



Scottish Zero Emission Bus Challenge Fund phase two launched at Alexander Dennis headquarters in Larbert

May 16, 2023

Larbert, United Kingdom – 16th May 2023: (TSX: NFI, OTC: NFYEF, TSX: NFI.DB) **Alexander Dennis, a subsidiary of NFI Group Inc., one of the world's leading independent global bus manufacturers, today announced that it hosted the launch of the Scottish Zero Emission Bus Challenge Fund phase two (ScotZEB 2).**

The Scottish Government launched the second phase of the Scottish Zero Emission Bus Challenge Fund at the Alexander Dennis global headquarters and factory in Larbert, where it was announced that ScotZEB 2 will have up to £58 million available in grant funding.

Introduced in 2021, the aim of the ScotZEB challenge fund is to encourage significant change in the bus market in favour of zero-emission technologies, creating sustainable and inclusive growth. By supporting the swift transition to zero emission vehicles and infrastructure, ScotZEB aims to help achieve targets to reduce greenhouse gas emissions, contribute to the delivery of Low Emission Zones, encourage inward investment and growth in the supply chain of zero carbon vehicle and energy solutions in Scotland, with associated employment, economic and social benefits.

This second phase of the challenge fund expands eligibility to include financiers, manufacturers, community groups and others in the industry to work together collaboratively on applications to accelerate the adoption of zero-emission buses.

Paul Davies, Alexander Dennis President & Managing Director, said: "We are delighted to host the Scottish Government's launch of ScotZEB 2 right here in our Larbert facility, which we are currently upgrading to make it a manufacturing centre of excellence for our zero-emission buses. As a proud member of the bus decarbonisation taskforce, we have stepped up to the mark and delivered on the ask to create a small electric bus with our Enviro100EV. We are committed to supporting the just transition of decarbonising transport and funding from ScotZEB will be a welcome support for the jobs the industry offers in our communities if it benefits us and other Scottish suppliers.

"The Enviro100EV is a real all-rounder, offering an unbeatable 354kWh of battery capacity delivering a range of up to 285 miles in a manoeuvrable vehicle that will be just as much at home in housing estates of bigger cities as it will be in the more rural parts of Scotland. Alongside this big small bus available for delivery in 2024 we have our next-generation Enviro400EV double decker, creating the perfect proposition for bus operators of all sizes looking to electrify their fleets."

Minister for Transport Kevin Stewart said: "The Scottish Government has already invested £113 million towards 548 zero-emission buses and supporting infrastructure, and I'm really pleased to now be making a further £58 million available.

"Launching the second phase of the ScotZEB Challenge Fund honours this Government's pledge to drive forward a fully decarbonised future for Scotland's buses; supporting operators of all sizes, including community transport, school bus and coach operators to transform their vehicles to zero-emissions and install infrastructure which can be shared with other fleets to help them make the switch too.

"We all have a part to play in tackling the global climate emergency. Bus is currently one of the most climate friendly transport choices the public can make, and I want to keep it that way for communities across all of Scotland.

"I will continue to challenge the bus and finance sectors to deliver excellence for Scotland and by launching ScotZEB 2, I hope to see truly transformational, collaborative change in the bus market towards a zero-emission future."

Notes to editors

Images

Image shows Alexander Dennis President & Managing Director, Paul Davies (2nd from left) and Minister for Transport Kevin Stewart (centre) with Alexander Dennis apprentices Matthew Calderwood, Ben Malcolm and Luke Przybylinski, who are about to embark on support function roles in Quality, Process Engineering and Continuous Improvement for the next generation of Alexander Dennis electric vehicles, which will be built in Larbert. They are all completing a Higher National Diploma in Electrical Engineering at Forth Valley College.

High resolution images are available for download from the Alexander Dennis website at alexander-dennis.com/media/news.

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 7,700 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 (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 nfigroup.com, newflyer.com, mccicoach.com, nfi.parts, alexander-dennis.com, arbocsv.com, and carfaircomposites.com.

About Alexander Dennis

Alexander Dennis is a global leader in the design and manufacture of double deck buses and is also the UK's largest bus and coach manufacturer. Alexander Dennis offers single and double deck vehicles under the brands of Alexander Dennis and Plaxton, and has over 31,000 vehicles in service in the UK, Ireland, Europe, Hong Kong, Singapore, New Zealand, Mexico, Canada and the United States. Further information is available at alexander-dennis.com.

Forward-looking statements

This press release may contain forward-looking statements relating to expected future events and financial and operating results of Alexander Dennis and NFI Group Inc. 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 market and general economic conditions and economic conditions of and funding availability for customers to purchase buses and to purchase parts or services; 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 the pandemic or ongoing and future supply chain disruptions and shortages of parts and components, shipping and freight delays, and disruption to 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.sedar.com.

Due to the potential impact of these factors, the NFI Group Inc. 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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