10,000 service journeys. Most of these journeys are carried out by wheelchair accessible taxis or other special vehicles. Mobility services and school traffic dominate, accounting for roughly 80 percent of all traffic.

We are to differentiate ourselves through quality and can see that this is a successful strategy. In customer satisfaction surveys, Nobina Care is consistently 10–15 percent higher than its closest competitors. Quality work concentrates on the areas of Punctuality, Reception, Safety and Security, ensuring that transport of people with accessibility needs is reliable and secure. This focus on quality services – combined with a high level of customer satisfaction – strengthens the offering and helps Nobina Care to expand and win more contracts.

Market for service traffic

The Nordic market for service traffic is valued at about SEK 20 billion. In Sweden, this market is valued at about SEK 10 billion and is growing by about 3 percent per year. The underlying drivers of this increase include a growing and ageing population, but also the fact that more and more health and social care services are being performed in the home. Add to this the requirements for inclusion, whereby everyone is to be offered health and social care on equal terms and have a functioning daily life with an equal quality of life. Service traffic is divided into these four segments:

Mobility services – trips to and from work or activities for persons with special needs.

School traffic – trips to and from school for children with special needs or with schools far away from home.

Healthcare trips – trips to and from healthcare appointments.

Social care trips – trips to and from activities in social care.

Mobility services, school traffic and healthcare trips are the dominant segments. Municipalities and regions are the main clients, though service traffic is also carried out under direct contracts with private caregivers and schools. In a tendering process, operators bid for service traffic through contracts that often extend for 2–6 years. Larger taxi companies also compete for these contracts alongside companies that are specialised in service traffic.

The past year

During the past fiscal year, the service traffic business has grown through acquisitions and strong contribution from the Covid-19 business but also recovery within the core business. Sales in the business area increased by 124 percent. At the same time, earnings amounted to SEK 662 million. This is up 147 percent compared with the preceding fiscal year.

Volumes in school traffic and healthcare trips remained largely unchanged. Travel declined in mobility services, mainly due to customers refraining from travelling during

Nobina Care’s subsidiaries

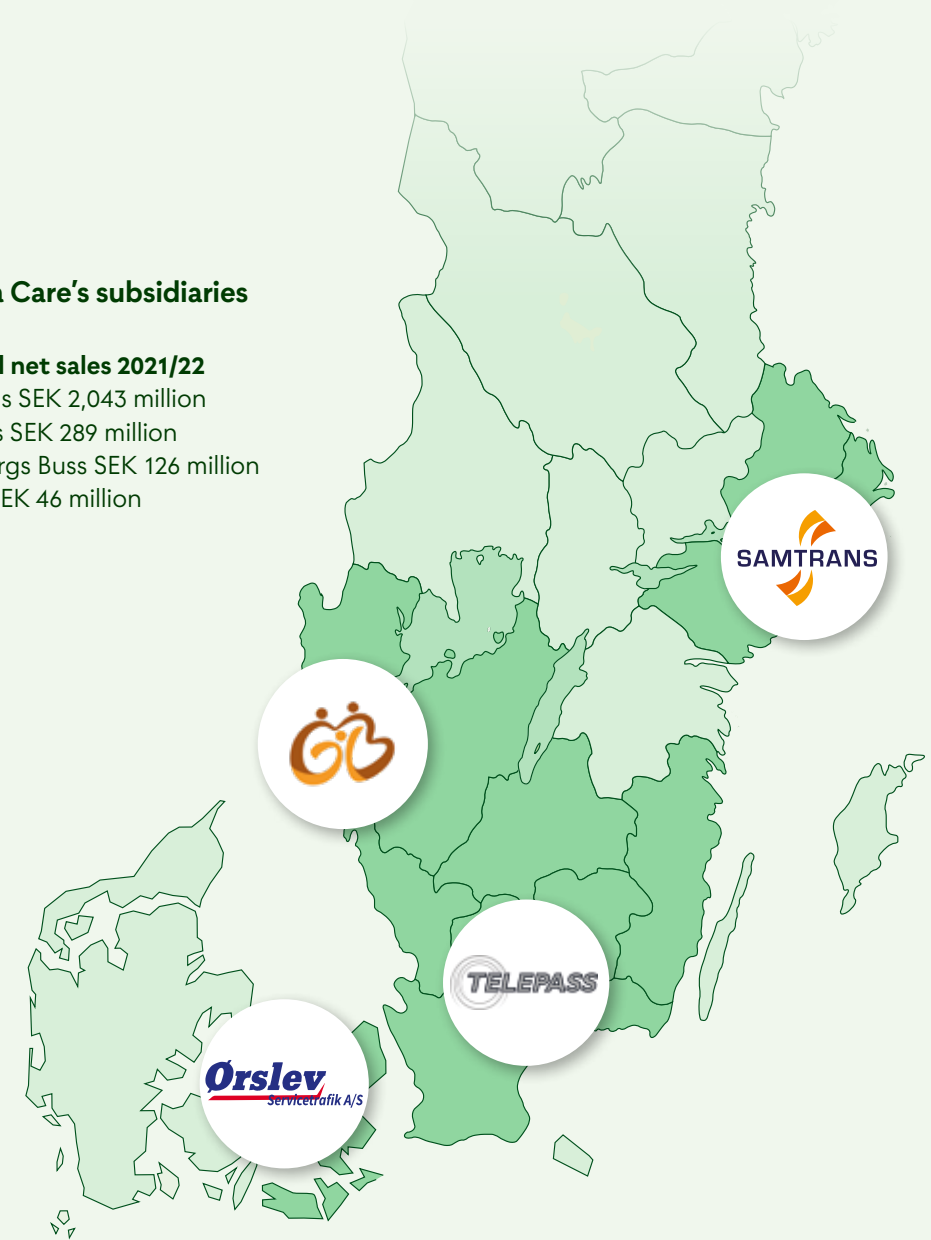
External net sales 2021/22

Samtrans SEK 2,043 million

Telepass SEK 289 million

Göteborgs Buss SEK 126 million

Ørslev SEK 46 million



NOBINA CARE



School traffic

Mobility services, school traffic and healthcare trips are the dominant segments in service traffic.

the pandemic. The new contracts won are concentrated in the Stockholm region, Västra Götaland and Skåne, all of which are prioritised growth areas. The value of these new contracts is approximately SEK 1.6 billion.

During the spring of 2021, Telepass was acquired, making Nobina Care market leader in service traffic. In recent years, Telepass has grown rapidly with healthy profitability. With the acquisition, Nobina Care became a national player in service traffic, with a strong market presence in all three of Sweden’s metropolitan regions. During the year, integration work also continued in Göteborgs Buss, thereby improving profitability since its acquisition in 2020.

Increased digitalisation

Alongside of this, investments have continued in quality, increased digitalisation of work procedures and processes to make operations more efficient. Examples include new, improved tools to facilitate planning, scheduling and control of vehicles. In the Stockholm

region alone, we have about 700 vehicles in service every day. Efficient control of these vehicles is essential if we are to live up to requirements for punctuality and safety. Better control also helps to reduce carbon dioxide emissions, ensuring that our vehicle transport is as climate-smart as possible.

The pandemic has continued to impact operations and led to the development of new social care services. The needs of clients always guide this work, where changes have been both rapid and shifting. The capacity to satisfy demand at short notice has been one of Nobina Care’s strengths. For example, capacity in patient transportation and comprehensive testing and vaccination activities were introduced throughout Sweden. Mobile Covid testing was offered in 13 of the country’s 21 regions via Samtrans. We assembled and distributed more than three million test kits for Covid-19 and were responsible for vaccination logistics in Östergötland and Sörmland. In its role as caregiver, Nobina Care employed almost 1,000 people in services linked to Covid-19.

Grow through acquisitions and organic development

Nobina Care will continue to expand operations. This applies to the Swedish market and to other markets in the Nordic region, primarily Denmark. Additional acquisitions will enable us to establish operations in new markets or regions in the Nordic region. The Swedish and Danish markets are still relatively fragmented. This creates opportunities for an experienced, acquisition-driven operator such as Nobina Care.

We will also grow through organic development – not least by developing new social care services. This organic growth will strengthen positions in existing markets, for example by Nobina Care securing new assignments in Swedish metropolitan regions. Ongoing

investments in quality development and digitalisation will help to drive growth.

Focus looking ahead

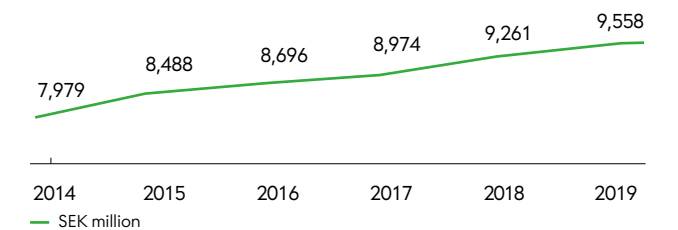
We can see continued opportunities to digitalise and systematise our working procedures to further improve operational quality and efficiency. In forthcoming years, time and resources will be invested in new digital solutions and more systematic ways of working. Moreover, we will work actively with our continued growth journey moving forward. This entails initiatives to raise quality requirements in the tendering processes, a focus on new markets in areas where we already operate, and efforts to identify and prepare strategic acquisitions in completely new areas.

The development of new social care services is also important. The services we developed during the pandemic are prime examples of this. They show that we are fast and flexible in identifying new needs and are always there where society needs us. One interesting area for the future is adjacent markets in mobility services. Growth in everything from taxi services to e-commerce is opening up new business opportunities as a result of our expertise in transportation. In a similar manner, care needs are growing in, for example, elderly

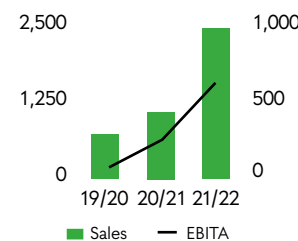
care. Through our social care trips, we already have a link to these care services, where additional assistance service could be a growth area in the future. In the same manner, we can note rising interest in mobile social care trips, which combines the two areas where we have broad-based experience. The need for mobile services increased during the pandemic – including mobile Covid-19 testing – but the importance of these services is expected to grow even after the pandemic.

Common drivers behind these growth areas include the continuing digitalisation of society and the interest in mobile health and social care. Ingenuity and innovation are our strengths and we are therefore paying close attention to the new business opportunities being created.

Investments in Swedish service traffic, an increase of just over 3 percent per year



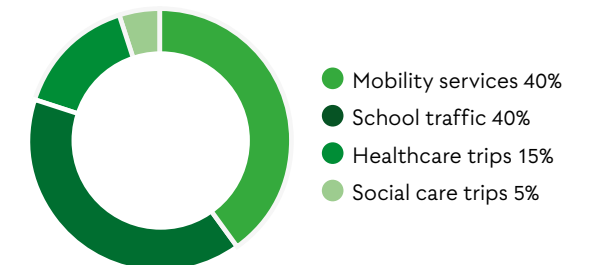
Net sales and EBITA
SEK million



Market position

3 in Sweden and a challenger position in Denmark

Service traffic in Sweden



NOBINA MOBILITY

Mobility with added value – from door to door

An efficient, convenient journey all the way to the final destination – this is made possible by Nobina Mobility's digital services. Building on public transport services, travel planning and ticket purchasing is offered, as well as the reservation of onward journeys with other means of transport. All of this is possible in the Travis app.

Nobina Mobility develops mobility services for the public transport of the future. This is an example of Mobility as a Service (MaaS) – services that aim to increase travel by public transport. Nobina Mobility has developed the Travis app, where public and private means of transport are integrated into a single place. With Travis, each journey can be made conveniently from door to door, primarily in metropolitan areas. In this way, we contribute to more sustainable and affordable mobility.

Travis – for a sustainable transport system

The focus on more MaaS services will enable a more sustainable transport system, as private car ownership is reduced and more travel is transferred to public transport and other less environmentally damaging modes of transport. Our MaaS service is called Travis and was launched in 2019. The app's competitive advantages include its usability and strong technology platform. It also has a clear link to Nobina, which is a large and credible public transport operator.

Travis gathers together all the mobility options a traveller could need, such as onward journeys to or from a bus stop or metro station. The journey is managed in three steps – search, book and pay. The app has almost 300,000 downloads and has close to 60,000 unique users

per month. Some ten partners are connected to this digital travel planner.

Doubling of downloads

Travis continued to grow in 2021/22. The number of downloads and users more than doubled. Concurrently, the number of tickets sold rose by about 300 percent. The app's usability is being refined constantly and the range of services is being gradually expanded. New for this year is the availability of more types of tickets, including SL's standard 30-day travel pass.

Broadening the partnership network and integrating more services in the app are crucial to the development of Travis. This applies primarily to micro-mobility and encompasses electric bicycles and scooters. As with public transport as a whole, the services in micro-mobility help to reduce car travel and thereby carbon dioxide emissions and traffic congestion. During the year, collaborations were expanded with companies such as Voi Technology and TIER Mobility. This means the companies' vehicles can now be booked through Travis in all Swedish cities in which they operate.

Future development

Travis is integrated with SL's public transport system, which is the largest single market in Sweden. Future

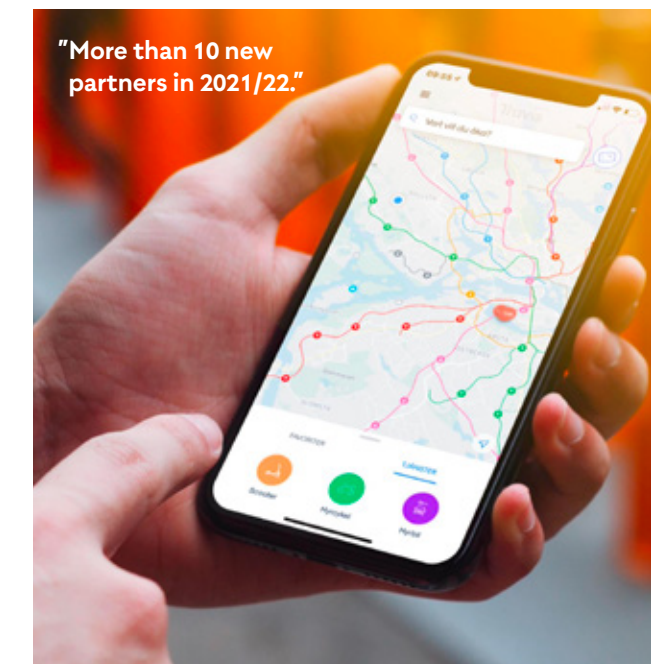
development will focus on metropolitan areas, which have the greatest need for combined mobility. Work is continuing in parallel to integrate more travel services into the app. The offering is easy to scale up and its purpose is to provide multi-modal solutions, catering to all the needs of a traveller when it comes to different modes of transport.

In the longer term, the aim is to launch Travis in markets outside Sweden, first and foremost in metropolitan areas in the rest of the Nordic region. Only a small number of operators offer similar services internationally. This creates opportunities for an established player such as Nobina Mobility.

300,000
DOWNLOADS

No. of unique users every month

60,000



Sustainability

At Nobina, we are proud to have a business model that is fundamentally sustainable. The more transport services we deliver the better for both society and environment. However, our ambition reaches further and we work systematically with our employees' work environment and commitment, but also to maximise our positive effect on environment, travellers and society.

Sustainability at the core

Nobina makes it possible for people to leave their car at home and instead travel more sustainably by public transport. We offer flexible transport solutions for all, regardless of age, health status or location. Nobina welcomes more than one million travellers and performs more than 10,000 journeys for travellers with special needs every day. In addition, we are a large employer with almost 13,000 employees, making us one of the 20 largest private employers in Sweden. We are proud to say that sustainability is part of our DNA. Our sustainability strategy **Sustainability at the core**

is an integrated part of our business strategy, has a clear link to our strategic objectives, and clarifies our focus on the areas that offer the best opportunities to maximise our positive effect – **People, Planet & Society**. The strategy provides a framework for the Group’s sustainability work and describes focus areas, targets and relevant key figures. For Nobina, the UN Sustainable Development Goals are an important cornerstone in our strategy to ensure long-term value creation for the company and in the markets in which we operate.

Sustainability at the core of our business model, and through our services:

- we reduce emissions by making it possible for people to leave their car and instead travel by public transport
- we contribute to a more inclusive society for everyone by performing more than 1,000,000 bus journeys and 10,000 service traffic journeys per day
- we create almost 13,000 jobs, the majority of which are employed as drivers

Links to strategic objectives



Maximise positive effect on environment, travellers and society



Enable our employees to deliver on Nobina’s traveller promise with pride



People

- Attractive employer
- Diversity and inclusion
- Health and safety

Planet

- Energy and emissions
- Water withdrawal

Society

- Enable efficient travel
- Anti-corruption
- Sustainable supply chain

Organisation and governance

Our sustainability work is a fully integrated part of our business activities – including everything from the position of the Board on sustainability issues to how we work locally with cleaning vehicles at our depots. Work is based on external frameworks, environmental- and work environment legislation, national safety and vehicle regulations, contract terms from clients, and Nobina’s management systems, policies and values. Among the external guidelines applied by the Group, the OECD’s Guidelines for Multinational Enterprises, the UN Global Compact’s ten principles and the UN Sustainable Development Goals are particularly noteworthy.

Nobina’s sustainability work is primarily managed through three groups: KAMS, HR and Procurement.

We apply an integrated approach and work method with respect to quality, health, safety, and environmental management, apply a precautionary approach and strive for continuous improvement. This is referred to as KAMS and constitutes a control framework that ensures we work methodically and systematically in each area and deploy regular control and follow-up activities. KAMS touches on both strategic and operational matters and is handled by employees at all levels in the company – from Group level to the local traffic areas. To systematise efforts and to strengthen the Group’s competitiveness, parts of the Group’s operations are certified in accordance with the ISO 9001 quality management certificate and the ISO 14001 environmental management certificate.

Nobina also works systematically with road traffic safety in accordance with ISO 39001 and work environment efforts are guided by ISO 45001. Certified management systems enable Nobina to maintain a structure where annual internal audits help traffic areas to share best practices and to systematically identify and rectify areas of improvement.

Alongside KAMS, HR is an integral part of our day-to-day strategic sustainability work. HR primarily addresses the mental well-being of employees, but also focuses on areas such as diversity and inclusion. Procurement is also part of the organisation that deals with sustainability aspects in the supply chain.

We have established a Sustainability Council to ensure we are correctly focused and that the relevant

parts of operations are participating in the Group’s joint agenda. This includes a selection of our departments and functions. The Council leads the strategic sustainability work through policy decisions and by developing control systems. Participants meet every quarter and work is headed by Nobina’s Director of Strategy, Sustainability & New Businesses. Representatives from HR, KAMS, Procurement, Fleet, Production, Market, Public Affairs and Communication are members of the Council. In this way, the Council gains a comprehensive view of the Group’s sustainability impact and stakeholder expectations.

External sustainability impact assessments



MSCI

Nobina holds the second highest rating – AA – in MSCI ESG Ratings, which measures a company’s resilience to long-term ESG risks.



Sustainalytics

In 2021, Nobina received an ESG rating of 16.3/100 from Sustainalytics. The company is deemed to have a low risk of material negative financial impact from ESG factors.

Selection of memberships



UN Global Compact

Nobina supports the UN Global Compact initiative and has thereby adopted a position on issues concerning human rights, labour, environment and anti-corruption.



Fossil Free Sweden

Nobina has taken on the transport challenge from Fossil Free Sweden to conduct and purchase fossil-free domestic transport by 2030.



“Our sustainability work is a fully integrated part of our business activities.”

People

Nobina is a large employer and societal stakeholder. We employ almost 13,000 people and operate in a sector with substantial future recruitment needs. Our workplace is to be distinguished by diversity and inclusion and we are constantly striving to ensure a safe and healthy work environment. This is the foundation that enables our employees to deliver on Nobina’s traveller promise with pride.

Link to strategic objective

- Enable our employees to deliver on Nobina’s traveller promise with pride

Themes

- Attractive employer
- Diversity and inclusion
- Health and safety

Key figures

- Employee motivation
- Share of female drivers
- Share of female managers
- Sick leave
- Workplace injuries



UN Sustainable Development Goal: 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’s contribution

Nobina’s greatest contribution is to interim target 8.5 to achieve full and productive employment and decent work with equal pay for work of equal value. Equally important is interim target 8.8 to protect labour rights and promote safe and secure work environments for all workers. Nobina is a large employer and for many a first step into the labour market. Every year, we introduce new people to the driving profession through collaborations with job centres and our own vocational training courses. All employees are covered by collective agreements and a systematic health and safety programme.

Attractive employer

Nobina is dependent on access to drivers and mechanics. In order to guarantee access to qualified employees as retirements increase and infrastructure expands, we are actively striving to make the driver and mechanic professions more attractive. We create opportunities in the labour market through collaboration with job centres, municipalities and schools, and provide new employees with training and a job. For example, Nobina welcomes school pupils on study visits, takes part in recruitment and employer fairs, and organises targeted recruitment initiatives. We also participate in forums that endeavour to create a more attractive and gender equal transport industry, that include initiatives to attract more women into the industry. These initiatives encompass days when female candidates can test drive a bus, as well as targeted recruitment efforts such as driver courses solely for women.

Employee development

Employee commitment is continuously measured. In 2021/22 Nobina achieved a good employee motivation score in 11 of 16 questions in the annual employee survey, which is below the target of 14 of 16. One reason for this is the impact of the ongoing pandemic on our employees. We experienced difficult staff situations with high levels of sick leave that for example lead to that time off not could be approved to the same extent as previously. We also installed protective glass shields and kept the front entrance doors closed, which affected the work situation for our drivers. Now that the pandemic has entered a new phase we look forward to fully resume our work with

During the year, we have recruited more than 1,200 drivers and mechanics



Employee commitment
Good results on 11 of the 16 questions.

Goal **14**

Outcome 21/22 **11**

employee engagement and create conditions to enable higher engagement among our co-workers.

Skills development

Skills development is carried out on an ongoing basis in day-to-day activities, but also through training programmes. We aim to be a learning organisation that takes responsibility and works together to develop the business and ourselves. During the year, we revised the introduction course for drivers and created a concept that guarantees quality, in terms of content and implementation.

All managers take part in regular leadership courses through our training organisation, The Nobina Academy, that include leadership, coaching, security, environment and work environment. Our drivers routinely receive advanced training and customised training in areas such as “The Green Journey” (Nobina’s eco-driving concept) and “Injury-free workday” (injury prevention driving). Bus drivers in Sweden who do not have Swedish as their first language are offered an opportunity to improve their language skills through the digital game

PEOPLE

Lingio. The exercises focus on a bus driver’s everyday situation, such as meeting travellers and talking with colleagues during coffee breaks.

Diversity and inclusion

Nobina consists of several thousand unique employees and we are proud of the diversity we represent. Our work is guided by values that emphasise that each employee is valued and met with respect.

Nobina actively works to promote diversity and unlock the expertise of all our employees regardless of gender, sexual orientation, transgender identity or expression, ethnicity, age, religion or other belief. In the recruitment process, Nobina imposes demands on recruitment firms to present candidates from a diversity perspective and we apply a competence based recruitment method to avoid unconcoius bias.

In collaboration with the organization Mitt Liv, Nobina’s leaders and employees in key roles are trained in a course for inclusive leadership. The aim is to develop competence with regards to diversity, create awareness and self-insight and provide tools for implementing an inclusive style of leadership in practice. The participants are provided with a forum where they can discuss challenges with each other, receive help in critically reflecting on mindset and habitual patterns of behaviour, along with tools designed to help turn words into deeds and actively lead and work with diversity and inclusion. Since initiating the course, some 550 managers and key employees have taken part in the training.

Traineeship “Den Korta vägen”

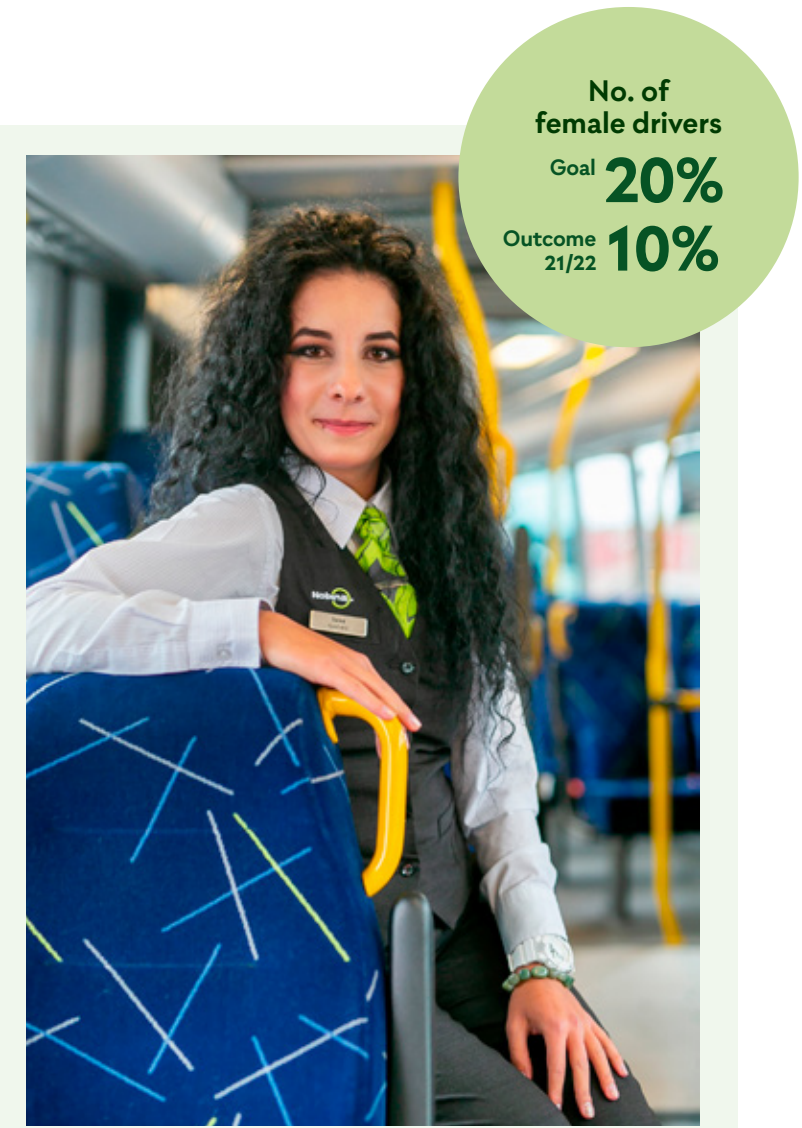
We have been able to offer foreign-born academics a traineeship at Nobina’s head office through the Swedish Public Employment Service labour market programme “Den korta vägen”. The programme aims to offer trainees relevant and meaningful work experience in the Swedish labour market. For Nobina’s Head of Procurement, the academic trainee was a great success and he is now recommending other managers to do the same thing. “It was very stimulating for our department, not only because of the extra resource, but also as it further expanded the department in terms of diversity and inclusion, which is important for Nobina,” says Nobina’s Head of Procurement Erik Jontell.



CEOs for Diversity and Inclusion

Research shows that diversity is the way to profitable companies of the future. The CEOs of eight major Swedish companies, including Nobina’s CEO Magnus Rosén, have joined forces in an action programme to work actively with diversity and inclusion in their organisations. In this way, they want to take responsibility for addressing one of the greatest challenges facing Swedish society, social exclusion in the labour market, and also respond to opportunities to use diversity to create more competitive organisations and thus improved profitability. The Mitt Liv organisation is behind the initiative.

The first undertaking of the action programme is to establish a strategy for diversity and inclusion during 2022. The CEOs have also committed to begin measuring diversity in their companies, to ensure inclusive recruitment processes, to train the organisations’ managers and to introduce traineeship programmes for foreign-born individuals with post-secondary education who lack qualified employment. This work will be followed up each year for five years and the first results will be presented at a symposium held by Mitt Liv during spring 2023.



PEOPLE



Health and safety

Nobina drives about one million travellers to their destinations every day. The journey must be secure for both the driver and traveller. Safety is therefore a central part in sustainability activities. With our vision of zero workplace injuries, and a sense of responsibility and traveller focus, Nobina strives to provide travellers with a safe and secure journey. The foundation for this is our tireless efforts to strengthen the safety culture. We do this through proactive and systematic action. It encompasses risk assessments of traffic environments and situations that may, at the next stage, lead to preventive measures being taken.

Nobina conducts systematic health and safety work that covers all employees in the Group. Work environment efforts are guided by the international standard ISO 45001, our occupational health and safety policy, and instructions on systematic health and safety work. Evaluation and follow-up of work environment efforts take place through employee suggestions, local health and safety committees, local occupational health and safety plans, and gap analyses.

Work-related risk is routinely assessed in accordance with ISO 31000 and followed up in internal audits. Employees can report hazards and hazardous situations, for example, using the connected onboard platform Nobina Mobile Extension and directly to traffic management. In the event of an incident when an employee wants additional support, appointed peer support is available around the clock. Our occupational health services offer additional support to the entire company and to individual employees in preventive health initiatives, medical examinations and rehabilitation.

Employees at Nobina take part in induction courses that are role-specific and include the area of health and safety regulation. Operations also have safety representatives and health and safety committees. In addition, employees take part in training in work environment issues, including basic training in KAMS, which is a two-day course for managers and safety representatives, and further practical training in health and safety management.



Protective glass shields – creative solution

Early in the pandemic, Nobina decided in consultation with our clients to close front entrance doors on buses to reduce the risk of infection for drivers. The measure was necessary but led to other problems, such as fewer available seats in the bus, the risk of crowding when alighting or boarding through the rear doors and difficulties for clients to charge for the journeys. Drivers also lost contact with travellers.

As a result, Nobina began to work on alternative ideas so the front entrance doors could be opened again. The solution was a protective glass shield, which we were first to offer in the market. For most of 2021, Nobina Sweden operated buses with protective glass shields, which reduced the risk of infection for our drivers and also secured ticket revenue for our clients.



Security camera live – a pilot project

According to the Swedish Crime Survey, insecurity is still one reason people choose to change their usual ways of travelling. Women in particular state that they often or fairly often choose another route – or other mode of transport – out of concern that they will become the victim of a crime.

In order to increase security for both drivers and travellers, a pilot project has begun in Malmö whereby two city bus routes are monitored by cameras. The cameras will transmit live to Nobina's traffic management and security centre. This means guards or the police can be alerted in the event of an incident. In addition to providing security on the bus, the camera surveillance can also be submitted as evidence when a crime takes place on or near public transport services. The pilot project will run for one year and will then be evaluated to see if real-time information has a preventive role and improves security on board. The results will also be used to assess whether the response time in the event of an incident is shorter than when real-time information is not available.

Planet

By offering attractive transport options, we make it possible for people to leave their car at home and travel sustainably by public transport. Travelling together is climate-smart, but to maximise our positive effect and reduce our climate impact, we also work systematically to reduce our emissions.

Link to strategic objective

- Maximise positive effect on the environment, travellers and society.

Themes

- Energy and emissions
- Water withdrawal

Key figures

- Carbon dioxide emissions
- Share of renewable fuel
- Green drivers



UN Sustainable Development Goal: Responsible consumption and production

The goal aims to ensure sustainable consumption and production patterns.

Nobina's contribution

Nobina's greatest contribution is to interim target 12.2, which concerns achieving the sustainable management and efficient use of natural resources by 2030, where we are striving to convert the fleet to 100-percent renewable fuels and training our drivers in energy-efficient driving.

Energy and emissions

As market leader in the Nordic region, we have a great responsibility and substantial opportunity to influence society and move it towards more sustainable development. We do this by offering services that allow more people to travel together and limit emissions from transport. In addition, we are responsible for operating our bus fleet on fuel that has as little climate impact as possible.

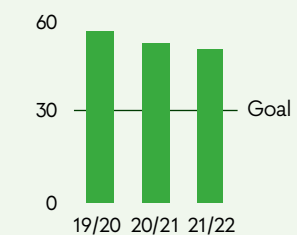
Work to ensure climate and resource-efficient production encompasses all of Nobina – both our own operations and activities in our value chain. During the year, we mapped emissions throughout our value chain. The analysis included direct emissions from operations owned or controlled by Nobina (Scope 1), indirect emissions from purchased and used electricity, heat and cooling (Scope 2) as well as indirect emissions from sources that are not owned or under the direct control of Nobina (Scope 3). Emissions of greenhouse gases are reported according to the Greenhouse Gas Protocol and the analysis encompassed all companies in the Group.

The mapping of our emissions was used as a basis for a new climate target in line with the Paris Agreement and the 1.5°C goal, where our goal is to reduce emissions per traveller kilometre with at least 46 percent by 2030/2031 with 2019/2020 as base. We are keen to receive validation of the climate target by the Science Based Targets initiative (SBTi). The target is submitted for validation and expected to be validated during the coming financial year.

Roughly 80 percent of Nobina's total emissions are from fuel consumption. This area is therefore most important to influence to reduce our emissions. The transition to renewable fuel, such as electricity and biofuels, is therefore import-



gCO₂e per driven traveller kilometre



Nobina aims to **achieve a reduction of 46 percent in its carbon dioxide emissions** from Scope 1, 2 and 3 per traveller kilometre **by 2030/31** compared with the level in 2019/20. The target is under validation by SBTi to secure alignment with the Paris Agreement's 1.5°C ambition.

PLANET

ant in work to achieve our goal. We want to operate our vehicle fleet on 100 percent renewable fuels no later than 2030. Whether this concerns electric or other renewable solutions, we always strive to work in close collaboration with our clients to find the most sustainable solutions. All of Nobina’s electric-powered buses operate on renewable electricity. The rest of the vehicle fleet largely operates on renewable fuel, such as RME, HVO and biogas. Towards the end of the next fiscal year, we expect to have about 600 electric buses in operation. During the year, Nobina’s total fuel consumption consisted of 82 (81) percent renewable fuel. Last years outcome has been adjusted as a result of updated fuel consumption data.

We can also reduce our climate impact by ensuring vehicles are driven in an environmentally friendly manner to reduce fuel consumption. One of our most important tools in this respect is the *The Green Journey* app. The app provides drivers with feedback on their driving behaviour. In general, this involves planning journeys and avoiding unnecessary stopping – which uses a large amount of fuel – and adapting speed to utilise kinetic energy instead of losing it through braking. Planning journeys reduces exhaust emissions and ensures a more comfortable trip for travellers. The proportion of green drivers, meaning drivers who drive in an environmentally friendly manner according to *The Green Journey*, was 81 percent during the fiscal year.

Water withdrawal

Nobina conducts systematic environmental work at its depots in the Nordic region, including regular energy audits and investments in energy saving technology. In recent years, investments have included new and improved cleaning equipment in the bus-washing facilities and solutions to save the heating energy used when the bus is parked. Most water withdrawal is linked to depots and workshops, where buses are washed and cleaned. Agreements with our clients regulate how often the buses are washed and cleaned, normally every other day. The facilities use municipal fresh water. Nobina’s goal is that no more than 250 litres of water should be used to wash each bus. One way to reduce consumption during washing is to install recirculation tanks, which reuse the water in the process.

To ensure good water quality, that meets local regulations, we are continuously investing in new and improved cleaning equipment in the bus-washing facilities. The chemicals used when washing buses are biodegradable. In Sweden and Norway, the products are certified under the Nordic Swan and Falken, respectively. Water tests are regularly taken to check that operations do not exceed applicable requirements for emissions to water, and include oil, mercury, lead, cadmium and zinc. When setting up or shutting down depots, environmental inspections are conducted to determine Nobina’s environmental responsibility and impact.



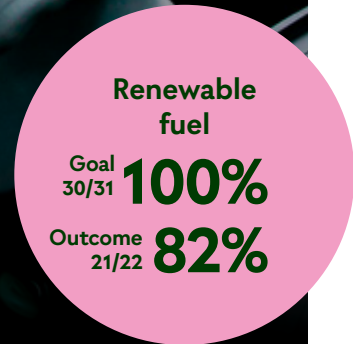
Renewable fuel

In the Nobina Group, 82 percent of the vehicle fleet is operated on renewable fuel

- Nobina Bus 85 percent
- Nobina Care 35 percent

The Green Journey

- Less emissions
- Gentler style of driving
- Improved comfort
- More satisfied travellers
- Reduction in vehicle wear



Society

We strive to make as many people as possible view public transport as a safe and convenient mode of transport, an alternative to the car. Through our special public transport services, we create conditions that allow people with special needs to have a functioning daily life and the opportunity to partake in society. Nobina also has great responsibility to verify sustainability in our supply chains, and we conduct analyses to ensure our purchases are produced under sustainable and responsible conditions, and comply with Nobina's quality and environmental requirements.

Link to strategic objective

- Maximise positive effect on environment, travellers and society.

Themes

- Enable efficient travel
- Anti-corruption
- Sustainable supply chain

Key figures

- Code of Conduct for suppliers



UN Sustainable Development Goal: Sustainable cities and communities

The goal is to make cities and human settlements inclusive, safe, resilient, and sustainable.

Nobina's contribution

Nobina's greatest contribution is to interim target 11.2. It seeks to provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.



Nobina's traveller promise sets out our journey to meet the needs of our travellers. The journey includes all employees, before, during and after the journey. This includes traffic management, drivers and vehicle care.



Enable efficient travel

Nobina's greatest contribution to a sustainable society is also the core of our business model – to offer efficient and attractive transport solutions to allow people to travel by public transport. Regular public transport services, smart mobility and service traffic are fundamental elements in solutions offered to everyone, even in the future.

Rapid urbanisation is creating competition for the available space and land in cities as more people want to move into these areas. We need public transport to build sustainable cities, where land is used in a smart way. Investing in good public transport solutions when cities and districts are being built creates a long-term, sustainable urban environment with people who want to continue living in the area.

Efficient use of resources is not only good from a financial perspective, but also for society as a whole. The better we can plan our traffic, optimise production and avoid driving empty buses, the more value we can contribute to our travellers and society. Key aspects include the optimisation of scheduling to minimise empty vehicles in service and efficient route optimisation.

To encourage more people to leave their car at home, Nobina has developed the Travis app, a smart travel planner where public transport, car-sharing, bicycles, electric scooters and taxis are linked together with both travel information and real-time on-demand services. Travis creates a micro-mobility, where the app is a travel companion that accompanies travellers on trips in all types of weather and situations.

Anti-corruption

Business ethics and anti-corruption are important issues for Nobina. We create conditions for secure and transparent

SOCIETY



business dealings with clients, suppliers and other partners. Nobina’s Supplier Code of Conduct, which is also applicable to the Group’s other operations, describes Nobina’s expectations and requirements, including compliance with national and international law and with the UN Convention against Corruption. The strategic responsibility for business ethics and anti-corruption lies with the Group’s Director of Strategy, Sustainability & New Businesses, supported by the compliance department.

All employees in relevant functions, such as business developers and purchasers, are informed of the Supplier Code of Conduct when they are employed. As a complement to daily activities related to governance and corporate culture, we conduct internal process audits of the Group’s staff functions every third year.

Public tenders are generally considered an area with a manifest risk of corruption. Combatting corruption and unhealthy competition is a matter of course. Prior to and during the tender process, we are always careful how we act and treat the market and clients. Contact between clients and operators is limited in conjunction with new tenders for traffic contracts. Nobina’s compliance function is active in internal efforts to combat corruption and to make sure how we can and should act and how we can identify suspected corruption in the market. Zero cases (0) of corruption were reported or identified in internal audits during the year. Nor was Nobina or the Group’s employees party to any legal disputes related to corruption.

Nobina’s whistleblower function allows persons

affected by our operations – employees, suppliers and third parties – to report serious irregularities or misconduct. The whistleblower service is well-established and meets the Whistleblower Protection Directive’s requirements and allows us to act and live up to our values. To ensure that Nobina is made aware of irregularities or misconduct, Nobina has set a lower threshold than required by current law for what cases are to be investigated. Anonymity is ensured through the use of an external supplier that receives, processes and anonymises all the reports before forwarding these to Nobina.

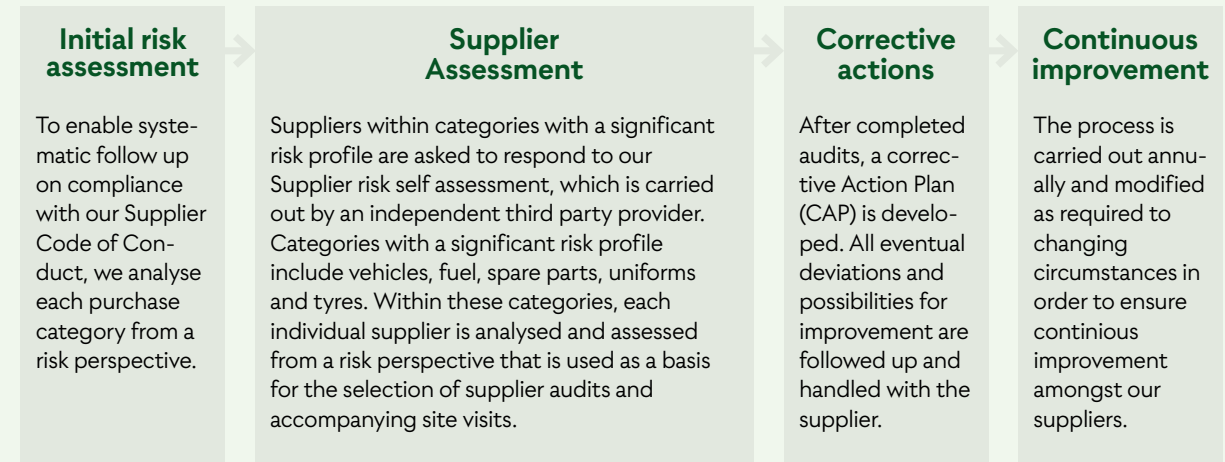
Sustainable supply chain

Nobina is a large purchaser of products and services. The Group therefore actively monitors activities, both within its own organisation and at suppliers and partners, to ensure purchases are produced under sustainable and responsible conditions. Nobina’s Head of Procurement bears overall responsibility for the Group’s procurement work and operational activities conducted by the purchasing organisation.

All suppliers engaged by us are first subjected to competition in a tendering process. This is to ensure the supplier selected best meets Nobina’s demands in terms of quality, sustainability, delivery reliability and price.

Nobina’s operations are part of a wide context where we do our utmost to contribute. Nobina is not alone in this challenge, but is strongly dependent on our various business and cooperation partners in the value chain. We will never be experts in manufactur-

Our annual process for a sustainable supply chain



Nobina’s Supplier Code of Conduct

Our supplier code of conduct is the foundation for supplier collaboration. The code is for example based on the UN Global Compact, the UN Sustainable Development Goals, the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work but also that the supplier establishes a systematic approach with regards to sustainability issues.

ing buses, transporting fuel or producing spare parts. However, we do need to be experts at choosing our partners carefully. This expertise guarantees that we have suppliers who act in a sustainable and ethical manner and help us in the societal challenges we must help to solve.

As the Group purchases more electric-powered buses, the need for targeted supplier audits is also growing. Batteries used in electric buses contain minerals such as lithium and cobalt. Cobalt mining can in certain cases be linked to human rights abuses, such as child labour, forced and compulsory labour and crimes

against indigenous people. As a consequence of this, Nobina’s Supplier Code of Conduct was updated with more stringent demands placed on social topics and, specifically, human rights. We also work to identify the needs for managing batteries at the end of the vehicle’s service life. Furthermore, the Group strives to ensure the responsible management of older buses, where Nobina’s “Upgrading” service helps to increase the use of older buses. Through extensive upgrades to both the interior and exterior, we can extend the service life of buses and contribute to more journeys and increased sustainability.

About the Sustainability Report

Sustainability Report

Nobina is reporting its sustainability efforts in accordance with the international reporting standard, Global Reporting Initiative (GRI). This report has been prepared in accordance with GRI Standards: Core option and the statutory sustainability report in accordance with the Swedish Annual Accounts Act. It also constitutes Nobina's Communication on Progress to the UN Global Compact.

Sustainability information and key metrics are presented on pages 23–43. Nobina's business model and sustainability framework are presented on pages 10-12 and 24-25, environment on pages 29-30, social conditions on pages 31-32, employees on pages 26-28, human rights on pages 32 and 47 and anti-corruption on pages 31-32. Risk assessments are presented on pages 44-47. Unless otherwise indicated, the information refers to the entire Group, including subsidiaries. The statutory sustainability report has been reviewed in accordance to RevR12 though the sustainability report is not otherwise externally assured. The reporting cycle is one year and follows the fiscal year. The current Sustainability Report is for the 2021/22 fiscal year. The latest sustainability report was published on 7 May 2021.

For more information about Nobina's sustainability agenda and its sustainability report, contact Petra Axelsson, petra.axelsson@nobina.com.

Materiality analysis

The materiality analysis provides the basis for the sustainability issues that are key to Nobina. It is based on the sustainability issues that are most important for the Group's stakeholders and on Nobina's impact on the external environment. It helps Nobina to prioritise and focus the Group's initiatives, which is crucial in ensuring a successful sustainability agenda. The materiality analysis is updated on an annual basis in order to continually assess and develop Nobina's sustainability agenda. Identifying material issues is part of the company's annual strategy process. Together with a business intelligence assessment and dialogues with Nobina's stakeholders, the companies' analyses and results are consolidated and evaluated following a process review at Group level. The results provide the Group with a strategic direction and focus for sustainability activities moving forward.

Stakeholder engagement

Nobina strives to maintain continuous and close stakeholder engagement in order to be able to best address stakeholders and their needs. This puts the Group in a better position to manage the expectations and requirements imposed on its operations.



Sustainability data

Employees¹ by type of employment and region

Number	2021/22				2020/21				2019/20			
	Sweden	Norway	Denmark	Finland	Sweden	Norway	Denmark	Finland	Sweden	Norway	Denmark	Finland
Permanent employees	6,777	980	704	1,256	6,421	957	508	1,289	6,564	910	462	1,325
Fixed-term employees (incl. of hourly-paid)	2,819	301	132	76	2,087	338	131	82	1,733	407	90	42
Total	9,596	1,281	836	1,332	8,508	1,295	639	1,371	8,297	1,317	552	1,367

Employees¹ by type of employment and gender

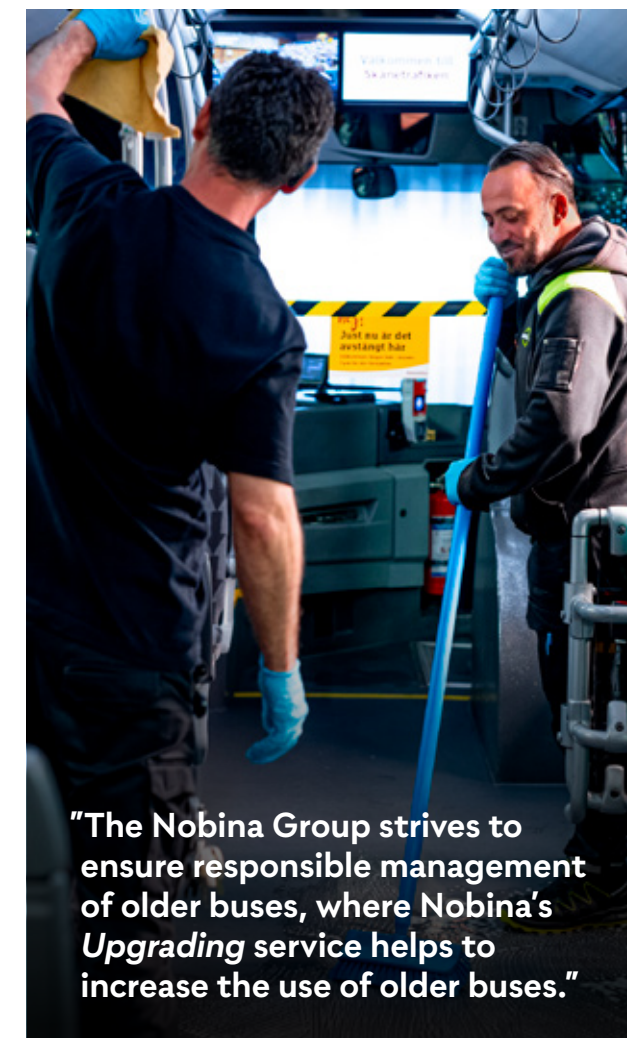
Number	2021/22		2020/21		2019/20	
	Men	Women	Men	Women	Men	Women
Permanent employees	8,560	1,161	8,047	1,127	7,653	1,066
Fixed-term employees (incl. of hourly-paid)	2,687	637	2,264	373	2,128	279
Total	11,247	1,798	10,311	1,500	9,781	1,345

Employees¹ by part-time or full-time² and gender

Number	2021/22		2020/21		2019/20	
	Men	Women	Men	Women	Men	Women
Full time employment (permanent employees)	7,697	981	7,290	932	7,021	936
Part time employment (permanent employees)	1,068	238	918	223	811	174
Total	8,765	1,219	8,208	1,155	7,832	1,110

2) Does not refer to hourly-paid employees.

1) The number of employees refers to figures from end of February 2022



"The Nobina Group strives to ensure responsible management of older buses, where Nobina's Upgrading service helps to increase the use of older buses."

SUSTAINABILITY DATA

Gender distribution by function, employees

Share, %	2021/22		2020/21		2019/20	
	Men	Women	Men	Women	Men	Women
Blue collar excl. drivers	80	20	93	7	93	7
Drivers	90	10	89	11	89	11
Blue collar workers (total)	89	11	89	11	89	11
White collar workers	63	37	60	40	65	35
Total	86	14	87	13	87	13

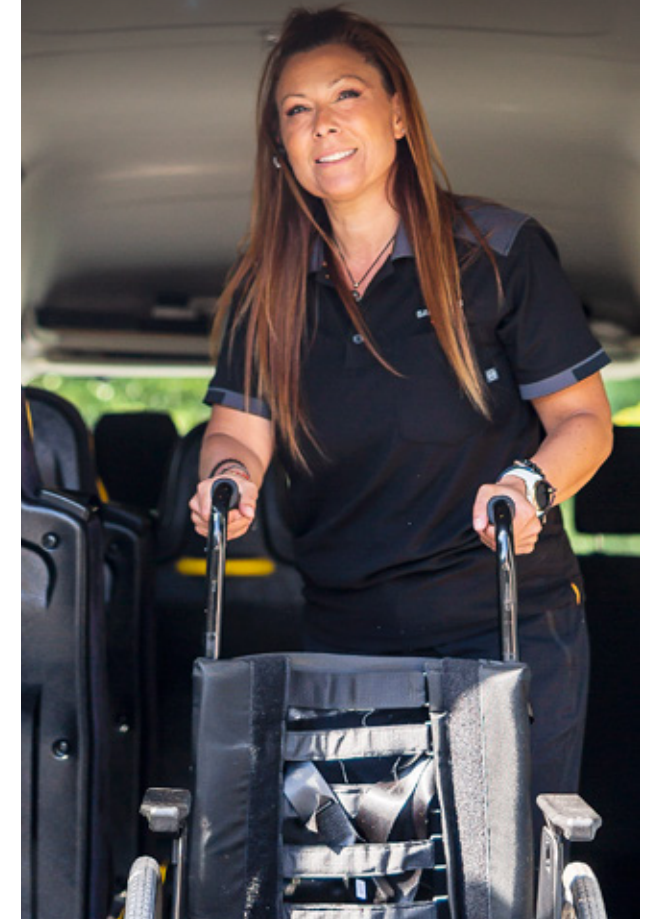
Age distribution, employees

Share, %	2021/22			2020/21			2019/20		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Blue collar excl. drivers	31	39	30	23	47	31	22	45	33
Drivers	4	41	55	5	45	50	5	45	50
Blue collar workers (total)	7	41	52	7	45	48	7	45	48
White collar workers	20	47	33	24	46	30	9	58	34
Total	8	42	50	8	45	47	7	46	47

Gender distribution, Board and management team

Share, %	2021/22		2020/21		2019/20	
	Men	Women	Men	Women	Men	Women
Board of Directors	80	20	83	17	71	29
Management team	67	33	71	29	80	20

"The better we plan our journeys, make our production efficient and avoid driving empty buses the more value we add to our travellers and society."



SUSTAINABILITY DATA

Age distribution, Board and Management team

Share, %	2021/22			2020/21			2019/20		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Board of Directors	–	–	100	–	–	100	–	–	–
Management team	–	64	36	–	71	29	–	80	20

Average hours of training per year per employee, function

Hours	2021/22	2020/21
Blue collar excl. drivers	4	3
Drivers	23	27
Blue collar workers (total)	21	23
White collar workers	3	5
Total	20	24

Conducted performance appraisals, function

Share %	2021/22	2020/21
Blue collar excl. drivers	53	12
Drivers	41	33
Blue collar workers (total)	42	28
White collar workers	85	8
Total	46	29

Employees by part-time or full-time and gender

Hours	2020/21
Men	17
Women	22
Total	18

Work related injuries

Number	2021/22	2020/21	2019/20
Number of work related fatalities	0	0	0
Total work related injuries (fatalities excluded)	346	249	231
Near misses	289	136	110

"Our work is guided by values that emphasise that each employee is valued and met with respect."



SUSTAINABILITY DATA

Scope 1, 2 och 3 emissions	2021/22	Change since 2019/20, %	2020/21	2019/20
Scope 1	61,165	-19	67,058	75,179
Scope 2	10,507	21	10,405	8,661
Scope 3	112,137	-	106,106	112,226
Total	183,809	-6	183,569	196,066

Air emissions	2021/22	2020/21	2019/20
Nitrogen oxides (NOX), g/km	2,33	3,32	4,45
Hydrocarbons (HC), g/km	0,49	0,58	0,73
Particles (PM), g/km	0,03	0,04	0,05

Fuel consumption, total	2021/22	2020/21	2019/20
Non-renewable fuel			
Diesel, litres	22,014,515	21,778,138	25,066,922
Petrol, litres	303,466	343,113	358,339
Renewable fuel			
RME, litres	25,193,205	25,531,152	20,569,904
HVO, litres	35,819,457	30,764,743	35,180,324
Biogas, nm ³	29,396,437	29,944,795	31,221,112
Ethanol, litres	-	8,616	38,080
Electricity, kWh ²	28,383,094	16,349,604	7,363,616

Water withdrawal ¹	2021/22	2020/21	2019/20
Total water withdrawal	192,914,400	197,320,200	186,162,900
Realised water savings through recirculation, %	50	50	50

1) Data was collected using data from water suppliers and encompasses all depots where water is not included in the depots rental contract (equivalent to 3 percent of the depots).



"The transition to renewable fuel, such as electricity and biofuels, is important to achieve our climate target, to operate our vehicle fleet on 100 percent renewable fuels no later than 2030."

GRI index

GRI Standard	Disclosure name	Principles of the UN Global Compact	Page reference	Information
GRI 101: FOUNDATION 2016				
GRI 102: GENERAL DISCLOSURES 2016				
Organisational profile				
102-1	Name of the organisation		65	
102-2	Activities, brands, products, and services		3, 22	
102-3	Location of headquarters		65	
102-4	Location of operations		53–54	
102-5	Ownership and legal form		56	
102-6	Markets served		16–17	
102-7	Scale of the organisation		16–21	
102-8	Information on employees and other workers		34–36	
102-9	Supply chain		32	
102-10	Significant changes to the organisation and its supply chain		4	
102-11	Precautionary Principle or approach		25, 44	
102-12	External initiatives		25	
102-13	Memberships of associations		25, 98	
Strategy				
102-14	Statement from senior decision-maker		5-6	
Ethics and integrity				
102-16	Values, principles, standards, and norms of behaviour		25	
Management approach				
102-18	Governance structure		25, 97–106	

GRI Standard	Disclosure name	Principles of the UN Global Compact	Page reference	Information
Stakeholder engagement				
102-40	List of stakeholder groups		41	
102-41	Collective bargaining agreements		26	
102-42	Identifying and selecting stakeholders		33, 40	
102-43	Approach to stakeholder engagement		41	
102-44	Key topics and concerns raised		41	
Reporting practice				
102-45	Entities included in the consolidated financial statements		50–57	All companies are included in reporting.
102-46	Defining report content and topic Boundaries		33	
102-47	List of material topics		24	
102-48	Restatements of information			No significant changes during the year.
102-49	Changes in reporting		–	This year, Nobina has reported GRI 305-2 and 305-3 (GHG emissions, scope 2 and 3).
102-50	Reporting period		33	
102-51	Date of most recent report		33	
102-52	Reporting cycle		33	
102-53	Contact points for questions regarding the report		33	
102-54	Claims of reporting in accordance with GRI Standards		33	
102-55	GRI content index		38–40	
102-56	External assurance		33	

GRI INDEX

GRI Standard	Disclosure name	Principles of the UN Global Compact	Page reference	Information	GRI Standard	Disclosure name	Principles of the UN Global Compact	Page reference	Information
ECONOMIC STANDARDS					GRI 103: Management Approach 2016				
Economic value creation					103-1-3 Explanation of the material topic, its Boundary and management approach 25, 30				
GRI 103: Management Approach 2016					GRI 303: Water 2018				
103-1-3	Explanation of the material topic, its Boundary and management approach		10-14		303-1	Interactions with water as a shared resource		30, 37, 56	
GRI 201: Economic Performance 2016					303-2 Management of water discharge-related impacts 30, 56				
201-1	Direct economic value generated and distributed		58, 61, not 4, 7, 12-14		303-5	Water withdrawal		30, 37	
Anti-Corruption					Utsläpp				
		10					7, 8		
GRI 103: Management Approach 2016					GRI 103: Management Approach 2016				
103-1-3	Explanation of the material topic, its Boundary and management approach		25, 31-32		103-1-3	Explanation of the material topic, its Boundary and management approach		25, 29-30	
GRI 205: Anti-corruption 2016					GRI 305: Emissions 2016				
205-3	Confirmed incidents of corruption and actions taken		32		305-1	Direct GHG emissions (Scope 1)		29-30, 37	
ENVIRONMENTAL STANDARDS					Energy				
Energy					7, 8				
GRI 103: Management Approach 2016					GRI 103: Management Approach 2016				
103-1-3	Explanation of the material topic, its Boundary and management approach		25, 29-30		103-1-3	Explanation of the material topic, its Boundary and management approach		25, 32	
GRI 302: Energy 2016					GRI 308: Supplier Environmental Assessment 2016				
302-1	Energy consumption within the organisation		29, 37	Nobina reports fuel consumption as fuel is the type of energy with the greatest impact on Nobina's energy consumption.	308-1	New suppliers that were screened using environmental criteria		32	
302-4	Reduction of energy consumption		29-30, 56						
Water withdrawal					7, 8, 9				

GRI INDEX

GRI Standard	Disclosure name	Principles of the UN Global Compact	Page reference	Information	GRI Standard	Disclosure name	Principles of the UN Global Compact	Page reference	Information
SOCIAL STANDARDS					Training and Education				
Occupational Health and Safety					3, 6				
GRI 103: Management Approach 2016					GRI 103: Management Approach 2016				
103-1-3	Explanation of the material topic, its Boundary and management approach		25, 28		103-1-3	Explanation of the material topic, its Boundary and management approach		25-27	
GRI 403: Occupational Health and Safety 2018					GRI 404: Training and Education 2016				
403-1	Occupational health and safety management system		25, 44, 47		404-1	Average hours of training per year per employee		35	
403-2	Hazard identification, risk assessment, and incident investigation		44, 47, 105		404-2	Percentage of employees receiving regular performance and career development reviews		35	Partially reported due to limitations in data collection. ¹
403-3	Occupational health services		28, 47		Diversity and Equal Opportunity				
403-4	Worker participation, consultation, and communication on occupational health and safety		25, 28		3, 6				
403-5	Worker training on occupational health and safety		28		GRI 103: Management Approach 2016				
403-6	Promotion of worker health		28		103-1-3	Explanation of the material topic, its Boundary and management approach		25-27	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		28		GRI 405: Diversity and Equal Opportunity 2016				
403-9	Work-related injuries		28, 36, 47, 74	Partially reported due to limitations in data collection. ¹	405-1	Diversity of governance bodies and employees		34-36	
					Supplier social assessment				
					1, 2, 3, 4, 5				
					GRI 103: Management Approach 2016				
					103-1-3	Explanation of the material topic, its Boundary and management approach		25, 32	
					GRI 414: Supplier Social Assessment 2016				
					414-1	New suppliers that were screened using social criteria		32	

1) Nobina's ambition is to increase the level of detail in the reporting of the the sustainability data.

Stakeholder engagement

Stakeholder	Dialogue forums	Material issues for stakeholder	How Nobina works	Stakeholder	Dialogue forums	Material issues for stakeholder	How Nobina works
Passengers	<ul style="list-style-type: none"> • Passenger surveys • Focus groups • Social media • Customer viewpoints 	<ul style="list-style-type: none"> • How Nobina works 	<ul style="list-style-type: none"> • Conduct and analyse customer surveys • Feedback on customer viewpoints 	Politicians	<ul style="list-style-type: none"> • Industry associations • Meetings with politicians 	<ul style="list-style-type: none"> • Regional growth • Infrastructure in society • Resource-efficient transportation • Societal benefits from public transport • Contract design 	<ul style="list-style-type: none"> • Active engagement in industry conditions, traffic conditions and societal structure
Clients	<ul style="list-style-type: none"> • Industry associations • Business development managers in meetings with clients • Public Transport Authority survey • Daily operations 	<ul style="list-style-type: none"> • Cooperation with unions • Favourable employment terms • Transparency and values • Membership of trade associations • Good leadership • Anti-corruption • Emission levels • Certifications • Requirements on the type of fuel • Noise level requirements • Environmental requirements on chemicals 	<ul style="list-style-type: none"> • Joint projects with clients on such items as new types of vehicles, environmental adaptations and customisations 	Suppliers	<ul style="list-style-type: none"> • Tender processes • Follow-ups 	<ul style="list-style-type: none"> • Environmental requirements 	<ul style="list-style-type: none"> • Make demands, evaluate and follow up
Owners	<ul style="list-style-type: none"> • Board meetings • AGM • Capital Markets Day • Transparent quarterly reporting • Quarterly investor calls • Annual and sustainability reports • Nobina's website 	<ul style="list-style-type: none"> • Profitability • Resource efficiency • Market development 	<ul style="list-style-type: none"> • Targets, strategies and action plans 	Employees	<ul style="list-style-type: none"> • Performance appraisals • Employee surveys • Improvement groups • Training • Intranet • Nobina's website • Social media 	<ul style="list-style-type: none"> • Safe workplace • Ability to influence work conditions • Well-being • Sick leave • Diversity and Equal Opportunity 	<ul style="list-style-type: none"> • European Works Council gains support for business plans and important changes in operations within the organisation • Employee responsibility for own goals, assessment and activities • Regular individual feedback on performance • Leadership development
				Media	<ul style="list-style-type: none"> • Press releases • Interviews • Nobina's website • Social media 	<ul style="list-style-type: none"> • Correct facts/statements • Punctuality and regularity • Knowledge creation within public transport 	<ul style="list-style-type: none"> • Increase awareness of Nobina and the industry among journalists • Communication platform

Disclosures under the EU Taxonomy Regulation

The EU Taxonomy is a classification system for environmentally sustainable economic activities. The disclosure requirements under the Taxonomy Regulation are new in this year's report. The disclosures are based on the current interpretation of the rules and may be amended in the future according to new regulatory guidance and changed reporting practices as knowledge increases about the Taxonomy's requirements. This year's disclosures are based on the guidance from the Commission published on 2 February 2022 (Commission Communication) on the interpretation of certain legal aspects in the delegated act as adopted pursuant to Article 8 of the EU Taxonomy Regulation. This mainly concerns reporting on the type of business covered.

Nobina has established that some of its economic activities meet the criteria to qualify for further evaluation as "environmentally sustainable" under Regulation (EU) 2020/852 (the Taxonomy) and its delegated acts. Nobina provides transport solutions covered by Article 6.3. Urban and suburban transport, road passenger transport and 6.5. Transport by motorbikes, passenger cars and light commercial vehicles in Annex I of the Commission Delegated Regulation (EU) 2021/2139. The identified activities are defined as enabling activities in respect of the objective of climate change mitigation.

A sustainable vehicle fleet is of strategic importance in Nobina's efforts to reduce its carbon footprint.

	Total (SEK million)	Share of Taxonomy- eligible activities, %	Share of Taxonomy- non-eligible activities, %
Sales	13,125	57	43
CapEx	1,419	84	16
OpEx	961	57	43

The key metrics of capital expenditure (CapEx) and operating expenditure (OpEx) are calculated as a share of economic activities covered by the Taxonomy divided by total CapEx and OpEx. Total CapEx consists of the year's acquisitions of intangible and tangible non-current assets during the fiscal year (see note 13-14). Total OpEx includes maintenance, tires, insurance and property costs. Total sales are consolidated net sales in accordance with IAS 1.82(a) (see page 58).

Auditor's Report on the statutory Sustainability Report

To the general meeting of the shareholders in Nobina AB (publ), corporate identity number 556576-4569

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory Sustainability Report for the financial year 2021-03-01–2022-02-28 on pages 23–42 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory Sustainability Report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory Sustainability Report has been prepared.

Stockholm on 28 April 2022
Öhrlings PricewaterhouseCoopers AB

Niklas Renström

Authorised Public Accountant

Nobina's risk management

All business operations are exposed to various risks and effective and value-generating risk management is a competitive requirement. Nobina's risk management process is fully integrated into its strategy and governance of operations. Risks are actively managed by monitoring, identifying, assessing and resolving risks on a daily basis throughout the company structure. For Nobina, robust and effective risk manage-

ment entails creating a balance between setting business objectives and limiting risk.

The Group's operations entail various risks – from financial risks to day-to-day operational and sustainability risks. Nobina has classified the risks in various risk areas as a means of enhancing the efficiency of the risk management process.

Nobina's risk areas on a general level can be divided into five different areas



Overarching work procedure for risk management



Overall description of risks with a potential impact in the absence of control activities

Risk area	Description	Examples of control activities and countervailing factors
Operational risks		
Continuous contract management and invoicing	Changes in traffic conditions require assurances that any adjustments to terms take place in line with the scope of the contract and, in cases where the changes are outside of the applicable contract terms, negotiate the adjustment of remuneration. All traffic changes and adjustments of remuneration terms need to be identified and included in daily invoicing in a secure manner to ensure that forecast profitability is maintained in existing contracts.	Well-prepared processes for active contract management where contract audits are continuously implemented and followed up in accordance with agreed terms, in part for the early identification of traffic changes or the need for adjustments to remuneration for inclusion in invoicing.
Competitiveness, efficiency and ability to extend contracts	Opportunities to secure new contracts are largely dependent on Nobina's ability to tender with competitive pricing and solutions. Pricing is dependent on Nobina's ability to increase operational efficiency and realise potential economies of scale, where competitiveness is also closely related to efficient management of the bus fleet and existing contracts.	Efficient delivery and cost control is a focused and natural part of continuous commercial monitoring activities to identify and follow up deviations and structural challenges.
Acquisition processes	Acquiring new companies involves new risks. The value of potential target companies is based on several different parameters. Key areas are assessments and assumptions about the market and the target company's future development as well as information about the target company's finances and historical results. In cases where the initial assessments and assumptions deviate from expectations at the time of acquisition, risks may materialise through a change in the assessment of the acquired value.	Nobina's existing expertise about the market and ability to develop contracts. Clear internal processes for decision-making, reviewing and evaluating assessments and analyses. External support is used for critical analyses and for second opinions.
Pandemics	Pandemics when passengers are temporarily advised not to use public transport due to the risk of infection entail risks, particularly in incentive contracts where the revenue is variable and based on the number of passengers boarding. The decline in travel and reduction in revenue may also lead to lower traffic production, and thus result in reduced revenue while the cost base does not decrease to the same extent. Furthermore, due to material or driver shortages, Nobina may be forced to cancel journeys, which may then result in no compensation and fines from the PTAs.	Active contract management and continuous dialogue with the relevant PTAs ensures a functioning public transport system with a stable financial framework even during a pandemic.
IT operations and production system	Nobina's operations are dependent on secure IT operations and accessible operational and production systems. Downtime or inaccessibility in the IT environment's critical systems entails a risk for disruptions in public transport services.	Nobina works in a structured manner with IT and information security where continuous risk analyses are performed to consistently secure critical systems and protect these from, for example, external threats.
Tender pricing	Incorrect assumptions during the tendering process may result in contracts with small profit margins or onerous contracts. There are often limited opportunities to renegotiate contract conditions after a contract has been signed. In addition, incentive contracts may also include different incentives based on the number of boarding passengers, making the contract's profitability partly dependent on revenue on the basis of passenger interest in utilising public transport.	Well-established procedures for careful analyses and processes to assess potential contracts – everything from an inventory of clients and other public transport service providers to the circumstances and risks that need to be managed in tender calculations and pricing for the transport solution requested. In addition, active engagement takes place long before the tendering process is announced and follow-up after the contract is awarded.
Irrational contract pricing from competitors	Competitors use irrationally low prices in contracts and thus win contracts below market price.	Nobina closely monitors outcomes from procurements, takes actions when required and maintains a close dialogue with PTAs to avoid these types of situations.

Risk area	Description	Examples of control activities and countervailing factors
Serious incidents	Incidents such as terrorist attacks or traffic accidents may impact Nobina's ability to conduct operations efficiently.	Nobina has well-established crisis organisations that are prepared at any time to enter a "state of readiness".
Financial risks		
Financial risk exposure	Nobina is mainly exposed to financial risks such as liquidity, interest rate, refinancing, currency, raw materials, credit and counterparty, indexation, and residual value risk. For detailed information, see Note 29.	Clear and established processes and control are used to continuously identify, mitigate and follow up financial risks.
Market and industry risks		
Access to funding and financing	Demand from PTAs is highly dependent on regional budgets for public transport. If allocated funds are reduced, this could decrease budgets for the PTAs that are responsible for allocating and financing many of Nobina's contracts.	Thorough and proactive monitoring of the market to track trends and external events. In addition, proactive work is conducted to promote investments in public transport.
Access to staff	Nobina is dependent on access to skilled personnel. A long-term shortage of, for example, bus drivers and mechanics, may have an adverse impact on the company's capacity.	Particular focus internally on recruitment, education and advanced training. Nobina also works proactively to improve the attractiveness of areas currently experiencing a skills shortage. Nobina cooperates with job centres and other relevant authorities in several Nordic countries.
Demand for public transport services	Major structural changes in passenger preferences involving modes of transport could have an adverse effect on demand for bus travel, for example, more distance working, increase in car travel or bicycle commuting rather than bus travel are examples of hypothetical forces that could drive change.	Proactive work in marketing and developing attractive public transport solutions. Daily provision of high-quality public transport services.
Legal and political risks		
Legal risks	Nobina's operations entail continuous contract risks in ongoing contract management. Nobina's also operates under several jurisdictions and is subject to a number of regulations and laws, both European and national rules. Changes to these may impact the Group's operations, for example by violating rules that lead to additional costs, requirements or restrictions. Parts of Nobina's operations are also licensable and subject to comprehensive environmental and other regulations. Nobina could also become involved in commercial disputes and legal processes.	Nobina's well-prepared processes for active and continuous management of contracts mitigate contractual risks. To address the risks pertaining to different jurisdictions, Nobina is proactive at Group and company level to constantly secure compliance. Nobina also monitors legal developments in relevant areas to identify aspects with the potential to influence Nobina in the short and long term. Continuous risk assessment is conducted as part of this work and when necessary external expertise is used in the area in question.
Shifts in public transport preferences	Political objectives and decisions can change the preferences of PTAs for different modes of transport, types of vehicles and fuel.	Nobina is an active member of industry organisations and NGOs in order to monitor and influence the direction of the Nordic public transport sector. Furthermore, Nobina conducts lobbying activities, holds lectures and arranges training initiatives for decision-makers and other stakeholder groups.
Withdrawal of public transport to own management	Political decisions and motives may result in the cancellation of public transport contracts and the return of these to own management. This may cause the market to shrink and have an adverse impact on Nobina's growth and position.	Other than the basic view to constantly offer the best possible public transport services, which is in itself a countervailing factor, Nobina undertakes continuous dialogue with the relevant stakeholders as a means of actively monitoring and influencing the direction of political decisions. Also in this area, Nobina conducts lobbying activities, holds lectures and arranges training initiatives for decision-makers and other stakeholder groups.

Risk area	Description	Examples of control activities and countervailing factors
Sustainability risks		
Emissions	Fuel spills and emissions to water at depots and workshops (lead, cadmium, mercury etc.) may impact watercourses and their biodiversity. Emissions of particles, nitrogen oxide and sulphur oxide, which may result in a deterioration of the local environment where buses are driven, such as poorer air quality, acidification and an impact on biodiversity.	Nobina strives to minimise the negative impact of its operations. The Group's environmental management system is certified according to ISO 14001. The Group's reduction in the use of non-renewable fuels decreased emissions of nitrogen oxide and sulphur oxide.
Climate change	Climate change may lead to extreme weather events that may influence Nobina's ability to conduct operations efficiently or at all. Extreme weather events may also impact Nobina's supply chain and its deliveries.	Action plans drawn up to handle crises and/or extraordinary situations. Infrastructure adapted to cope with extreme weather conditions in line with applicable rules and regulations.
Increased vehicle requirements	Stricter legal requirements and increased expectations from clients may force Nobina to renew its vehicle fleet faster than planned, which may drive costs in the Group.	Nobina is actively working to manage excess buses and has well-established processes and action plans to this end. Regular maintenance and clear processes for bus upgrades together with proactive efforts in our existing markets and continual efforts to identify new markets are key to ensuring the use of vehicles throughout their technical life.
Fuel	The needs of society to reduce its dependence on fossil fuels may result in demand outstripping supply for renewable fuels and renewable electricity. This could mean Nobina may not have access to the required amount of renewable fuel, which in turn would impact its ability to move operations towards fossil-free production. The climate crisis could lead to an increased tax burden through higher excise duty in the form of fuel tax and vehicle tax. Higher carbon dioxide taxes could also have an adverse impact on the purchase price of buses and other goods.	Nobina actively follows discussions on this type of issue and strives continuously to express the views of the industry.
Work injuries and security deficiencies	Workplace injuries due to shortcomings in the work environment and safety efforts. Driving buses is an exposed occupation and the risk of threats and robbery in the workplace has increased in recent years. Bus drivers are also at greater risk of infection during pandemics or widespread disease in society.	Nobina's occupational health and safety management system covers the entire Group and its employees. Established and proactive work in the company's KAMS and through our HR efforts. Suspected irregularities can also be reported using Nobina's external whistleblower function.
Accidents	If Nobina is involved in a major accident with personal injuries, Nobina's business opportunities could be adversely impacted and the attractiveness of the brand damaged.	Nobina works continuously and proactively with safety as well as all vital parts needed to ensure a safe and secure workplace. Nobina's KAMS organisation plays an important role to secure preventive measures.
Discrimination	Discrimination or victimisation in the workplace or during recruitment could have an adverse impact on employee commitment and make it more difficult for Nobina to attract and retain employees.	Nobina works with inclusion in daily operations and in connection with recruitment; training initiatives are held regularly. It is a strategically important and prioritised area and is therefore part of our business plans at all levels of the company – from the Board to the individual. Suspected irregularities can be reported using Nobina's external whistleblower function.
Corruption	The failure of employees and suppliers to comply with laws, regulations or Nobina's policies and rules related to anti-corruption could have a negative impact on Nobina's operations or the company's brand.	New employees in relevant functions are informed of Nobina's Code of Conduct when they are employed. Internal process audits of the Group's staff functions are conducted every third year. Suspected irregularities can be reported using Nobina's external whistleblower function.
Suppliers	Suppliers that do not comply with our instructions, for example, the Code of Conduct, or otherwise act in an unethical or corrupt manner may damage and/or in several different ways negatively impact Nobina's operations or the company's brand. The supply chain for electric buses includes risks associated with the lithium and cobalt mining that may be linked to human rights abuses and funding of conflicts.	Nobina takes as a starting point its Code of Conduct, which includes all aspects from human rights and handling of conflict minerals to anti-corruption, and makes demands on suppliers in conjunction with purchases. Supplier audits and follow-up to ensure compliance. In addition, employees are given training and compliance with internal control parameters is followed up to maintain good ethical and social levels.

Annual Report

The results of the year's operations for the Nobina Group and the Parent Company are presented in the following income statements and balance sheets, cash flow statements, statements of changes in equity and notes.

Multi-year overview

	2021/22	2020/21	2019/20	2018/19 ^{1,2}	2017/18 ¹
Net sales	13,125	10,787	10,645	9,734	8,760
EBITDA	2,745	1,951	1,764	1,596	1,198
EBITDA margin, %	20.9	18.1	16.6	16.4	13.7
EBITA	1,247	757	662	620	530
EBITA margin, %	9.5	7.0	6.2	6.4	6.1
Operating profit (EBIT)	1,048	689	597	575	526
EBIT margin, %	8.0	6.4	5.6	5.9	6.0
Profit before tax (EBT)	876	534	399	389	391
EBT margin, %	6.7	4.9	3.7	4.0	4.5
EBT adjusted	1,074	602	464	434	391
EBT, adjusted margin, %	8.2	5.6	4.4	4.5	4.5
Profit for the year	693	445	305	298	306
Cash flow for the year	408	760	-753	288	-94
Cash and cash equivalents	1,482	1,049	307	1,058	720
Equity/assets ratio, %	17.6	17.0	14.7	14.7	18.4
Equity	2,063	1,795	1,380	1,451	1,438
Net debt	5,139	5,158	5,534	4,828	3,629
Net debt/EBITDA	1.9	2.6	3.1	3.0	3.0
Number of buses	4,134	3,964	3,733	3,644	3,625
Estimated FTEs	12,718	10,711	10,526	10,547	9,468

1) 2018/2019 and 2017/2018 are restated in terms of IFRS 15 and discontinued operations.

2) 2018/2019 is restated in terms of IFRS 16.



Administration Report

The Board of Directors and CEO of Nobina AB (publ), corporate registration number 556576-4569, domiciled in Stockholm, hereby present the annual report and consolidated financial statements for the fiscal year 1 March 2021 through 28 February 2022.

All items are expressed in SEK million unless otherwise stated. The fiscal year covered by this annual report ended on 28 February 2022 and is referred to as 2021/22. The results of the year's operations for the Nobina Group and the Parent Company are presented in the following income statements and balance sheets, cash flow statements, statements of changes in equity and notes.

Operations

Nobina is engaged in the provision of public bus transport, and the company's business concept is to simplify everyday travelling. The scope of the business largely comprises regional public transport and service traffic under contract to State and local authorities in the Nordic region. Nobina is a Group comprised of wholly owned subsidiaries. In Sweden, operations are conducted through the subsidiaries: Nobina Sverige AB, Samtrans Omsorgsresor AB, Karl Erik Elofsson Buss AB, Göteborgs Buss AB, Telepass AB and in the other Nordic countries, through the subsidiaries: Nobina AS, Nobina Oy, Nobina A/S, De Blaa Omnibusser A/S and Ørslev Servicetrafik AS. In some cases, the operating companies have subsidiaries for parts of their operations. All operations require

operating permits for passenger transport. All subsidiaries hold the required permits. All intra-Group services, such as IT, accounting, personnel administration, etc. have been organised under one of the subsidiaries, Nobina Europe AB. During the year, Nobina conducted centralised management of its bus fleet through the subsidiaries: Nobina Fleet AB, Nobina Busco AB, Nobina Fleet Norge AS, Nobina Fleet Finland OY and Nobina Fleet Danmark ApS, Nobina Fleet Danmark no 1 ApS, Nobina Fleet Danmark no 7 ApS, Nobina Fleet Danmark no 8 ApS, Nobina Fleet Danmark no 9 ApS, Nobina Fleet Danmark no 10 ApS and Ørslev Leasing 2016 ApS. These companies lease buses to the operating companies. In Denmark, all of the companies are owned by the holding company, Nobina Danmark Holding ApS, which is a subsidiary of Nobina AB. Nobina AB also has the subsidiary Nobina Travis, which works with innovations in public transport and digital services that feature travel planning and payment.

Market

Nobina is the Nordic region's largest operator of tendered public bus transport. Since 1 October 2018, tendered special public transport in the form of service traffic is conducted by Samtrans. With approximately 1 million passengers per day, Nobina is one of the ten largest public transport companies in Europe. In Sweden, Norway, Finland and Denmark, all public transport is operated either under contract allocated through public tendering processes or through the remaining award of concessions. In all of the Nordic

countries, the trend is no longer to allocate traffic assignments through concessions but rather through announced tenders. This trend is in line with the applicable EU regulations and will eventually mean that more contracts will be subject to competition via tendering. All of the Nobina Group's contracts have been won through public tender processes and, accordingly, the Group has no concessions.

In July 2021, Nobina acquired Telepass AB, which is market leading in service traffic in Skåne. Nobina is thereby, through the subsidiaries Samtrans and Göteborgs Buss, the leader in service traffic in Sweden and has the opportunity to continue growing and broadening its offering in Sweden and Denmark.

Tendering processes, start-up and completion of traffic during the year

During the fiscal year, Nobina started transport services comprising 321 buses under new contracts. During the fiscal year, contracts were concluded for 319 buses. This led to a slight decrease in operations in Sweden, and an increase in operations in Finland and Denmark, while operations were unchanged in Norway. Nobina participated in tender processes for 2,017 buses during the fiscal year. Of these, contracts were won for

a total of 930 buses (46 percent). Tender outcomes and the start-up and completion of traffic assignments by country is presented in the summary on the next page.

Traffic starting in the March 2022–February 2023 period

Nobina will start traffic involving 433 buses, of which 257 new buses, in the next fiscal year. In general, the tender outcomes during the fiscal year have no or limited impact on the scope of operations or on earnings since new contracts often start nine months or later after allocation. Traffic start-ups by country is presented in the summary on the next page.

Traffic to be concluded in the March 2022–February 2023 period

Nobina will conclude traffic involving 637 buses in the next 12 months. All traffic contracts have a termination date, when the traffic assignment under the old contract ceases to apply and the assignment is awarded to an operator under a new contract, either the same operator or a new operator. The majority of traffic assignments have options to extend, normally for a period of one to three years in most contracts through mutual agreement between PTAs (Public Transport Authority) and the operator. Following any

SEK million	2021/22	2020/21	2019/20	2018/19	2017/18
Net sales	13,125	10,787	10,645	9,734	8,760
EBITDA	2,745	1,951	1,764	1,596	1,198
EBITA	1,247	757	662	620	530
EBIT	1,048	689	597	575	526
Profit before tax (EBT)	876	534	399	389	391
Net debt	5,139	5,158	5,534	4,828	3,629
Net debt/EBITDA	1.9	2.6	3.1	3.0	3.0

ADMINISTRATION REPORT

Tenders and traffic changes by country

Number of buses	Tenders during the period			Traffic changes during the period	
	Submitted	Won	Not won	Started	Ended
Sweden	1,255	757	498	169	186
Norway	366	0	366	0	0
Finland	242	122	120	110	95
Denmark	154	51	103	42	38
Total traffic	2,017	930	1,683	321	319

Traffic starts by country in the next 12 months

	Clients	No. of years	Start of service	No. of buses	No. of new buses
Sweden	Västtrafik	10	June 2022	63	33
Sweden	Östgötatrafiken	10.5	June 2022	49	45
Denmark	Sydtrafik	10	June 2022	26	26
Sweden	LT Norrbotten	2	June 2022	12	0
Finland	HSL	7	August 2022	80	69
Sweden	Skånetrafiken	8	December 2022	57	4
Sweden	Skånetrafiken	10	December 2022	55	2
Denmark	Movia	10	December 2022	22	22
Sweden	Skånetrafiken	8	December 2022	14	14
Denmark	Movia	10	December 2022	13	13
Finland	HSL	7	January 2023	42	29
Total traffic				433	257

Traffic concluded by country in the next 12 months

	Clients	End of service	No. of buses
Denmark	Movia	April 2022	34
Sweden	UL	June 2022	172
Sweden	Östgötatrafiken	June 2022	27
Denmark	Movia	June 2022	9
Finland	HSL	August 2022	86
Sweden	SL	August 2022	92
Denmark	Sydtrafik	October 2022	18
Sweden	Skånetrafiken	December 2022	156
Sweden	Länstrafiken i Örebro	December 2022	25
Denmark	Movia	December 2022	18
Total traffic			637

optional extension, the traffic assignment comes to a definitive end. Traffic contracts concluded by country are presented in the summary to the left.

Fiscal year

In the 2021/22 fiscal year, operations continued to demonstrate a positive trend:

Record-high net sales were posted due to growth of 21.7 percent, driven by acquisitions (+4.4 percent), currency effects (+0.1 percent) and organic growth (+17.2 percent).

EBITA for the full-year period amounted to SEK 1,247 million (757), an increase of 64.7 percent driven by strong earnings from activities linked to Covid-19 in Samtrans, underlying growth in operations and acquisitions. Earnings were negatively impacted by higher amortisation/depreciation; the increase was mainly driven by SEK –226 million in extra costs related to three specific impairments and revaluations conducted during the year (including impairment related to shortened depreciation periods on all the Group's biogas buses of -124 MSEK, impairment of buses which have been identified as difficult to optimise, or where production of vehicles has ceased due to a reduction in commercial traffic related to Covid-19 of -30 MSEK). Operating profit (EBIT) for the full year amounted to SEK 1,048 million (689), an increase of SEK 359 million or 52.1 percent.

Operating profit and profit before tax for the year included acquisition-related expenses of SEK –9 million (–4), delisting costs of SEK –94 million (0) and amortisation of intangible assets of SEK –96 million (–64).

Cash flow

Cash flow for the full year totalled SEK 408 million

(760). Cash flow from operations before changes in working capital amounted to SEK 2,664 million (1,951) thanks to higher earnings. The change in working capital amounted to SEK –146 million (199) and primarily reflected the impact of an accumulated receivable from PTAs relating to indexation in Sweden of SEK –242 million.

Cash flow from investing activities amounted to SEK –1,363 million (–1,542) and was impacted by a payment of a purchase price of SEK –95 million related to the acquisition of Telepass, the final settlement of older acquisitions of an additional SEK –18 million as well as investments in buses and equipment of SEK –1,335 million (–1,458), which were financed by loans amounting to SEK 1,142 million (1,392), which last year also included proceeds of SEK 200 million from the financing of previous acquisitions.

Cash flow from financing activities amounted to SEK –734 million (155), impacted by the decision to reintroduce dividends, which amounted to SEK –325 million as well as the early final settlement of the share saving scheme of SEK –198 million.

Significant events during the year

- New 10-year contract won with Västtrafik in central Gothenburg worth SEK 2.1 billion.
- 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.
- New 8-year contract won with Skånetrafiken in north-western Skåne worth SEK 1.6 billion.
- Nobina awarded new 10-year contract by Sydtrafik

268
new buses in
Linköping and
Halland

ADMINISTRATION REPORT



Nobina conducts development operations within public transport, for instance, within Nobina Technology AB and Nobina Travis AB.

- in Kolding, Denmark valued at DKK 480 million.
- Renewed and expanded 2-year contract for Samtrans with the City of Stockholm with a contract value of SEK 240 million.
- Nobina awarded new 7-year contract by HSL in Helsinki worth SEK 2.1 billion.
- The Annual General Meeting adopted a dividend of SEK 3.77 per share, corresponding to 75 percent of net profit or 63 percent if expressed according to our current dividend policy. Malin Frenning elected as new Board member while John Allkins declined re-election.
- New 10-year contract was won with Västtrafik in Vänersborg and Trollhättan worth SEK 1.7 billion.
- A 10-year agreement with Movia in Copenhagen was renewed and expanded, valued at approximately DKK 570 million.

1) The award decision has been appealed

- Two new 10-year contracts awarded by SL in Huddinge–Botkyrka–Söderort and Nacka–Värmdö, with a combined value of approximately SEK 12.7 billion and involving 530 scheduled buses¹.
- A lump-sum payment from Afa Försäkring had a positive impact of approximately SEK 97 million on the Group's EBIT in the third quarter of 2021/22.
- At the company's Capital Markets Day, Nobina announced a refined strategic framework, new business areas and revised financial targets of annual net sales growth of 7 percent (adjusted for the Samtrans Covid-19 business), an EBITA margin of 6.5 percent, a net leverage ratio of 3–4 times EBITDA and a dividend policy of at least 60 percent of net profit.
- After careful consideration, the Board of Directors of Nobina AB (publ) unanimously concluded to recommend shareholders to accept the public offer

from Basalt, via Ride BidCo, of SEK 108 in cash per share, which was presented to the Board on Friday, 10 December. On 24 January 2022, Basalt declared its public offer unconditional, which meant the acquisition could be completed. On 16 February, the Nobina share was delisted from Nasdaq Stockholm and an extraordinary general meeting on 22 February elected a new Board of Directors.

Significant events after the end of the fiscal year

- As a result of a change of control and delisting, Nobina will repurchase bonds for a total nominal amount of SEK 660 million during the first quarter.
- The Board of Directors proposes that no dividend be paid for the 2021/22 fiscal year.

Revenue and profit for the Nobina Group

Revenue increased by SEK 2,338 million, or 21.7 percent, from SEK 10,787 million for 2020/21, to SEK 13,125 million for 2021/22, driven by acquisitions (+4.4 percent), currency effects (+0.1 percent), and organic growth (+17.2 percent).

Operating profit (EBIT) increased by SEK 359 million, or 52.1 percent, from SEK 689 million in 2020/21, to SEK 1,048 million in 2021/22. Operating profit (EBITA) increased by SEK 490 million, or 64.7 percent, from SEK 757 million in 2020/21, to SEK 1,247 million in 2021/22. The increase is mainly due to Samtrans' activities pertaining to Covid-19 testing stations, growth in underlying operations and acquisitions.

Fuel, tyres and other consumables

Costs for fuel, tyres and other consumables increased by SEK 386 million, or 22.8 percent, from SEK 1,691 million in 2020/21 to SEK 2,077 million in 2021/22. The increase is primarily an effect of the

higher volume during the year; costs relative to net sales are in line with the preceding year.

Other external expenses

Other external expenses increased by SEK 690 million, or 42.2 percent, from SEK 1,635 million in 2020/21 to SEK 2,325 million in 2021/22. The increase in costs was mainly linked to the activities of Samtrans related to Covid-19.

Personnel expenses

Personnel costs increased by SEK 468 million, or 8.5 percent, from SEK 5,510 million for 2020/21 to SEK 5,978 million for the 2021/22 fiscal year. The increase in costs was in part due to acquired operations but also increased volumes primarily in the activities of Samtrans related to Covid-19.

Development expenses

Nobina does not conduct any research operations but does carry out development operations within public transport, for instance, within Nobina Technology AB and Nobina Travis AB, at a cost of SEK 47 million out of which SEK 10 million was capitalised in 2021/22, compared with SEK 49 million out of which SEK 22 million had been capitalised in 2020/21. During the year, the company evaluated previously capitalised development projects, which led to an extra impairment of SEK –14 million.

Capital gains/losses from the disposal of non-current assets

During the year, Nobina divested 227 buses (258) valued at SEK 85 million (18). The divestment resulted in a capital loss of SEK 6 million (2). All excess buses without any of opportunity for relocation in existing

ADMINISTRATION REPORT

contracts or upcoming public tenders or use in commercial transactions, are valued at the time at fair value by adapting the remaining depreciation period, to better reflect the actual market value. Excess buses sold or available for sale entailed increased depreciation costs in the full year of SEK –107 million (–55).

Depreciation/amortisation and impairment

Depreciation and impairment of PPE increased by SEK 296 million, or 24.7 percent, from SEK 1,196 million in the 2020/21 fiscal year, to SEK 1,492 million in the 2021/22 fiscal year. Depreciation and impairment of PPE mainly comprise a value decline of buses but also include a value decline of other vehicles, equipment, tools, fixtures and fittings, and buildings as well as impairment of SEK –197 million (–35) of buses, which due to their vehicle specification have been identified as difficult to optimise. Amortisation and impairment of intangible assets increased by SEK 32 million, from SEK 64 million in the 2020/21 fiscal year, to SEK 96 million in the 2021/22 fiscal year and are mainly linked to acquisition-related intangible assets.

Profit from net financial items

Interest income and similar profit/loss items amounted to SEK 0 million in 2021/22 and SEK 2 million in 2020/21.

Interest expenses and similar profit/loss items increased SEK 15 million, or 9.5 percent, from SEK 157 million in 2020/21, to SEK 172 million in 2021/22. Nobina's realised and unrealised exchange-rate effects amounted to SEK –3 million (17).

Income tax

Nobina's income tax amounted to SEK –183 million in 2021/22, compared with SEK –89 million in 2020/21. Deferred tax was calculated using the tax rates that

have been enacted, or which are expected to apply when the related deferred tax asset is realised or the tax liability is settled.

The deferred tax asset that pertains to deductible temporary differences and unutilised loss carryforwards has been reported to the extent that it is expected to be utilised in the foreseeable future, and doing so is deemed probable. Nobina's income tax comprised current tax of SEK –58 million (–12), the change in estimated deferred tax assets, and deferred tax liabilities of SEK –151 million (–91). During the year, Nobina recognised prior, unrecognised deferred taxes of SEK 26 million (14). Tax paid by Nobina amounted to SEK 13 million (5). The effective rate of tax was 20.9 percent (16.7).

Analysis of the Group's performance trend

The key indicators shown in the following table set out the accumulated outcomes from the preceding year to the current year and pertain to net sales and EBITA. The performance analysis is partially based on qualitative analyses and assessments, and therefore its exactness and completeness cannot be guaranteed.

Price and volume, estimated effects of price and volume were positive in terms of net sales (SEK +1,724 million) and EBITA (SEK +804 million). Nobina Care had a positive impact on both revenue and earnings. The strong performance in the core business and acquired companies also made a positive contribution. Currency effects had a positive impact on net sales.

Positive impact on sales of contract migration, primarily due to contracts started in Sweden Bus. Contract migrations impacted the results negatively in Sweden Bus, Finland Bus and Denmark Bus.

21.7**SEK billion value
in won contracts
in Nobina Bus**

Indexation and efficiency, Indexation had a positive effect on sales, mainly driven by Sweden Bus. Operational efficiency declined for EBITA year-on-year, largely due higher levels of sick leave and overtime related to the pandemic, and higher fuel consumption and maintenance resulting from a more severe winter.

Other, this item includes other costs, primarily within central functions and central fleet costs. The negative effect on earnings was primarily attributable to higher depreciation costs, mainly driven by three specific items with a total impact of SEK –226 million, comprising impairment related to shortened depreciation periods on all the Group's biogas buses (SEK –124 million), impairment of buses that are difficult to optimise and where production has ceased (SEK –72 million) and revaluation of available-for-sale buses due to a reduction in commercial traffic related to Covid-19 (SEK –30 million). A lump-sum payment of SEK 97 million from Afa Försäkring had a positive impact on earnings.

SEK million	Revenue	EBITA
Period from March 2020–February 2021	10,787	757
Price and Volume	+1,724	+804
Contract migration	+138	–110
Indexation and efficiency	+475	–59
Other	–	–144
Period from March 2021–February 2022	13,125	1,247

Segment reporting

In connection with the Capital Markets Day in November 2021, a new segment reporting was introduced where the Group's segments are now Nobina Bus Sweden, Nobina Bus Denmark, Nobina Bus Norway, Nobina Bus Finland and Nobina Care. This year's

segment figures, together with historical figures in notes 2,3,5 and 7, have been recalculated according to our new segment reporting to enable comparable units.

Analysis of net sales and EBITA by operating segment

At the end of the fiscal year, Nobina decided to change segment reporting, which will now be based on five segments – Nobina Bus Sweden, Nobina Bus Denmark, Nobina Bus Norway, Nobina Bus Finland and Nobina Care. The new division better reflects Nobina's operations.

SEK million	Mar 2021– Feb 2022	Mar 2020– Feb 2021
Net sales by segment		
Nobina Bus Sweden	7,552	6,553
Nobina Bus Denmark	867	862
Nobina Bus Norway	1,275	1,120
Nobina Bus Finland	1,203	1,202
Nobina Care	2,504	1,118
Central functions and other items	6	2
Elimination of sales within the Group	–282	–70
Total net sales	13,125	10,787

SEK million	Mar 2021– Feb 2022	Mar 2020– Feb 2021
EBITA per segment		
Nobina Bus Sweden	797	442
Nobina Bus Denmark	18	26
Nobina Bus Norway	81	81
Nobina Bus Finland	–1	70
Nobina Care	662	268
Central functions and other items	–310	–130
Total EBITA	1,247	757

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Nobina Bus Sweden

Nobina is the largest operator in Sweden. Nobina currently has a presence in more than a hundred towns and cities across the country. The largest clients are in the three major metropolitan areas: Stockholm, Gothenburg and Malmö. The regional traffic contracts differ considerably both in terms of the responsibilities and the commercial terms and conditions. There is an increasing trend toward tender processes that include quality evaluation and contracts with an incentive element. The contract terms are developing in a more positive direction and relevant monthly indexing models are the norm. Revenue in Nobina Bus Sweden increased by SEK 999 million, or 15.2 percent, from SEK 6,553 million in 2020/21 to SEK 7,552 million in 2021/22. The increase was mainly driven by a positive index trend, growth in the underlying operations and positive contract migration.

EBITA in Sweden increased by SEK 355 million, or 80.3 percent, from SEK 442 million in 2020/21 to SEK 797 million in 2021/22. The increase in EBITA was driven by growth in the core business, a larger share of replacement traffic, a positive index trend and a lump-sum payment of SEK 96 million from Afa Försäkring related to 2004–2008.

Significant events during the year in Nobina Bus Sweden

- Participated in 12 tendering processes for scheduled public transport, a total of 21 packages, and Nobina won eight packages. Nobina also participated in four tendering processes for school traffic, a total of 22 packages, and Nobina won one package.
- New 10-year contract won with Västtrafik in central Gothenburg worth SEK 2.1 billion.
- New 8-year contract won with Skånetrafiken in

north-western Skåne worth SEK 1.6 billion.

- New 10-year contract was won with Västtrafik in Vänersborg and Trollhättan worth SEK 1.7 billion.
- Two new 10-year contracts awarded by SL in Huddinge–Botkyrka–Söderort and Nacka–Värmdö, valued at approximately SEK 12.7 billion and involving 530 scheduled buses.

Nobina Bus Denmark

The Danish market for regional traffic is divided into five regions and is continuing to develop in a positive direction in terms of contract terms and incentive elements. A large number of minor operators are active at local level. Monthly indexing of revenue is standard. In total, there are six potential clients.

Nobina currently operates regional traffic for two of these. The trend in Denmark is the same as in Sweden, i.e. increasingly moving toward incentive contracts, which in the Danish agreements reflect the number of passengers, customer satisfaction and punctuality. Nobina operates a total of 12 contracts.

Revenue from bus services in Denmark increased by SEK 5 million, or 0.5 percent, from SEK 862 million in 2020/21 to SEK 867 million in 2021/22. The increase was primarily attributable to a positive index trend and an increase in replacement traffic, which was partly offset by negative currency effects.

EBITA declined by SEK 8 million from SEK 26 million in 2020/21 to SEK 18 million in 2021/22. The main reason for the weaker result was negative contract migration.

Significant events during the year in Nobina Bus Denmark

- Participated in four tendering processes, a total of nine packages, and Nobina won three packages.
- Nobina awarded new 10-year contract by Sydtrafik

in Kolding, Denmark valued at DKK 480 million.

- A 10-year agreement with Movia in Copenhagen was renewed and expanded, valued at approximately DKK 570 million.

Nobina Bus Norway

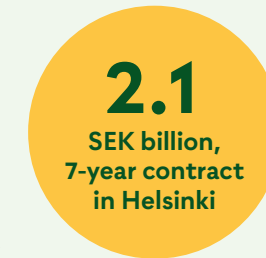
The market in Norway consists of a number of major and a few midsize players and is distinguished by fierce competition for market shares. Nobina has six ongoing traffic assignments in public transport in the capital region in addition to replacement traffic. The Norwegian market for bus public transport is in practice fully open for tender. Typically, terms are based on production contracts, mainly payment by kilometre, hour and bus with a customer-focused bonus element. Indexation over quarterly periods is predominant in new contracts.

The key focus area in Nobina's Norwegian operations is enhancing operational efficiency in addition to new contracts and new tenders.

Revenue from regional bus services, including extra traffic, in Norway increased by SEK 155 million, or 13.8 percent, from SEK 1,120 million for the 2020/21 fiscal year to SEK 1,275 million for the 2021/22 fiscal year, attributable to the positive performance of extra traffic. EBITA amounted to SEK 81 million, which was unchanged compared with the preceding year. The earnings trend reflected an increase in extra traffic, which was offset by higher fuel prices, and higher rates of overtime and sick leave due to the pandemic.

Significant events during the year in Nobina Bus Norway

- Participated in 4 tender processes, winning none.



Nobina Bus Finland

Unlike the other Nordic countries, contracts in

Helsinki are often tendered for specific routes rather than entire traffic areas, which is more common in the rest of Finland. Currently,

77 percent of the Finnish market is tendered traffic, and the trend is towards a larger share of tenders as old concession contracts expire and will be exposed to competition in accordance with the procurement regulations. The contract terms are relatively undeveloped outside of Helsinki, which applies favourable terms with monthly indexing. Incentive contracts are rare, but exist to a certain extent in the Helsinki region's contracts in the form of bonuses for customer satisfaction and there are also green tenders where operators can receive extra compensation if they change to renewable fuels.

Nobina's Finnish operations are primarily in the capital region, which is also the largest market for tendered public transport contracts. Nobina is the largest public transport service provider in the Helsinki area with a total of 26 traffic contracts ongoing and is one of Finland's largest operators.

Revenue from regional bus services in Finland increased by SEK 1 million, or 0.1 percent, from SEK 1,202 million for the 2020/21 fiscal year to SEK 1,203 million for the 2021/22 fiscal year. The trend is due to a positive index trend, which was offset by negative currency effects and a slight decrease in traffic volume linked to Covid-19. EBITA declined by SEK 71 million from SEK 70 million in 2020/21 to SEK –1 million in 2021/22. The negative earnings trend was primarily due to higher driver costs from traffic start-ups and sick leave related to the pandemic, the negative impact of contract migration, as well as higher

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operating costs resulting from a more severe winter.

Significant events during the year in Nobina Bus Finland

- Participated in 15 tendering processes, winning four.
- Nobina awarded new 7-year contract by HSL in Helsinki worth SEK 2.1 billion.

Nobina Care

The Nobina Care business area includes the Samtrans Omsorgsresor, Göteborgs Buss and Telepass brands, represented in Stockholm, Västra Götaland and Skåne. Nobina Care conducts passenger journeys, primarily on behalf of municipalities and regions and plays an important role in society by being available for people who, for various reasons, are unable to travel by regular public transport services.

Significant events during the year in Nobina Care

- 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.
- Renewed and expanded 2-year contract for Samtrans with the City of Stockholm with a contract value of SEK 240 million.

Net sales for Nobina Care for the full year rose by SEK 1,386 million or 124.0 percent from SEK 1,118 million for the 2020/21 fiscal year to SEK 2,504 million for the 2021/22 fiscal year, attributable to sales related to Covid-19 services, acquisitions, and growth in the underlying operations. EBITA rose SEK 395 million from SEK 268 million to SEK 662 million, driven primarily by strong growth in Samtrans' Covid-19 related services and acquisitions.

“Nobina is utilising green financing for an increasing part of its fleet.”

Central functions and other items

Central functions and other items comprise expenses related to the head office and the results from fleet operations, which manages the bus fleet. Net cost (EBITA) for these increased by SEK 182 million, or 139.6 percent, from SEK –130 million in 2020/21, to SEK –310 million in 2021/22, which was charged with increased depreciation costs. The increase in depreciation was mainly driven by three specific items with a total impact of SEK –226 million, comprising impairment related to shortened depreciation periods on all the Group's biogas buses (SEK –124 million), impairment of buses that due to their vehicle specification have been identified as difficult to optimise and vehicles where production has ceased with subsequent problems acquiring spare parts (SEK –72 million) and revaluation of available-for-sale buses due to a reduction in commercial traffic related to Covid-19 (SEK –30 million).

Investments

Nobina's investments during the year primarily related to the procurement of buses. 20 (11) buses were acquired through finance leases, while 199 (343) buses were financed via cash or credit. In total, Nobina acquired 219 (354) buses during the year. Cash-financed investments during the year amounted to SEK 193 million (266) and loan-financed investments totalled SEK 1,142 million (1,192).

Financing, liquidity and valuation

Nobina's liabilities are primarily attributable to the

financing of investments in buses and equipment used in operations. Certain strategic debt may exist, and on 28 February 2022 was present in the form of one loan related to acquisition financing amounting to SEK 263 million (360).

Nobina has bank credit facilities of SEK 300 million, of which SEK 0 was utilised as of 28 February 2022. Net debt totalled SEK 5,139 million (5,158) at the end of the period, and net debt/EBITDA was 1.9x (2.6x).

Over the year, cash and cash equivalents increased SEK 433 million, from SEK 1,049 million at 28 February 2021, to SEK 1,482 million at 28 February 2022. The equity/assets ratio for the Group was 17.6 percent (17.0) and for the Parent Company 37.0 percent (39.0).

The methods and assumptions applied by Nobina when calculating fair value for financial instruments are described in Note 29 and 30. No transfers were made between any of the valuation levels during the period.

Financial targets

In conjunction with the company's Capital Markets Day in November 2021, Nobina's Board adopted financial targets for the business operations, which are presented below:

- Net sales growth: Nobina's target is to have an average annual net sales growth of 7 percent (adjusted for the Samtrans Covid-19 business).
- Profitability: Nobina's target is to achieve an EBITA margin of 6.5 percent at average contract age being 50 percent of average contract length.
- Target debt/equity ratio: Under normal circumstances, Nobina's net leverage ratio is to be within 3 to 4 times EBITDA, including strategic debt financing.

The financial targets, including the dividend policy, will be subject to a review as a result of the change in ownership.

Dividend policy

Nobina expects to, under normal circumstances, pay a dividend of at least 60 percent of net profit.

Financial management

Since traffic contracts primarily contain given, fixed revenue, in addition to occasional revenue from variable incentives, the offer price becomes critical to profitability in the cases where Nobina wins traffic contracts. In the respective tenders that are submitted to win new traffic contracts in conjunction with tender processes, Nobina sets a margin requirement.

When submitting a tender, Nobina simultaneously negotiates binding offers with bus suppliers and financing, to secure the company's ability to start services if Nobina wins the tender process. A traffic start ties up a substantial amount of capital, which is why Nobina evens out cash flow during the contract period by using debt financing. Delivering a return that meets the yield requirement necessitates efficient operation, in addition to risk minimisation and negotiations regarding possible traffic changes. This is carried out based on highly developed traffic plans that ensure optimised capacity utilisation of drivers and buses. Operations are carried out based on these plans with the support of several key metrics to measure efficiency, such as overtime, sick leave, maintenance cost per kilometre, damage cost per kilometre, fuel consumption cost per kilometre, etc. Efficiency is typically at its lowest in a newly started traffic contract and improves over time, while the value of the invested capital for buses declines over time as the buses age. Nobina is utilising green financing for an increasing part of its fleet.

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“Nobina sees a continuing rise in demand for electric vehicles in new tenders. Electric vehicles have zero emissions and also lower noise levels.”

Employees

During the period, the average number of employees was 13,554 (12,712) and the number of employees recalculated as FTEs was 12,718 (10,711). 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. In all countries where Nobina AB has operations, collective agreements are applied in accordance with the trade union that represents employees in the industry where each company is active. Between the employee representatives and the company, well-established practices are in place for the way in which working hours, compensation terms, information and cooperation are negotiated and applied. Nobina uses programmes focusing on values and employee relations to boost staff motivation at work and thus improve the quality of services to customers.

Environmental performance

Nobina sees a continuing rise in demand for electric vehicles in new tenders. Electric vehicles have zero emissions and also lower noise levels, which is positive in all traffic environments. In addition, almost all new vehicles are Euro VI, which is currently the highest emission standard that, in combination with biodiesel and biogas, results in lower emissions of particles and NOX. The Group has also installed “The Green Journey” equipment, which measures each individual vehicle and driver in terms of driving style and by extension

fuel consumption. Together with local coaches, driving styles are evaluated aimed at retaining good practices and improving less good practices, which improves customer experiences and the use of fuel resources. At its fixed facilities, Nobina invests in environmental improvements such as new and enhanced cleaning equipment in the bus-washing facilities. Nobina conducts notifiable operations in accordance with the Swedish Environmental Code (SFS 1998:808) for depots that operate bus-washing facilities and for its own workshops. These activities impact the environment primarily through the discharge of water from bus-washing facilities. Many of our bus-washing facilities are also equipped with recirculation systems which results in a decrease in fresh water consumption. When setting up or shutting down depots, environmental inspections are conducted to determine Nobina’s environmental responsibility and impact. The operating companies perform minor decontamination measures as required. To date, no significant decontamination liability in relation to Nobina’s own operations has been established.

Nobina has also installed control systems for our bus heating ramps that have resulted in lower energy consumption when the buses are parked and “intelligent” charging of electric vehicles, which leads to a more balanced energy output to avoid peaks.

Statutory sustainability statement

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Nobina has decided to present the statutory sustainability information and Sustainability Report separate from the official annual accounts. The sustainability information and Sustainability Report encompass all subsidiaries and are presented on pages 23–42.

Seasonality

Nobina’s operations are affected by seasonality. For regional traffic, operations run according to timetables that are drawn up by the Public Transport Authority (PTA). These timetables contain a lower traffic volume during weekends and the summer vacation period. Accordingly, sales and earnings are lower during these periods and the effect is more noticeable when longer holidays occur midweek. Capacity utilisation is key to profitability levels in the respective quarters. For regional operations, 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.

Guidelines for remuneration of senior executives

The guidelines for remuneration from the Annual General Meeting in May 2021 were fully implemented during the year and are presented in Note 7. No new guidelines are presented for approval.

Disputes

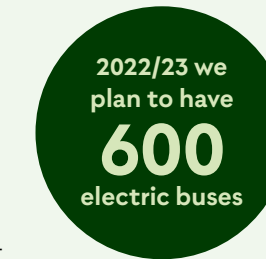
Nobina has no ongoing disputes.

Pledged assets and contingent liabilities

Nobina has pledged shares in Samtrans Omsorgsresor AB and Nobina Danmark Holding AS as collateral for the acquisition loan, see more information in Note 28.

Nobina’s share and ownership structure

The company is a public limited liability company



(corporate registration number 556576-4569, domiciled in Stockholm). Between 18 June 2015 and 16 February 2022, the Nobina share (ticker: Nobina) was listed on Nasdaq Stockholm and included in the Mid Cap and Industry sector segment.

On 13 December 2021, Basalt, through Ride BidCo AB, announced a public offer to the shareholders of Nobina to transfer all their shares in

Nobina to Ride BidCo at a price of SEK 108 in cash per share and the offer was unanimously recommended by Nobina’s Board of Directors. On 24 January 2022, Ride BidCo announced that shareholders representing a total of 92.8 percent of all shares in Nobina had accepted the offer. In conjunction with this, Ride BidCo declared the offer unconditional, meaning Ride BidCo was able to complete the acquisition of shares in Nobina tendered in the offer. On 25 January 2022, Nobina announced that the company’s Board of Directors had applied for delisting of the shares in Nobina from Nasdaq Stockholm. On 3 February 2022, Nasdaq Stockholm approved Nobina’s application for delisting of the company’s shares. The last day of trading on Nasdaq Stockholm was 16 February 2022. During Nobina’s period as a listed company, it has generated a total return of 355 percent to its shareholders, which compares with the Nordic Mid Cap Total Return Index of 220 percent during the same period.

Incentive programme

On the date of the public offer from Basalt, Nobina AB had three share saving schemes outstanding (LTIP 2019, LTIP 2020 and LTIP 2021) encompassing a total of not more than 1,745,132 shares directed to senior executives and key employees of the Nobina Group.

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All share saving schemes are based on own investments. In conjunction with the announcement that the public offer from Basalt was unconditional, all of the share saving schemes outstanding were settled. For more information regarding each share saving scheme, see Note 7.

Significant agreements between the company and the Board and the CEO

Remuneration to the Board is established at the Annual General Meeting or at an extraordinary general meeting. No special remuneration is paid if the assignment as Board member is terminated prematurely. In the event of termination of employment by the company, the CEO is entitled to salary during the notice period, which amounts to 12 months. With regard to other information on directors' fees, and salaries and remuneration to senior executives, refer to Note 7.

Significant agreements between the company and suppliers

Nobina's subsidiaries are responsible for conducting operations and are dependent on certain suppliers, primarily in the vehicle and energy sectors. Purchasing agreements are signed mainly at Group level. Individual subsidiaries only enter into agreements with specific local suppliers for fuel supplies. These agreements exist because no functioning retail business exists in the Nordic region for fuels and the subsidiaries are extremely dependent on regular fuel deliveries to conduct reliable traffic. Change of control clauses exist in certain agreements with leasing companies.

Significant risks, uncertainties and risk management

The risks that can arise with an impact on the financial reporting pertain to the valuation of assets, liabilities, revenue and costs or deviations from disclosure requirements as well as other risks relating to material errors in the financial accounts. One example could be if the actual economic life of buses did not correspond with the depreciation period. The company may also be affected by fraud, loss or embezzlement of assets, and undue preference in favour of another party at the company's expense. Nobina's risks are described in a separate risk section that is an integral part of the administration report, refer to the section Nobina's risk management on pages 44–47 and also the Corporate Governance Report on pages 96–106.

Prospects for 2022/2023

Public transport in the Nordic region remains challenging in the short term due to the coronavirus Covid-19 but we can see that the removal of restrictions has meant passengers are again, to a growing extent, choosing to travel by public transport. The sharp rise in fuel prices, as a result of the deteriorating world situation based on Russia's invasion of Ukraine, also supported the volume increase prompting more people to leave their car at home and travel by bus instead. During 2021/22, Samtrans engaged in extensive Covid-19 testing activities in Sweden. These activities are now being discontinued as the need is declining.

The impact of contract migration is expected to be slightly more extensive than in the 2021/22 fiscal year when 319 buses were covered by completed contracts and 321 buses were included in new contracts. During 2022/2023, 433 buses are scheduled to start operating and 637 buses to be terminated. However, the company does not submit any forecasts.

Parent Company

The Parent Company has 12 (11) employees who participate in the overall management of the Nobina Group, including financial analysis, follow-up and financing. Net sales for the fiscal year, which were comprised entirely of internal services, amounted to SEK 51 million (69) and profit before tax to SEK 326 million (609).

The Parent Company's earnings in the full year were impacted by a dividend of SEK 21 million (117) received from Nobina Oy, a net dividend of SEK 260 million (430) received from Nobina Sverige 2 AB, net dividend of SEK 10 million (0) received from Nobina AS, net dividend of SEK 15 million (0) received from Göteborgs Buss AB, net dividend of SEK 40 million (0) received from Telepass AB and a net Group contribution received of SEK 227 million (56). Investments in PPE and intangible assets amounted to SEK 0 million (0) for the full year. On 28 February 2022, the Parent Company's shareholders' equity was SEK 2,727 million (2,712). The equity/assets ratio was 37 percent (39).

Board's proposal for appropriation of profits (SEK)

The Board of Directors proposes that no dividend be paid for the 2021/22 fiscal year.

Funds available for appropriation by the Annual General Meeting:

Share premium reserve	1,335,198,568
Profit brought forward	742,498,647
Profit for the year	330,217,625
Total	2,407,914,840
Proposal that no dividend be paid	–
To be carried forward	2,407,914,840

Nobina's Nomination Committee

At an extraordinary general meeting of Nobina AB on 22 February 2022, it was resolved to elect new Board members and that the company's remuneration guidelines and instruction for the Nomination Committee shall no longer apply since the shares in Nobina have been delisted from Nasdaq Stockholm. The Annual General Meeting will be held on 31 May 2022.

“Nobina's investments during the year primarily related to the procurement of buses. 20 buses were acquired through finance leases, while 199 buses were financed via cash or credit.”



Consolidated income statement

	Note	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Net sales	1, 2, 3	13,125	10,787
Operating expenses			
Fuel, tyres and other consumables	4	–2,077	–1,691
Other external expenses	4, 6	–2,325	–1,635
Personnel expenses	4, 7	–5,978	–5,510
Total EBITDA	1, 2	2,745	1,951
Capital gains/losses from the disposal of non-current assets	8	–6	2
Depreciation/impairment of PPE	9	–1492	–1,196
Total EBITA	1, 2	1,247	757
Acquisition-related income and costs	5	–9	–4
Delisting costs	5	–94	–
Amortisation/impairment of intangible assets	9	–96	–64
Operating profit (EBIT)	1, 2	1,048	689
Profit from net financial items			
Financial income	10	–	2
Financial expenses	11	–172	–157
Net financial items		–172	–155
Profit before tax (EBT)		876	534
Income tax	16	–183	–89
PROFIT FOR THE YEAR		693	445

Statement of consolidated comprehensive income

	Note	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Profit for the year		693	445
Other comprehensive income		693	445
Items not to be reclassified to profit or loss for the period			
Revaluation of defined-benefit pension plan	22	2	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			
Exchange-rate differences in foreign operations		48	–38
Other comprehensive income, net after tax		50	–37
Comprehensive income for the year		743	408
COMPREHENSIVE INCOME ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		743	408

Consolidated balance sheet

	Note	28 Feb 2022	28 Feb 2021
ASSETS			
Non-current assets			
Intangible assets			
Goodwill		844	780
Other intangible assets		468	424
Total intangible assets	12	1,312	1,204
Property, plant and equipment			
Real estate and costs for leasehold improvements		892	897
Equipment, tools, fixtures and fittings		161	148
Vehicles		6,018	5,865
Total property, plant and equipment	13	7,071	6,910
Financial assets			
Deferred tax assets	16	71	28
Assets for pension commitments	22	31	15
Other non-current receivables		6	5
Total financial assets		108	48
Total non-current assets	1	8,491	8,162
Current assets			
Inventories	17	74	65
Trade receivables	18	990	838
Other current receivables		61	47
Deferred expenses and accrued income	19	603	415
Cash and cash equivalents	20	1,482	1,049
Total current assets		3,210	2,414
TOTAL ASSETS	1, 2	11,701	10,576

	Note	28 Feb 2022	28 Feb 2021
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		318	318
Other contributed capital		3,212	3,212
Translation differences		78	30
Loss brought forward		-1,545	-1,765
Total equity attributable to Parent Company shareholders	21	2,063	1,795
Non-current liabilities			
Borrowing	24	4,827	5,101
Deferred tax liabilities	16	420	295
Provision for pensions and similar commitments	22	36	23
Other provisions	23	44	37
Total non-current liabilities		5,327	5,456
Current liabilities			
Accounts payable		839	636
Borrowing	24	1,758	1,083
Other current liabilities	25	366	268
Accrued expenses and deferred income	26	1,348	1,338
Total current liabilities		4,311	3,325
Total liabilities		9,638	8,781
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1, 2, 28	11,701	10,576

Consolidated statement of changes in equity

	Share capital	Other contributed capital	Translation differences	Loss brought forward	Total equity attributable to Parent Company shareholders
Opening equity, 1 Mar 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 Feb 2021	318	3,212	30	-1,765	1,795
Profit for the year	-	-	-	693	693
Other comprehensive income	-	-	48	2	50
Transactions with owners					
Repurchase of share saving scheme	-	-	-	-150	-150
Dividend	-	-	-	-325	-325
Closing equity, 28 Feb 2022	318	3,212	78	-1,545	2,063

There are no non-controlling interests.

Consolidated cash flow statement

	Note	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Cash flow from operating activities			
Profit after financial items		876	534
Adjustment for non-cash items			
– Depreciation/amortisation and impairment	9	1,588	1,260
– Capital gain/loss from the disposal of non-current assets	8	8	–2
– Unrealised exchange gain/losses		–	–16
– Financial income	10	–	3
– Financial expenses	11	173	173
– Changes in provisions, pensions, etc.		15	–5
– Other items		4	4
Cash flow from operating activities before changes in working capital		2,664	1,951
Cash flow from changes in working capital			
Change in inventories		–7	1
Changes in operating receivables		–265	–181
Changes in operating liabilities		126	379
Total changes in working capital		–146	199
Received interest income	10	0	2
Tax paid	16	–13	–5
Cash flow from operating activities		2,505	2,147
Cash flow from investing activities			
Investments in PPE and intangible assets	14	–1,335	–1,458
Acquisitions	27	–113	–102
Divestment of PPE and intangible assets	8	85	18
Cash flow from investing activities		–1,363	–1,542

	Note	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Cash flow from financing activities			
Amortisation of right-of-use liabilities	24	–557	–607
Amortisation of other external loans	24	–628	–458
New borrowing, other external loans	24	1,142	1,392
Financing costs	24	–	–1
Interest paid	11	–168	–171
Early final settlement of share saving scheme		–198	–
Dividend		–325	–
Cash flow from financing activities		–734	155
Cash flow for the year		408	760
Cash and cash equivalents at the beginning of the year		1,049	307
Cash flow for the year		408	760
Exchange-rate difference		25	–18
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	20	1,482	1,049

Parent Company income statement

	Note	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Net sales	1	51	69
Operating expenses			
Other external expenses	4, 5, 6	–25	–33
Personnel expenses	4, 7	–201	–47
Total EBITDA		–175	–11
Acquisition-related costs and income and delisting costs		–56	–
Operating profit (EBIT)		–231	–11
Profit/loss from participations in Group companies	15	573	603
Financial income	10	12	18
Financial expenses	11	–28	–1
Net financial items		557	620
Profit before tax (EBT)		326	609
Income tax	16	4	–14
PROFIT FOR THE YEAR		330	595

Parent Company balance sheet

	Note	28 Feb 2022	28 Feb 2021
ASSETS			
Non-current assets			
Financial assets			
Participations in Group companies	15	4,462	4,334
Receivables from Group companies		700	500
Receivable for provisions for pensions		10	0
Deferred tax assets	16	4	0
Total financial assets		5,176	4,834
Total non-current assets		5,176	4,834
Current assets			
Receivables from Group companies		769	1,064
Other current receivables		3	5
Deferred expenses and accrued income	19	1	1
Cash and cash equivalents	20	1,420	1,005
Total current assets		2,193	2,075
TOTAL ASSETS	1	7,369	6,909

Parent Company balance sheet cont.

	Note	28 Feb 2022	28 Feb 2021
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		318	318
Statutory reserve		1	1
Total restricted shareholders' equity	21	319	319
Non-restricted shareholders' equity			
Share premium reserve		1,336	1,336
Profit brought forward		742	462
Profit for the year		330	595
Total non-restricted shareholders' equity		2,408	2,393
Total shareholders' equity	21	2,727	2,712
Non-current liabilities			
Borrowing	24	244	763
Provision for pensions and similar commitments	22	10	2
Deferred tax liabilities	16	-	-
Total non-current liabilities		254	765
Current liabilities			
Accounts payable		1	3
Borrowing	24	775	114
Liabilities to Group companies		3,588	3,291
Other current liabilities	25	2	0
Accrued expenses and deferred income	26	22	24
Total current liabilities		4,388	3,432
Total liabilities		4,642	4,197
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1, 28	7,369	6,909

Parent Company statement of changes in equity

	Share capital	Statutory reserve	Share premium reserve	Profit brought forward	Profit/loss for the year	Total shareholders' equity
Opening equity, 1 Mar 2020	318	1	1,336	515	-63	2,107
Transfer of the preceding year's profit/loss	-	-	-	-63	63	-
Profit for the year	-	-	-	-	595	595
Total	-	-	-	452	595	2,702
Transactions with owners						
Share-based remuneration	-	-	-	10	-	10
Total transactions with owners	-	-	-	10	-	10
Closing equity, 28 Feb 2021	318	1	1,336	462	595	2,712
Transfer of the preceding year's profit/loss						
	-	-	-	595	-595	-
Profit for the year	-	-	-	-	330	330
Total	-	-	-	1,057	330	1,387
Transactions with owners						
Share-based remuneration	-	-	-	-10	-	-10
Dividend	-	-	-	-325	-	-325
Total transactions with owners	-	-	-	-335	-	-335
Closing equity, 28 Feb 2022	318	1	1,336	742	330	2,727

Parent Company cash flow statement

	Note	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Cash flow from operating activities			
Profit after financial items		326	609
Adjustment for non-cash items			
– Financial income and dividends	10, 15	–585	–622
– Financial expenses	11	28	16
– Unrealised exchange gains/losses		–	–15
– Changes in provisions, pensions		10	–2
– Other items		–	8
Cash flow from operating activities before changes in working capital		–221	–6
Cash flow from changes in working capital			
Changes in operating receivables		–176	6
Changes in operating liabilities		–14	5
Total changes in working capital		–190	11
Received interest income	10	11	18
Cash flow from operating activities		–400	23
Cash flow from investing activities			
Acquisitions	27	–113	–146
Cash flow from investing activities		–113	–146

	Note	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Cash flow from financing activities			
Group contribution and dividends received	15	517	576
Group contributions paid	15	–88	–88
Change in receivable, cash pool	20	358	–563
Change in liability, cash pool	20	386	801
Repayments	24	–99	–74
New borrowing	24	203	200
Financing costs	24	–	–1
Interest paid	11	–24	–15
Dividend		–325	–
Cash flow from financing activities		928	836
Cash flow for the year		415	713
Cash and cash equivalents at the beginning of the year		1,005	292
Cash flow for the year		415	713
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	20	1,420	1,005

Notes

NOTE 1 COMPANY INFORMATION AND ACCOUNTING POLICIES

Company information

The company is a public company (corporate registration number 556576-4569, domiciled in Stockholm). Nobina AB is the ultimate Parent Company of the Nobina Group (Nobina). The address of the head office is Armégatan 38, SE-171 71 Solna, Sweden.

Nobina AB's operations, which are conducted through subsidiaries, consist of the provision of scheduled bus services and special transportation under contract to PTAs in Sweden, Norway, Denmark and Finland. Nobina AB is a holding company whose primary asset comprises its investments in its subsidiaries. The income statement and balance sheet of the Parent Company and the consolidated comprehensive income and balance sheet were approved for publication according to a Board decision on 28 April 2022. The income statement and balance sheet of the Parent Company and the statement of comprehensive income and consolidated balance sheet will be subject to adoption by the Annual General Meeting on 31 May 2022, in Stockholm. Unless otherwise stated, amounts are shown in millions of SEK (SEK million) and pertain to the period 1 March–28 February the following year for items related to income and cash flow statements and to 28 February for items related to financial position.

Applicable regulations

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU and the application of RFR 1 "Supplementary Accounting Rules for Groups," and the Swedish Annual Accounts Act as well as interpretations from the IFRS Interpretations Committee (IFRIC). The annual report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 "Accounting for Legal Entities" and with statements issued by the Swedish Financial Reporting Board. The Parent Company applies the same accounting policies as the Group except for in those cases spec-

ified below under "Accounting policies of the Parent Company."

The differences that exist result from the limitations on applying IFRS in the Parent Company due to the Swedish Annual Accounts Act and, in certain cases, taxation purposes.

Compiling financial statements in compliance with IFRS requires the use of important estimates for accounting purposes. It is also necessary for management to make judgments in the application of the company's accounting policies. The section "Judgments and estimates in the financial statements" includes those areas that are subject to a high degree of judgment or those areas where assumptions and estimates are of major significance to the consolidated financial statements.

Basis for valuation of the Parent Company and consolidated financial statements

Assets and liabilities are recognised at historical cost, except for certain financial assets and liabilities, which are measured at fair value using the income approach valuation method. Transactions to be eliminated on consolidation, such as intra-Group receivables and liabilities, income, expenses and unrealised gains or losses arising on intra-Group transactions, are eliminated in their entirety when preparing the consolidated financial statements.

Transactions in foreign currency

Transactions in foreign currencies are translated to the functional currency at the rate of exchange in effect on the transaction date. The functional currency is the currency of the primary economic environments in which the Group conducts its operations. Monetary assets and liabilities in foreign currency are translated to the functional currency at the closing day rate. Exchange gains/losses arising on translation are recognised in profit or loss through consolidated comprehensive income. For the financial statements of subsidiaries with a functional currency other than SEK, all balance sheet items are translated at the closing day rate of exchange. Income statement items are translated at the average rate during the year.

Assessments and estimates in the financial statements

When preparing the financial statements, company management and the Board of Directors must make assessments that affect the recognised amounts of assets, liabilities and income and expenses and thus associated information about contingent liabilities. These assessments are based on historical

experience and the various assumptions that management and the Board deem reasonable under the circumstances at hand. Thus, drawn conclusions form the basis for decisions regarding the carrying amounts of assets and liabilities, in cases where these cannot be determined with certainty based on information from other sources. The actual outcome may differ from these assessments if other assumptions are made or other circumstances are at hand, with a significant impact on Nobina's earnings and financial position. Certain assumptions about the future and certain estimates and assessments on the balance-sheet date are particularly significant for the measurement of assets and liabilities in the balance sheet. The risk of changes in carrying amounts during the coming year due to a possible need for changes in assumptions and estimates is considered to lie primarily in the following areas:

Revenue recognition

Revenue recognition is based on the applicable contract terms and conditions and for completed traffic production. Negotiations are held regularly concerning changes to delivery and compensation within our contracts. Sometimes, the negotiations result in material changes in compensation. When the level of change is deemed reliable, based on the current negotiating position, this is reflected in revenue recognition. Retroactive change is often also considered.

Measurement of goodwill

The carrying amount of goodwill is tested for impairment annually and otherwise, whenever circumstances or events indicate that the carrying amount of an asset may not be recoverable. In determining the recoverable amount of cash-generating units for assessment of whether goodwill is impaired, several assumptions about future conditions and estimates have been made. Forecasts of future cash flows are based on the best possible assessments of future revenue, which can be impacted by factors such as future changes in the terms and conditions applicable to traffic contracts, and the trend in operating expenses, which in turn are based on historical information, general market conditions and other available information. The forecasts are prepared on the basis of the Group's segments, with the exception of Samtrans Omsorgsresor AB, Göteborgs Buss AB, Telepass AB, K-E Buss AB and De Blaa Omnibusser A/S, which are considered as separate units. The present value of cash flow forecasts is calcu-

lated by applying a reasonable discount rate for the capital plus a reasonable risk premium at the valuation date, see Note 12.

Measurement of other intangible assets

Intangible assets acquired in a business combination are identified and recognised separately from goodwill if they fulfil the criteria for an intangible asset and fair value can be calculated in a reliable manner. The Group's starting point for acquisitions is that customer relations (relating to existing traffic contracts) and other intangible assets and so forth, have a limited useful life and are reported at fair value. Brands and customer relations (existing traffic contracts) can be identified in connection with business combinations. Brands capitalised to date (Samtrans) are deemed to have an indefinite useful life and no amortisation is applied, as the brand holds a unique position in the market and for the company's customers. The brand is valued on the basis of an estimate of discounted royalty payments that could have been avoided through ownership of the brand. Impairment testing is conducted at least once per year as is the case with goodwill. Customer relations (pertains to existing traffic contracts) is measured using discounted cash flow from the acquired existing traffic contracts. Depreciation takes place straight line over the duration of the contract.

Excess vehicles (buses)

Before deemed as an excess vehicle, analyses and assumptions are made about future alternatives for relocation. Possible relocations include existing contracts, ongoing or upcoming public tenders or commercial transactions. All excess buses are evaluated on the basis of potential contracts, tenders or optimisation. The value of buses without any of these opportunities are measured at fair value, see Note 13.

Useful life of vehicles (buses)

The economic service life varies between different traffic assignments and may differ from the technical life. The economic service life may vary between different types of vehicles, fuels, environmental classifications and markets. It can be noted that the economic service life can be affected by upgrades to fuel and/or environmental classification. The economic service life of vehicles owned by Nobina is influenced both by the market as a whole and by specific conditions in the company's existing traffic assignments. The maximum age is approximately 16 years and the average contract length is 8

NOTE 1 cont.

years, excluding options. Nobina's management evaluates useful life to include at least two traffic assignments but not necessarily two entire contracts.

Tax assets

In assessing whether to measure previously accumulated loss carryforwards, refer to Note 16, Group management has decided to report a portion of the Group's current loss carryforwards. Deferred tax has been calculated using tax rates that have been enacted, or are expected to apply when the related deferred tax asset is realised or the tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available. Most of the loss carryforwards are attributable to countries with a long, or unlimited period of use. The deferred tax asset that pertains to deductible temporary differences and unutilised loss carryforwards has been reported to the extent that it is expected to be utilised in the foreseeable future.

Provisions for pensions

The most significant assumptions that management must make in connection with actuarial estimates of pension commitments and pension expenses concern the discount rate, expected rate of return on plan assets, expected rate of salary increases and future rate of pension increases.

The discount rate reflects the interest rate at which the pension commitments could be paid in full. The interest rate used to discount pension commitments is to be determined by referring to the market-based return on first-class mortgage bonds at the end of the reporting period. The expected annual return on plan assets reflects the expected annual return on existing investments.

The plan assets mainly comprise interest-bearing securities. The expected rate of salary increases reflects expected future salary increases as a composite effect of inflation and seniority. The assessment is based on historical information concerning salary increases and on the expected future rate of inflation. The future rate of pension increases is assessed on the basis of the current age distribution of employees and expected personnel turnover.

New and revised material standards and interpretations that came into force in 2021/2022

The new standards and interpretations that came into force

during the fiscal year and are relevant to the Nobina Group have not had any, or very limited, impact on the financial statements.

New and revised material standards and interpretations that are not yet in force in 2022/2023

A number of new standards and interpretations will come into force during the fiscal year beginning on and after 1 March 2022 and were not applied in preparing this financial report. No published standards that are not yet in force are expected to have any impact on the Group.

SIGNIFICANT ACCOUNTING POLICIES**Consolidated financial statements**

The consolidated financial statements comprise all companies in which Nobina AB directly or indirectly has more than 50 per cent of the votes or otherwise has a controlling influence. Subsidiaries are all companies (including structured companies) that the Group is able to control. The Group controls a company when exposed to, or when it has a right to variable returns from its holdings in the company and when it is able to affect the return via its influence over the company. Subsidiaries are consolidated as of the date when the Group obtains control. Subsidiaries are de-consolidated as of the date when the Group no longer has control. Consolidated financial statements are prepared using the acquisition method.

Acquisitions

Acquired subsidiaries' assets and liabilities are recognised at fair values according to an acquisition analysis, prepared on acquisition date. If the cost for shares in the subsidiary and any non-controlling interest exceeds the fair value of the company's identifiable net assets according to the acquisition analysis, the difference will represent consolidated goodwill, which will be tested annually. For every acquisition, it is determined whether holdings with a non-controlling interest will be valued at fair value or the proportional share of the acquired operation's net assets. All acquisition-related costs are expensed. The costs are recognised in the Group on the line in the income statement called acquisition-related costs. Costs reported on the line relate to 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. Nobina applies the acquisition

method, IFRS 3, to account for business combinations. Revaluation of any deferred considerations and contingent considerations over and above which was assessed at the time of the acquisition are recognised through the income statement. When the final outcome is available, any effect of contingent consideration/repayment of consideration is recycled to the income statement. Only income arising after the acquisition date is included in the consolidated shareholders' equity. Income from the company that was acquired during the year is included in the consolidated financial statements from the date of acquisition. Companies divested during the year are included in the consolidated income statement with income and expenses for the period up to the date of divestment.

Segment reporting

Nobina conducts contracted public transport services to society in most parts of Sweden and in metropolitan areas of Denmark, Norway and Finland. The largest portion of the Nobina Group's revenue is derived from contracts with PTAs representing the various counties. In nearly all cases, PTAs receive ticket revenue and contract companies receive a fixed amount as payment for the contracted services. The acquisition of the company Telepass AB was consolidated into Nobina from 1 July 2021 and reported in the Nobina Care segment.

The Group's operations are reported and managed in a manner consistent with the internal reporting, see Note 2, which is provided to the company's CEO. The accounting policies for the reporting segments are the same as those used in the consolidated financial statements. Nobina evaluates operations in each segment based on the operating result (EBITA) for each reporting operating segment, and normally recognises sales and transfers between operating segments on a third-party basis, meaning at market prices.

The operating assets included in each segment encompass all operating assets that are used in the business activities, primarily goodwill, intangible assets, PPE (Property, plant and equipment), right-of-use assets, inventories and trade receivables. Most of these assets are directly attributable to the respective operating segment. The operating liabilities included in each operating segment encompass all operating liabilities that are used, accrued expenses and deferred income, as well as right-of-use liabilities utilised by the respective segment. Most of these liabilities are directly attributable to the respective operating segment. Estimated deferred tax,

external and internal loans, and cash and cash equivalents are not included in the operating segments' capital employed, but reported under central functions.

Central functions

Costs for Group-wide support functions such as IT, systems administration and legal services, vehicle administration, etc., are allocated to the operating segments and countries according to their degree of utilisation. General administrative expenses from Nobina AB (head office) and other costs that arise at the central level and are attributable to the entire company are not included in the earnings of the operating segments. The head office consists of the Group management team, financial administration, controls, analyses and holding companies and is reported under the central functions heading and other items.

Revenue recognition

Revenue for the Nobina Group is recognised when control of the sold good or service is passed to the customer and the customer can direct the use of and obtain all of the remaining benefits from the asset. The Nobina Group's contract forms are:

1) Traffic contracts for tendered traffic preceded by a tendered traffic contract that has been signed by both parties and that states the rights and obligations of the buyer and the seller, the delivery terms, bonus conditions, penalties for cancelled journeys and payment terms, etc. Payment terms in contracts vary between payment in advance and arrears. This creates trade receivables and deferred expenses and contract liabilities (prepaid revenue), which is reported in Note 3. The final settlement between the cash settlement amount and the actual production outcome is regulated in accordance with contract, either during the following month, quarter or year after the completion of traffic production.

2) Coach hire and other revenue are currently covered by an accepted tender or invoiced amounts in conjunction with performance of the services by the Nobina Group. Payment terms for coach hire and other revenue can vary between advances, arrears with 10–30 days' terms of credit, depending on the customers' credit level. For more information about net sales and reconciliation of contract reconciliation in Note 3.

NOTE 1 cont.**Contract assets and liabilities**

The Nobina Group has no contract assets. Trade receivables and deferred expenses are recognised in the balance sheet and pertain to contract receivables in accordance with IFRS 15. Contract liabilities concern deferred income for traffic production that is yet to be performed, where most is settled in the subsequent period.

Operating expenses

The Group's operating expenses pertain primarily to fuel, tires, personnel expenses, which include salaries, social security costs, pensions, costs for temporary bus drivers, and depreciation costs for right-of-use assets for vehicles, real estate and owned vehicles. Operating expenses also include short term leasing agreements and leasing agreements related to assets of low value.

Acquisition-related costs

Acquisition-related costs recognises costs attributable to transaction costs for ongoing, completed and not completed acquisitions, revaluation of deferred considerations, final effects of contingent considerations/repayments, in the Group as a separate item in the statement of income.

Government subsidies

Government subsidies received pertaining to compensation for an asset's cost, reduces the carrying amount for the asset concerned and is depreciated over its useful life. Subsidies received for New start initiatives, wage subsidies, furlough grants and sickness benefits are recognised as a reduction in the Group's personnel expenses.

Leases

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if it is reasonably certain that the lease will be extended. In future periods, the lease liability is revalued if material changes take place in the lease or changes occur to cash flow that are based on the original contract terms. A revaluation of the lease liability results in a corresponding adjustment to the right-of-use asset. The right-of-use asset is tested for impairment whenever events or changes in circumstances indicate that the car-

rying amount of an asset is less than the recoverable amount.

When IFRS 16 is applied, the lessee is to recognise assets and liabilities for all leases with contractual terms exceeding 12 months and when the underlying asset is of considerable value. The Nobina Group has applied the practical exemptions of recognising payments attributable to short-term leases and leases of low-value assets as costs in profit or loss. The Nobina Group's lease portfolio contains leases for offices, depots and buses. The Nobina Group's leases correspond essentially with the terms of traffic contracts and are depreciated over the same period.

The Nobina Group has chosen to retain the classification of vehicles under operating and finance leases, as the contract forms influence the Nobina Group's risk evaluation.

The foundation for **vehicles under operational leases** is that lease expenses are based on either straight-line amortisation or an annuity payment with variable amortisation over time. The proportion of contracts with annuity payments is approximately 95 percent of the operating contracts. The durations of the operating contracts are divided into blocks where the first one is usually five years with a residual value of approximately 40 percent and then extensions of up to seven years, with residual values down to 0 percent. At the end of the contracts, the buses are returned to the lessor. The lessor is responsible for the residual value.

The foundation for **vehicles under finance leases** is that lease expenses are normally based on either straight-line amortisation or an annuity payment with variable amortisation over time. The proportion of straight-line amortisation amounts to approximately 46 percent. Nobina's standard contracts for bus financing have a duration of 10 years down to 10 percent residual value. Nobina is liable for the remaining residual value at the end of the agreement.

The leases are recognised as right-of-use assets with a corresponding non-current and current liability, on the date the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets and lease liabilities are initially recognised at the present value of future lease payments discounted using the interest rate implicit in the lease, if this can easily be determined. If the rate cannot be determined, which is normally the case for the

Group's leases, the Group's incremental borrowing rate is instead used for each country. Lease liabilities include the net present value of fixed lease payments and variable lease payments that are based on an index or a rate, initially measured using the index or rate on the commencement date. Right-of-use assets are measured at cost and include the initial measurement of the lease liability and payments made on or prior to the date at which the leased asset is made available to the lessee.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Depreciation of right-of-use assets is recognised on the line depreciation/impairment of PPE. Lease payments related to short-term leases, i.e. leases with a maturity of less than 12 months, and low value leases will both be recognised on a straight-line basis as expense in profit or loss. Low-value leases apply in all material respects to office equipment.

Share saving scheme

The Annual General Meeting of Nobina AB resolved in May 2018 to introduce a share saving scheme (LTIP 2018), encompassing a total of not more than 900,985 shares directed to 60 senior executives and other key employees of the Nobina Group. The share saving scheme was based on personal investments and savings shares that could be purchased up until Friday, 31 August 2018. The Annual General Meeting of Nobina AB resolved in May 2019 to introduce a share saving scheme (LTIP 2019), encompassing a total of not more than 838,770 shares directed to 60 senior executives and other key employees of the Nobina Group. The share saving scheme was based on personal investments and savings shares that could be purchased up until Friday, 31 August 2019. The Annual General Meeting of Nobina AB resolved in May 2020 to introduce a share saving scheme (LTIP 2020), encompassing a total of not more than 912,638 shares directed to 60 senior executives and other key employees of the Nobina Group. The share saving scheme was based on personal investments and savings shares that could be purchased up until Friday, 31 August 2020. The cost in accordance with IFRS 2 is recognised in the income statement when the bonus is earned. The share-based cost, excluding social security costs, is classified as a part of equity and social security costs as an accrued cost. At the conclusion of the schemes, any deviations from the original estimates are reported in the statement of income together with corre-

sponding adjustments. During the fiscal year, LTIP 2018 was concluded in accordance with specified conditions. With respect to LTIP 2019, LTIP 2020 and LTIP 2021, all share saving schemes were concluded in January 2022.

Depreciation/amortisation

Depreciation/amortisation of PPE and intangible assets is based on the historic cost and estimated useful lives of different groups of non-current assets. Depreciation/amortisation takes place on a straight-line basis over the useful life of the assets to an estimated residual value. For assets acquired during the year, depreciation/amortisation is calculated from the acquisition date.

Applied useful lives

Goodwill	Not amortised
Other intangible assets	
Brand	Not amortised
Customer relations/traffic contracts	Over the term of the contract
Software development	3–5 years
Properties	
Properties	Individual valuation
Remodelling of leased premises	5 years, but not exceeding the term of the lease
Office equipment and furniture	
Office furniture	5 years
Computers	3 years
Tools, fixtures and fittings	5 years
Vehicles	
Standard buses	14 years
Special buses	Individual valuation

NOTE 1 cont.**Capital losses from the disposal of non-current assets (buses)**

Disposal of non-current assets (buses) is recognised at the sale amount minus the recognised residual value. All excess buses without any of opportunity for relocation in existing contracts or upcoming public tenders or use in commercial transactions, are valued at the time at fair value by adapting the remaining depreciation period, to better reflect the actual market value. Any changes to the remaining depreciation period of excess buses, not yet sold, is also recognised under the heading depreciation of PPE, see Note 13.

Financial income and expenses

Financial income and expenses consist of interest income on bank funds, funded pension assets and receivables, interest expense on loans, interest expense on right-of-use liabilities, the interest portion of pension commitments, plus realised and unrealised gains and losses attributable to financing. Interest income and interest expense are recognised in the period in which they arise.

Income taxes

The Group's income taxes consist of current tax and deferred tax. Income taxes are reported in the income statement, unless the underlying transaction is reported directly in equity or other comprehensive income. In such cases, the related tax effect is also recognised directly in equity or in other comprehensive income. Current tax refers to taxable profit or loss for the year. Deferred tax is calculated based on the temporary differences between the carrying amount and taxable values of assets and liabilities, as well as tax on the consolidated tax loss carryforwards. Deferred tax is calculated according to the applicable tax rate in each country. Deferred tax assets are recognised only to the extent that it is probable that they can be utilised against future taxable profits. Tax laws in Sweden and Finland permit provisions to special reserves and funds, which constitute temporary differences. Within specified limits, this enables companies to retain profits in the company without immediate taxation of these profits. The untaxed reserves are not subject to taxation until they are dissolved. However, during years when the operations make a loss, the untaxed reserves can be utilised to cover losses without giving rise to any taxation. In the consolidated balance sheet, untaxed reserves for the individual companies are allocated

between shareholders' equity and deferred tax liabilities. In the income statement, deferred tax is recognised as tax attributable to the change in untaxed reserves for the year. Deferred tax assets and tax liabilities are recognised net when there is a legal right to offset current tax assets against current tax liabilities and the deferred taxes refer to the same tax object and the same authority.

Goodwill and other intangible assets

After initial recognition, goodwill is measured at fair value. Goodwill is not amortised, but is tested annually, or more often if there are indications of a decrease in value. Impairment losses are never reversed. For the purpose of testing impairment requirements, goodwill is allocated to the Group's cash-generating units, which are the same as those used in the segment accounting, with the exception of Samtrans Omsorgsresor AB, Göteborgs Buss AB, Telepass AB, K-E Buss AB and De Blaa Omnibusser A/S, which are considered as separate units. Recoverable amounts are determined based on calculations of the value in use. The recoverable amount is the highest of value in use and net realisable value. These calculations are based on an internal assessment of the next four years with various growth rates per segment area. Anticipated future cash flows in accordance with these assessments constitute the grounds for the calculation. Working capital changes and investment requirements have hereby been taken into account. If such an analysis indicates that the carrying amount is higher than the recoverable amount, which is the highest of fair value and value in use, the difference between the carrying amount of goodwill and the recoverable amount will be recorded as an impairment loss. The value in use is measured as the anticipated future discounted cash flow generated by the asset, see Note 12. Other intangible assets consist of brands, customer relations (traffic contracts), resulting from acquisitions. Brands and customer relations are initially recognised at fair value and in subsequent periods at cost less accumulated amortisation and impairment. Other than customer relations and brands, intangible assets are in all material respects capitalised costs for development. The Group continuously assesses whether internal intangible assets, such as capitalised costs for development and internally updated expenditure for administrative systems that have been significantly adapted to the Group's operations, can be capitalised. Other development costs that do not meet the criteria for

capitalisation, are expensed as incurred. Development costs previously expensed are not recognised as an asset in a subsequent period. Capitalised development costs recorded as intangible assets are amortised from the point at which the asset is ready for use. If, on the date of the year-end report, there is an indication that an intangible asset has declined in value, a calculation is made of the asset's net realisable value and value in use. The net realisable value consists of the price that is estimated to be received in the event of disposal of the asset less selling expenses. An impairment requirement is considered to exist when the present value of the future cash flow from these intangible assets falls below their carrying amount.

Property, plant and equipment

Cost for PPE consists of the purchase price as well as costs directly attributable to bringing and installing the asset to working condition for its intended use. Any discounts, bonuses or government subsidies are deducted from the cost amount. A PPE item is recognised as an asset when the cost can be calculated in a reliable manner and when, based on available information, it is probable that the future financial benefits connected with ownership will accrue to the company. An item of property, plant and equipment is recognised at the time of delivery, as stated on the invoice or packing slip. The carrying amounts of non-current assets are regularly tested for impairment. If, on the date of the year-end report, there is an indication that a non-current asset has declined in value, a calculation is made of the asset's net realisable value and value in use. The net realisable value consists of the price that is estimated to be received in the event of disposal of the asset less selling expenses. An impairment requirement is considered to exist when the present value of the future cash flow from these assets falls below their carrying amount. The impairment amount consists of the difference between the higher of the value in use or net realisable value and the carrying amount. For non-current assets that will be divested, the potential impairment amount is calculated as the difference between the estimated sales revenue less associated costs and the asset's carrying amount.

Inventories

Inventories include spare parts purchased mainly for the repair of the company's own or rented buses as well as stocks of fuel. Inventories are stated at the lowest cost, on a first in, first out

basis. The necessary provisions are made for obsolescence, partly on a case-by-case basis and partly through collective assessment.

Financial assets and liabilities at amortised cost

A financial asset is recognised in the balance sheet when the company initially becomes party to the contractual provisions of the instrument. Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest method. The Group's financial assets measured at amortised cost comprise other non-current receivables and trade receivables.

Impairment of financial assets and liabilities at amortised cost

The Group estimates future credit losses related to assets recognised at amortised cost. The Group reports a credit reserve for such expected credit losses at each reporting date. For accounts receivable, the Group applies the simplified approach for credit reserves, meaning the reserve will correspond to the expected loss over the entire life of the trade receivables. The trade receivables have been grouped on the basis of specified credit-risk characteristics and days overdue in order to measure the expected credit losses. The Group uses forward-looking variables for expected credit losses.

Cash and cash equivalents

Cash and cash equivalents consist of demand deposits at banks. Utilised overdraft facilities are recognised in the balance sheet as part of the item current interest-bearing liabilities. Nobina AB is the account principal for the Group cash pool. Receivables and liabilities within the Group's cash pool are recognised as current receivables and liabilities from/to Nobina AB.

Financial liabilities measured at amortised cost

Financial liabilities (interest-bearing loans and other financing) measured at amortised cost using the effective interest method. Financial liabilities are recognised when the counterparty has performed and there is contractual obligation to pay, even if no invoice has been received. Accounts payable are recognised when an invoice has been received. Any difference between the disbursed amount (less transaction costs) and

NOTE 1 cont.

settlement or redemption of borrowing is recognised over the term of the contract.

Financial liabilities measured at actual cost

Borrowing with interest terms that deviate from market rates is initially measured at fair value, which consists of the present value after discounting to market interest rates. Liabilities in this category consist of commodity derivatives (diesel) measured at fair value with fair value changes recognised through profit or loss. Fair values are based on prices listed in an active market, corresponding to Level 1. Contingent considerations according to fair value measurements were calculated at present value using an interest rate considered as the market rate at the time of acquisition. Adjustments are not made on a continuous basis for changes to market rates as this effect is deemed immaterial, Level 3. The Group has not applied hedge accounting for the 2021/2022 or 2020/2021 fiscal years.

Delineation between current and non-current financial liabilities

Financial assets and liabilities with a maturity that exceeds one year after the close of the reporting period are recognised as non-current assets and liabilities. The remainder is recognised as current. Financial assets and liabilities are derecognised from the balance sheet in accordance with settlement date accounting method.

Other provisions and provisions for pensions and contingent items

A provision is recognised in the balance sheet when the Group has a current legal or informal obligation that has arisen as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. Where the effect of when a payment is made is significant, provisions are calculated through the discounting of the anticipated future cash flow at an interest rate before tax that reflects current market assessments of the value of money.

Termination remuneration

A provision is recognised if the Group has decided to implement a major operational change, whereby the company is demonstrably committed to terminate a number of employment contracts before the normal retirement date. In the

event of termination, the company draws up a detailed plan that, at a minimum, states the place of work, as well as the amount of compensation for each employee and the time of the plan's implementation.

Onerous contracts

A large share of the revenues is attributable to contracts with PTAs where the contracts extend for between five and ten years, with an extension option. The contractual terms commonly stipulate that the revenues shall be adjusted upwards in accordance with set indexes, either consumer price indexes or various producer price indexes. Due to changed conditions and because the costs increase more than the revenues, the contracts can become loss or onerous contracts, which is when the remaining contracted revenues are not enough to cover the costs attributable to the contracts to fulfil the contractual commitment. A provision for future losses is then made in the period that management identifies the contract as an onerous contract. The loss is estimated by including direct and indirect costs attributable to the contract, including depreciation of buses used to fulfil the commitment. The provision is made at the PTA level if there is a natural connection between the various contracts. In a tender process, tenders can be submitted for multiple contracts, where some are profitable and others entail a loss, but the transaction as such provides a surplus.

Third-party obligations

Provisions are made for damages that occurred to the Group's own vehicles that have not complied with traffic safety or contract requirements or against third parties. The provision must cover future obligations to third parties.

Environmental obligations

Provisions are made for existing and future environmental obligations on leased land and facilities that are, or have been, used in operations.

Employee remuneration

Current employee remuneration is calculated without discounting and recognised as an expense when the related services were rendered.

Pensions

The Group has both defined-contribution and defined-benefit pension plans. The pension liabilities pertain to defined-benefit pensions, calculated annually in accordance with IAS 19 with assistance from an independent actuary. In the defined-contribution pension plans, Nobina pays a fixed contribution according to plan and has no further obligation to pay post employment contributions. Under the defined benefit plan for Nobina Europe AB, benefits are paid to former employees on the basis of final salary and years of service. The Group bears the risk of ensuring that the contractual benefits are paid. Pension commitments for the Swedish operations are covered by a multi-employer, defined-benefit pension plan. The plan is insured in the mutual insurance company Alecta. The Group has not had access to sufficient information to report its proportional share of the defined-benefit obligation and of the plan assets and expenses. The plan is therefore recognised as a defined-contribution plan, which means that premiums paid are recognised as a personnel expense. In the Swedish operations, there is also a defined-benefit pension plan that is funded. The Group's obligations pertaining to other defined-benefit plans are determined separately for each plan according to the Projected Unit Credit Method. This means that the obligation is calculated as the present value of expected future pension payments. The obligation calculated accordingly is compared with the fair value of the plan assets that secure the obligation. The difference is recognised as a liability/asset with respect to accrued actuarial gains/losses. The calculation of the future payments is based on actuarial assumptions for life expectancy, future salary increases, employee turnover and other factors that influence the choice of discount rate. The net value of return on assets and interest expenses for pension liabilities are reported in financial income or expenses. Payroll tax attributable to actuarial gains and losses is weighted into the calculation of actuarial gains and losses. In some cases, endowment insurance has been used for former Board members and CEOs. Endowment insurance policies issued are recognised as financial assets and as obligations under provisions for pensions, which also include accrued payroll tax.

Contingent liabilities

A contingent liability is recognised when there is a possible commitment deriving from an occurred event whose existence

can only be confirmed if one or more uncertain future events that are not fully within the control of the company occur or when there is a commitment that has not been recognised as a liability or entered as a provision because it is not certain that an outflow of resources will be required.

Earnings per share

Earnings per share for continuing and sold operations before dilution are calculated by taking the net profit attributable to Parent Company shareholders and dividing it by the average number of outstanding shares. Earnings per share after dilution is calculated by dividing the net profit attributable to the Parent Company shareholders by an adjusted average number of outstanding shares, if potential ordinary shares may give rise to dilution. Nobina's dilution was previously affected by the issued incentive programmes, LTIP 2018, LTIP 2019, LTIP 2020 and LTIP 2021, all of which were settled during the fiscal year.

Equity attributable to Parent Company shareholders

Equity attributable to Parent Company shareholders comprises share capital, other contributed capital, translation differences and losses brought forward, repurchased treasury shares and costs for the incentive programmes LTIP 2017, LTIP 2018, LTIP 2019, LTIP 2020 and LTIP 2021. All outstanding incentive programmes were settled during the fiscal year. Share capital comprises the legally registered share capital in Nobina AB. Other contributed capital comprises contributions made by shareholders in the form of share premiums paid on new issues of shares reduced by issue costs. Dividends are proposed by the Board in accordance with the stipulations of the Swedish Companies Act and adopted by the Annual General Meeting.

Cash flow

The cash flow statement has been prepared based on profit or loss and other changes between the opening and closing balances in the balance sheet, taking into account translation differences. The cash flow statement was prepared according to the indirect method. The recognised cash flow consists of transactions that generate deposits and payments. Cash and cash equivalents in the cash flow statement include cash in hand, driver cash and bank funds. Items that do not affect the cash flow include provisions, depreciation/amortisation and unrealised exchange-rate differences, since they are not cash-

NOTE 1 cont.

based items. Realised profits and losses in connection with the divestment of assets are recognised separately since the cash effect of divesting non-current assets is recognised under cash flow from investing activities. Interest paid, such as the interest increment of right-of-use liabilities and interest on external short and long-term borrowings, is recognised under items from financing activities, while received interest income is recognised in cash flow from operating activities.

PARENT COMPANY ACCOUNTING POLICIES

The financial statements for the Parent Company, Nobina AB, were prepared in accordance with the Annual Accounts Act, other Swedish legislation and recommendation RFR 2 "Accounting for Legal Entities". Any deviations that arise between the Parent Company and the Group's policies are due to limitations in the ability to apply IFRS in the Parent Company due to the Swedish Annual Accounts Act and, in some cases, tax reasons.

Group contribution for legal entities

In accordance with RFR 2 and IAS 27, Group contributions that Nobina AB receives from subsidiaries are recognised as financial income and Group contributions that Nobina AB pays to subsidiaries are recognised as participations in subsidiaries, in the same way as shareholders' contributions. Group contributions that are paid by, or received from, another company in the same Group are basically a method for reducing the Group's taxable income. Sometimes a Group contribution can also be placed on a par with a type of capital transfer between companies in the same Group, depending on the purpose.

Shares in subsidiaries

Participations in subsidiaries are recognised in the Parent Company according to the cost method including acquisition-related costs. All dividends from subsidiaries are recognised in the Parent Company income statement. In particular circumstances, such a dividend may indicate that the value of the shares has fallen and that an impairment test should therefore be carried out.

Pensions

Pension obligations are valued in accordance with the Swedish Pension Obligations Vesting Act.

Financial guarantee contracts

Nobina AB does not report financial guarantee contracts in accordance with IFRS 9.

Right-of-use assets and liabilities

Nobina AB does not apply IFRS 16.

Redemption of incentive programmes

The settlement of the remaining incentive programmes was recognised as payroll expenses including social security contributions.

NOTE 2 NOBINA'S OPERATING SEGMENTS

	Nobina Bus Sweden	Nobina Bus Denmark	Nobina Bus Norway	Nobina Bus Finland	Nobina Care	Central functions and other items	Elimination within the Group	Total
Income statement 1 Mar 2021–28 Feb 2022								
Net sales	7,552	867	1,275	1,203	2,504	6	-282	13,125
EBITA	797	18	81	-1	662	-310	-	1,247
EBITA (%)	10,6	2,1	6,4	-	26,4	-	-	9,5
Acquisition-related income and costs	-	-	-	-	-	-	-	-103
Amortisation/impairment of intangible assets	-	-	-	-	-	-	-	-96
Operating profit	-	-	-	-	-	-	-	1,048
Net financial items	-	-	-	-	-	-	-	-172
Income tax	-	-	-	-	-	-	-	-183
Profit for the period	-	-	-	-	-	-	-	693
Balance sheet 28 Feb 2022								
Goodwill	425	107	127	29	156	-	-	844
Brand	-	-	-	-	174	-	-	174
Other intangible assets	11	102	1	1	158	19	-	292
Property, plant and equipment (PPE) and total financial assets	4,416	331	772	1,353	106	203	-	7,181
Total current assets	834	122	149	143	458	1,503	-	3,209
Total assets	5,686	662	1,049	1,526	1,052	1,725	-	11,700
Total liabilities	4,896	456	979	1,449	492	1,366	-	9,638
Other information								
Investments in PPE, intangible assets and right-of-use assets for the year	634	65	6	594	-	36	-	1,335
Average number of employees	8,442	863	1,263	1,370	1,447	169	-	13,554
Number of employees translated to FTEs	8,166	796	1,023	1,353	1,230	150	-	12,718

NOTE 2 cont.

	Nobina Bus Sweden	Nobina Bus Denmark	Nobina Bus Norway	Nobina Bus Finland	Nobina Care	Central functions and other items	Elimination within the Group	Total
Income statement 1 Mar 2020–28 Feb 2021								
Net sales	6,553	862	1,120	1,202	1,118	2	-70	10,787
EBITA	442	26	81	70	268	-130	-	757
EBITA (%)	6.7	3-0	7.2	5.8	24.0	-	-	7.0
Acquisition-related income and costs	-	-	-	-	-	-	-	-4
Amortisation/impairment of intangible assets	-	-	-	-	-	-	-	-64
Operating profit	-	-	-	-	-	-	-	689
Net financial items	-	-	-	-	-	-	-	-155
Income tax	-	-	-	-	-	-	-	-89
Profit for the period	-	-	-	-	-	-	-	445
Balance sheet 28 Feb 2021								
Goodwill	425	102	116	29	108	-	-	780
Brand	-	-	-	-	174	-	-	174
Other intangible assets	-	119	-	-	101	30	-	250
Property, plant and equipment (PPE) and total financial assets	4,809	311	846	756	45	191	-	6,958
Total current assets	692	112	129	128	287	1,066	-	2,414
Total assets	5,926	644	1,091	913	715	1,287	-	10,576
Total liabilities	5,028	408	986	848	268	1,243	-	8,781
Other information								
Investments in PPE, intangible assets and right-of-use assets for the year	1,230	5	10	229	-	11	-	1,485
Average number of employees	8,477	917	1,314	1,366	499	139	-	12,712
Number of employees translated to FTEs	7,036	786	1,056	1,353	377	143	-	10,711

NOTE 3 NET SALES**Net sales by segment**

	Mar 2021 -Feb 2022	Mar 2020 -Feb 2021	Mar 2021 -Feb 2022	Mar 2020 -Feb 2021
Nobina Bus Sweden	7,552	6,553	2,343	2,157
Production contracts	4,805	4,403	1,677	583
Incentive contracts	2,099	1,904		
Other revenue	648	246	6	2
Nobina Bus Denmark	867	862	-282	-70
Production contracts	832	828		
Incentive contracts	2	7		
Other revenue	33	27		
Nobina Bus Norway	1,275	1,120		
Production contracts	1,079	967		
Incentive contracts	-	1		
Other revenue	196	152		
Nobina Bus Finland	1,203	1,202		
Production contracts	1,148	1,170		
Incentive contracts	29	22		
Other revenue	26	10		
Nobina Care	2,504	1,118		
Production contracts	1,517	747		
Incentive contracts	213	223		
Other revenue	774	148		
Total	13,401	10,885		
Production contracts	9,381	8,115		

NOTE 3 cont.**Nobina's revenue streams for tendered traffic**

Most of Nobina's income consists of remuneration for scheduled bus traffic and is attributable to contracts with PTAs that run for a term of five to eight years, with an extension option. The number of traffic contracts for tendered traffic currently amounts to 77 (70) in Nobina Sweden, 19 (14) contracts in Nobina Denmark, 6 (6) contracts in Nobina Norway, 20 (24) contracts in Nobina Finland and 32 contracts in Nobina Care. The option to extend traffic contracts does not provide any special benefit to either the PTA or the company, which is why the option is not assigned any value in the overall measurement of the contract value. Utilisation of the extension option is to be regarded as a new traffic contract based on the existing structure. Regardless of the payment streams for operations under a contract, Nobina reports its revenues when the services are provided and transferred to the customer. Contracts between an operator and a PTA include the parties' commercial terms and conditions, such as who is responsible for operating the traffic, service interruptions, reduced or expanded traffic volume and the extension option. The Nobina Group delivers most of the services in tendered traffic, which are to be regarded as a series of integrated services constituting the combined performance over time, whereby the customer can benefit from the services at each point in time. PTAs have the right to increase or decrease the agreed production volume in line with an agreed production interval. Changes to the applicable traffic production, within an agreed contract volume, do not provide any material benefit to the PTA, which is why all revenue is recognised as an undertaking for the operator. The Nobina Group may sometimes pay fines for cancelled journeys, etc. The fines are recognised as a revenue reduction. Fines are recognised in the corresponding period when the services are provided and transferred to the customer. The Nobina Group's payment formats for contracted traffic can be either production contracts or incentive contracts.

Contract form – production contract

About 71 percent (75) of Nobina's contracts with PTAs are of the production-contract type, in which compensation is based exclusively on the number of kilometres or hours driven and is entirely unrelated to the number of passengers. The amount of compensation is often tied to certain cost indices in order to compensate the traffic companies for cost increases during

the term of the contract. The compensation is adjusted during the term of the contract due to changes in these indices. Nobina adjusts its revenues during the contract period according to the agreed indexation formula.

Contract form – incentive contract

Nobina's traffic contracts can also be designed so that all or part of the compensation is based on the number of passengers. These are called incentive contracts, and account for about 18 percent (20) of total contract revenue. Revenue from these contracts is recognised on the date that the passenger travels with Nobina.

Variable revenue included in the production and incentive contract forms

In certain cases, the Nobina Group's traffic contracts also include variable increments for estimated and received quality and performance compensation for completed traffic production. Revenue recognition is estimated based on the most probable outcome amount. Cash settlement of allocated quality and performance compensation is effected either on a monthly, quarterly or annual basis retroactively, depending on the traffic contract's agreed conditions, where reconciliation is conducted between the Nobina Group and the PTA.

Other revenue – Coach hire

In addition to contracted public transport and passenger revenue, Nobina also conducts contracted needs-governed traffic, what we designate coach hire. This traffic complements the Nobina Group's other operations. The point of departure is that most of Nobina's traffic contracts usually include scope for freely using the vehicles encompassed by the traffic contract, subject to certain limitations, for commercial traffic, whereby the revenue can either derive from a client, private individual or a company. Revenue is recognised on the day when Nobina performs the traffic assignment and the services are transferred to the customer.

Major clients - more than 10 percent of the Group's sales

Sales to two (three) major clients in the Nobina Bus Sweden segment represent 26 percent (39) of Nobina's sales and in the Nobina Bus Finland segment, sales to zero (one) major client represents 0 percent (11) of Nobina's sales.

	Group	
	28 Feb 2022	28 Feb 2021
Reconciliation in contract liabilities		
Opening balance, contract liabilities	369	254
Performance obligations completed	-369	-254
New performance obligations not completed	277	369
Closing balance, contract liabilities	277	369

The Nobina Group has no contract assets. Trade receivables and accrued income are recognised in the balance sheet and pertain to contract receivables in accordance with IFRS 15. Unsatisfied performance obligations outstanding in the above table, apply to prepaid contract revenue, where services and revenue recognition are made in the subsequent accounting period. Nobina does not provide information about the transaction price allocated to unfulfilled performance commitments in accordance with IFRS 15. This is because Nobina's contracts are essentially based on the number of kilometres driven or the number of passengers.

NOTE 4 OPERATING EXPENSES

	Group		Parent Company	
	1 Mar 2021 -28 Feb 2022	1 Mar 2020 -28 Feb 2021	1 Mar 2021 -28 Feb 2022	1 Mar 2020 -28 Feb 2021
Fuel	-1,489	-1,147	-	-
Spare parts	-312	-308	-	-
Tyres and other consumables	-276	-236	-	-
Total fuel, tyres and other consumables	-2,077	-1,691	-	-
Other external expenses	-2,325	-1,635	-25	-33
Total other external expenses	-2,325	-1,635	-25	-33
Payroll expenses (See pages 52 regarding payment from Afa)	-4,524	-4,137	-141	-26
Employer's contributions	-1,087	-929	-41	-8
Pension expenses	-405	-348	-17	-11
Other personnel expenses ¹	-5	-96	-2	-2
Total personnel expenses	-6,021	-5,510	-201	-47
1) Include a lump-sum payment from Afa Försäkring SEK 97 million.				
Social security contributions from redemption of incentive programmes, Note 5	43	-	-	-
Total personnel expenses	-5,978	-5,510	-201	-47

NOTE 5 ACQUISITION-RELATED INCOME AND COSTS

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Acquisition-related income and costs				
Fair value adjustment of contingent considerations not paid	-1	2	-1	2
Acquisition-related costs	-8	-6	-4	-2
Delisting costs – costs for advisory services	-51	-	-51	-
Delisting costs – social security contributions from redemption of incentive programmes	-43	-	-	-
Total	-103	-4	-56	0

	Group	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Acquisition-related income and costs, by segment		
Nobina Sweden	-	-2
Nobina Denmark	-	-
Nobina Norway	-	-
Nobina Finland	-4	-3
Central functions and other items	-5	1
Total	-9	-4

NOTE 6 REMUNERATION OF AUDITORS

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Fees and compensation to auditors				
PwC				
Audit assignment	-4	-4	-1	-1
Audit-related activities in addition to audit assignment	-	-1	-	-
Tax advisory services	-	-	-	-
Other services	-	-	-	-
Total	-4	-5	-1	-1

Audit assignments pertain to a review of the Annual Report and accounts, including the administration by the Board of Directors and CEO and other work assigned to the company's auditors, and advice or other assistance required during the review or similar assignments. All other work is deemed audit operations in addition to the audit assignment. Of total remuneration for the audit assignment of SEK 4 million, SEK 3

million was invoiced by PricewaterhouseCoopers (PwC) in Sweden for the statutory audit. Of the total remaining remuneration of SEK 0 (1) was invoiced by PwC in Sweden and pertains to accounting-related advisory services and reviews in addition to the standard audit from the preceding year.

NOTE 7 PERSONNEL

Number of employees

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Average number of employees	13,554	12,712	13	11
of whom men	11,582	11,002	8	7
of whom women	1,972	1,710	5	4
Number of employees translated to FTEs	12,718	10,711	12	11
Nobina Bus Sweden	8,442	–8,477	–	–
of whom men	7,349	7,375	–	–
of whom women	1,093	1,102	–	–
Number of employees translated to FTEs	8,166	7,036	–	–
Nobina Bus Denmark	863	917	–	–
of whom men	756	788	–	–
of whom women	107	129	–	–
Number of employees translated to FTEs	796	786	–	–
Nobina Bus Norway	1,263	1,314	–	–
of whom men	1,176	1,231	–	–
of whom women	87	83	–	–
Number of employees translated to FTEs	1,023	1,056	–	–
Nobina Bus Finland	1,370	1,366	–	–
of whom men	1,291	1,282	–	–
of whom women	79	84	–	–
Number of employees translated to FTEs	1,353	1,353	–	–
Nobina Care	1,447	499	–	–
of whom men	900	235	–	–
of whom women	547	264	–	–
Number of employees translated to FTEs	1,230	337	–	–
Nobina Centrala functions	169	139	13	11
of whom men	110	91	8	7
of whom women	59	48	5	4
Number of employees translated to FTEs	150	13	12	11

Personnel expenses

	Group 28 Feb 2021–28 Feb 2022			Group 1 Mar 2020–28 Feb 2021		
	Salaries and other remuneration	Payroll overheads	Of which pension expenses	Salaries and other remuneration	Payroll overheads	Of which pension expenses
Salaries and other remuneration						
Parent Company	–142	–57	–17	–28	–19	–11
Subsidiaries in Sweden	–2,676	–1,072	–204	–2,571	–990	–188
Total Sweden	–2,818	–1,129	–221	–2,599	–1,009	–199
Foreign subsidiaries						
Denmark	–503	–82	–50	–503	–67	–43
Norway	–548	–106	–22	–493	–89	–19
Finland	–660	–132	–112	–638	–112	–87
Total foreign subsidiaries	–1,711	–320	–184	–1,634	–268	–149
Total Group	–4,529	–1,449	–405	–4,233	–1,277	–348

	Group 28 Feb 2021–28 Feb 2022				Group 1 Mar 2020–28 Feb 2021			
	Salaries and other remunera- tion	Of which bonus payments and similar remunera- tion	Payroll overheads	Of which pension expenses	Salaries and other remunera- tion	Of which bonus payments and similar remunera- tion	Payroll overheads	Of which pension expenses
Distribution of salaries and other remuneration by country and for the Group's senior executives								
Parent Company	–111	–8	–39	–4	–26	–5	–13	–4
Subsidiaries in Sweden	–36	–3	–12	–3	–22	–2	–6	–2
Total Sweden	–147	–11	–51	–7	–48	–7	–19	–6
Foreign subsidiaries								
Denmark	–2	0	–1	0	–3	–1	0	0
Norway	–9	–1	–2	0	–3	–1	0	0
Finland	–14	–1	0	–1	–4	–2	0	–1
Total foreign subsidiaries	–25	–2	–3	–1	–10	–4	0	–1
Total Group	–172	–13	–54	–8	–58	–11	–19	–7

NOTE 7 cont.**Purpose and basic remuneration principles and shareholdings of Directors and other senior executives**

Nobina held an extraordinary general meeting on 22 February 2022 that resolved that the guidelines for remuneration of senior executives adopted by the 2020 AGM shall no longer apply since the shares in Nobina have been delisted from Nasdaq Stockholm. Previously adopted remuneration principles are provided in Note 7, page 88 of the annual report from 28 February 2021. All outstanding incentive programmes and shareholdings in Nobina have been settled following the delisting of shares in Nobina from Nasdaq Stockholm on 16 February 2022.

Types of remuneration

Remuneration of senior executives may consist of fixed cash salary, variable cash remuneration, pension benefits and any severance pay.

Principles for variable cash remuneration

Variable cash remuneration (cash bonus) is to be based on a number of predetermined and measurable performance-related criteria that reflect driving forces that may promote the Company's business strategy, long-term interests and sustainability. Variable cash remuneration shall qualify for pension benefits.

Principles for pension benefits

Pension benefits are to be premium defined unless the individual senior executive concerned is subject to defined benefit pension under relevant collective agreement provisions.

Long-term share-based incentive programme

During the fiscal year, all outstanding incentive programmes were settled following the delisting of Nobina's shares from Nasdaq Stockholm on 16 February 2022.

Costs for share-based incentive programme; CEO, Group management and other senior executives

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Bonus expenses for incentive programme	-10	-5	-89	1
Social security costs for incentive programme	-4	-1	-28	2
Total	-14	-6	-117	3

LTIP 2018

The Annual General Meeting of Nobina AB resolved in May 2018 to introduce a share saving scheme (LTIP 2018), encompassing a total of not more than 656,435 shares directed to 60 senior executives and other key employees of the Nobina Group. During the year, LTIP 2018 was concluded with the allocation of 225,207 shares.

LTIP 2019

The Annual General Meeting of Nobina AB resolved in May 2019 to introduce a share saving scheme (LTIP 2019), encompassing a total of not more than 838,770 shares directed to 60 senior executives and other key employees of the Nobina Group. During the year, LTIP 2019 was concluded with the allocation of 588,076 shares.

LTIP 2020

The Annual General Meeting of Nobina AB resolved in May 2020 to introduce a share saving scheme (LTIP 2020), encompassing a total of not more than 912,638 shares directed to 60 senior executives and other key employees of the Nobina Group. During the year, LTIP 2020 was concluded with the allocation of 628,045 shares.

LTIP 2021

The Annual General Meeting of Nobina AB resolved in May 2021 to introduce a share saving scheme (LTIP 2021), encompassing a total of not more than 622,713 shares directed to 60 senior executives and other key employees of the Nobina Group. During the year, LTIP 2021 was concluded with the allocation of 529,011 shares.

The share-based remuneration (bonus expense for the incentive programme) is recognised as a bonus expense and as share-based remuneration in equity. Social security costs for the incentive programme are recognised as social security contributions and accrued costs in operations. Nobina has acquired treasury shares corresponding to the total value of the incentive remuneration. All outstanding incentive programmes were concluded during the fiscal year. The settle-

ment of LTIP 2019, LTIP 2020 and LTIP 2021 took place in conjunction with the delisting of the Nobina share from Nasdaq Stockholm and the total settlement was recognised in Nobina Group's equity against previous allocations for the incentive programme. The total cost amounted to SEK 188 million plus social security costs of SEK 43 million, which is recognised under the delisting costs item, Note 5.

Recognition of remuneration of senior executives, 1 Mar 2021–28 Feb 2022

	Basic salary/ Directors' fees	Variable remuneration	Incentive programme	Pension expenses	Other remuneration	Total
Robert Gregor (Chairman)	-	-	-	-	-	-
Wil Jones (Director)	-	-	-	-	-	-
Markus Geisselmann (Director)	-	-	-	-	-	-
Johan Bygge (former Chairman)	0.9	-	-	-	-	0.9
Graham Oldroyd (former Director)	0.5	-	-	-	-	0.5
John Allkins (former Director) ²	0.1	-	-	-	-	0,1
Malin Frenning (former Director) ²	0.4	-	-	-	-	0,4
Liselott Kilaas (former Director)	0.5	-	-	-	-	0.5
Bertil Persson (former Director)	0.5	-	-	-	-	0.5
Magnus Rosén (CEO and Director)	5.5	3.2	53.9	1.8	-	64.4
Other senior executives ¹	22.7	9.5	74.1	6.6	-	112.9
Total 2021–2022	31.1	12.7	128.0	8.4	-	180.2

1) Pertains to Martin Pagrotsky, Jan Volsdal, Petri Auno, Henrik Dagnäs, Petra Axelsson, Pernilla Walfridsson and from 31 January 2022 also Bram Lauwers, Tomas Hansson and Peter Nilsson. The Extraordinary General Meeting held on 22 February 2022 elected Robert Gregor (Chairman), Markus Geisselmann, Wil Jones and Magnus Rosén as new Board members for the period until the end of the next AGM and resolved to dismiss Johan Bygge, Liselott Kilaas, Graham Oldroyd, Bertil Persson and Malin Frenning from their positions as Board members.

2) Malin Frenning has received a fee for the period June 2021 to February 2022. Johan Allkins has received a fee for the period March to May 2021.

NOTE 7 cont.**Recognition of remuneration of senior executives, 1 Mar 2020–28 Feb 2021**

	Basic salary/ Directors' fees	Variable remuneration	Incentive programme	Pension expenses	Other remuneration	Total
Johan Bygge (Chairman)	0.8	–	–	–	–	0.8
Jan Sjöqvist (former Chairman)	0.2	–	–	–	–	0.2
Graham Oldroyd (Director)	0.5	–	–	–	–	0.5
Monica Lingegård (former Director)	0.1	–	–	–	–	0.1
Liselott Kilaas (Director)	0.5	–	–	–	–	0.5
John Allkins (Director)	0.5	–	–	–	–	0.5
Bertil Persson (Director)	0.3	–	–	–	–	0.3
Magnus Rosén (CEO)	5.3	3.1	5.9	1.8	–	16.1
Other senior executives ¹	20.2	8.3	9.3	5.1	3.3	46.2
Total 2020–2021	28.4	11.4	15.2	6.9	3.3	65.2

1) Pertains to Martin Pagrotsky, Niels Peter Nielsen, Jan Volsdal, Petri Auno, Jenny Lundmark until 1 April 2020, Jan Bosaeus until 30 September 2020, Henrik Dagnäs, Magnus af Petersens until 30 November 2020, Petra Axelsson from 11 November 2020 and Pernilla Walfridsson.

Average number of directors and senior executives during the year

	Group 28 Feb 2022		Group 28 Feb 2021	
	Number	of whom men	Number	of whom men
Board including CEO, (%)	6	67	6	83
Other senior executives, (%)	9	77	9	77

NOTE 8 CAPITAL LOSSES FROM THE DISPOSAL OF NON-CURRENT ASSETS

	Group	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Sales proceeds with respect to buses sold during the year	85	18
Expensed residual value with respect to buses sold during the year	–91	–16
Total	–6	2

NOTE 9 DEPRECIATION/AMORTISATION AND IMPAIRMENT OF PPE AND INTANGIBLE ASSETS

	Group	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Depreciation/impairment of PPE		
Real estate and costs for leasehold improvements	–12	–7
Right-of-use assets, property, etc.	–241	–226
Equipment, tools, fixtures and fittings	–53	–46
Vehicles	–538	–425
Impairment of vehicles	–197	–
Right-of-use assets, vehicles	–344	–437
Revaluation of buses and other PPE available for sale	–107	–55
Total	–1,492	–1,196

	Group	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Amortisation of intangible assets		
Goodwill	–	–
Brand	–	–
Customer relations	–59	–44
Other intangible assets	–37	–20
Total	–96	–64

NOTE 10 FINANCIAL INCOME

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Financial income	–	0	–	0
Interest income	–	2	2	–
Interest income from Group companies	–	–	10	18
Total	–	2	12	18

The Group earns interest on its bank deposits according to an interest rate based on the bank's daily investment interest rates. Of the above interest income and similar profit items, SEK – million (2) was received during the year.

NOTE 11 FINANCIAL EXPENSES

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Interest expenses for right-of-use liabilities	-84	-104	-	-
Interest expenses on bond loans and other loans	-76	-65	-21	-15
Other financial expenses	-9	-5	-5	-2
Interest expenses to Group companies	-	-	-	-
Realised and unrealised exchange gains/losses, net	-3	17	-2	16
Total	-172	-157	-28	-1

NOTE 12 INTANGIBLE ASSETS

Measurement

Goodwill is not amortised on an ongoing basis but measured at least once per year in accordance with IAS 36. The most recent measurement was in February 2022. Goodwill is distributed between cash-generating units, for which Nobina Bus Norway (SEK 126 million), Nobina Bus Finland (SEK 29 million) and Nobina Bus Sweden (SEK 425 million). With respect to Nobina Bus Denmark, most of the goodwill is attributable to De Blaa Omnibusser (SEK 107 million). Nobina Care goodwill is distributed between Samtrans Omsorgsresor AB (SEK 97 million), Göteborgs Buss AB (SEK 11 million) and Telepass AB (SEK 48 million). Impairment testing is conducted therefore on the smallest cash-generating unit. The recoverable amount was calculated according to value in use and based on the current assessment of cash flows for the next four years. The parameters were set to correspond to the budgeted earnings for the fiscal year (2022/2023). The Nobina Group's extrapolation is based on existing contracts, our potential to defend existing contracts in a new tendering process and our ability to secure new traffic contracts, at the same level of profit as that set as a requirement by the Nobina Group when signing new traffic contracts. Our assessment of a growth rate for extrapolation beyond the forecast period is that we can secure new contracts with the same level of sales and profits, as existing traffic contracts, meaning our ability to defend our market position at the same level. Sales growth over a four-year period, in the table below, refers to indexation effects. For more information, see Note 30, where forecast cost increases corresponds

to the expected growth in sales. We have used a higher discount rate in Samtrans Omsorgsresor AB, Göteborgs Buss AB and Telepass AB when measuring non-contract operations. Cash flows are based on operating earnings. Head office expenses are excluded from the company's operating profit. The weighted cost of capital was adapted to the prevailing level of interest rates. For the distribution of intangible assets by segment, see Note 2.

Other impairment testing

Every year, a test is conducted of the impairment need of goodwill and assets with indefinite useful life at segment level in accordance with the same principles and on the same date as testing of goodwill. Assets with indefinite useful life consist of the Samtrans brand and are measured using the same measurement principles as goodwill and on the same date. Other intangible assets consist of among other things development projects within Nobina Fechnology AV and Nobina Travis AB. During the year the companies valued previously capitalised development projects which resulted in an extra write-down of SEK 14 million.

Sensitivity analysis

A sensitivity assessment shows the remaining goodwill value and brand would continue to be justified if the discount rate and profit margin were raised by one percentage point or reduced by one percentage point.

Note 12 cont.

	Goodwill		Brand		Customer relations		Other intangible assets		Total	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Cost										
Opening cost	780	780	174	174	285	280	132	108	1,371	1,342
Procurement	-	-	-	-	-	-	30	24	30	24
Company acquisitions	48	11	-	-	112	13	-	-	160	24
Reclassification	-	-	-	-	-	-	-	-	-	-
Sales/disposals	-	-	-	-	-	-	-10	-	-10	-
Translation differences	16	-11	-	-	9	-8	-	-	25	-19
Closing cost	844	780	174	174	406	285	152	132	1,576	1,371
Accumulated amortisation										
Opening accumulated amortisation	-	-	-	-	-100	-59	-67	-47	-167	-106
Amortisation for the year	-	-	-	-	-59	-44	-23	-20	-82	-64
Impairment for the year	-	-	-	-	-	-	-14	-	-14	-
Sales/disposals	-	-	-	-	-	-	2	-	2	-
Translation difference	-	-	-	-	-3	3	-	-	-3	3
Closing accumulated amortisation	-	-	-	-	-162	-100	-102	-67	-264	-167
Residual value according to plan	844	780	174	174	244	185	50	65	1,312	1,204

	28 Feb 2022							28 Feb 2021						
	Nobina Sweden	Samtrans	Telepass	Göteborgs Buss	De Blaa Omnibusser	Nobina Norway	Nobina Finland	Nobina Sweden	Samtrans	Göteborgs Buss	De Blaa Omnibusser	Nobina Norway	Nobina Finland	
Sales growth over average four-year period, (%)	3.6	+/-0	-4.8	23.9	+/-0	+/-0	4.9	1.6	-2.9	15.0	-0.8	0.5	6.0	
Discount rate before tax for present value calculation of estimated future cash flows, (%)	7.0	10.0	10.0	10.0	7.0	7.0	7.0	7.0	10.0	10.0	7.0	7.0	7.0	

NOTE 13 PROPERTY, PLANT AND EQUIPMENT (PPE)

	Costs for leasehold improvements		Right-of-use assets, property		Equipment, tools, fixtures and fittings	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Cost						
Opening cost	107	101	1445	1,226	376	297
Purchasing/additional contracts	49	1	225	410	65	83
Company acquisitions	–	2	–	15	4	4
Reclassification	–	6	–	–	–	–6
Sales/disposals/expiring contracts	–2	–	–138	–202	–11	–3
Translation differences	8	–3	17	–4	5	1
Closing cost	162	107	1,549	1,445	439	376
Accumulated depreciation						
Opening accumulated depreciation	–55	–48	–600	–465	–228	–184
Depreciation for the year	–12	–7	–242	–226	–54	–46
Sales/disposals/expiring contracts	2	–	96	88	7	1
Translation difference	–3	–	–5	3	–3	1
Closing accumulated depreciation	–68	–55	–751	–600	–278	–228
Residual value according to plan	94	52	798	845	161	148

	Owned vehicles (buses)		Right-of-use assets, vehicles on finance leases (buses)		Right-of-use assets, vehicles on operating leases		Total PPE	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Right-of-use assets, vehicles								
Cost								
Opening cost	4,421	3,080	5,731	6,547	162	170	12,242	11,421
Purchasing/additional contracts	1,191	1,150	84	27	38	2	1,651	1,673
Company acquisitions	56	158	–	21	–	–	60	200
Refinancing	–	200	–	–200	–	–	–	–
Reclassification	21	–33	–	0	–	–	21	–33
Sales/disposals/expiring contracts	–148	–103	–648	–530	–29	–9	–976	–847
Translation differences	69	–31	126	–134	2	–1	228	–172
Closing cost	5,610	4,421	5,293	5,731	173	162	13,226	12,242
Accumulated depreciation								
Opening accumulated depreciation	–966	–630	–3,391	–3,445	–79	–67	–5,319	–4,839
Depreciation for the year	–538	–425	–321	–416	–23	–21	–1,190	–1,141
Impairment for the year	–4	–	–193	–	–	–	–197	–
Company acquisitions	–	–11	–	–14	–	–	–	–25
Reclassification	11	29	–32	–	–	–	–21	29
Sales/disposals/expiring contracts	91	59	518	441	12	8	726	597
Translation difference	–19	12	–53	43	–	1	–83	60
Closing accumulated depreciation	–1,425	–966	–3,472	–3,391	–90	–79	–6,084	–5,319
Residual value according to plan	4,185	3,455	1,821	2,340	83	83	7,142	6,923
Revaluation of buses sold and available for sale buses								
Opening accumulated impairment	–	–	–	–	–	–	–13	–22
Revaluation of buses and other PPE available for sale for the year	–	–	–	–	–	–	–107	–55
Recognised residual value with respect to buses and other PPE sold during the year	–	–	–	–	–	–	49	64
Closing accumulated impairment	–	–	–	–	–	–	–71	–13
Total residual value	–	–	–	–	–	–	7,071	6,910

Note 13 cont.

Total property, plant and equipment	28 Feb 2022			28 Feb 2021		
	Owned assets	Right-of-use assets	Total	Owned assets	Right-of-use assets	Total
Real estate and costs for leasehold improvements	94	798	892	52	845	897
Equipment, tools, fixtures and fittings	161	–	161	148	–	148
Vehicles	4,185	1,904	6,089	3,455	2,423	5,878
Total residual value	4,440	2,702	7,142	3,655	3,268	6,923

NOTE 14 CASH FLOW INVESTMENTS FOR THE YEAR

Investments and recognised right-of-use liabilities	Group	
	28 Feb 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Other intangible assets	–30	–24
Costs for leasehold improvements	–49	–1
Equipment, tools, fixtures and fittings	–65	–83
Vehicles	–1,191	–1,350
Total investments	–1,335	–1,458

NOTE 15 PARTICIPATIONS IN GROUP COMPANIES

Participations in Group companies	Parent Company		Profit from participations in Group companies, SEK million	Parent Company	
	28 Feb 2022	28 Feb 2021		28 Feb 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Opening balance	4,334	4,181	Nobina Sverige AB, Group contribution	175	34
Capital infusion Nobina Fleet AB	–	70	Samtrans Omsorgsresor AB, Group contribution	50	–
Capital infusion Nobina Travis AB	–	2	Nobina Fleet AB, impairment of Group contribution	–	–2
Acquisition of Karl-Erik Elofsson AB	7	31	Nobina Europe AB, Group contribution, dividend and impairment	–2	–
Acquisition of Göteborgs Buss AB	–4	50	Nobina Fastigheter AB, impairment of Group contribution	–	–5
Acquisition of Telepass AB	223	–	Telepass AB, dividend	40	–
Impairment of shares Nobina Oy after dividend received	–38	–	Göteborgs Buss AB, dividend	15	–
Impairment of shares Nobina Sverige 3 AB after dividend received	–41	–	Nobina Busco AB, impairment of Group contribution	–	29
Nobina Sverige 2 AB, impairment of shares after dividend received	–7	–	Nobina Sverige 2 AB, impairment of dividends and Group contribution	260	430
Nobina Europe AB, impairment of shares after dividend received	–12	–	Nobina Sverige 3 AB dividend and impairment	4	–
Closing, carrying amounts of participations in Group companies	4,462	4,334	Nobina Oy, dividend	21	117
			Nobina AS, dividend	10	–
			Total	573	603

Note 15 cont.

	Corporate registration number	Business	Shareholders' equity	Number of shares	Profit for the year	Value of ownership share (%)	Share capital	Carrying amount, 28 Feb 2022
<i>Subsidiaries of Nobina AB:</i>								
Nobina Fleet AB (Stockholm)	556031-1812	Holding of buses	213	70,000	0	100	7	162
Nobina Sverige 3 AB (Stockholm)	556583-0527	Dormant company	7	1,000	1	100	0	6
Nobina Technology AB (Stockholm)	556210-1500	Technology advances	4	2,500	1	100	0	3
Nobina Travis AB (Stockholm)	559264-1756	Technology advances	-1	500	-3	100	0	2
Nobina Europe AB (Stockholm)	556031-8569	Service company	30	160,000	2	100	1	29
Nobina Sverige 2 AB (Stockholm)	556028-1122	Dormant company	0	300	0	100	0	0
Nobina Omsorgsresor AB (Stockholm)	559178-0902	Dormant company	0	100	0	100	0	0
Nobina BusCo AB (Stockholm)	559189-8241	Holding of buses	50	500	0	100	0	0
Nobina Fastigheter AB (Stockholm)	556416-2419	Property company	2	1,000	1	100	0	2
Swedish commercial companies								
Nobina Sverige AB (Stockholm)	556057-0128	Regional traffic	424	3,000	-32	100	0	2,716
Karl Erik Elofsson Buss AB (Kungsbacka)	556366-1940	Regional traffic	6	2,000	1	100	0	38
Samtrans Omsorgsresor AB (Stockholm)	556291-1965	Special transportation	243	68,640	180	100	7	416
Göteborgs Buss AB (Gothenburg)	556584-4346	Special transportation	24	1,000	13	100	0	46
Telepass AB (Ystad)	556752-6966	Special transportation	50	1,600	31	100	0	223
Foreign commercial subsidiaries								
Nobina Oy (Espoo)	0505988-8	Regional traffic	25	2,000	-21	100	36	250
<i>Subsidiaries of Nobina Oy:</i>								
Nobina Finland West Oy (Espoo)	2175179-4	Regional traffic	20	2,600	-18	100	0	0
Nobina Finland South Oy (Espoo)	2175178-6	Regional traffic	21	2,600	-5	100	0	0
Nobina Finland East Oy (Espoo)	2175186-6	Regional traffic	15	2,600	-1	100	0	0

	Corporate registration number	Business	Shareholders' equity	Number of shares	Profit for the year	Value of ownership share (%)	Share capital	Carrying amount, 28 Feb 2022
Nobina Fleet Finland Oy (Espoo)	2953344-1	Holding of buses	16	3,000	1	100	0	0
Nobina AS (Oslo)	915768237	Regional traffic	171	4,268	68	100	36	79
<i>Subsidiaries of Nobina AS:</i>								
Nobina Fleet Norge AS (Oslo)	921881894	Holding of buses	1	131	-5	100	0	0
Nobina Danmark Holding ApS (Glostrup)	36078480	Holding company	373	50,000	133	100	0	490
<i>Subsidiaries of Nobina Danmark Holding ApS:</i>								
Nobina A/S (Glostrup)	29513376	Regional traffic	18	10,001	-36	100	1	0
Nobina Danmark Service ApS (Glostrup)	38558420	Workshop services	55	850,000	8	100	1	0
Nobina Ejendomme ApS (Glostrup)	400 478 67	Property company	2	75,000	0	100	0	0
Dee Blaa Omnibusser A/S (Holte)	7311 1714	Regional traffic	67	100	31	100	1	0
Ørslev Servicetrafik AS (Vordingborg)	177 29 381	Special transportation	4	501,000	0	100	1	0
Nobina Fleet Danmark ApS (Glostrup)	31586429	Holding of buses	36	4,750	-3	100	0	0
<i>Subsidiaries of Nobina Fleet Danmark ApS:</i>								
Nobina Fleet Danmark No 1 ApS (Glostrup)	36077719	Holding of buses	26	300,000	-8	100	1	0
Nobina Fleet Danmark No 7 ApS (Glostrup)	39491974	Holding of buses	6	80,000	0	100	0	0
Nobina Fleet Danmark No 8 ApS (Glostrup)	39875640	Holding of buses	6	80,000	-1	100	0	0
Nobina Fleet Danmark No 9 ApS (Glostrup)	31586429	Holding of buses	2	40,000	2	100	0	0
Nobina Fleet Danmark No 10 ApS (Glostrup)	42594687	Holding of buses	0	40,000	0	100	0	0
Ørslev Leasing 2016 Aps (Vordingborg)	3 799 4995	Holding of buses	1	65,000	0	100	0	0
Total								4,462

NOTE 16 TAXES

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Current tax on profit for the year	–58	–9	–	–
Adjustments to previous years' tax	–	–3	–	–
Total current tax	–58	–12	–	–
Deferred tax				
Recognition of prior, unrecognised deferred taxes	26	14	–	–
The period's change through profit or loss	–151	–91	4	–14
Change in comprehensive income for the period	–	–	–	–
Total deferred tax continuing operations	–125	–77	4	–14
Total income tax	–183	–89	4	–14

The corporate tax rate in Norway is approximately 22 percent, in Denmark approximately 22 percent, in Finland approximately 20 percent and in Sweden approximately 20 percent. The Group's tax expense amounted to a negative SEK –183 (–89) million, of which SEK –0 (–3) million pertains to an adjustment from previous years. The effective rate of tax was 20.9 percent (16.7) of profit for the year. Current tax amounted to SEK –58 (–9) million.

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Tax assets and tax liabilities				
Deferred tax assets, gross				
Postponed depreciation/amortisation, impairment and adjustments to fair value, other PPE	10	10	–	–
Postponed expenses for provisions	13	4	–	–
Doubtful debts	0	0	–	–
Other deferred tax assets attributable to pensions	–	–	–	–
Tax loss carryforwards	138	129	4	–
Total	161	143	4	0

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Tax assets and tax liabilities				
Deduction for unrecognised, deferred tax assets	–90	–115	–	–
Total deferred tax assets	71	28	4	–
Deferred tax assets, net				
Opening carrying amount	28	93	–	14
The period's change through profit or loss of prior unrecognised deferred taxes	26	14	–	–
Change in tax rate through profit or loss	–	–	–	–
The period's change through profit or loss	17	–79	4	–14
Closing carrying amount, net	71	28	4	0
Deferred tax liabilities, gross				
Faster rate of depreciation/amortisation and adjustments to fair value, other PPE	–420	–295	–	–
Total deferred tax liabilities	–420	–295	–	–
Deferred tax liabilities, net				
Opening carrying amount	–295	–275	–	–
The period's change through profit or loss	–170	–47	–	–
Other deferred tax liabilities attributable to acquisitions	–24	–9	–	–
Other deferred tax liabilities attributable to right-of-use assets and liabilities	69	35	–	–
Change in tax rate through profit or loss	–	1	–	–
Closing carrying amount, net	–420	–295	–	–
Total net tax assets and tax liabilities	–349	–267	4	0
Net increase (+)/net decrease (–) of tax assets/liabilities	–82	–85	4	–14

Note 16 cont.

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Unrecognised, deferred tax assets				
Opening non-recognised amount	115	138	–	–
Addition of previously non-capitalised loss carryforwards	–4	17	–	–
Change in applicable tax rates	–	–	–	–
Change for the period, recognised through profit or loss	–21	–11	–	–
Exchange-rate difference	–	–29	–	–
Total deferred non-recognised tax assets	90	115	–	–
Offset of deferred tax liabilities	–	–	–	–
Total deferred non-recognised tax assets	90	115	–	–
	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Expected maturity of both recognised and unrecognised tax loss carryforwards				
Unlimited	620	603	–	1
Total	620	603	–	1
	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Deferred, net, tax loss carryforwards by country				
Sweden	–	2	–	0
Denmark	9	9	–	–
Norway	24	3	–	–
Finland	10	–	–	–
Total deferred tax loss carryforwards, recognised	43	14	–	0

The Group's theoretical tax expense amounts to 20.6 percent of its profit before tax. The difference between the reported tax expense and expected tax expense is explained below.

	Group		Parent Company	
	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	1 Mar 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Profit before tax	876	534	326	609
Average income tax rate (20,6 percent)	–180	–110	–67	–125
Tax effect of:				
Non-taxable revenue and non-deductible expenses	–4	1	71	–1
Other temporary differences	–20	–	–	112
Exchange-rate fluctuations	–	3	–	–
Adjustments of previous years deferred taxes	–	–	–	–
Capitalisation of previously unrecognised loss carryforwards	21	14	–	–
Unrecognised loss carryforwards	–	3	–	–
Total	–183	–89	4	–14
Effective income tax rate (%)	20.9	16.7	–1.2	2.2

NOTE 17 Inventories

	Group	
	28 Feb 2022	28 Feb 2021
Spare parts	42	37
Fuel	32	28
Total	74	65

Spare parts includes material purchased, primarily for the repair of Nobina's own or leased vehicles. The year's purchases of spare parts and fuel are recognised at cost. The year's consumption of spare parts and fuel is detailed in Note 4. There were no impairments for obsolescence.

NOTE 18 TRADE RECEIVABLES

	Group	
	28 Feb 2022	28 Feb 2021
Trade receivables	991	838
Provision for doubtful debts	-1	-
Total	990	838

Trade receivables ageing analysis, 28 Feb 2022	Not due	Fall due within <30 days after the due date	Fall due within 31–60 days after the due date	Fall due within 61–90 days after the due date	Fall due within 91–120 days after the due date	Fall due more than 120 days after the due date	Total
		Anticipated loss level, (%)	0	0	0	0	
Recognised amount trade receivables – gross	921	42	9	0	0	19	991

Trade receivables ageing analysis, 28 Feb 2021	Not due	Fall due within <30 days after the due date	Fall due within 31–60 days after the due date	Fall due within 61–90 days after the due date	Fall due within 91–120 days after the due date	Fall due more than 120 days after the due date	Total
		Recognised amount trade receivables – gross	729	67	18	8	

Nobina's credit rating model uses a two-stage model (three-stage model in accordance with IFRS 9), where reporting is based on expected credit losses in conjunction with issuing an invoice. Stage 1 entails that the company is to recognise a provision corresponding to expected credit losses resulting from the suspension of payments, within the next 12 months. If credit risk has increased substantially since initial recognition, in Stage 2 we are to recognise a provision corresponding to the expected credit losses throughout the period. According to IFRS 9, a financial asset has a need for impairment when one or more events occur that have an adverse impact on the financial asset's expected future cash flow. Most of Nobina's outstanding trade receivables and accrued income concern the sales of contracted public transport with PTAs, meaning municipalities or regions and according to Swedish public procurement acts, whereby no historical credit losses arose. In the above maturity table, contractual claims entitlements such as issued contract invoices to PTAs are included.

Provision for doubtful debts	Group	
	28 Feb 2022	28 Feb 2021
Opening balance	0	-
Reversals for the year	0	0
Credit losses	0	0
Provisions for the year	-1	0
Total closing balance	-1	0

Provisions for doubtful debts are based on an individual assessment of the risk of loss per contract or customer.

NOTE 19 DEFERRED EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Accrued transport income	421	308	-	-
Other deferred expenses	182	107	1	1
Total	603	415	1	1

Accrued transport income primarily pertains to earned, but not yet invoiced compensation for transport services rendered.

NOTE 20 CASH AND CASH EQUIVALENTS

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Cash and cash equivalents	1,482	1,049	1,420	1,005

The item cash and cash equivalents recognises holdings in company accounts, including the Group account. Nobina AB is the account principal for the Group cash pool. Nobina AB has receivables from Group companies, via the Group's cash pool, amounting to SEK 547 million (988) and liabilities of SEK 3,588 million (3,203), which are recognised as a component of

Nobina AB's receivables from Group companies, an amount of SEK 1,469 million (1,064), and liabilities to Group companies, an amount of SEK 3,588 million (3,291). Receivables and liabilities within the Group's cash pool are recognised as current transactions with subsidiaries. Nobina AB also has short-term deposits in another bank of SEK 150 million (370).

NOTE 21 EQUITY

Reconciliation of number of shares 28 Feb 2022		Reconciliation of number of shares 28 Feb 2021	
	Ordinary shares		Ordinary shares
Opening balance	88,355,682	Opening balance	88,355,682
Closing balance	88,355,682	Closing balance	88,355,682

Translation differences

The translation reserve includes all foreign exchange differences that arise in the translation of financial statements from foreign operations including changes regarding the translation of goodwill in local currency.

Dividend

Dividends are proposed by the Board in accordance with the stipulations of the Swedish Companies Act and adopted by the Annual General Meeting. Dividends are recognised in the Parent Company as a reduction in non-restricted equity only at the time of payment to shareholders.

Repurchase of treasury shares

Nobina has acquired treasury shares corresponding to the total value of the incentive remuneration, see Note 7. The number of shares acquired was 2,208,321 (2,208,321) with a value of SEK 134 million (134) and an average cost of SEK 60.87 per share (60.87)

Capital management

The aim of the Group's capital management is to secure Nobina's financial stability, manage financial risks and hedge the Group's short and long-term capital requirements. Nobina defines capital as shareholders' equity in the same way that it is recognised in the balance sheet. The company's aim is to generate a profit for shareholders by increasing the value of assets under management. There are no external capital requirements apart from those stipulated by the Swedish Companies Act.

NOTE 22 PROVISIONS FOR PENSIONS AND SIMILAR COMMITMENTS

Commitments and pension expenses	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Present value of pension commitments	-36	-23	-10	-
Fair value of plan assets	31	15	10	-
Net provisions (+)/assets (-) for pension commitments	-6	-8	0	-
Of which recognised as provisions	-36	-23	-10	-
Of which recognised as assets	31	15	10	-

Significant actuarial assumptions

In accordance with IAS 19, the defined benefit plans are calculated by an actuary, tasked by Nobina, and include the Group's pension liability and the amounts to be set aside for pensions for former and current employees of the Group. The pension plans encompass retirement pension, disability pension, family pension and endowment insurance policies. The calculation takes place individually and is based on salary, previously earned pensions and expected remaining term of service.

The defined-contribution plans encompass retirement pension, disability pension and family pension. The premiums are paid on a continuous basis during the year to independent legal entities. The size of the pension premium is based on salary for the employee and cost and the premium is recognised on an ongoing basis through profit or loss. According to a statement from the Swedish Financial Reporting Board, a commitment is safeguarded through insurance with Alecta, concerning retirement pension and family pension for salaried employees in Sweden in a defined-benefit plan that covers several employers. For 2021/2022, Nobina does not have access to such information that would enable it to recognise this plan as a defined-benefit plan, which is why the plan is recognised as a defined-contribution plan. Alecta's consolidation level was 172 percent (148) on 31 December 2021.

The actuarial calculation of pension commitments and pension expenses is based on the following significant assumptions: The discount rate is based on the estimated discount rate on the yield of mortgage bonds in Sweden. An increase in the discount rate of +1 percent would impact the pension obligation by a negative SEK -0 million (-2), while a decrease of -1 percent would have a positive impact of SEK 0 million (2).

The annual rate of salary increases reflects expected future salary increases as a combined effect of inflation and seniority. The future rate of pension increases reflects the expected percentage of employees, by age group, who will leave the company through natural attrition. Change in the rate of salary increases when calculating pension obligations does not have a significant impact on Nobina's information. The expected average remaining term of service is estimated based on the employees' current age distribution and the expected employee turnover rate. Indexation of pension benefits reflects the rate of inflation in Sweden. Nobina's pension expenses, not including actuarial gains (losses), which are recognised in the statement of consolidated comprehensive income, amounted to SEK 405 (348) million, of which defined benefit plans account for SEK 2 (-) million. The Group's pension plans are described in more detail in Note 1, Company information.

Note 22 cont.

	Sweden			
	28 Feb 2022	28 Feb 2021		
The key actuarial assumptions used in calculating the pension liability were as follows:				
Discount rate, (%)	1.7	1.0		
Expected rate of salary increases	–	–		
Future rate of pension increases, (%)	–	1.7		
	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Present value of pension commitments				
Opening balance	–23	–27	–	–2
Benefits vested during the year	–18	–2	–10	–
Interest expenses	–	–	–	–
Benefits paid	3	5	–	2
Actuarial gains (–)/losses (+)	2	1	–	–
Social security contributions	–	–	–	–
Total at year-end	–36	–23	–10	–
	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Fair value of plan assets				
Opening balance	15	15	–	–
Expected return on plan assets	–	–	–	–
Funds contributed by employer	17	2	10	–
Funds paid	–1	–2	–	–
Actuarial gains (+)/losses (–)	–	–	–	–
Total at year-end	31	15	10	–

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Net assets/provisions for pension commitments				
Opening balance	–8	–12	–	–2
Benefits paid	1	5	10	2
Funds contributed by employer	–	–	–10	–
Funds paid	–1	–2	–	–
Actuarial losses/gains (net)	2	1	–	–
Social security contributions	–	–	–	–
Closing balance, net assets (–)/provisions (+) for pension commitments	–6	–8	–	–

	Group			Parent Company		
	28 Feb 2022	28 Feb 2021	(%)	28 Feb 2021	2021-02-28	(%)
Actual market value of plan assets on the balance-sheet date						
Interest-bearing securities, cash and cash equivalents	31	15	100	10	–	100
Shares and other investments	–	–	–	–	–	–
Total	31	15	100	10	–	100

	Group			
	Plan assets		Pension obligations	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Allocation of plan assets and pension obligations by segment				
Nobina Bus Sweden	31	15	36	23
Total plan assets	31	15	36	23

The pension liabilities are secured through credit insurance. Given the applied actuarial assumptions, the Nobina Group expects the following paid benefits over the next five-year period.

	Group					Later
	2022/2023	2023/2024	2024/2025	2025/2026	2029/2027	
Future net payments						
Expected net paid benefits	5	5	5	5	5	9

NOTE 23 OTHER PROVISIONS

	Group	
	28 Feb 2022	28 Feb 2021
Others¹		
Provision for onerous contracts	–	–
Provision for damage to vehicles and third-parties	34	26
Provision for environmental commitments	10	11
Total	44	37

¹ It is not possible to provide detailed information on the timing of outflows from provisions.

	Group	
	28 Feb 2022	28 Feb 2021
Provision for onerous contracts		
Opening balance	–	7
Reversals for the year	–	–7
Company acquisitions	–	–
Provisions for the year	–	–
Closing balance	–	–

	Group	
	28 Feb 2022	28 Feb 2021
Provision for damage to vehicles and third-parties		
Opening balance	26	30
Reversals for the year	–	–3
Provisions for the year	7	–
Exchange difference	1	–1
Closing balance	34	26

	Group	
	28 Feb 2022	28 Feb 2021
Provision for environmental commitments for leased land and facilities		
Opening balance	11	10
Reversals for the year	–1	–
Provisions for the year	–	1
Closing balance	10	11

NOTE 24 FINANCIAL LIABILITIES

The Nobina Group's financial liabilities refer almost exclusively to the financing of the Group's bus fleet, which has taken place in various ways and under different conditions. In addition to the table below, loans can be found for acquisition financing, right-of-use liabilities for properties and suppliers and other liabilities.

tion to the table below, loans can be found for acquisition financing, right-of-use liabilities for properties and suppliers and other liabilities.

Financing of the Group's bus fleet:

Financing alternatives	Description	Maturity	Interest terms	Residual value risk
Bonds	Instalment-free capital market financing with a five-year duration. This type of financing can only be used for buses and equipment defined within the company's green framework. The green bond is listed on Nasdaq's list for sustainable bonds.	Nobina's press releases on 2 February and 17 February 2022, respectively, and a special notification to bond holders on the same dates, informed bond holders that they were entitled, for a specified period, to request that Nobina repurchased the bonds, due to the change in control and delisting. Bond holders, approximately 94 percent, have requested that Nobina repurchases bonds for a total nominal amount of SEK 660 million. The price of the repurchased bonds will amount to an equivalent of 101 percent of the nominal amount and be disbursed together with accrued unpaid interest on the settlement dates, occurring on 6 April and 25 April 2022, respectively. The maturity date of the remaining bonds is 13 February 2024.	The bond interest rate comprises STIBOR 90 as the variable base interest rate with the addition of a fixed margin of 1.55 percent and 0.65 percent respectively with regard to the additional issue in March 2021 of SEK 200 million.	Nobina is liable for the remaining residual value at the end of the agreement.
Loans for bus financing	The foundation for vehicles under credit agreements is that expenses are normally based on either straight-line amortisation or an annuity payment with variable amortisation over time. Nobina's standard contracts for bus financing have a duration of 10 years down to 10 percent residual value.	Performed continuously when the contracts fall due	The contract interest rate normally comprises a variable base interest rate such as STIBOR or EURIBOR with the addition of a fixed margin.	Nobina is liable for the remaining residual value at the end of the agreement.

Note 24 cont.

Financing alternatives	Description	Maturity	Interest terms	Residual value risk
Right-of-use liabilities – finance leases for vehicles	The foundation for vehicles under finance leases is that lease expenses are normally based on either straight-line amortisation or an annuity payment with variable amortisation over time. Nobina's standard contracts for bus financing have a duration of 10 years down to 10 percent residual value.	Performed continuously when the contracts fall due	The contract interest rate normally comprises a variable base interest rate such as STIBOR or EURIBOR with the addition of a fixed margin.	Nobina is liable for the remaining residual value at the end of the agreement.
Right-of-use liabilities – vehicles on operating leases	The foundation for vehicles under operational leases is that lease expenses are based on either straight-line amortisation or an annuity payment with variable amortisation over time.	The durations of the operating contracts are divided into blocks where the first one is usually five years with a residual value of approximately 40 percent and then extensions of up to seven years, with residual values down to 0 percent.	The contract interest rate normally comprises a variable base interest rate such as STIBOR or EURIBOR with the addition of a fixed margin.	At the end of the contracts, the buses are returned to the lessor. The lessor is responsible for the residual value.
Financial liabilities			28 Feb 2022	28 Feb 2021
Loans for acquisition financing			263	360
Bond loans for bus financing			705	500
Loans for bus financing			3,127	2,622
Capitalised financing costs			-1	-5
Total loans			4,094	3,477
Right-of-use liabilities (finance leases vehicles and property)			1,633	1,857
Right-of-use liabilities (operating leases vehicles)			57	83
Right-of-use liabilities (other operating leases)			751	746
Total right-of-use liabilities			2,441	2,686
Contingent consideration not paid			50	21
Total			6,585	6,184
Accounts payable			839	636
Other current financial liabilities			9	10
Of which short-term repayment by instalment of portion of the Group's borrowings			1,236	546
Of which short-term portion of the Group's right-of-use liabilities			522	537
Of which long-term portion of the Group's borrowings			4,827	5,101
Total financial liabilities			7,433	6,830

Loan currencies and rates	Currency	Group 28 Feb 2021–28 Feb 2022			Group 1 Mar 2020–28 Feb 2021		
		Nominal amount	Amount SEK million	Interest, weighted average (%)	Nominal amount	Amount SEK million	Interest, weighted average (%)
Loans for acquisition financing	DKK	–	–	–	140	190	1.9
Loans for acquisition financing	SEK	263	263	1.9	170	170	2.5
Loans for bus financing	SEK	2,889	2889	2.2	2,724	2,724	2.2
Loans for bus financing	DKK	154	220	1.5	127	173	1.7
Loans for bus financing	NOK	30	32	1.4	37	36	4.6
Loans for bus financing	EUR	65	690	1.8	18	184	–
Total			4,094			3,477	
Right-of-use liabilities (finance leases property)	SEK	113	113	4.6	116	116	3.6
Right-of-use liabilities (finance leases vehicles)	SEK	526	526	3.5	716	716	3.6
Right-of-use liabilities (finance leases vehicles)	DKK	4	6	3.6	7	9	3.5
Right-of-use liabilities (finance leases vehicles)	NOK	548	586	3.0	633	619	2.5
Right-of-use liabilities (finance leases vehicles)	EUR	38	402	1.9	39	397	2.5
Total			1,633			1,857	
Right-of-use liabilities (operating leases vehicles)	SEK	57	57	3.1	83	83	2.2
Right-of-use liabilities (other operating leases)	SEK	547	547	4.2	600	600	4.9
Right-of-use liabilities (other operating leases)	DKK	20	29	4.4	11	15	5.7
Right-of-use liabilities (other operating leases)	NOK	76	82	5.0	102	100	5.7
Right-of-use liabilities (other operating leases)	EUR	9	93	4.6	3	31	3.1
Total			808			829	
Contingent consideration not paid	SEK	50	50	–	21	21	–
Total			6,585			6,184	

Note 24 cont.

Reconciliation of the year's change in borrowing in terms of bond loans and financial liabilities	Group 28 Feb 2021–28 Feb 2022					Group 1 Mar 2020–28 Feb 2021				
	Loans	Right-of-use liabilities	Contingent consideration	Total items affecting cash flow	Total items not affecting cash flow	Loans	Right-of-use liabilities	Contingent consideration	Total items affecting cash flow	Total items not affecting cash flow
	Opening balance	3,477	2,686	21	941	5,243	2,439	3,287	88	560
The year's new borrowing	1,142	347	–	1,142	347	1,209	437	–	1,209	437
Refinancing	–	–	–	–	–	183	–183	–	183	–183
The year's repayments	–627	–557	–15	–1,199	–	–458	–607	–75	–1,140	–
Company acquisitions	45	–	43	45	43	129	15	10	129	25
The year's early redemption of borrowings on the sale of buses	11	–118	–	11	–118	–	–167	–	–	–167
Adjustments to fair value	–	–	1	–	1	–	–	–2	–	–2
Translation difference	47	83	–	–	130	–20	–96	–	–	–116
Capitalised financing costs	–1	–	–	–	–1	–5	–	–	–	–5
Closing balance	4,094	2,441	50	940	5,645	3,477	2,686	21	941	5,243

During the year, the Group entered into financial right-of-use liabilities (finance leases) for SEK 84 million (27) via the subsidiaries Nobina Fleet and signed right-of-use leases for premises of SEK 263 million (410), a total of SEK 347 million (437). Assets held under right-of-use agreements (finance leases) are depreciated in accordance with the same depreciation principles as owned assets. The grounds for how the company's fees are

established are based on the lease terms. The lease expenses are normally based on either straight-line amortisation or an annuity payment with variable amortisation over time including extension options regarding vehicles. Extension options for property rents are not included in the calculation, since property leases for the Group's depots are aligned with the Group's traffic contracts. For more information, see Note 1.

Maturity date of financial liabilities ¹	Group 28 Feb 2021–28 Feb 2022					Group 1 Mar 2020–28 Feb 2021				
	Accounts payable and other financial liabilities	Loans	Right-of-use liabilities, finance lease liabilities	Contingent consideration	Total	Accounts payable and other financial liabilities	Loans	Right-of-use liabilities, finance lease liabilities	Contingent consideration	Total
	2021/2022	–	–	–	–	–	636	532	536	15
2022/2023	848	1,226	522	10	2,462	–	471	445	3	919
2023/2024	–	523	408	28	959	–	927	338	3	1,268
2024/2025	–	491	335	12	982	–	345	276	–	621
2024/2025	–	335	231	–	566	–	–	–	–	–
Later	–	1,519	945	–	2,464	–	1,202	1091	–	2,293
Total	848	4,094	2,441	50	7,433	636	3,477	2,686	21	6,820

¹ The tables above analyse the Group's financial liabilities broken down into relevant maturity groupings based on their contractual maturities. The amounts given in the tables are the contractual undiscounted cash flows. These are in accordance with the book value since the discount effect is immaterial. Future interest rates are estimated using the rates applicable on the balance sheet date and exchange rates have taken into consideration the currency applicable on the balance sheet date.

NOTE 25 OTHER CURRENT LIABILITIES

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Employee withholding taxes	197	197	1	1
Value added tax	160	61	1	–
Other current liabilities	9	10	–	–1
Total	366	268	2	0

NOTE 26 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Deferred income	277	369	–	–
Accrued salaries	570	568	11	7
Other accrued personnel expenses	211	181	9	9
Accrued interest expenses	1	0	1	0
Other accrued expenses	289	220	1	8
Total	1,348	1,338	22	24

NOTE 27 ACQUISITIONS

Contingent considerations for Samtrans, Göteborgs Buss AB and Telepass AB were calculated at present value using an interest rate considered as the market rate at the time of acquisition. The contingent consideration for Samtrans was finally settled during the year. Adjustments are not made on a continuous basis for changes to market rates as this effect is deemed immaterial.

Contingent consideration	28 Feb 2022	28 Feb 2021
Opening, carrying amount	21	88
Acquisitions during the year	43	10
Purchase consideration paid	-15	-75
Adjustments to fair value	1	-2
Total	50	21

Preliminary acquisition calculation — acquisition of Telepass AB

Purchase price	217
	Fair value

Acquired assets and liabilities

Goodwill	46
Customer relations	108
Property, plant and equipment (PPE)	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 price	-217
Purchase consideration not paid	43
Cash and cash equivalents in the acquired company	83
Impact on cash and cash equivalents	-91

Effects of acquisitions completed, net sales	28 Feb 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Nobina Care		
Production contracts	–	–
Incentive contracts	–	–
Other revenue	289	–
Total impact on the Group	289	–

Telepass AB

Nobina entered into an agreement in May 2021 for the strategic acquisition of all of the 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 Nobina Care segment and amounted to SEK 289 million during the July 2021 - February 2022 period. The acquisition analysis is preliminary and subject to final adjustment not later than one year after the date of acquisition. Nobina regards this calculation as preliminary during the time of prevailing uncertainty concerning, for example, the outcome of guarantees in the acquisition agreement regarding 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 amortised over seven years. Any impairment of goodwill is not tax deductible.

NOTE 28 PLEDGED ASSETS AND CONTINGENT LIABILITIES

	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	29 Feb 2020
Pledged assets				
Pledged assets pertaining to shares/net assets in subsidiaries	2,002	1,645	906	831
Chattel mortgages	150	150	–	–
Other pledged assets				
Other pledged assets	–	–	284	206
Contingent liabilities				
Guarantee of lease obligations and other obligations	5,721	4,597	5,668	5,057
Total	7,873	6,392	6,858	6,094

Nobina AB has pledged Parent Company guarantees to lessors, and has also provided a Parent Company guarantee for purchases of fuel for Nobina AS through Y-X Energi AS for a total of NOK 35.5 million (35.5). Nobina AB has pledged counter-guarantees for the guarantees issued by Atradius in favour, for example, of the Norwegian and Danish PTAs, and the Norwegian tax authorities amounting to SEK 246 million (206). Nobina Sverige AB has issued a floating charge of SEK 150 million (150) as collateral for a credit facility at Danske Bank. Nobina AB has pledged its shares in Samtrans Omsorgsresor AB and Nobina Danmark Holding AS as collateral for the acquisition loan.

NOTE 29 FINANCIAL RISKS AND RISK MANAGEMENT

All risk management is handled centrally in accordance with a finance policy established by the Board of Directors. Nobina uses derivative instruments when needed, as part of its financial risk management to limit currency, interest rate and fuel price exposure. During the year, the company had no derivatives outstanding. Nobina is mainly exposed to the following financial risks:

- Liquidity risk
- Interest risk
- Refinancing risk
- Credit and counterparty risk
- Currency risk
- Raw material risk
- Indexation risk
- Residual value risk

Liquidity risk

Liquidity risk is defined as the risk that cash and cash equivalents are not available or that financing cannot be obtained when required. Nobina has a working capital facility expiring on 31 December each year. The credit facility is of a 364 days nature, when it is generally extended by the bank after credit approval. Available credit facility was SEK 300 million (300) as of 28 February 2022.

Hedging policy

The company's hedging policy is designed to ensure predictability and reduce volatility in liquidity and operating expenses in a cost-efficient manner. The hedging policy, which is part of the Finance Policy, states that the company may enter into hedge contracts for fuel, currency and interest rate exposure.

Interest risk

Interest rate risk refers to the risk that fluctuations in market interest rates will negatively affect the Group's net interest income. The rate at which interest rate fluctuations affect net interest income depends on the fixed interest period of the financing agreements, which is generally 90 days. The Group is primarily exposed to interest rate risk through the company's right-of-use agreement (finance and operating leases), and through loans for bus financing, since these financing agreements are based on a variable market rate of interest plus a fixed interest rate margin. An increase in the variable interest

rate by 1 percentage point would increase the Group's interest expenses by approximately SEK 65 million before the effect of index compensation. During certain periods, the interest rate has been negative in some markets, such as Sweden, while a number of financing agreements have a market rate floor of zero percent. As a result, an increase in interest expenses will not impact consolidated profit until the market interest rate becomes positive. Interest rate risk is partially compensated by the inflation component of revenue indexation in the traffic contracts, and also via a specific interest rate component in the index basket of some traffic contracts.

Refinancing risk

In February 2019, Nobina issued a green bond for SEK 500 million with a tenor of five years and in March 2021 a additional issue of SEK 200 million was carried out with the same due date. This type of financing is instalment-free but carries a refinancing risk at maturity. However, as stated in Note 24, Nobina will repurchase bonds of SEK 660 million in 2022. Apart from this bond, no refinancing risk exists for Nobina's bus financing, since the lease contracts and the loans are both for ten years and Nobina intends to purchase the buses when the lease contracts expire. New tender submissions always include offers for available bus financing through banks, finance companies, vehicle suppliers' finance companies or the bond market. For more information on the maturity structure, refer to Note 24.

Credit and counterparty risk

The Group's financial transactions give rise to credit risks in relation to financial counterparties. Nobina's finance policy states that credit risk shall be limited by only accepting counterparties with high credit ratings and through established limits. Commercial credit risks are limited in that the Group has a diversified client base with high credit ratings, primarily comprising municipal and regionally-owned PTAs. Provisions have been made for trade receivables deemed to be doubtful and this has had a negative impact of SEK -1 million (0) on operating profit/loss, see Note 18. In order to mitigate the Group's counterparty risk towards our main bank, Danske Bank, Nobina deposited not less than SEK 150 million and not more than SEK 350 million with Nordea Bank during the fiscal year.

Parent Company liquidity management

Nobina AB conducts its liquidity management via intra-Group receivables, liabilities and the Group's cash pool with Danske Bank, which has a credit rating of "A+" from Standard & Poor's. Nobina AB is the account principal for the Group cash pool.

Currency risk

Currency exposure arises in connection with payment flows in foreign currency (transaction exposure) and with the translation of foreign subsidiaries' income statements and balance sheets to SEK (translation exposure). The Group's finance policy states that currency exposure may be hedged. The subsidiaries receive all revenues and pay all major expenses in local currency, including costs under right-of-use agreements, which are entered centrally, on behalf of the subsidiaries, but in local currency. The Group is also exposed to exchange rate fluctuations through its purchases of fuel, mainly biodiesel (HVO and RME), which is traded in the international commodities markets in USD (HVO) and EUR (RME), respectively. This currency risk can be hedged by entering into fuel derivatives in local currency. See also the section, Raw materials risk. Nobina AB's currency exposure on translation of foreign subsidiaries is normally not hedged. The exchange-rate difference in foreign subsidiaries recognised in comprehensive income was SEK 48 million (-38) for the year. A weakening/strengthening of the SEK by 10 percent when translating the balances denominated in a currency other than the functional currency of each company would affect the Group's other comprehensive income by approximately SEK 51 million. A weakening/strengthening of the SEK by 10 percent when translating the income statements of foreign subsidiaries would affect the consolidated sales and EBITA by approximately SEK 339 million and SEK 10 million, respectively.

Raw material risk

The Group is exposed to fluctuations in the prices of raw materials through its purchases of fuel, whereby the price trend is usually based on the trend in oil prices in the global market. The raw material price accounts for less than half of the total diesel price and the remainder pertains to taxes, transports and refinement. For regional traffic, the Group is compensated for changes in the price of biodiesel via a reve-

nue index in its traffic contracts. In certain cases, the index may be based on the biodiesel price trend, while the contract requires the buses to be run on another fuel, such as biogas. This risk is limited through careful risk evaluation in the tender process. However, Nobina hedges its purchase prices by purchasing commodity options corresponding to the portion of the fuel cost not covered by indexes, such as time lags in revenue indexation. Nobina has not signed any hedging during the fiscal year. The company had no outstanding fuel derivatives as per 28 February 2022.

Indexation risk

A contract with a client compensates Nobina for providing bus services along the routes, and according to the timetables, set out in the contract. The amount of the compensation is adjusted regularly based on a basket of indices aimed at offsetting changes in Nobina's costs during the term of the specific contract. The price-adjustment indexes that are used encompass the trend in labour costs, fuel prices, the consumer price index and, in certain contracts, other elements, such as interest rates. The index weighting in Nobina's contract portfolio may differ from Nobina's actual cost structure, and the index-based price adjustments may not fully offset Nobina's costs. The index baskets used in traffic contracts are relatively well matched to the structure of fixed costs. Depending on the specifications in each contract, index adjustment occurs following a certain time lag on a monthly, quarterly, biannual or annual basis and applies to future contract periods and not retroactively for the preceding contract period. This has a negative effect on profit when costs rise and a positive effect on profit when costs decline during the period of time lags.

Residual value risk

Nobina applies a depreciation period for buses that is intended to correspond to the actual economic life based on the buses' technical life and usability in the operation's ongoing traffic contracts. The technical life normally exceeds usability under traffic contracts. Should the period when the buses are usable under traffic contracts decrease, Nobina could be impacted by higher annual depreciation costs or, alternatively, increased capital losses on disposal of older buses. For more information, see Note 1 on page 68.

NOTE 30 FINANCIAL INSTRUMENTS

GROUP	Fair value hierarchy	Carrying amount	
		28 Feb 2022	28 Feb 2021
Financial assets			
Non-current receivables		6	5
Trade receivables		990	838
Other current receivables		61	47
Cash and cash equivalents		1,482	1,049
Financial assets measured at fair value through profit or loss	2	–	–
Total Group		2,539	1,939

GROUP	Fair value hierarchy	Carrying amount	
		28 Feb 2022	28 Feb 2021
Financial liabilities			
Interest-bearing liabilities, loans		5,830	5,686
Interest-bearing liabilities, bond loans	1	705	500
Accounts payable		839	636
Other current liabilities		9	10
Financial liabilities measured at fair value through profit or loss and related to contingent considerations	3	50	21
Total Group		7,433	6,853

Non-adjusted official market quotes on active markets for identical assets and liabilities (level 1).

Observable data for the assets or the liabilities, other than market quotes included in level 1, either directly according to market quotes or indirectly derived from market quotes (level 2). Data for the assets or the liabilities that is not based on official market quotes (level 3).

PARENT COMPANY	Fair value hierarchy	Carrying amount	
		28 Feb 2022	28 Feb 2021
Financial assets			
Loan and trade receivables		700	500
Receivables from Group companies, interest-bearing		769	1,064
Other current receivables		3	5
Cash and cash equivalents		1,420	1,005
Financial assets measured at fair value through profit or loss	2	–	–
Total Group		2,892	2,574

PARENT COMPANY	Fair value hierarchy	Carrying amount	
		28 Feb 2022	28 Feb 2021
Financial liabilities			
Interest-bearing liabilities, loans		263	358
Interest-bearing liabilities, bond loans	1	705	500
Liabilities to Group companies, interest-bearing		3,588	3,291
Accounts payable		1	3
Other current liabilities		0	–
Financial liabilities measured at fair value through profit or loss related to contingent considerations	3	50	21
Parent Company		4,607	4,173

Fair value

The carrying amounts of financial assets and liabilities essentially correspond to their fair values. The fair values of right-of-use liabilities are calculated using floating interest rates with an unchanged credit margin, or alternatively a fixed interest rate, which means that the carrying amounts of the liabilities correspond to their fair value, in accordance with IFRS 16. Fair

value for contingent consideration not paid is calculated using the prevailing discount factor and earnings period. Changes in fair value are recognised in profit or loss, see Note 29. The fair value of Nobina AB's issued bond, calculated on the basis of the bond's exercise price (101) as of 28 February 2022, amounts to SEK 706 million (511) (nominal value SEK 700 million).

NOTE 31 RELATED PARTY TRANSACTIONS

Internal services in the Nobina Group are sold and purchased on the basis of current price lists and terms for non-related

parties. Agreements for services with intra-group companies are met on a cost-plus basis, plus a 3–5 percent profit margin.

	Group		Parent Company	
	28 Feb 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	28 Feb 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021
Related party transactions				
Sales of services to intra-Group companies	–	–	51	69
Purchase of services from intra-Group companies	–	–	–11	–10
Board of Directors	–3	–3	–3	–3
Senior executives	–172	–55	–105	–16
Pension expenses	–8	–7	–4	–4
Social security contributions	–53	–12	–37	–9
Total related party transactions	–236	–77	–109	27
Profit from participations in intra-Group companies	–	–	573	603
Interest income from intra-Group companies	–	–	9	18
Interest expenses to intra-Group companies	–	–	–	–
	Group		Parent Company	
	28 Feb 2022	28 Feb 2021	28 Feb 2022	28 Feb 2021
Related party transactions				
Receivables from intra-Group companies	–	–	769	1,064
Liabilities to intra-Group companies	–	–	–3,588	–3,291

NOTE 32 PROPOSED APPROPRIATION OF PROFIT (SEK)**Funds available for appropriation by the Annual General Meeting:**

Share premium reserve	1,335,198,568
Profit brought forward	742,498,647
Profit for the year	330,217,625
Total	2,407,914,840
Proposal that no dividend be paid	–
To be carried forward	2,407,914,840

NOTE 33 EXCHANGE RATES

Exchange rates	Average		Closing day	
	28 Feb 2021 –28 Feb 2022	1 Mar 2020 –28 Feb 2021	28 Feb 2022	28 Feb 2021
EUR	10,203	10,410	10,651	10,099
NOK	1,008	0,966	1,068	0,975
DKK	1,372	1,397	1,431	1,358

NOTE 34 SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

As a result of a change of control and delisting, Nobina will repurchase bonds for a total nominal amount of SEK 660 million during the first quarter. The Board of Directors proposes that no dividend be paid for the 2021/22 fiscal year.

Signatures of the Board of Directors

The Board of Directors and the CEO give their assurances that the Annual Report was prepared in accordance with Swedish GAAP and that the consolidated financial statements were prepared in accordance with international accounting standards, IFRS, as adopted by the EU ordinance of 19 July 2002 concerning the application of international accounting standards, and that they provide a fair view of the development of the Parent Company's and the Group's position and earnings,

and that the Administration Report gives a fair impression of the development of the Parent Company's and the Group's operations, position and earnings, while also describing the significant risks and uncertainties facing the companies included in the Group.

The Annual General Meeting on 31 May 2022 will resolve on the adoption of the Parent Company's and the Group's income statements and balance sheets.

Stockholm, 28 April 2022

Robert Gregor
*Chairman of the
Board*

Markus Geisselmann
Director

Wil Jones
Director

Magnus Rosén
Director and CEO

Our auditors' report was issued on 28 April 2022

Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorised Public Accountant

Auditor's Report

Unofficial translation

To the general meeting of the shareholders of Nobina AB (publ),
corporate identity number 556576-4569

Report on the annual accounts and consolidated accounts Opinions

We have audited the annual accounts and consolidated accounts of Nobina AB (publ) for the financial year 1 March 2021 to 28 February 2022. The annual accounts and consolidated accounts in the company are included on pages 50-93 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 28 February 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 28 February 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We

are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

Nobina AB is engaged in the public bus transport and operates in the Nordic countries through wholly owned subsidiaries. The administration within the group is to a large extent allocated to a shared service center. This also apply to the bus fleet which consists of around 4 100 busses. Nobina's customer contracts are awarded through public tenders, the contractual party is the Public Transportation Authority ("PTA") (counterparty in the respective commune/county) and the agreements run over a period of up to ten years. The bus fleet and the contract portfolio are areas of focus within our audit of Nobina.

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consoli-

Key audit matter

Completeness, cut-off and valuation of revenue

The accounting of revenues are described in note 1 Company information and accounting principles. Risk management are described in the Management administrative report and on page 44-47 and in note 29 Financial risks and risk management.

The volume of revenue from individual PTA-agreements are significant. The agreements are often unique in their structure due to lack of a common practice in the business. Agreements can also be complex. Combined with a unique structure this leads to difficulties to develop uniform invoicing procedures for the contracts why the revenue accounting is calculated and invoiced manually.

Changes in traffic conditions can lead to change in Nobina's remuneration. If the changes are made outside of the stipulated contractual terms this may lead to a negotiation regarding the remuneration. The accounting of revenues based on PTA-negotiations are partly based on estimates.

Manual routines, compared to automatic, increase the risk for errors and estimates increase the subjective nature of the accounting which in turn also lead to a higher risk for accounting errors. Due to this this is a key audit matter.

The Valuation of the bus fleet

The accounting related to the bus fleet is described in note 1 Company information and accounting principles, note 8 Capital gains/losses from the disposal of non-current assets and in note 13 Tangible assets. Risk management is described in the Management Administration report and on page 44-47 and in note 29 Financial risks and risk management.

The value of Nobinas bus fleet amounts to about 6 billion which is about 51 % of the total assets of the Group. The depreciation period for the busses is assessed in order to, in the extent possible, be in line with the fair actual lifetime of the asset. The actual lifetime is based on the technical lifetime and the possibility to use the asset in the contracts. In the event that the time which the busses can be used in the contracts are reduced this can lead to increased cost of depreciation or higher realization losses. Due to the size of these balance sheet items this is a key audit matter in our audit.

How our audit addressed the Key audit matter

The main activities performed in our audit are:

- Through data analysis examined invoices and payments during the year and that they can be traced to each other.
- Walk-through procedures have been performed of the use of standardize templates, routines and procedures for revenue calculations and invoicing
- Sample testing of invoicing versus PTA-agreements, calculations and index adjustments
- Examination of the monthly production and/or number of verified paying passengers reports versus invoicing
- Discussions with management to understand their assessments and estimations of ongoing negotiations revenue.
- External client confirmations regarding balances for the biggest clients during the financial year

No significant matters have been reported to the audit committee as a result of our procedures.

The main activities performed in our audit are:

- We have reviewed Nobina's assessment of the bus fleet's economic life, evaluated the company's process for identifying changes in value and redundancy, challenged management's assessments and also reviewed write-downs done and revaluations through random sampling, where input and calculations were checked.
- Sample testing of registered lease contracts in order to verify input data in the company's lease calculation
- Sample testing of acquisitions of busses against invoices and recalculated the depreciation

These procedures have not resulted in significant issues being reported to the audit committee.

AUDITOR'S REPORT

dated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–22, 44–49 och 108–113. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Director's and the Managing Director.
- Conclude on the appropriateness of the Board of Director's and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual

accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures taken to eliminate threats or countermeasures.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

AUDITOR'S REPORT

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Nobina AB (publ) for the financial year 1 March 2021 to 28 February 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing

Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions,

actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Nobina AB (publ) by the general meeting of the shareholders on 31 May 2021 and has been the company's auditor since 2014.

Stockholm 28th of April 2022

Öhrlings PricewaterhouseCoopers AB

Niklas Renström

Authorized Public Accountant

Good and active governance

Good and active corporate governance provides the framework for creating a trusting relationship with our owners, employees, PTAs, customers and key stakeholders in Nobina's operating environment. It is also essential for the successful achievement of targets, strategy, business plans and key metrics. Corporate governance ensures that Nobina is managed responsibly, sustainably and that operations comply with external laws, regulations and provisions as well as internal control regulations and procedures. Governance also ensures that the business complies with good practices based on Nobina's operations and our values, and that our principles governing business ethics are respected.

This Corporate Governance Report explains how the rights and obligations are distributed among our corporate bodies and also specifies the systems used in our decision-making and the structures through which the owners directly or indirectly control Nobina. It also describes the structure of our corporate governance that encompasses information about our shareholders, the Board of Directors and Group management as well as the General Meeting and compliance and internal control. Furthermore, it explains operational management and administration, as well as the manner in which the Board of Directors ensures the quality of the financial statements and its cooperation with the company's independent auditors.

Our governance in brief and what we want it to achieve

We want our corporate governance to ensure that we achieve the established strategic objectives, such as

the creation of a sustainable public bus transport system that is at the forefront. Using our governance, we also want to secure our targets and meet investor expectations related to our financial key figures and earnings. We aim to govern, lead and control our operations in a manner that creates value for our shareholders and other stakeholders. It is to create the preconditions for active, responsible corporate bodies, to clarify the allocation of roles and responsibilities and to ensure accurate reporting and information. One important component of our governance are employees, who should not only be aware of the goals and key metrics but must also understand why we are striving towards established goals. An understanding of the strategic direction creates the prerequisites for two-way communication, where employees can continually draw attention to risks and suggest improvements – creating a dynamic and active corporate governance. Continuous risk management at all levels and assessment of severity are also a natural part of our governance and management and are an integrated component in our decision-making.

Our vision and our values

Our vision that everyone wants to travel with us pervades our governance and, naturally, our goals and strategies. Our business rests on our values and these form the foundation of our culture. Every day, these guide us in our day-to-day work and how we behave towards each other and the world around us.



GOOD AND ACTIVE GOVERNANCE

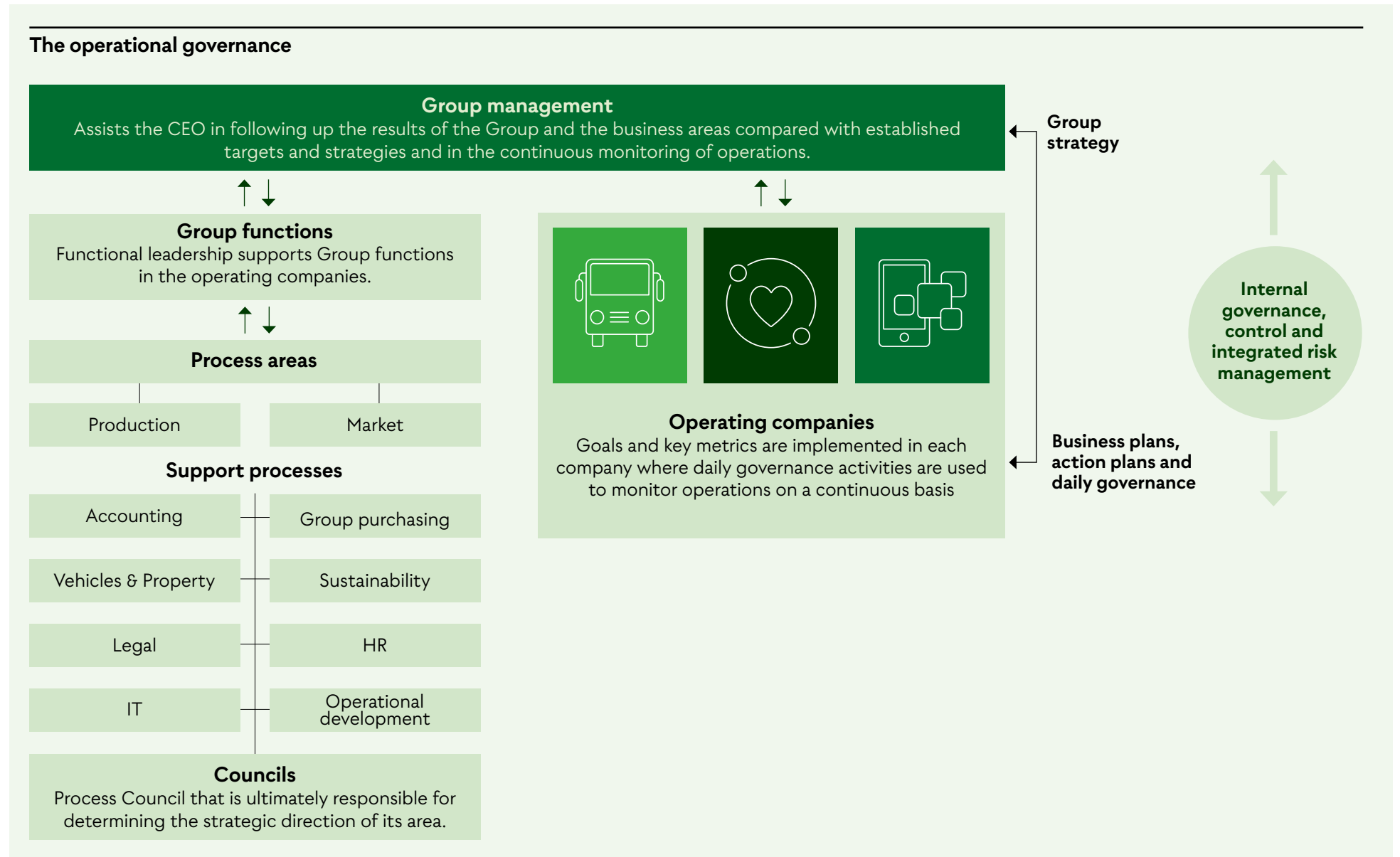
Our governance influences the public transport of the future

Public transport is a central building block in the sustainable society of the future and a means of solving some of the greatest challenges of our time, from congestion and accessibility to commuting, housing construction and climate goals. Already today, public transport is leading the way in the fossil-free transition and as the largest operator/industry leader in the Nordic region, we are adopting a proactive role in the public debate and in building expertise about technology, sustainability and the tendering process. Through close cooperation with trade associations, we contribute guidelines, contract recommendations and best practice in the tendering process. Together with our clients, we build expertise and develop technology that enables public transport to become more sustainable, efficient and attractive.

- In Sweden, Nobina is a member of the Swedish Bus and Coach Federation, Samtrafikens AB, Kollektivtrafikens Avtalskommitté (Kolla) and the Confederation of Swedish Enterprise.
- In Norway, Nobina is a member of NHO Transport, Næringspolitisk utvalg and Forhandlingsutvalget.
- In Denmark, Nobina is a member of the Confederation of Danish Industry, Danske Busvognmænd and Dansk Kollektiv Trafik.
- In Finland, Nobina is a member of the Employers' Federation of Road Transport (Autoliikenteen Työntajaliitto ry).

The operational governance

The Board sets the ultimate boundaries for our goals and strategies. It follows up operations on a regular basis to ensure compliance with the strategy and that we deliver on goals and key metrics. Group management leads day-to-day operations in line with our stra-



GOOD AND ACTIVE GOVERNANCE

“Our vision that everyone wants to travel with us pervades our governance and, naturally, our goals and strategies.”

tegic and operating direction. The CEO leads Group management together with the heads of Group functions. This guarantees the implementation and follow-up of the goals and strategy. Key metrics for financial performance, quality and sustainability are monitored and checked on a monthly basis. Our operating companies and all traffic areas implement goals and key metrics in their business plans, which are translated into action plans and active daily governance for various teams, professions and individual employees. Goals and outcomes are reported externally, while internal performance meetings at Group, company and traffic area levels are held monthly to address results. In this way, Nobina’s governance and management acts as a virtuous circle where quantitative and qualitative feedback makes a substantial and continuous contribution to our success. Our various Group functions support our operating companies in their day-to-day activities. The functions pursue functional leadership in their areas of responsibility in close collaboration with the operating companies. As a complement to Nobina’s organisational governance, the company is constantly developed using a number of processes. These are used to draw up best practices and working procedures to ensure that Nobina’s operations are always as efficient as possible. Responsibility for the processes is linked to responsibility in the Group functions, with the exception of the Production and Market process, where representatives from the operating companies are responsible for pursuing the Group-wide agenda in traffic production and market development. In addition to the main processes, there are a number of support processes that further assist

the operating companies – most of which feature an associated Council that continuously steers the strategic direction and improvement work in their fields.

An integrated risk management process

All business operations are exposed to risks and our goal is not necessarily to eliminate these but rather to continuously optimise the business’ risks to safeguard goals and business plans. Nobina’s risk management process is fully integrated into its strategy, governance and management of the entire business. The process is established in all parts of the operation and follows a certain procedure so that risks are constantly monitored, identified, assessed and managed. Nobina’s operations create risks in various areas – from financial risks to day-to-day operational and sustainability risks. Nobina has classified the risks in various risk areas as a means of enhancing the efficiency of continuous risk management.

Governance to ensure good business ethics and anti-corruption

Nobina’s operations generate a number of transactions, predominantly through public tenders, and substantial procurement worldwide. Active work with good governance of our business ethics and in combating corruption is essential if we are to create secure and transparent transactions with our clients, suppliers and other partners. Our Code of Conduct outlines our expectations and requirements in relation to both suppliers and ourselves. Through internal governance, we strive for good compliance with national and international legislation as well as the UN Convention against Corruption. Strategic governance rests with the Group’s Director of Sustainability, Strategy and New Businesses while continuous follow-up is performed by Group purchasing and ultimately by the compliance function.



Corporate governance structure

Our corporate governance is based on both external and internal regulations.

Since its listing on 18 June 2015, Nobina was covered and complied with the Swedish Corporate Governance Code (the Code). On 25 January 2022, Nobina's Board announced that it had applied for delisting of the shares in Nobina from Nasdaq Stockholm, in view of the public offer from 13 December 2021. On 3 February 2022, Nasdaq Stockholm approved Nobina's application for delisting of the company's shares. The last day of trading on Nasdaq Stockholm was 16 February 2022. Since the date of the delisting of Nobina on 16 February 2022, the code and the associated requirements on corporate governance reports no longer apply to the company.

General Meeting

The General Meeting is the highest governing body. At this Meeting, shareholders exercise their decision-making rights on such matters as the composition of the Board of Directors and the election of

auditors. Resolutions at the AGM are normally passed with a simple majority. In certain cases, however, the Swedish Companies Act states that a certain level of attendance is required to reach a quorum or a special voting majority. Shareholders have the opportunity at the AGM to pose questions about the company and its results for the preceding year.

2021 Annual General Meeting

The previous AGM was held on 31 May 2021 in Stockholm. Due to Covid-19, a range of precautionary measures were taken in conjunction with the AGM to protect shareholders and employees. The Meeting was held entirely online to reduce the spread of the virus and shareholders were given the opportunity to exercise their voting rights by postal vote in advance. A small number of representatives from the Board, Group management and the auditor were present at the Meeting. The AGM adopted the accounts for 2020/21 and granted the Board of Directors and CEO discharge from liability for the forthcoming fiscal year's administration.

External regulations

- Swedish Companies Act
- Swedish Annual Accounts Act
- International Financial Reporting Standards (IFRS)
- Other relevant laws

Internal regulations

- Articles of Association
- The Board's Rules of Procedure
- The Board's instructions for the CEO
- Control parameters through policies, instructions and guidelines

Owner Basalt Infrastructure Partners

Holds 95.9 percent of all shares in Nobina. The Articles of Association are available on www.nobina.com and were last amended on 31 May 2021.

The following decisions were taken by the General Meeting

- The following was at the disposal of the Annual General Meeting: profit for the years of SEK 594,912,565, disposable earnings from previous fiscal year totalling SEK 463,040,812 and share premium reserves of SEK 1,335,198,568. It was resolved that a dividend be paid to shareholders of SEK 3.77 per share for the past fiscal year, and that amounts at the disposal of the AGM be carried forward. Accordingly, SEK 2,060,051,024 was carried forward to the next fiscal year,
- The Board shall comprise five Board members with no deputies and that the company shall have one auditor with no deputy,
- Re-election of Board members Graham Oldroyd, Liselott Kilaas, Bertil Persson and Johan Bygge. All of the above were elected for the period until the next AGM. John Allkins declined re-election and stepped down from the Board at the Meeting, while Malin Frenning was elected new Board member
- Re-election of PricewaterhouseCoopers AB as the company's auditors
- That fees shall be paid to the Chairman of the Board of SEK 950,000 and a fee of SEK 475,000 for each of the other Board members, SEK 2,800,000 in total, and that fees to the auditors shall be paid against invoices approved by the Board. In addition, it was decided to pay extra fees for work on the Audit Committee of SEK 100,000 to the Chairman and SEK 50,000 to each of the other members

- Approval of the Nomination Committee's proposal for principles governing the appointment of the Nomination Committee,
- Approval of guidelines for remuneration of senior executives
- Approval of the Board's proposal for new Articles of Association
- Approval of the Board's submitted remuneration report
- The Board's proposal to implement a performance-based share saving scheme was approved,
- Authorisation for the Board of Directors to acquire and transfer treasury shares within the scope of share saving scheme
- Approval for the Board of Directors to make decisions on the transfer of treasury shares to participants in the share saving scheme
- Authorisation for the Board to take decisions on new share issues, and so forth (no more than 10 percent)

Extraordinary general meeting, 22 February 2022

On 22 February 2022, an extraordinary general meeting was held which elected Robert Gregor (Chairman), Markus Geisselmann, Wil Jones and Magnus Rosén as new Board members for the period until the end of the next AGM and resolved to dismiss Johan Bygge, Liselott Kilaas, Graham Oldroyd, Bertil Persson and Malin Frenning from their positions as Board members. The extraordinary general meeting also resolved that the guidelines for remuneration of senior executives adopted by the 2020 AGM and the principles for

CORPORATE GOVERNANCE STRUCTURE

appointing a Nomination Committee and instructions for the Nomination Committee adopted by the 2021 AGM shall no longer apply since the shares in Nobina have been delisted from Nasdaq Stockholm. The extraordinary general meeting was held at the request of OffertoRide Bidco AB (previously Goldcup 29086 AB), which after the announcement that the public offer to shareholders in Nobina was unconditional controls approximately 95.9 percent of all shares and voting rights in Nobina (excluding the treasury shares held by Nobina).

Nobina's Board of Directors

The Board's responsibility

The Board's work is governed by the Swedish Companies Act, the Articles of Association and the Rules of Procedure established by the Board annually. Nobina's Board is responsible for the organisation and administration of the company's affairs. Neither during his time on the Board, nor previously, has the CEO participated in meetings where his remuneration was discussed. One of the Board's most important assignments is to secure a long-term strategy, governance, follow-up and control of Nobina's daily operations with the aim of creating value for shareholders, customers, employees and other stakeholders. The Board appoints the President, who is also CEO.

Composition of the Board of Directors during the fiscal year

Following the 2021 AGM and until the extraordinary general meeting on 22 February 2022, the Board comprised five directors: Graham Oldroyd, Liselott Kilaas, Bertil Persson, Malin Frenning and Johan Bygge, of whom the latter was also Chairman of the Board and the AGM. All Board members are independent in rela-

tion to major shareholders in the company. All Board members are independent in relation to the company and its management. Since the extraordinary general meeting on 22 February 2022, the Board comprises Robert Gregor (Chairman), Markus Geisselmann, Wil Jones and Magnus Rosén, and all of the abovementioned Board members were dismissed.

The Board's work during the year

The Board's work follows an annual cycle, which enables the Board to continuously maintain general value creation and strategic issues high on the agenda and to conduct regular risk assessments.

The Board's work procedures

The Board follows adopted Rules of Procedure governing its operations that describe how work is divided between the Board, its Committees and the CEO. These are established each year by the Board and apply to the Board members. Directives for the CEO and for financial reporting are described in appendices to the formal work procedures.

Important issues during the fiscal year

The Board met regularly during the fiscal year. Board meetings are normally convened by notice being sent at least one week prior to the meeting. A shorter notice period is permitted if there are special reasons. Relevant material for discussion and, where applicable, for resolution at the meeting is also attached to the notice. Nobina's Director of Sustainability, Strategy and New Businesses, who is also Board secretary, and the CFO participate in all Board meetings. Other Nobina employees have sometimes presented various matters during Board meetings, such as members of Group management and experts at the company.

At the year's meetings, a number of issues and areas were addressed by the Board. A large share was the ongoing management of the effects of the pandemic and also other post-pandemic issues. Other major agenda items included focus areas in add-on business, strategy issues and risk management. The Board also worked with general market issues and market disruptions as well as overall digitalisation issues.

The Board evaluates its work once each year by responding to an anonymous survey. The evaluation is

important to ensure that the work of the Board is efficient and part of its purpose is to also study the type of issues the Board believes require greater focus and whether it needs additional expertise to achieve an optimal composition. The Chairman of the Board presents the survey results to the Board. In addition, the Board evaluates the company's CEO and his work during at least one meeting each year. No member of Group management is present at this meeting.



Operational management and governance

President and CEO

Nobina's President and CEO is appointed by the Board of Directors and is responsible for leading the company's operating activities in accordance with the Swedish Companies Act and instructions and directives issued by the Board. The President and CEO is responsible for ensuring that the company's accounting policies meet legal requirements and that financial issues are addressed in an adequate and reliable manner. The Board approves Nobina's overall organisation and the functions that report to the CEO. The CEO also prepares and is responsible for the preparatory process ahead of Board meetings. Moreover, the CEO monitors decisions relating to key employees and central operational matters.

Group management

The CEO is the chairman of Group management. Members of Group management are appointed by the CEO and approved by the company's Board of Directors. At the end of the fiscal year, members of Group management comprised the CEO, Deputy CEO, CFO, and Director of Sustainability, Strategy and New Businesses. A more detailed presentation of Group management can be found on page 108.

Group management assists the CEO in following up the results of the Group and the business areas compared with agreed targets and strategies and in the continuous monitoring of operations. Group management also ensures access to efficient and value-generating allocation of Nobina's capital and funds.

"We want our governance to ensure that we achieve the established strategic objectives, such as the creation of a sustainable public bus transport system that is at the forefront."



OPERATIONAL MANAGEMENT AND GOVERNANCE

Group management holds one scheduled meeting each month. The meetings focus on the Group's strategic and operational development as well as performance follow-up. In addition to these meetings, close daily collaboration takes place on various issues between members of Group management. Management works in line with all of the Group's policies and applicable directives. All material decisions in the daily management of the Group's operations are taken by the CEO following consultation with Group management. The managing director of each operating subsidiary is responsible for collecting information about the development of the operations and how financial and qualitative targets are achieved. The managing director of each subsidiary is also responsible for compiling this information and reporting to the relevant senior executives and the CEO and Deputy CEO. The CEO thereafter reverts to each of the managing directors of subsidiaries who in turn are responsible for ensuring the received instructions are implemented.

Overall governance model

Nobina has organised the operational governance model using a number of Group functions and processes tasked with supporting the operating companies in order to convert the Group's targets, strategy and key metrics in an optimal and efficient manner and ensure that the results correspond to established objectives. Nobina holds monthly performance meetings at Group, company and traffic area levels – when goals and outcomes are presented and followed up. Any identified risks or suggestions for improvement are analysed and then addressed. Nobina applies – at all levels of operations – a systematic working procedure that constantly strives and ensures that the operation is oriented towards the company's targets

and follows its strategy. A systematic working procedure is applied where business plans are developed and implemented based on the Group's overall strategic direction and local conditions, strengths and weaknesses. Nobina's risk management process is also fully integrated into all parts of the operation and uses a specific work procedure, read more about Nobina's risk management process on pages 44–47.

Operational and active governance through our Group functions

Nobina's Group functions support the operating companies. Each function is responsible for one area and pursues functional leadership through their organisation and their resources. The person responsible for each Group function is a member of Group management and reports to the CEO. The CEO leads the functions by conducting regular follow-ups with each member of Group management and through Group management meetings.

Nobina's processes and Councils

As a complement to Nobina's organisational governance, the company's operations are continuously pursued and developed using a number of processes. These are used to produce best practices and working procedures to ensure that Nobina's operations are conducted in the most efficient and optimal manner possible. Responsibility for the processes is strongly linked to accountability in the Group functions, with the exception of the Production and Market process, where representatives from the operating companies are responsible for pursuing the Group-wide agenda in traffic production and market development.

Councils exist as an extension of certain processes and these meet a number of times per year in each



“Acquisitions, sustainability and general issues concerning the Group's operations, planning and follow-up were high on the agenda during the year.”

area. The Councils work proactively and strategically in relation to the Group's targets and draw up direction decisions and develop overall governance in their respective processes. However, more significant decisions identified in the Councils are taken by the Group management. A selection of the Group's departments, functions and companies are represented on the Councils and lead topics in each area. Each representative is responsible for implementing decisions and systems in their organisation.

Operating companies and traffic areas

The operating companies in Nobina comprise the national companies, which are in turn organised into a number of different traffic areas in each country and also by each company operating service traffic. As a means of achieving the Group's goals and key metrics, central and local business plans are developed at both company and local level through each traffic area. In this way, goals and key metrics are included in business plans that are then carried out in short and long-term action plans and in daily governance of various teams, professions and individual employees.

Internal governance and control

The following section describes the most important elements of Nobina’s system for internal control and risk management in conjunction with its financial reporting. The purpose of well-developed internal control is to ensure correct, appropriate and reliable financial reporting and disclosures. Nobina’s internal control is shaped by the overall control environment. The Board of Directors is responsible for ensuring and establishing an efficient system for internal control and then steers its work through the Audit Committee, Nobina’s CEO and Group management. These are then responsible for ensuring that operations, including all employees, comply with the structures established for internal governance and control. For Nobina, a success factor for strong and transparent control environment is the establishment of a good organisational structure, clear decision-making procedures, Group-wide values in terms of ethics and integrity, and clearly defined and communicated authorities through internal qualitative control parameters, including policies, instructions and guidelines.

In summary, reliable financial reporting for Nobina means that:

- accounting policies are appropriate and comply with International Financial Reporting Standards (IFRS) and the Swedish Annual Accounts Act (ARL),
- profit and loss accounting is informative and sufficiently detailed, and
- it accurately reflects underlying events and the company’s actual earnings, financial position and cash flow with reasonable assurance.

Control components

Nobina’s internal control is based on an established framework – the Internal Control Integrated Framework, which is referred to as the COSO framework. Nobina’s control components comprise the following elements:

- Control environment
- Risk assessment
- Control activities
- Information and communication, and
- Follow-up and improvements.

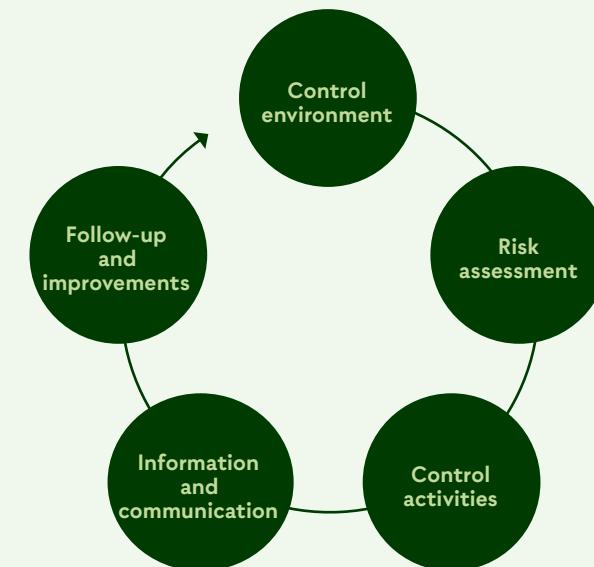
Nobina’s control environment

Nobina’s main operational governance for its control environment is based on a process-oriented management system, which aims to guarantee behaviour and a corporate culture characterised by integrity and that does not compromise on ethical values. This includes employees’ experience, skills, attitudes, ethical values and perception of how responsibility and authority are distributed within the organisation. The control environment comprises the main operational

processes with a documented framework that includes Group policies as well as company-specific instructions and local instructions. Each main process has a process owner who is responsible for the process and for proactively proposing preventative measures, as well as suggestions on how to develop and improve the process. Nobina’s various business leaders are responsible for the implementation of controls, and the follow-up and correction of deficiencies in the different main processes. In addition to the above,

Nobina’s Group policies

Nobina’s Group policies	Strategic responsibility	Operational responsibility
<ul style="list-style-type: none"> • Values • Financial policy • Information security policy 	<ul style="list-style-type: none"> • Board of Directors • CFO • Board of Directors 	<ul style="list-style-type: none"> • Group HR • Accounting departments • Chief Information Security Officer
<ul style="list-style-type: none"> • Sustainability policy 	<ul style="list-style-type: none"> • Board of Directors 	<ul style="list-style-type: none"> • Director of Sustainability, Strategy & New Businesses • CFO • Purchasing Manager
<ul style="list-style-type: none"> • Authorisation policy • Code of Conduct 	<ul style="list-style-type: none"> • CEO • Director of Sustainability, Strategy & New Businesses 	<ul style="list-style-type: none"> • HR directors • Purchasing Manager • Chief Compliance Officer • Head of Public Affairs & Communication
<ul style="list-style-type: none"> • Employee policy • Purchasing policy • Insider policy • Communication policy 	<ul style="list-style-type: none"> • Group HR • Director Business Functions • Compliance Officer • CEO 	<ul style="list-style-type: none"> • KAMS Officer
<ul style="list-style-type: none"> • Security policy 	<ul style="list-style-type: none"> • Head of Security 	



INTERNAL GOVERNANCE AND CONTROL

there are also other control environments that act as an extension of the main operating control.

Internal control

Nobina engages external assistance for internal audit functions, which helps to perform reviews and evaluations. The result of these is then reported to the Audit Committee and the company's management.

Compliance function (regulatory compliance)

Nobina's has a compliance function that is independent from business operations at the same time as serving as a support function for the Group's operations. The function is responsible for supporting business operations and management in matters involving regulatory compliance and works proactively to identify new regulations and other external events that could impact the business. The function also continuously follows up various activities and reports compliance risks that may arise in instances when Nobina does not comply with external and internal rules. The role of the compliance function is to promote a sound compliance culture throughout the Group by contributing to safeguarding quality, integrity and ethical principles in Nobina's business operations. The compliance function regularly reports on Nobina's regulatory compliance and risks to Group management through the Compliance Officer. These include focus areas in data protection, information security and whistleblowing.

Whistleblowing

Nobina has an internal and external whistleblowing service that employees can reach on the intranet and other stakeholders through the companies' websites. The service aims to identify at an early stage any deviation from Nobina's values, business ethics guidelines

or economic crimes. Anyone who wishes to use the service can remain completely anonymous as it is administrated by Nobina's external party, primarily to guarantee anonymity and professionalism.

Nobina's KAMS organisation

Nobina's integrated and operational KAMS activities – which include quality, work environment, environment and safety – pervade the entire Group's work and involve proactive and preventive efforts relating to such areas as operational risks. The work is carried out at local and central levels and regularly assessed through internal inspections and in internal audits, see the sustainability report for more information about Nobina's KAMS work.

Risk assessment

Proactive and continuous risk management forms a central building block in measures to prevent and counteract high risks. Nobina's work in assessing and managing risks is conducted as an integrated but focused part of work with the Group's strategy and Group-wide initiatives, as well as in business and operational planning by subsidiaries and functions. Risk assessment encompasses business risks, risks in the financial statements and other risks. The processes include built-in components and methods to identify, appraise and limit risks and to ensure that any risks are dealt with in accordance with Nobina's control framework and guidelines. Every operating unit is responsible for handling its own risks in accordance with Nobina's control framework and process tools. Work with Group-wide risks is coordinated and followed up by Group finance, which also has a specific responsibility with respect to managing financial risks, see Administration Report on pages 50–57 for more information.

In accordance with the Board's Rules of Procedure and in work approving the strategy and targets, the Board of Directors reviews the key risks and action plans at least once per year, see the general work procedure for this on pages 44–48, Risks and control activities. Other than this, the Board of Directors is presented with information concerning action plans and analyses regarding specific risks on a number of occasions.

Control activities

Even if Nobina's continuous risk assessment in itself has a preventive effect on risks, within the Group there are a range of different central and local control structures and functions with the purpose of managing identified risks and taking various control activities. The activities aim to prevent, detect and correct faults and deviations. The control activities are integrated into Nobina's operational management system and control environment and form a central function to ensure effective internal control in the Group. Group management is responsible that relevant control activities are in place and maintained in each main process and unit. In addition, activities are based on a combination of preventive controls and follow-up as well as automated and manual controls. This includes conducting IT controls that secure the Group's IT environment, both from an operational and IT and information security perspective, for key systems and applications. Within the Group, controls also exist for approving and authorising business transactions, which are applied in daily operations, as are established accounting policies when preparing the year-end accounts and financial reports for all Group companies. Established routines govern the review and analysis of the financial statements at all levels in the Group, which is important in order to ensure the

accuracy of the statements.

Decision channels, authorities and responsibilities at various levels of the organisation are defined based on documented policies and instructions, which include the authorisation manual.

Information and communication

Nobina has information and communication channels to ensure efficient and correct internal and external information disclosure regarding financial reporting. These require that all parts of the business communicate and exchange relevant and essential information. Nobina works in line with the control framework for financial reporting and an adopted communication plan that ensure that information reaches the right target group in the right manner. It shows how the Group acts and how deviations are reported and monitored. The owner for each main process is to ensure that information about Group-wide methods reaches the entire organisation. Nobina has a line organisation that regularly holds management meetings, where new control documents are presented. Following the presentation, a decision is taken on implementation within each of the relevant operations. Written communication is primarily made available via Nobina's intranet that reach the relevant target groups. This is where news is regularly updated, and where information about the components of the management system are described and our control framework is available.

The Board of Directors and Group management regularly receive financial information from the various operating units with comments on financial performance and risks. In addition, the Board of Directors receives information regarding risk management, internal control and financial reporting from the auditors via the Audit Committee.

INTERNAL GOVERNANCE AND CONTROL

Nobina also has special procedures for external information disclosure, which aim to provide the market with relevant, reliable, correct and up-to-date information about the Group's performance and financial position. Nobina has internal control functions, which include the compliance function, to assess the content of information about Nobina and the financial statements, and to ensure that share-price-sensitive information is adequately communicated to the market.

All financial statements, presentations and press releases are published on the Group's website; www.nobina.com

Follow-up and monitoring

Follow-up and testing of control activities are regularly conducted to ensure that risks have been taken into account and addressed in a satisfactory manner. The risks that are deemed to be high are primarily followed up within each process. The purpose of following up and monitoring is to ensure a stable control environment at Nobina and to ensure that application and follow-up are carried out in key areas of operations. The starting point within the company is that every process has control functions that support follow-up activities. Internal audits are a supplementary instrument for ensuring that operations are conducted in line with approved decisions. Nobina also engages both internal and external assistance for its internal audit function. In addition, regular internal operational reviews are conducted by internally trained personnel to ensure that control points are functional and efficient. The results of the internal audits are reported to both the Board and Group management. Changes in the organisation that may affect the internal control are assessed each year and reported to the Board.

"Nobina has an internal and external whistle blowing service that employees can reach on the intranet and other stakeholders through the companies' websites."



Auditor's Report on the Corporate Governance Statement

To the general meeting of the shareholders in Nobina AB (publ), corporate identity number 556576-4569

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the financial year 2021-03-01 – 2022-02-28 on pages 97–106 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm on April 28 2022
Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized Public Accountant

Board of Directors



Robert Gregor

Chairman of the Board

Year of birth: 1969.

Current position: Managing Partner of Basalt Infrastructure Partners LLP.

Other assignments: Comax France and Detroit Renewable Energy LLC.

Previous assignments: Director of Detroit Renewable Energy, Upper Peninsula Power Company, Wightlink and Alkane Energy, Head of European Infrastructure at AMP Capital.

Education: Bachelor of Commerce from the University of Canberra and Master of Commerce (Accounting and Finance) from the University of Sydney, Australia.



Markus Geisselmann

Year of birth: 1973

Current position: Principal of Basalt Infrastructure Partners LLP.

Other assignments: Director of Basalt Infrastructure Partners GP, ConneTwo and Telegraph. Board member of several Luxembourg holding companies.

Previous assignments: Bid Director at Balfour Beatty Investments Munich office, Infrastructure Investment Department at Alpine Mayreder, Walter Bau and Kreditanstalt für Wiederaufbau.

Education: Bachelor degree in Business Administration from Pforzheim University.



Wil Jones

Year of birth: 1986

Current position: Principal of Basalt Infrastructure Partners LLP.

Other assignments: Mareccio Energia, Manx Telecom, Digital Infrastructure and Full Fibre.

Previous assignments: Director of North Star, McEwan Power and previously Corporate Finance at Deloitte.

Education: Qualified Chartered Accountant and BSc (Hons) in Mathematics from the University of Manchester.



Magnus Rosén

Year of birth: 1962.

Current position: President and CEO of Nobina (publ).

Other assignments: -

Previous assignments: Board member of Llentab, Bonava and Wexus Group AS. CEO of Ramirent plc, MD of BE Group Sverige AB, MD of Cramo-Sverige AB. Service market manager BT Svenska AB.

Education: MSc Linköping University, EMBA from Stockholm School of Economics.

Group Management



Magnus Rosén

President & CEO

Born: 1962

Other assignments: –

Previous assignments: Board member of Llentab, Bonava and Wexus Group. CEO of Ramirent, MD of BE Group Sverige, MD of Cramo Sverige. Service market manager BT Svenska.

Education: MSc Linköping University, EMBA from Stockholm School of Economics.



Henrik Dagnäs

COO & Deputy CEO

Born: 1970

Other assignments: Chairman of Samtrans Omsorgsresor, Nobina Finland and Nobina Norway. Board member of Nobina Danmark, Telepass and Göteborgsbuss.

Previous assignments: MD Nobina Sweden. Vice President and CMO Nobina Sweden. Traffic Director Skånetrafiken.

Education: Officershögskola Royal Swedish Air Force, strategic planning at Lund University.



Pernilla Walfridsson

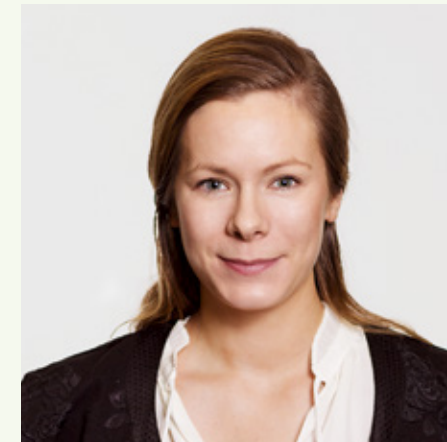
CFO

Born: 1973

Other assignments: Board member of CTEK and BHG Group AB.

Previous assignments: CFO Byggmax Group (publ), CFO of Power, Business controller at IKEA Russia and Controller at IKEA. Board member of Ahlström-Munksjö, Sortera Group and NetOnNet Group AB.

Education: MBA from Växjö University.



Petra Axelsson

Director of Sustainability, Strategy & New Businesses

Born: 1988

Other assignments: –

Previous assignments: Associate Principal at McKinsey & Company.

Education: Master of Science Industrial Engineering and Management, Institute of Technology at Linköping University.

Information on performance measures

Alternative performance measures

Nobina applies the ESMA's guidelines for APMs (alternative performance measures) and is of the opinion that 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' valuation 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
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, acquisition-related income and costs as well as delisting costs.
Acquisition-related income and costs	Adjustments of fair value of contingent considerations not paid and acquisitions-related costs. Acquisitions-related costs includes due diligence costs, legal transaction costs, etc. for ongoing, completed and continuing acquisitions.
Delisting costs	Costs for advisory services to the Board of Directors ahead of the takeover of the Nobina Group and social security contributions for the early redemption of the outstanding incentive programmes.

Key metrics	Description
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 analysing profit for the period compared with previous periods.
Interest-bearing liabilities	Interest-bearing non-current and current liabilities (external loans, pension liabilities and right-of-use liabilities).
Net debt	Interest-bearing non-current and current liabilities (external loans, pension liabilities and right-of-use liabilities) after deducting cash and cash equivalents.
Net debt/EBITDA	Interest-bearing non-current and current liabilities (external loans, pension liabilities and right-of-use liabilities) after deducting cash and cash equivalents in relation to full-year EBITDA.
Net debt excluding bus financing/EBITDA	Interest-bearing non-current and current liabilities (external loans, pension liabilities and right-of-use liabilities) after deducting cash and cash equivalents in relation to full-year EBITDA.
Renewal rate	All won contracts/All own announced tenders.
Retention rate	Defended contracts/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.
Equity/assets ratio	Equity in relation to total assets at the end of the period.
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 ten years, with the option of extending for an additional one or two years. It is based on either a production or an incentive contract.
Number of buses	The number of buses that are owned on finance or operating leases or rented on a short-term basis at the end of the year.

Glossary

Airport transfers – Trips that enable connections to and from airports.

Bus Rapid Transit (BRT) – a bus system with a high level of capacity, average speed, frequency and comfort. It was launched in 2014 by Nobina and operates like a tram but without tracks. Given that the buses are gas and electric hybrids and with space for many passengers, they contribute to reducing the environmental impact.

Change prices – How much compensation changes per bus hour or kilometres within the framework of the free volume in a contract.

City transport – Transport in a densely populated area.

Concession – Allocated right to uphold a monopoly in a geographic area and which comprises all rights to provide public transport. In Sweden, since the public transport authority reform in the 1980s, the state allocates concessions to clients (municipalities and regions), which in turn provide public transport services through contracts with traffic companies. These procurements are carried out in accordance with Swedish public procurement acts.

Concessions contract – A form of contract between a traffic company and a client (municipality/region) that was typical prior to the public transport authority reform and which, in parts, continues for a transitional period. Under these contracts, the traffic

company undertakes all aspects of the traffic assignment, including the sale of services to passengers.

EURO 1–EURO 6, EEV – various generations of emission classes for diesel engines.

Express route – A longer route on main roads that provides faster transport through several counties without several stops.

Free volume – The client's (PTA's) right to change the production volume within the framework of the contract.

Incentive contract – Normally a production contract that contains, to a larger or smaller degree, a compensation component that is variable and depends on the number of passengers.

Indexation – Adjustment of the contract-based remuneration in accordance with a basket of weighted and predetermined indexes intended to represent important cost elements for the traffic companies, such as salaries, fuel and maintenance, etc. and which occurs at predetermined intervals.

Local transport – Transport in connection with densely populated areas.

Production contract – A contract in which the traffic company's revenues comprise fixed remuneration for production costs in accordance with predetermined production, a route network, timetable and a number of other requirements as the base. Com-

ensation is based on the number of hours, kilometres, buses or a combination of these.

Public transport – Transport services provided for the public in which people travel together.

Public transport authority reform – In conjunction with the public transport authority reform in the 1980s, the government took over the right to allocate concessions from the municipalities and regions. Previously, municipalities and county councils allocated concessions to traffic companies; today, the state allocates concessions to municipalities and regions (clients), which in turn sign contracts with traffic companies for the provision of public transport services. These procurements are carried out in accordance with the Swedish public procurement act.

Public Transport Authority (PTA) – A municipality or region allocated concessions by the government to provide public transport through public tendering of services from traffic companies.

Regional traffic – Nobina's segment for transport services tendered from a public client.

Regional transport – Transport outside and between built-up areas in a county.

Seat kilometres – Measure of the service provided. The number of seats in a bus multiplied by the bus's driving distance in kilometres.

Special public transport – Special public transport is provided for a defined target group after special analysis and includes mobility services, patient transport and school traffic.

Subcontractor – A party assigned by the traffic company to assist in the provision of transport services.

Tender – A traffic company's offer in a tendering process.

The Green Journey (DGR) – Highly prioritised initiative within the Group on environmentally friendly and efficient driving styles.

Traffic company – A company that provides transport services in accordance with a given contract with a client.

Traffic contract – A publicly tendered contract for the provision of transport services between a traffic company and a client. The duration of the contract is typically five to ten years, with the option of extending for an additional one or two years. It is based on either a production or an incentive contract or in combination of both contract types.

Traffic planning – Planning of use of resources (vehicle and driver) to conduct transport services in the most efficient manner possible in accordance with the traffic assignment.

Annual General Meeting of Nobina AB

The annual general meeting of Nobina AB (publ) is held on 31 May 2022. The board of directors has decided that the annual general meeting shall be held without physical presence of shareholders, proxies or external parties and that the shareholders shall have the opportunity to vote by mail prior to the general meeting.

Right to attend the Meeting

Shareholders who wish to participate in the annual general meeting must be registered in the shareholder register maintained by Euroclear Sweden AB as of 20 May 2022, and casting their mail vote in accordance with the instructions in the convening notice for the annual general meeting in such manner that Euroclear Sweden AB has received the mail vote by 30 May 2022, at the latest.

Nominee-registered shares

Shareholders with nominee-registered shares, held via a bank or other nominee, must request that the nominee register such shares in the shareholder's own name in the shareholder register kept by Euroclear Sweden AB in order to exercise their voting right in the general meeting (voting registration). The nominee must have performed the voting registration with Euroclear Sweden AB by 24 May 2022, at the latest.

Financial information 2022/2023

Annual General Meeting	31 May 2022
Interim report, first quarter 1 March–31 May).....	6 July 2022
Interim report, second quarter (1 June–31 August)	30 September 2022
Interim report, third quarter (1 September–30 November)	22 December 2022
Year-end Report (1 March–28 February)	12 April 2023

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Press releases and reports

Follow us by registering to receive press releases and financial reports by SMS and email.
Register at: www.nobina.com/investors/

The logo for Nobina, featuring the word "Nobina" in a bold, white, sans-serif font. The letter "o" is partially enclosed by a green circular ring that is open on the right side. The background is a dark green with abstract geometric shapes: a thick orange arc in the bottom left, a thick green diagonal line from the top right, and several pink diagonal bars of varying lengths.

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