



NFI announces financing from PrairiesCan to support innovation of zero-emission bus and coach offerings and expansion of Manitoba production capabilities

December 18, 2023

WINNIPEG, Manitoba, Dec. 18, 2023 (GLOBE NEWSWIRE) -- (TSX: NFI, OTC: NFIYEF, TSX: NFI.DB) NFI Group Inc. ("NFI" or the "Company"), a leading independent bus and coach manufacturer and a leader in electric mass mobility solutions, today held an event at its Motor Coach Industries ("MCI") motor coach manufacturing facility in Winnipeg to formally announce a C\$10 million investment from Prairies Economic Development Canada ("PrairiesCan") to support the expansion of NFI's zero-emission heavy-duty transit and coach offerings, as well as modernization upgrades to the MCI facility.

As first announced with NFI's second quarter 2023 financial results, NFI entered into an agreement for up to C\$10 million in interest-free financing from PrairiesCan through Canada's Jobs and Growth Fund. The financing is non-interest-bearing and matures on March 1, 2030. The financing matches investments previously made by NFI into its zero-emission vehicle capabilities from late 2021 into 2023, and funds being invested into facility upgrades in 2024.

The financing is part of PrairiesCan's Framework to Build a Green Prairie Economy that was tabled in Parliament on December 11, 2023, led by the Honourable Dan Vandal, Minister for PrairiesCan, and supported by nine other federal ministers, which includes a C\$100 million commitment to support projects aligned with its five priorities.

Today's announcement is the culmination of a multi-year strategy by NFI to expand its zero-emission vehicle offering that includes the next generation hydrogen fuel-cell electric transit bus, the [Xcelsior CHARGE FC™](#); [redesigned 60-foot battery-electric bus with increased range](#), the Xcelsior CHARGE NG™; MCI's battery-electric high-floor and low-floor commuter coaches the [D45 CRT CHARGE™](#) and [D45 CRT LE CHARGE™](#); and the battery-electric variant of North America's best-selling touring coach, the [J4500 CHARGE™](#). The financing also supported the [integration of a new battery pack](#) into certain North American vehicles, increasing NFI's technology offering and enhanced supply chain resiliency.

In addition, today's announcement is also an opportunity to showcase the modernization efforts underway at the MCI facility in Winnipeg, known as Project Phoenix. Planned since 2020 and launched in 2022, Project Phoenix will see all MCI vehicles for public and private customers start on a common production line, improving workflows, increasing total capacity, generating overhead efficiencies, and lowering labour hours per vehicle. It will also expand electric vehicle production capabilities. The project is expected to be complete in the second quarter of 2024 and to provide long-term benefits to MCI.

"On behalf of the entire team at NFI, I would like to thank PrairiesCan for their partnership and financial support. NFI is proudly headquartered in Manitoba, where over 2,800 of our team members work and live, and this non-interest-bearing loan has been instrumental in further strengthening our position in the province," said Paul Soubry, President and Chief Executive Officer, NFI. "The funds have been strategically invested alongside our own funds in continuing innovation of our zero-emissions transit bus and coach offerings, and transforming production lines at our MCI facility. This positions us extremely well for our recovery and future success as we lead the evolution to zero-emission transportation."

"NFI plays a significant role in building a green prairie economy, and supports the jobs of thousands of Winnipeg workers," said the Honourable Dan Vandal, Minister responsible for PrairiesCan. "Our government is proud to invest in a company that demonstrates how to take on the challenges of a changing economy and meet global market demands."

Today's announcement included The Honourable Dan Vandal, The Honourable Ben Carr, Member of Parliament for Winnipeg South Centre, Manitoba Premier Wab Kinew, the Honourable Jamie Moses, Manitoba Minister of Economic Development, Investment and Trade and Natural Resources, City of Winnipeg Mayor Scott Gillingham, and NFI President and CEO, Paul Soubry.

NFI is Leading the ZEvolution™

NFI is a leader in zero-emission mobility, with electric vehicles operating (or on order) in more than 150 cities in six countries. NFI offers the widest range of zero-emission battery and fuel cell-electric buses and coaches, and its vehicles have completed over 140 million EV service miles.

NFI supports growing North American cities with scalable, clean, and sustainable mobility solutions through its mobility solution ecosystem, which includes buses and coaches; [infrastructure](#); parts and service; technology; workforce development and training; and vehicle financing. NFI also operates the [Vehicle Innovation Center](#) ("VIC"), the first and only innovation lab of its kind dedicated to advancing bus and coach technology and providing workforce development. Since opening in late 2017, the VIC has hosted over 350 interactive events, welcoming 7,000 industry professionals for EV and infrastructure training.

About NFI

Leveraging 450 years of combined experience, NFI is leading the electrification of mass mobility around the world. With zero-emission buses and coaches, infrastructure, and technology, NFI meets today's urban demands for scalable smart mobility solutions. Together, NFI is enabling more livable cities through connected, clean, and sustainable transportation.

With over 8,200 team members in ten countries, NFI is a leading global bus manufacturer of mass mobility solutions under the brands New Flyer® (heavy-duty transit buses), MCI® (motor coaches), Alexander Dennis Limited (single- and double-deck buses), Plaxton (motor coaches), ARBOC® (low-floor cutaway and medium-duty buses), and NFI Parts™. NFI currently offers the widest range of sustainable drive systems available, including zero-emission electric (trolley, battery, and fuel cell), natural gas, electric hybrid, and clean diesel. In total, NFI supports its installed base of over

100,000 buses and coaches around the world. NFI's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol NFI and its convertible unsecured debentures trade on the TSX under the symbol NFI.DB. News and information is available at www.nfigroup.com, www.newflyer.com, www.mcicoach.com, nfi.parts, www.alexander-dennis.com, arbocsv.com, and carfaircomposites.com.

Forward-Looking Statement

This press release may contain forward-looking statements relating to expected future events and financial and operating results of NFI that involve risks and uncertainties. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, investors cannot be assured that actual results will be consistent with these forward-looking statements, and the differences may be material. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including the risks and uncertainties discussed in the materials filed with the Canadian securities regulatory authorities and available on SEDAR at www.sedarplus.ca. Due to the potential impact of these factors NFI disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

For inquiries, please contact:

Stephen King

P: 204.792.1300

Stephen.King@nfigroup.com