



NFI Announces New \$845 Million First Lien Senior Credit Facility

May 7, 2025

New agreement replaces existing first lien senior facilities and enhances NFI's flexibility to execute on record backlog

WINNIPEG, Manitoba, May 07, 2025 (GLOBE NEWSWIRE) -- (TSX: NFI, OTC: NFI, TSX: NFI.DB) NFI Group Inc. (NFI), a leader in propulsion-agnostic bus and coach mobility solutions, today announced that it and certain of its subsidiaries (collectively, the Company) have entered into a new revolving credit facility (the First Lien Facility) with a total borrowing limit of \$845 million, which includes \$300 million in letter of credit availability.

The First Lien Facility is secured, and has a two-year term, that can be extended for an additional two years if NFI enters into certain additional subordinated credit arrangements. It refinances and replaces the Company's existing first lien senior term and revolving credit facilities, which had a total combined borrowing limit of approximately \$801 million, and will be effective upon completion of certain wire transfers being made within the next day.

"Our new credit facility provides us with improved covenants, increased liquidity and greater financial flexibility. The facility's term and visibility also position us well as we execute on our record backlog and drive operational performance," said Brian Dewsnup, Chief Financial Officer, NFI Group. "We were pleased to see the strong support of our banking partners to put this improved facility in place. We look forward to continuing to work with them as we evaluate other refinancing opportunities that further support our goal of improving liquidity and lowering total interest expense."

Loans under the First Lien Facility bear interest at a rate equal to SOFR or U.S. base rate for loans denominated in U.S. dollars, CORRA or a Canadian prime rate for loans denominated in Canadian dollars, SONIA for loans denominated in pounds sterling, and EURIBOR for loans denominated in euros, plus an applicable margin to those rates.

Under the First Lien Facility there are certain financial covenants that the Company must maintain that are outlined below:

Period	Total Leverage Ratio ("TLR") ¹	Senior Secured Leverage Ratio ("SSLR") ²	Interest Coverage Ratio ("ICR") ³
Q2 2025	< 4.75x	=< 3.00x	> 1.25x
Q3 2025	< 4.75x	=< 3.00x	> 1.50x
Q4 2025	< 4.75x	=< 3.00x	> 2.00x
Q1 2026	< 4.75x	=< 3.00x	> 2.00x
Q2 2026 and thereafter	< 4.75x	=< 3.00x	> 2.50x

1. TLR is calculated as aggregate indebtedness of the Company, not including the Company's 5.0% convertible debentures and certain non-financial products, but including the First Lien Facility, senior unsecured and second lien indebtedness, less unrestricted cash and cash equivalents up to a maximum of \$50 million, divided by Adjusted EBITDA (calculated on a trailing twelve-month basis). TLR is not a recognized measure under IFRS Accounting Standards and does not have a standardized meaning prescribed by IFRS. Adjusted EBITDA is a non-IFRS measure. See the Company's Management's Discussion and Analysis filed on SEDAR+ for the method of calculating its Adjusted EBITDA.
2. SSLR is calculated as the aggregate indebtedness of the Company, not including any permitted second lien, unsecured and subordinated indebtedness, divided by Adjusted EBITDA (calculated on a trailing twelve-month basis). SSLR is not a recognized measure under IFRS Accounting Standards and does not have a standardized meaning prescribed by IFRS.
3. ICR is calculated as the same trailing twelve-month Adjusted EBITDA as the TLR and SSLR, divided by trailing twelve-month interest expense on all indebtedness and other interest and bank charges of the Company. ICR is not a recognized measure under IFRS Accounting Standards and does not have a standardized meaning prescribed by IFRS.

There is a minimum liquidity covenant of \$50 million that comes into effect as of the end of Q3 2025 and continues for the term of the facility. There are also certain terms and conditions related to permitted debt balances, distributions, investments and other items. There are no limitations on capital expenditures.

The First Lien Facility is structured to allow for more relaxed covenants, additional credit enhancements (such as an accordion feature), removal of the minimum liquidity requirement and an extension of the tenor, in the event that the Company enters into certain additional subordinated credit arrangements within the initial two-year term. If completed, the additional subordinated credit arrangements would be used in part to permanently reduce the borrowing limit of the First Lien Facility.

National Bank of Canada is the Administrative Agent under the First Lien Facility and National Bank Financial Inc., Bank of Nova Scotia, BMO Capital Markets, Canadian Imperial Bank of Commerce, and TD Bank are the Co-Lead Arrangers. The First Lien Facility has been syndicated, with the lenders comprised of affiliates of the five Co-Lead Arrangers and five other financial institutions, all of whom were parties to the previous credit facilities.

A copy of the First Lien Facility agreement will be available on SEDAR at www.sedarplus.ca in due course. NFI will be releasing its first quarter 2025 results on May 8, 2025, and will discuss its results and this new credit agreement on a conference call on the morning of May 9, 2025.

About NFI

Leveraging 450 years of combined experience, NFI offers a wide range of propulsion-agnostic bus and coach platforms, including market leading electric models. Through its low- and 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 nearly 9,000 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® (motorcoaches), Alexander Dennis Limited (single- and double-deck buses), 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, financial and operating results of NFI and the effectiveness of the First Lien Facility and the completion of certain additional subordinated credit arrangements, all of which 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 market and general economic conditions (including as a result of tariffs and other trade measures) and economic conditions of and funding availability for customers to purchase buses and to purchase parts or services (including as a result of recent U.S. policy developments); customers may not exercise options to purchase additional buses; the ability of customers to suspend or terminate contracts for convenience; production may be delayed or production rates may be decreased as a result of ongoing and future supply chain disruptions and shortages of parts and components, shipping and freight delays, and disruption to and shortage of labor supply; and the other risks and uncertainties discussed in the materials filed with the Canadian securities regulatory authorities and available on SEDAR at www.sedarplus.ca. There can be no assurance as of the completion of the credit arrangements referred to above.

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.

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