NFI Leading the ZEvolution.™

Q4 and Fiscal 2021 Results

Paul Soubry
President & Chief Executive Officer

Pipasu Soni
Chief Financial Officer

David White
Executive Vice President, Supply Management

Stephen King
Group Director, Corp Dev and Investor Relations

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Cautionary Statement

Certain statements in this presentation are “forward looking statements,” which reflect the expectations of management regarding the Company's future growth, results of operations, performance and business prospects and opportunities. These forward-looking statements are made as of the date of this presentation and NFI assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws. See the Appendix to this presentation for more details about the forward-looking statements.

In addition, certain financial measures used in this presentation are not recognized earnings measures and do not have standardized meanings prescribed by International Financial Reporting Standards (“IFRS”). Therefore, they may not be comparable to similar measures presented by other issuers. See the Appendix to this presentation and the Company’s related Management Discussion & Analysis (“MD&A”) for more information and detailed reconciliation to the applicable IFRS measures.

All figures in U.S. dollars unless otherwise noted.

Key Terms

- Buses manufactured by New Flyer and ADL's single and double deck buses are classified as "**transit buses**". ARBOC manufactures body on-chassis or “**cutaway**” and "**medium-duty**" buses that service transit, paratransit, and shuttle applications. Collectively, transit buses, medium-duty buses and cutaways, are referred to as "**buses**".
- A “**motor coach**” or “**coach**” is a 35-foot to 45-foot over-the-highway bus typically used for intercity transportation and travel over longer distances than heavy-duty transit buses and is typically characterized by (i) high deck floor, (ii) baggage compartment under the floor, (iii) high-backed seats with a coach-style interior (often including a lavatory), and (iv) no room for standing passengers.
- **Zero-emission buses** ("**ZEBs**") consist of trolley-electric, hydrogen fuel cell-electric, and battery-electric buses.
- One **equivalent unit** (or “**EU**”) represents one production “slot”, being one 30-foot, 35-foot, 40-foot, 45-foot heavy-duty transit bus, one double deck bus, one medium-duty bus, one cutaway bus or one motor coach, whereas one articulated transit bus represents two equivalent units. An articulated transit bus is an extra-long transit bus (approximately 60-feet in length), composed of two passenger compartments connected by a joint mechanism. The joint mechanism allows the vehicle to bend when the bus turns a corner yet have a continuous interior.
- Many public customer contracts include options to purchase transit buses and motor coaches in the future, and a large portion of the Company’s order book is represented by “**options**” as opposed to “**firm orders**.”

Who is NFI?

NFI is a leading global independent bus and motor coach solution provider leading the evolution to zero-emission mobility.

Market and technology leader in each of our major markets.

We Exist to Move People

A better product.
A better workplace.
A better world.

Vision

To enable the future of mobility with innovative and sustainable solutions.

Mission

To design and deliver exceptional transportation solutions that are safe, accessible, efficient and reliable.

Turnkey Mobility Solutions Provider

Infrastructure Solutions

NFI Infrastructure Solutions™

Connected Vehicles & Diagnostics

NFI Connect™

ADCONNECTED

Parts, Publications, Training & Service

nfi.parts®

AD24

Buses & Coaches

NEW FLYER.

MCI

PLAXTON

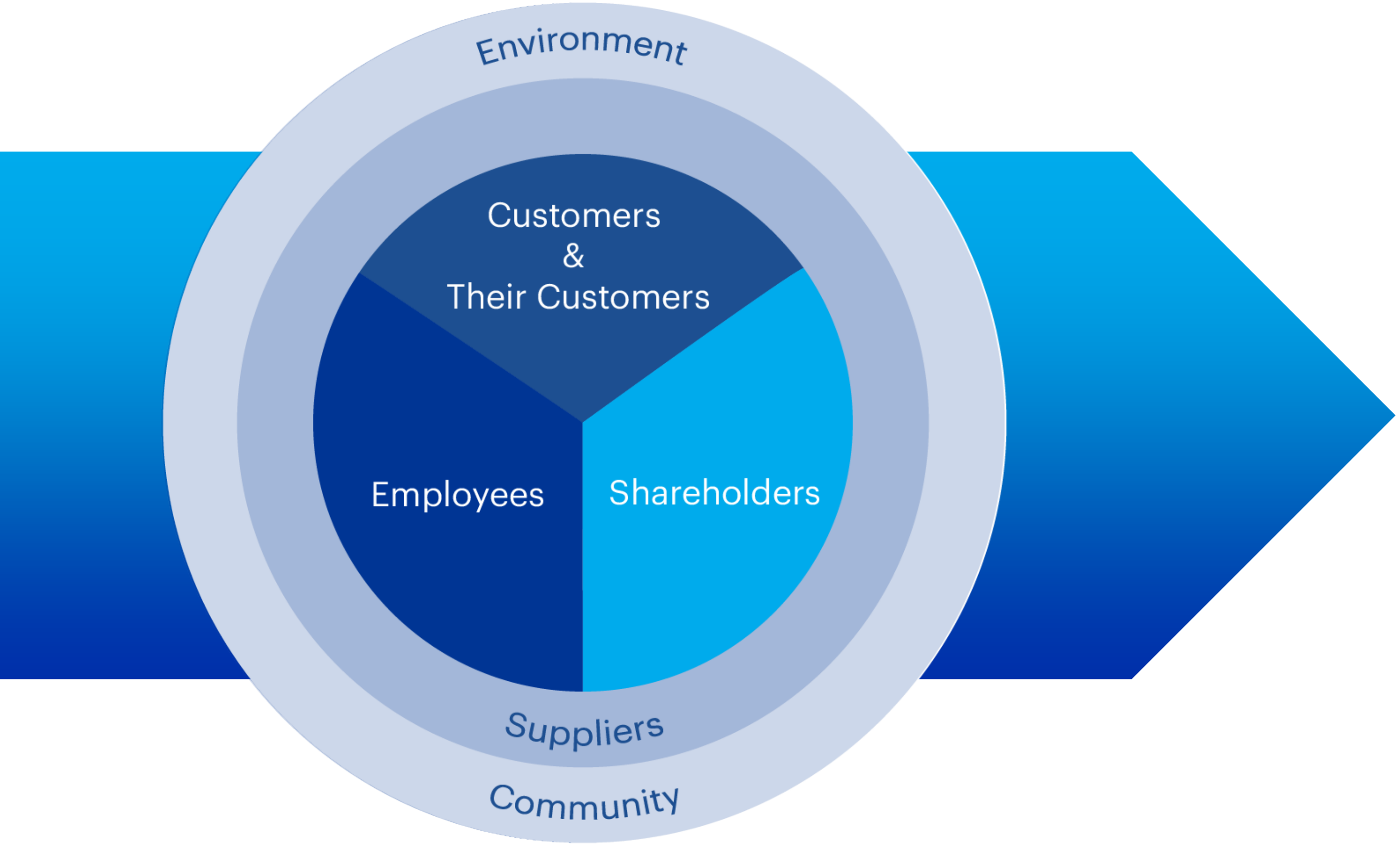
ALEXANDER DENNIS

ARBOC SPECIALTY VEHICLES

Financing

NFI Financial Solutions™

Our Values and Stakeholders Drive our Decisions



Safety

Integrity

Quality

Accountability

Teamwork

Sustainability

Global Leadership with Large Total Addressable Market

Position	2020 Market Share[1]	Market	Annual TAM[2]
#1	43%	North American Heavy-Duty Transit	$4B - $5B
#1	74%	North American Motor Coach	$1.0B - $1.5B
#1	75%	UK Heavy-Duty Bus and Coach	$1.0B - $1.2B
#1	55%	Hong Kong Heavy-Duty Transit Double-Deck	$160M - $260M
#1	70%	North American Aftermarket Parts	$600M - $700M
#1	70%	UK Aftermarket Parts	$200M - $400M

Core Market Annual TAM of $8B+ and New Opportunities of $10B+

1. Source: Management estimates, Metro Magazine, Sustainable Bus, Bus Lists
2. Source: Management estimates, APTA, Sustainable Bus, Bus Lists

Growing Internationally Through ADL

New Zealand

Growth Market
Strong ZEB commitments; unique axle load legislation creates high barriers to entry

Hong Kong

Transitioning market
ZEB high on local agenda and ADL secured first ZEB order from KMB

Singapore

Highly-bespoke
Highly-bespoke product requirements create high barrier to entry; 50 ADL Double Decks currently in service

Europe

Growth Market
Gateway to wider European market with over 600EUs on order in Ireland and Germany

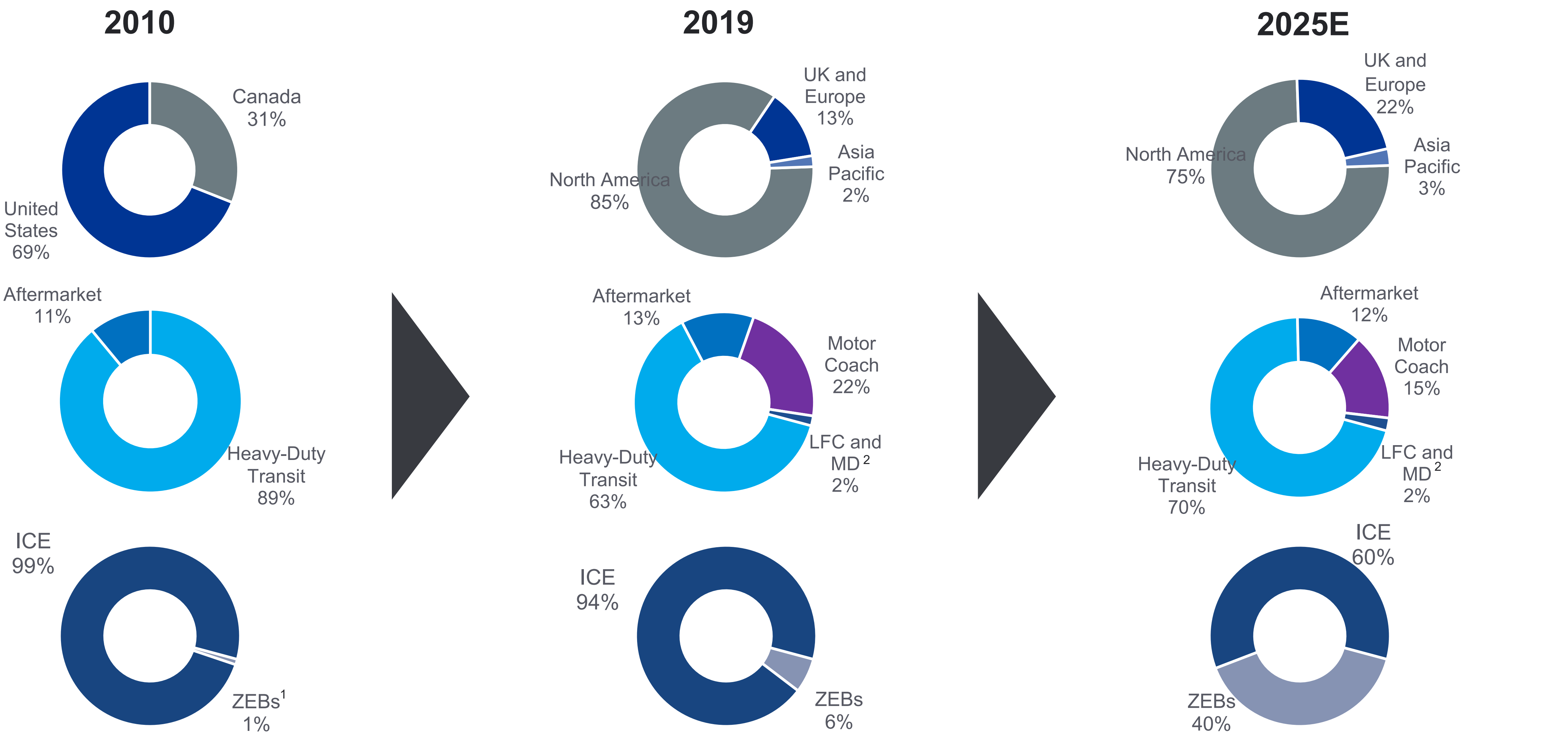
Australia

New Market and Strategic Partnership
Partnering with leading electric vehicle producer and supplier, Nexport

Exploring other opportunities in: Africa, Middle-East, South America, Asia Pacific

Business Continues to Diversify by Product and Geography

Revenue by Geography, Product Type and Propulsion (2010 – 2025E)



1. 2010 ZEB deliveries came from delivery of fuel-cell buses for Vancouver Olympics
2. LFC = Low-Floor Cutaway and MD = Medium Duty Buses

Investment Rationale

Our track record of innovation and delivery, underpinned by leading positions in markets across the globe, supports our portfolio companies to continue to Lead the ***ZE***volution™ and deliver compelling financial returns

Market leader with growing ZEB demand

Track record of delivery and performance

Full suite of propulsion agnostic mobility solutions

Unprecedented Government Funding Tailwinds

Compelling Financials

NFI Leading the ZEvolution.™

2021 Q4 and FY Results

NFI's 2020 and 2021 operations and results were impacted by the dynamics of the bus and coach industry combined with supply chain disruptions

Highly Customized Vehicles with Customer Specifications

Significant Amount of Public Government Tenders

Limited Supply Base based on Customer Specification

Customer Acceptance Process

Buy America and Other Local Content Regulations

Long Lead-Times between Order and Production

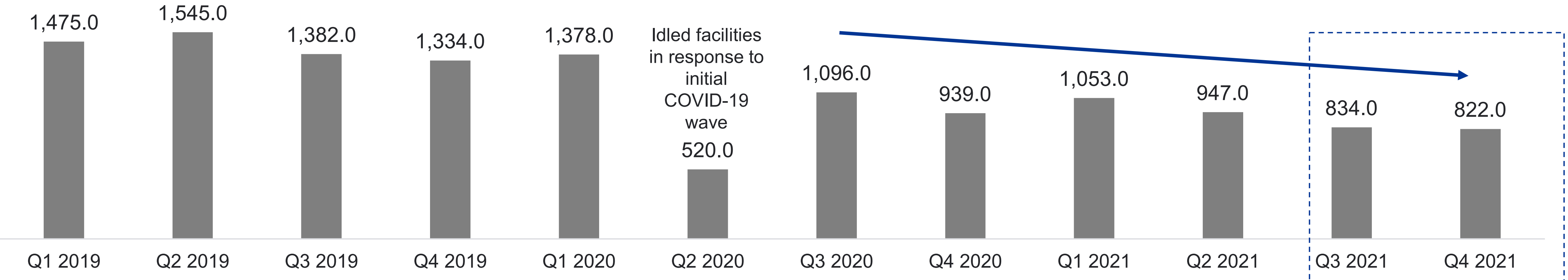
2021 Q4 and FY Financial Summary

- Continued to see market recovery with Active Bids up 70% from 2020 Q4, and orders for 1,607 EUs, an increase of 105% from 2021 Q3 and a book-to-bill of 115%
- 2021 Q4 results were negatively impacted by labor and supply chain challenges primarily related to the COVID-19 pandemic, including Omicron-related absenteeism
- NFI Forward initiatives finished the year strong with $18 million in quarterly savings and $65 million for Fiscal 2021 (combined Adjusted EBITDA and additional FCF for each); expected to drive margin expansion as volumes recover
- For the quarter:
  - Ending total backlog up 4% at 8,448 EUs ($4.5 billion(1)) with 17% of backlog being ZEBs
  - NFI leading the ***ZE***volution to zero-emission mobility with 31% of 2021 Q4 deliveries being ZEBs, over 50 million electric service miles completed and over 275 EV chargers installed
  - NFI completed C$150 million equity raise and C$338 million convertible debenture issuance in December assisted with improving liquidity to $794 million (1) and Total Leverage Ratio down to 3.79x
  - Aftermarket revenue up 13% year-over-year, despite challenges from the supply chain and pandemic; very strong quarter with 47% growth in Adjusted EBITDA (1) in the Aftermarket segment

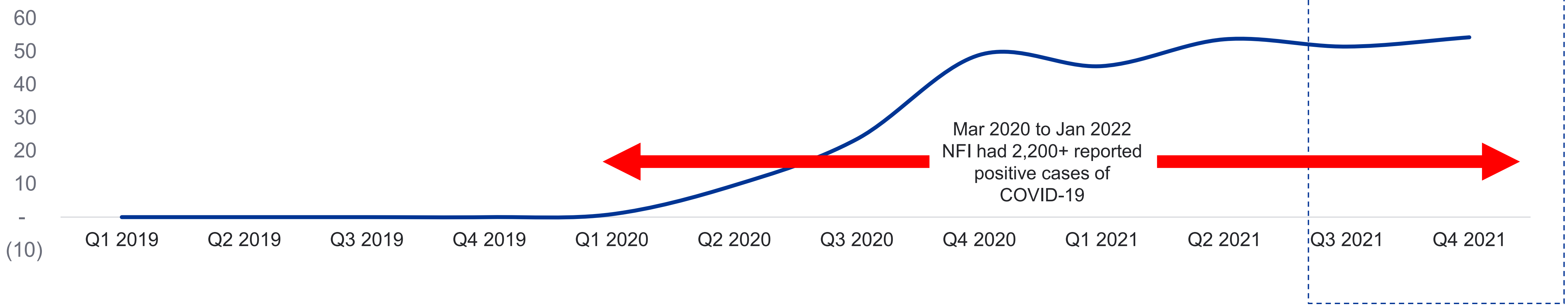
1. Backlog and Liquidity represent supplemental financial measures. Adjusted EBITDA represents a non-IFRS measure, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedar.com.

2021 Challenged by the Pandemic and Supply Chain

Total NFI 2021 Vehicle Line Entries by Quarter



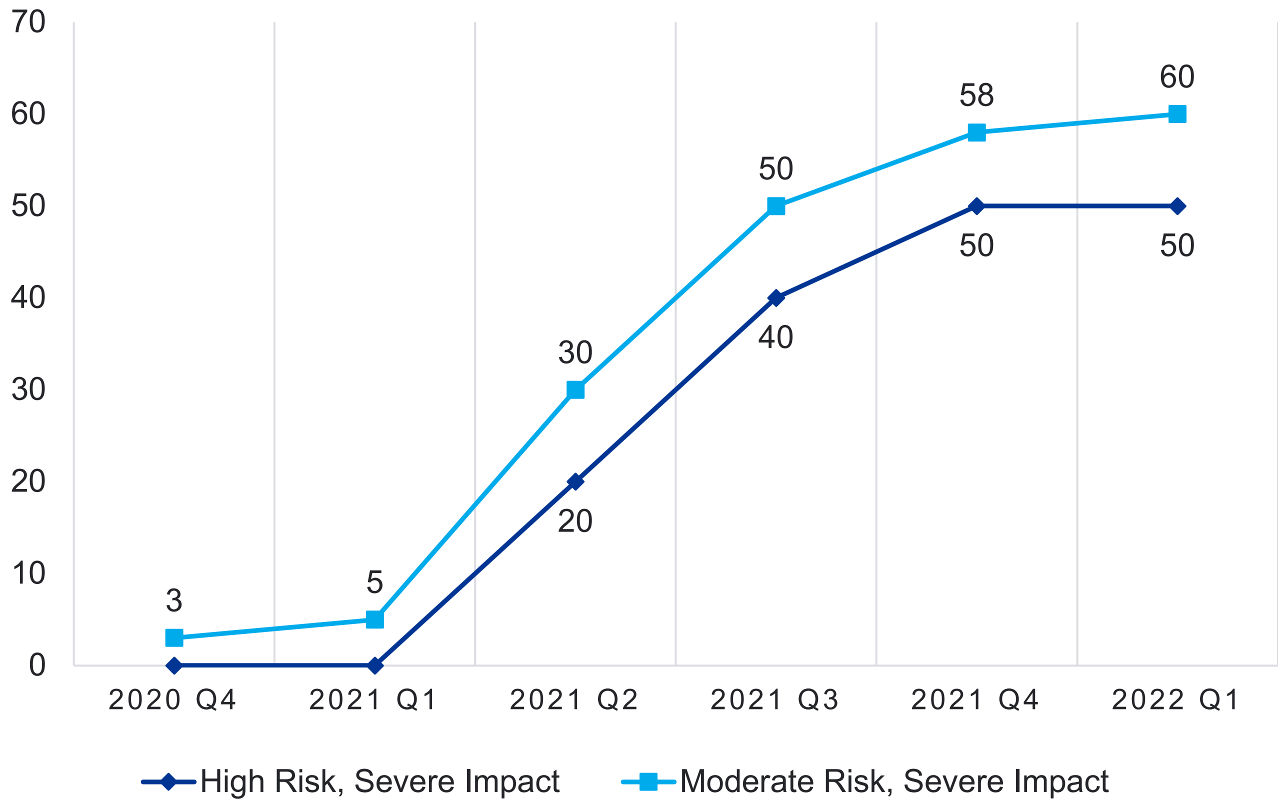
2021 COVID-19 Cases – Global by Quarter (millions)[1]



1. Source: Our world in data https://ourworldindata.org/coronavirus-source-data

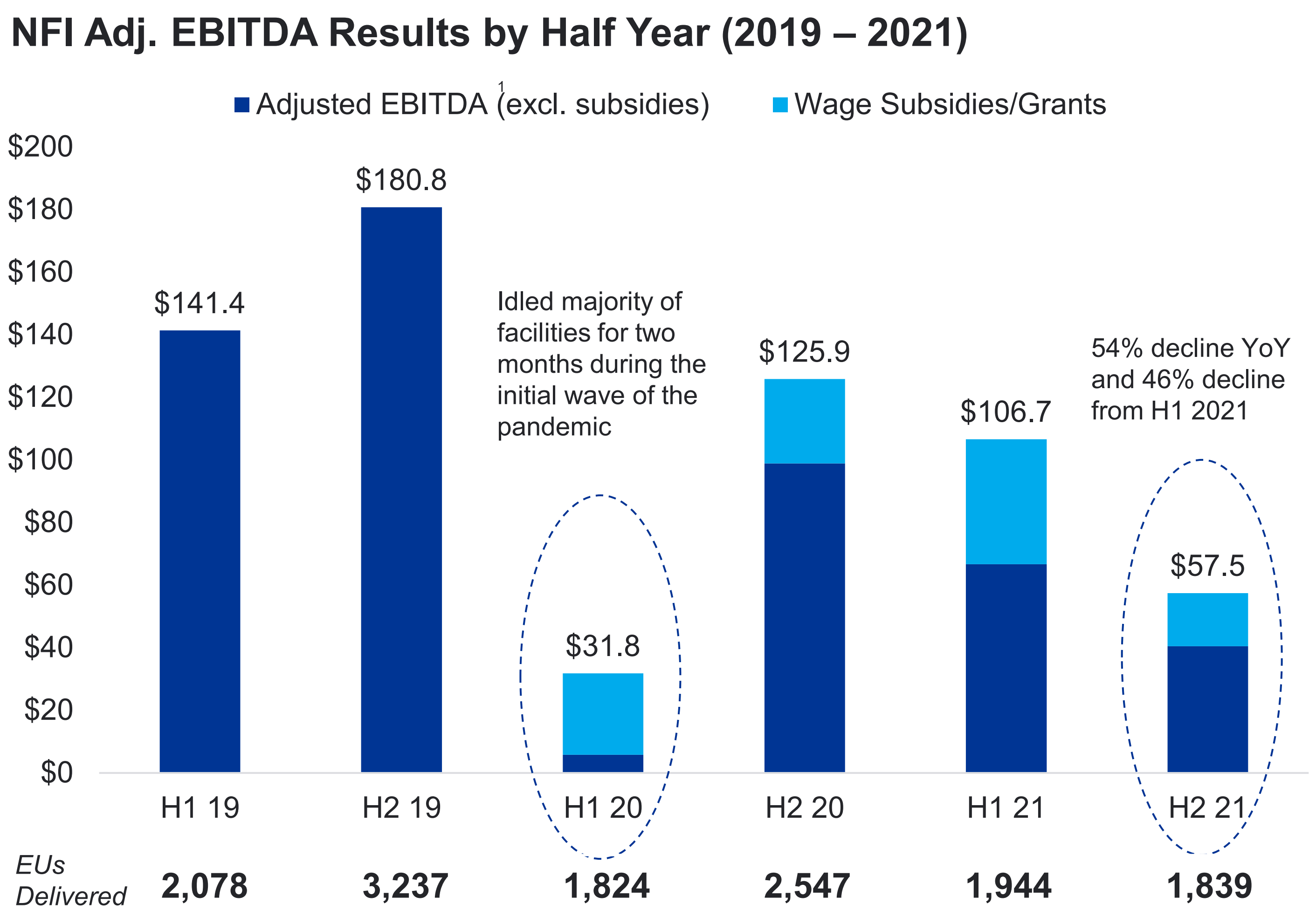
2021 Challenged by the Pandemic and Supply Chain

NFI High and Moderate Risk Suppliers (2020 Q4 to 2022 Q1)



- NFI had zero high risk/severe impact suppliers to start 2021 with some moderate risk/impact suppliers
- While there were some increases in 2021 Q2, a much more significant increase in high risk and severe impact suppliers occurred in the second half of 2021
- Critical supply shortages escalated in 2021 Q3 and Q4, NFI lowered production line rates and idled facilities
- Areas of concern are electrical systems and controllers containing microchips, electrical and plastic components, chassis for cutaways, aluminum extrusions, and labor and logistic disruptions
- 2022 Q1 fire at sub-supplier to NFI's primary North American battery supplier creates disruption. Additional impact given delays delivery of higher dollar margin buses at both New Flyer and MCI
- Anticipate recovery H2 2022 driven by discussions with suppliers and broader macro-outlook

2021 Challenged by the Pandemic and Supply Chain

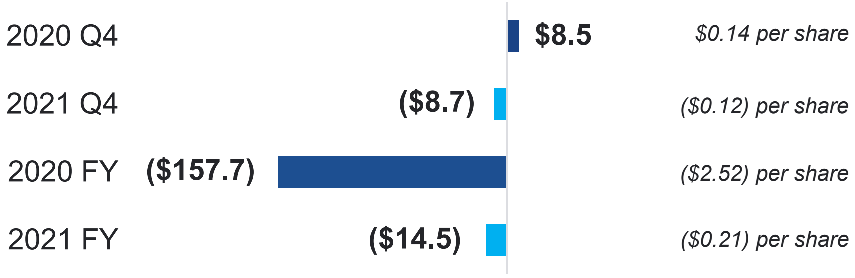


- Pandemic related disruptions severely impacted 2020 results with a $24M Adjusted EBITDA loss in 2020 Q2
- Significant government funds received in 2020, including $28M in H1 2020 and $27M in H2 2020
- H1 2021 saw improvement, with reductions in COVID-19 cases and contribution of $40M in government grants
- H2 2021 was significantly impacted by supply chain disruption, with lower deliveries across the entire group; in addition, NFI received lower government grants during H2 2021 as compared to H2 2020

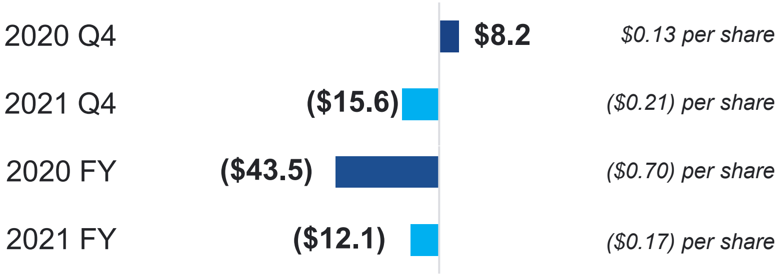
1. Non-IFRS Measure.

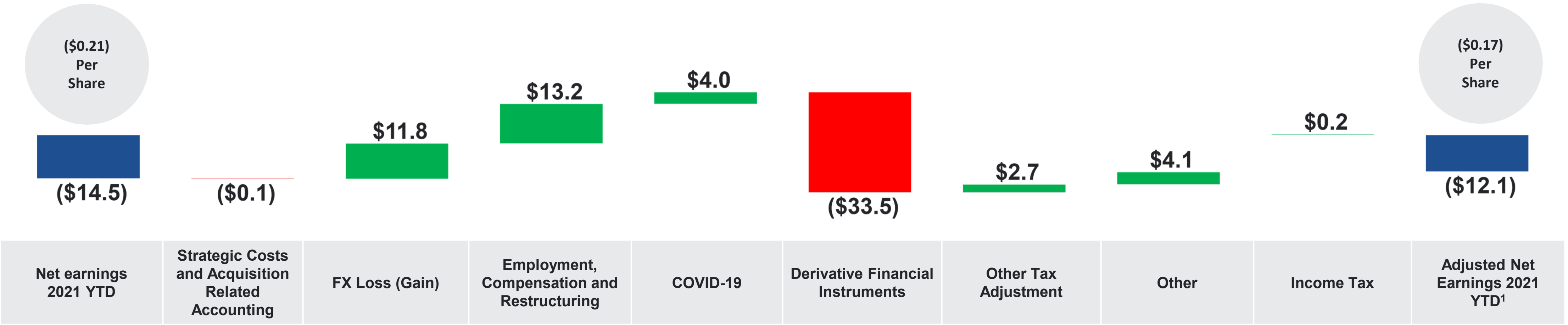
2021 Q4 and FY: Net Earnings and Adjusted Net Earnings

Net Earnings (Loss) ($M)



Adjusted Net Earnings (Loss) ($M)[1]





1. Adjusted Net Earnings (Loss) per share is a Non-IFRS ratio, containing Adjusted Net Earnings (Loss), a non-IFRS measure. They are not defined term under IFRS and do not have standard meanings, so they may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedar.com.

Proactive Response to the Pandemic Continues

Cost Reductions and Cash Flow Generation

- Closed 13 facilities in North America[1]
- Consolidated NFI and ADI Parts[1]
- Decreased OH & SG&A by $55M in total[1]
- Reduced annual dividend by 50%; savings of $53M
- Increased usage of 3rd Party Manufacturers in UK and APAC

Focus on Balance Sheet and Deleveraging

- Raised C$400M in equity
- Issued a C$338M convertible debenture
- Entered into a five-year, $200M interest rate swap at a rate of 0.21%
- Obtained temporary covenant relief until 2023
- Added working capital days as executive compensation measure

NFI Forward program combined with other initiatives to drive performance

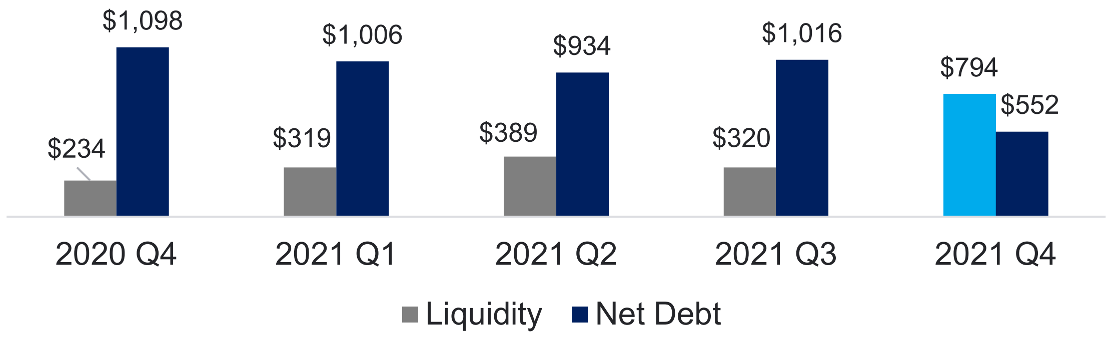
1. Part of NFI Forward initiatives

Strengthened the Balance Sheet in 2021

- Total Financings of C$738M in 2021:
  - February 2021: C$250M (8.4M shares at $29.60 per share)
  - November 2021: C$150M in equity (6.1M shares at C$24.55 per share)
  - November 2021: C$338M in debt (5.0% convertible senior unsecured debentures with 35% premium to the C$24.55/share price), with an oversubscription
- Proceeds focused on strengthening the balance sheet and deleveraging and operational and strategic goals
- Main senior credit facility also amended to provide flexibility with respect to key covenants for Fiscal 2022 and 2023
- Converts excluded from senior credit facility covenant calculations with three-year no conversion or pre-payment clauses and cash settlement option

Fund Raises (C$M)

NFI Liquidity and Net Debt[1] (U.S. $M)



Raised C$738M in 2021 to diversify debt and reduce leverage

1. Debentures are excluded from Net Debt calculation for covenant and liquidity purposes

2022 Financial Guidance

Revenue

$2.5 billion to $2.8 billion

ZEBs expected to make up 20% to 25% of delivered units

- Expected growth in ZEB sales based on backlog and expected new orders from increased market demand
- Reduced production rates as a result of:
  - Supply chain challenges
  - Impact of a fire at a key battery anode sub-supplier
  - Lower labor availability

Adjusted EBITDA[1]

$100 million to $130 million

10% to 20% of Adjusted EBITDA in H1 2022; 80% to 90% of Adjusted EBITDA in H2 2022

- Supply chain challenges persist in H1 2022
- Challenges with labor availability and lost time related to pandemic
- No government grants in 2022, as compared to $56 million in 2021
- Increased inflation from supplier price increases
- Ramp up of operations and financial improvement in H2 2022
- NFI Forward savings somewhat offset headwinds

Cash Capex

$25 million to $35 million

~80% allocated to maintenance and R&D; ~20% allocated to NFI Forward projects

- Focus on closing out NFI Forward projects initiated in 2021
- Allocate resources based on priority
  - Maintain production run rates
  - Invest in strategic R&D projects

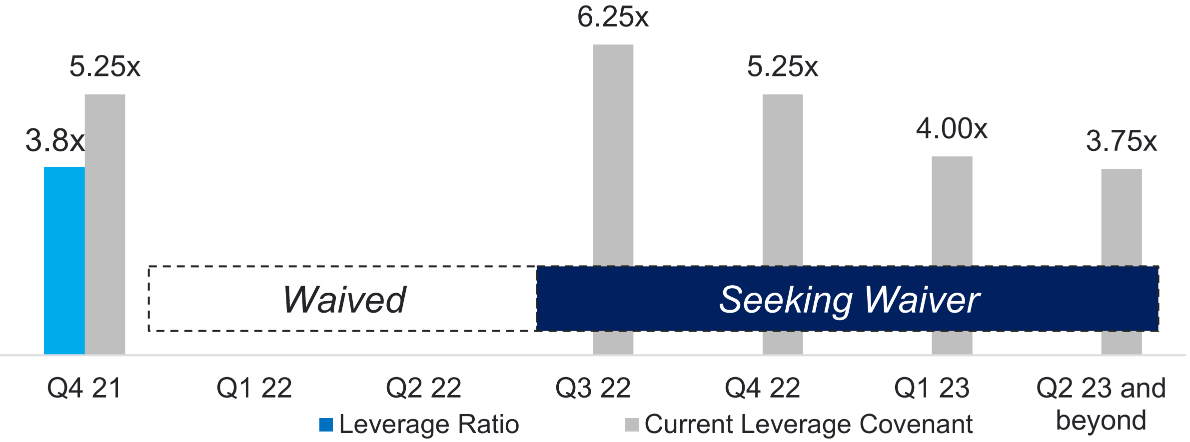
The conflict in Ukraine has not materially impacted NFI's production or operations to date; NFI's outlook for 2022 and beyond does not reflect any potential impact on supply or other factors rising directly or indirectly as a result of the Russian invasion of Ukraine.

1. Non-IFRS Measure.

2022 Financial Outlook: Additional Covenant Relief

- NFI amended its credit agreement to obtain a leverage waiver for 2022 Q1 and Q2, with leverage covenants resuming in Q3 2022 at heightened levels
- Due to impacts of supply chain disruption and COVID-19, NFI's anticipated lower trailing twelve month Adjusted EBITDA may affect Company's compliance with returning covenants. **Challenge driven by calculation rather than cash capacity**
- NFI is in detailed discussions with its banking partners to obtain further covenant relief into the first half of 2023. NFI's historic profile of cash generation and expectations for growth drive management's expectations that NFI will return to a sub-3.75x leverage in late 2023 or early 2024
- Management is currently pursuing other options to lower its net debt to best position the Company for success as it capitalizes on market recovery

NFI Leverage 2021 Q4 and FY 2022–FY 2023 Covenants

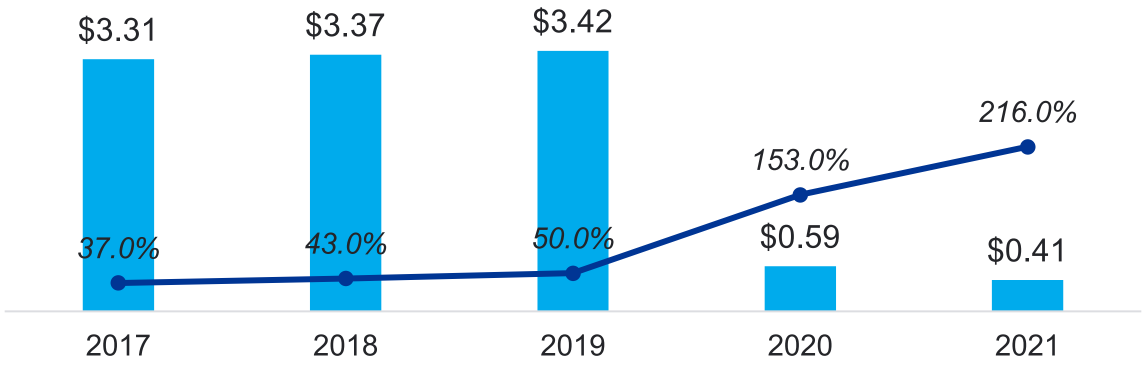


NFI Opportunities to Lower Leverage

Opportunity	Impact	Amount
Accounts Receivable financing/factoring	Net debt reduction	Up to $75M
Customer deposits	Net debt reduction	~$30M
Supplier financing	Net debt reduction	Up to $20M
Facility sales & leaseback	Net debt reduction	Up to $10M
Customer surcharges	Adj. EBITDA improvement	TBD
Various cost reductions	Adj. EBITDA improvement	$10M+

2022 Financial Outlook: Dividend Reduction

Free Cash Flow per Share(2) and Payout Ratio (2) (FY 2018 to FY 2021)



Dividend reduction in 2022

Quarterly payments of $0.0531/share

Reflects impact of supply chain disruption and leverage pressure

Opportunity for an increase based on improved financial performance in 2023

1. Source: Refinitiv – based on December 31 share price for each period.
2. Free Cash flow per share and Payout Ratio represent non-IFRS ratios containing non-IFRS measure Free Cash Flow, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedar.com.

Near-Term: Where we go from Here (2022 Q1–2023 Q1)

PHASE 1 - COMPLETE
Initial Recovery & Bid Activity Growth

- North American Public Bid Activity Increased (+70% from 2020 Q4)
- NA Private Markets at 25% pre-COVID-19 levels
- UK and Scotland driving EV adoption and government funding
- Parts sales recovering as travel resumes and vaccines rolled out plus benefit of APAC program
- Government funding announcements completed

PHASE 2
Project Awards

- North American Awards released, government funding structures and policies being finalized
- NA Private Markets at 50% pre-COVID-19 levels
- UK and Scotland seeing benefits of UK funding
- European markets improving
- Parts sales in private growing
- Supply chain challenges plus impact of COVID-19 on 2020/2021 customer orders impacting deliveries across NFI, lowering expected revenue and Adjusted EBITDA. Also, no receipt of government subsidies

PHASE 3
Production Recovery

- 2021 and 2022 Public Transit awards result in increased production
- NA Private Markets at 75% pre-COVID-19 levels by 2023
- UK and Scotland seeing benefits of UK funding
- European markets improving
- Asia Pacific entering new cycle
- Anticipate recovery from supply chain challenges to generate improvements in revenue and Adjusted EBITDA

2021 Q1 | 2021 Q2 | 2021 Q3 | 2021 Q4 | 2022 Q1 | 2022 Q2 | 2022 Q3 | 2022 Q4 | 2023 Q1

Leading the ZEvolution.™

Looking Forward

NFI's Strategic Outlook for 2022 - 2025

We have a fundamental role to play in meeting the challenge of climate change.

Transport is one of the biggest global polluters

Buses are leading the vehicle transition to ZE in our markets around the globe

It’s not just about emissions—there is a need to reduce congestion. Modal shift away from private car usage

COVID-19 era strengthening ESG commitments from all stakeholders and placing increased focus on diversity, equity and inclusion

Proven product and service line that supports our stakeholders at each stage in their ***ZE***volution™

Market Leaders with Track Record of Innovation and Delivery

Deep Industry Knowledge and Expertise

450+ Years
bus and coach experience

105k+ Vehicles
buses and coaches in service

50+ Years
electric bus experience

Walking the Talk

#1
ZEB OEM in NA and UK

50M+ Miles
electric vehicle service miles

275+ Installs
of electric chargers

80+ Cities
with NFI ZEB in service or on order

~8,000+ Capacity
annual ZEB production capacity

Looking Forward

Resiliency and recovery from the pandemic.

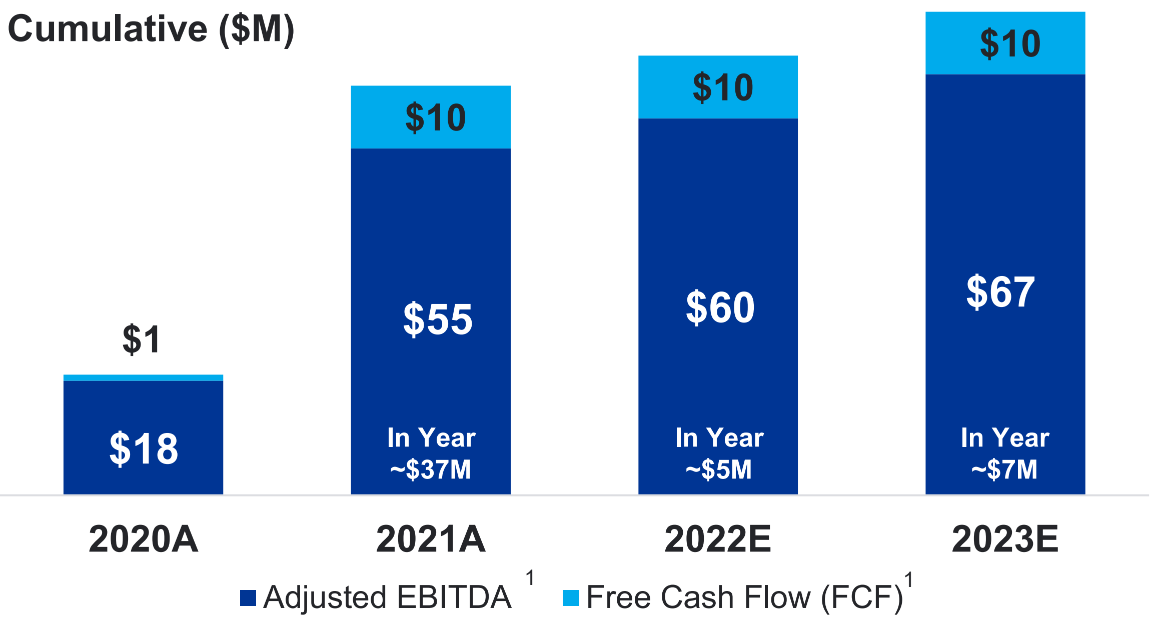
Execution of NFI Forward → **Capitalize on Record Bid Activity** → **Industry-Leading EV Line-Up** → **Grow with Government Funding** → **Achieve Financial Targets**

Execution of NFI Forward | Capitalize on Record Bid Activity | Industry-Leading EV Line-Up | Grow with Government Funding | Achieve Financial Targets

Reduction of fixed overhead and SG&A expenses by 8% to 10% from 2019 levels will create drop through to Adjusted EBITDA and FCF as volumes recover

- ✓ Admin Functions Centralized
- ✓ Combination of North American Bus and Coach
- ✓ Consolidation of Canada/U.S. Aftermarket
- ✓ UK Manufacturing Optimization
- Canada/U.S. Manufacturing Site Optimization
- Group-Wide ZEB Sourcing Strategy

Timing of NFI Forward Benefits (2020 – 2023)



NFI Forward delivering as expected and on-track for 2023 savings. Launching NFI Forward 2.0 which will generate further Adj. EBITDA and Free Cash Flow

Execution of NFI Forward

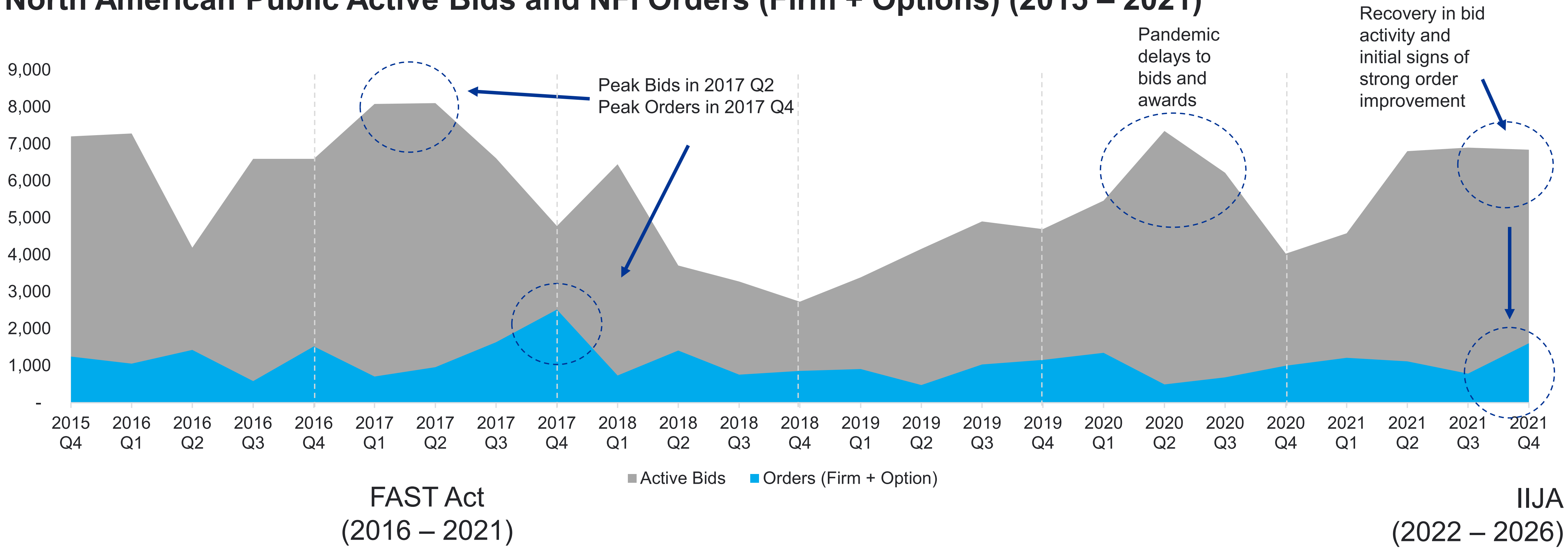
Capitalize on Record Bid Activity

Industry-Leading EV Line-Up

Grow with Government Funding

Achieve Financial Targets

North American Public Active Bids and NFI Orders (Firm + Options) (2015 – 2021)



Based on 2017 and 2018 profile and NFI's historic win rates, we could see the addition of over 3,000 EUs to backlog within the next 6 to 12 months

Execution of NFI Forward | **Capitalize on Record Bid Activity** | Industry-Leading EV Line-Up | Grow with Government Funding | Achieve Financial Targets

6,901 EUs
2021 Q3
Active Bids

−

1,706 EUs
Awards Issued in
2021 Q4

+

1,650 EUs
New RFPs Released
in 2021 Q4

=

6,845 EUs
2021 Q4
Active Bids

+11%
Active Bids increase from 2020 Q3

Strong growth driven by several large Canadian agency orders

NFI received 83% of all awards released in 2021 Q4

Several major agencies released new RFPs in the quarter including 28% ZEB

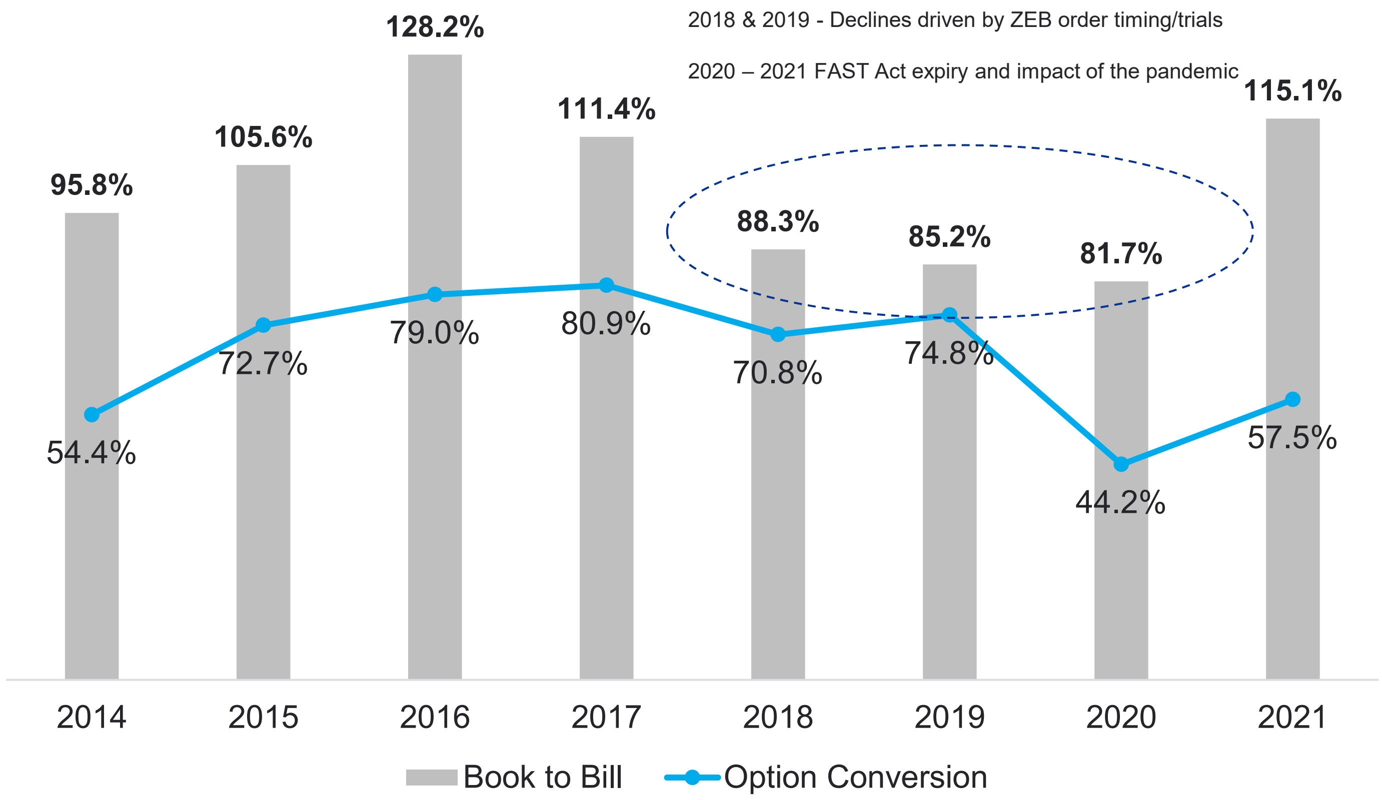
+69.8%
Compared to 2020 Q4

Active bids flat to end 2021 with anticipation for further growth in 2022

Forward Five-Year Outlook includes additional 20,000 EUs or 4,000 EU/annum Underpinned by 20+ Purchasing Schedules where NFI is named

Book-to-Bill recovery to 100% in 2021 driven by increased bid and award activity in H2 2021, in combination with lower delivery volumes. Anticipated to remain above 100% in 2022 and 2023

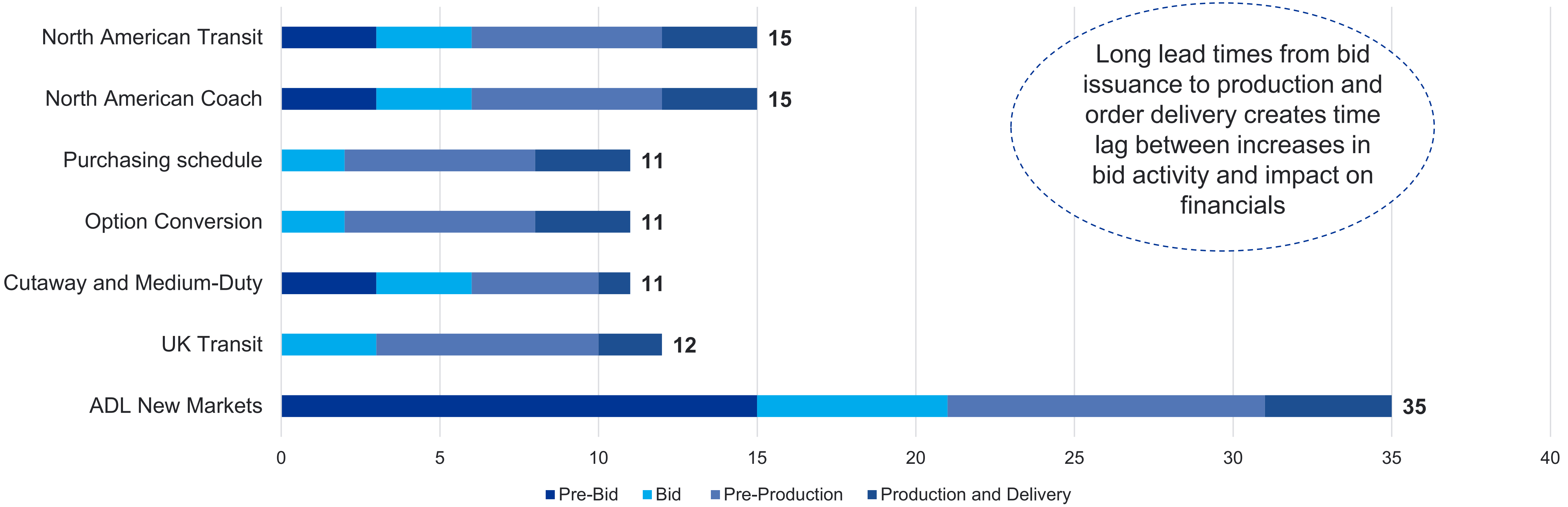
Book-to-Bill and Option Conversion (2014 – 2021)



- Bid volume driving order increase
- Book-to-Bill expected to be above 100% in 2022
- Some historic ICE options will not convert from backlog
- Overall conversion rate should improve in 2023 through 2025 with more ZEB orders

Execution of NFI Forward | **Capitalize on Record Bid Activity** | Industry-Leading EV Line-Up | Grow with Government Funding | Achieve Financial Targets

Average Timing from Pre-Bid Through to Delivery (in Months) – Creates lag on NFI's financial results



Long-lead time on new bids and new markets
Options, purchasing schedules and open contracts move faster

Execution of NFI Forward | Capitalize on Record Bid Activity | **Industry-Leading EV Line-Up** | Grow with Government Funding | Achieve Financial Targets

North America's Leader in ZEBs

UK & New Zealand ZEB Leader

Execution of NFI Forward | Capitalize on Record Bid Activity | **Industry-Leading EV Line-Up** | Grow with Government Funding | Achieve Financial Targets

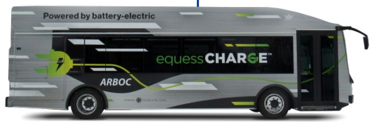
2021

NFI launched six new battery and fuel-cell electric vehicles including North America's first Level 4 Automated Transit Bus.

xcelsior AV™

JAN

FEB



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J4500 CHARGE™

JUN

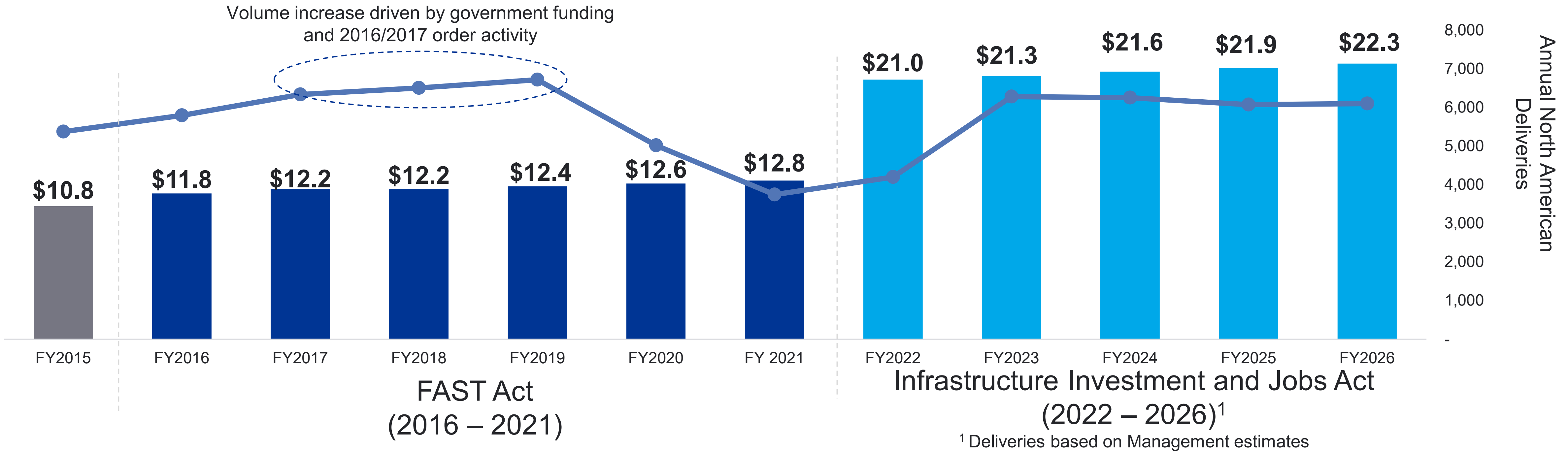
ENVIRO500EV CHARGE

2022

- New battery platforms
- First sales of ADL's fuel-cell H2.0 vehicle in the UK
- Additional deliveries of battery-electric double-deck buses into the APAC market

Execution of NFI Forward | Capitalize on Record Bid Activity | Industry-Leading EV Line-Up | **Grow with Government Funding** | Achieve Financial Targets

US Federal Transportation Administration Annual Appropriations and North American Market Deliveries 2015 – 2026E



[1] Deliveries based on Management estimates

Similar to FAST Act profile of 2017 – 2019, we anticipate a significant increase in unit deliveries in 2023 – 2025 matched to the new funding cycle

Dedicated Canadian Federal Government Funding

→ $17.6B Green Recovery Funding

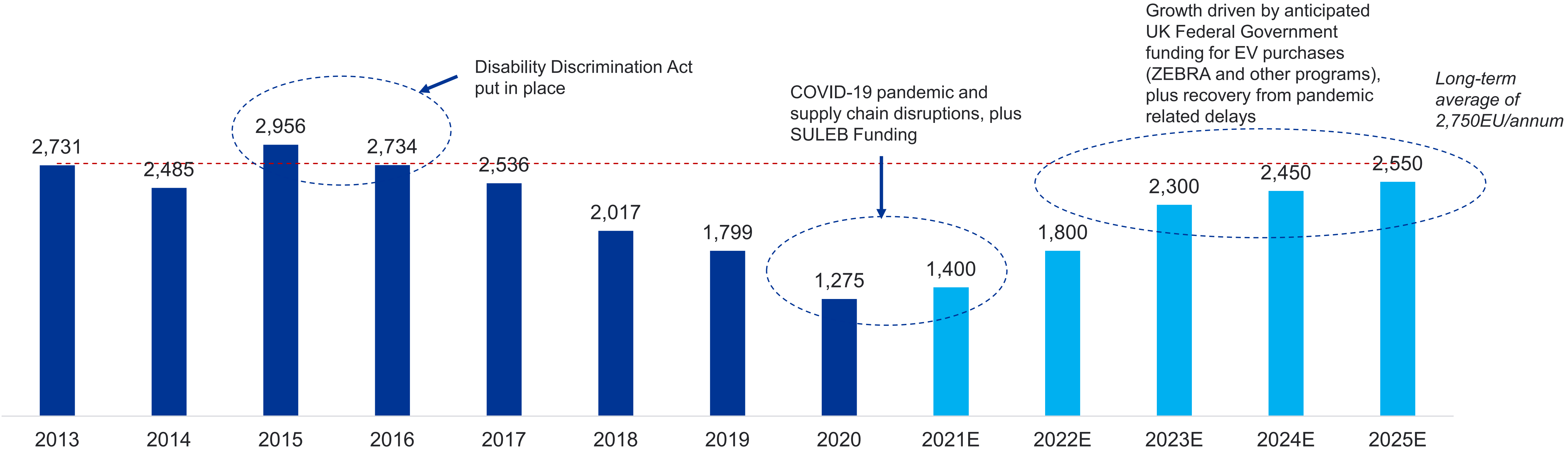
→ $14.9B Transit Funding Program

→ $1.5B Canadian Infrastructure Bank

Canadian Programs Launched to Date

Commitment for the replacement of 5,000 ICE buses to zero-emission with dedicated annual funding will assist in driving Canadian transit market recovery

UK Annual Deliveries and Funding Schemes (2015 – 2026E)



1. Source: Historic ADL data coming from Transport Resources International and Bus Lists. Forward estimates based on the midpoint of managements expectations for the range of market deliveries.

Anticipate market recovery in the UK driven by vehicle age and pandemic-related delays combined with higher zero-emission (battery- and fuel cell-electric) demand stemming from increased government funding

Execution of NFI Forward | Capitalize on Record Bid Activity | Industry-Leading EV Line-Up | Grow with Government Funding | **Achieve Financial Targets**

2025 Financial Targets

Revenue
$3.9 billion to $4.1 billion

ZEBs expected to make up 40% of manufacturing revenue

- Driven by market recovery in North American Bus and Coach and UK transit
- Continued growth of ARBOC in cutaway and medium-duty markets
- ADL's international expansion in Europe and APAC
- More than doubles ZEB percentage of sales from 2021 levels

Adjusted EBITDA(1)
$400 million to $450 million

- Increased volume of higher dollar margin ZEB sales
- Private markets begin to return to pre-COVID levels in 2023
- Significant volume drop-through with cost base reductions generated from NFI Forward initiative
- Viewed as conservative target

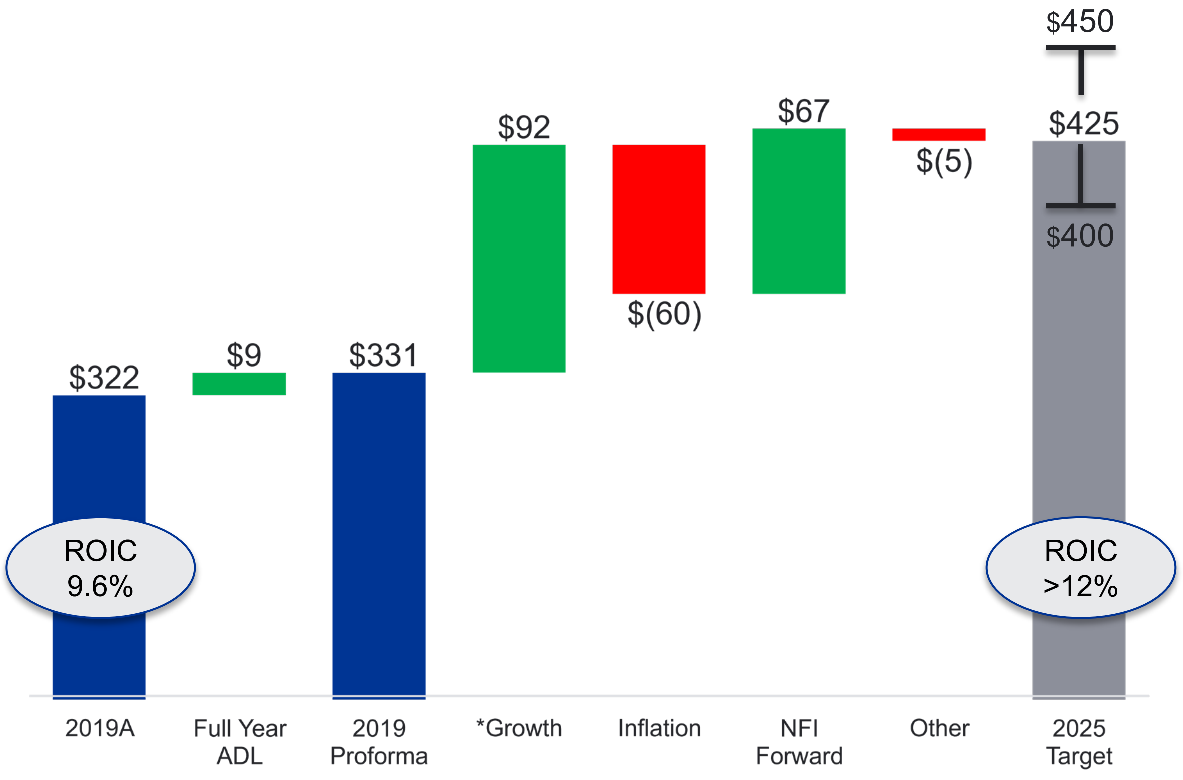
ROIC(2)
>12%

- Adj. EBITDA performance combined with realizing upon benefits of investments made in facilities, products, acquisitions
- Potential tax upside may drive higher ROIC

1. Non-IFRS Measure.
2. Represents a non-IFRS ratio, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. The ratio is calculated using net operating profit after tax and average invested capital both of which are non-IFRS measures. See Non-IFRS and Other Financial Measures section of the MD&A available on SEDAR at www.sedar.com.

Revenue CAGR of ~6% from 2019PF to 2025 with a target of $400M to $450M of Adjusted EBITDA[1]

Bridge from 2019 to 2025 Adj. EBITDA Target Range ($M)



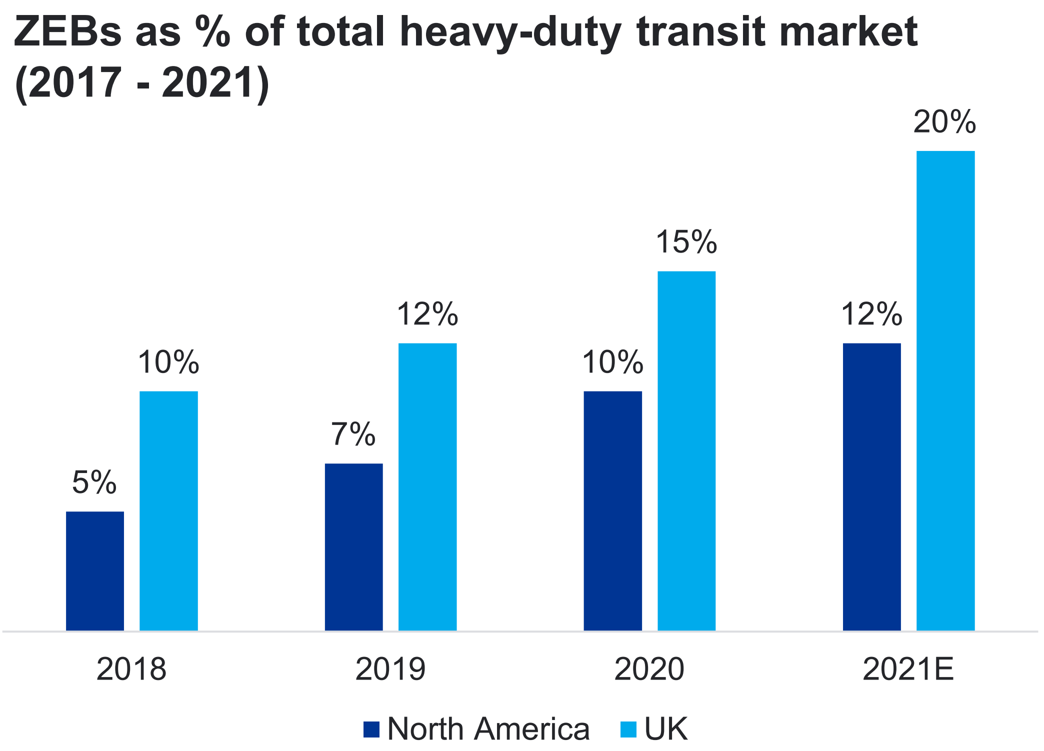
* Growth includes volume, mix and FX

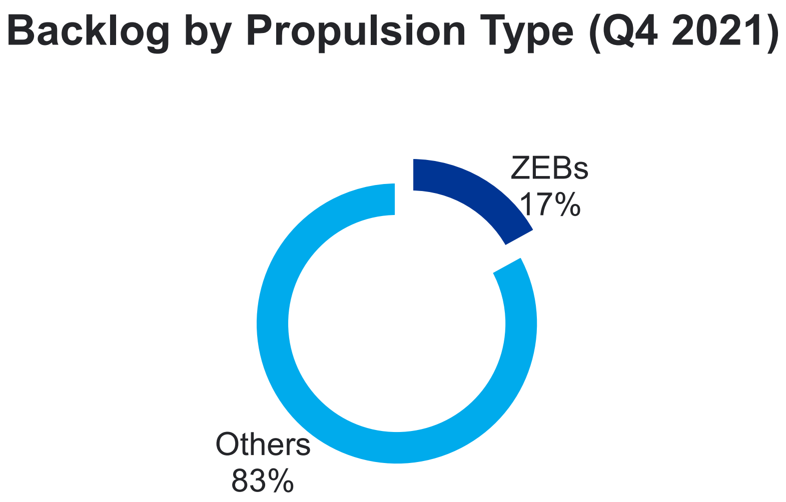
Key Initiatives:

- Higher % of zero-emission buses
- North America, UK and APAC market recovery
- Growth of cutaway and medium-duty
- Realization of NFI Forward Benefits
- Aftermarket expansion into new markets
- Continuous improvement initiatives

Execution of NFI Forward | Capitalize on Record Bid Activity | Industry-Leading EV Line-Up | Grow with Government Funding | **Achieve Financial Targets**

Increasing demand for EVs across NA and International Markets



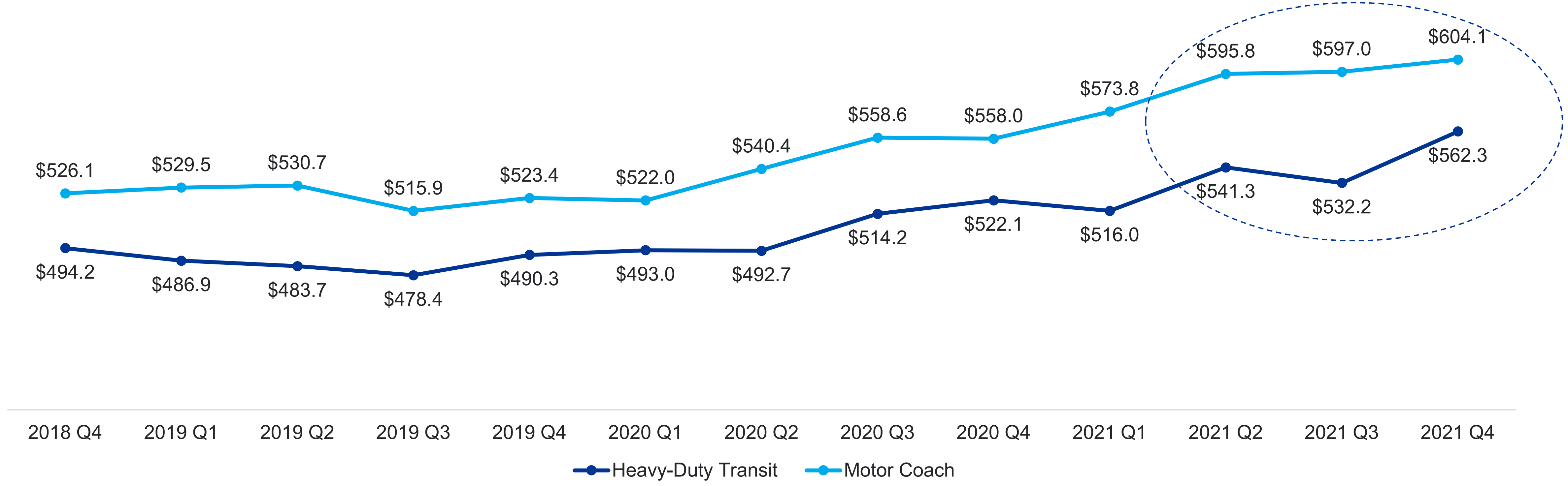


Growing demand for electric buses and coaches in core markets, driven by government funding and the drive to zero-emissions.
Transition is growing NFI's ZEB backlog with higher dollar revenue and margin vehicles

Execution of NFI Forward | Capitalize on Record Bid Activity | Industry-Leading EV Line-Up | Grow with Government Funding | **Achieve Financial Targets**

NFI Backlog Average Sales Price per EU (2018 to 2021)

Increasing Transit and Coach sale prices driven by increased number of ZEBs in backlog. Will drive higher $$/EU contribution



ZEBs, on average, command a price premium to ICE vehicles and a dollar margin uplift. ZEB backlog growth positions NFI on its path to achieve 2025 targets.

Execution of NFI Forward | Capitalize on Record Bid Activity | Industry-Leading EV Line-Up | Grow with Government Funding | **Achieve Financial Targets**

Capital Allocation Priorities

- Debt Management & Leverage Reduction
- Invest in Highest Return Projects: EPS expansion from funding ROIC driving projects
- Dividends: Increase as financial performance improves – with potential for growth to 2025
- Acquisitions: Continue to acquire for diversification, channel expansion, technology, insourcing and geographic advantages
- Share repurchases: Depends on price to value

Dividend remains an important capital allocation priority for NFI. Announced a reduction of quarterly dividend, but potential to increase dividend as financial performance improves.

Other Opportunities Not Included in Our 2025 Targets

Market Expansion

Entry into new markets through ADL

Expanded North American Parts Offerings

Expanded usage of KMG and Carfair for third parties

Operations

Additional in-sourcing for electric and ICE vehicles

Expanded usage of KMG and Carfair into our operations

Use of additional third-party manufacturing

Leveraging Technology

Expansion into -as-a-Service Models and Partnerships

Increased Financial Offerings for Electric Vehicles

Monetizing data from autonomous and connected vehicles

Why Invest in NFI?

Market Leader with Unprecedented Demand

- NFI holds leadership positions in North American heavy-duty transit, motor coach, low-floor cutaway and aftermarket parts
- NFI is the market leader in the UK and the leading seller of double-deck buses in the world
- Historic funding announcements in all core markets including:
  - $100B+ investment in US public transit through the Infrastructure Investment and Jobs Act
  - $30B+ investment in Canadian public transit through dedicated Transit Funding Program and other initiatives
  - £5B investment in UK public transit and cycling
  - Planned replacement of over 35,000 buses from ICE to zero-emission

Key Competitive Advantages

- Full suite of mobility solutions including vehicles, infrastructure, smart connected technology, diagnostics and aftermarket, warranty and service
- Decades of investment, innovation and product development
- Largest manufacturing capacity with the ability to manufacture over 9,000 vehicles annually of which 8,000 can be battery or fuel-cell electric
- Deep customer relationships forged through decades of performance and reliability
- Unparalleled aftermarket support and the largest service networks
- LEAN manufacturing capabilities and Hoshin Kanri execution
- Internal fabrication capabilities with significant insourcing

Compelling Financial Profile

- History of double digit ROIC with expectations for 12%+ by 2025
- Quarterly dividends paid consistently since 2012
- 2025 Growth Targets for $400M to $450M of Adjusted EBITDA with approximately 40% of production from zero-emission buses
- Low-capital intensity
- Strong Free Cash Flow generation with historic 50%+ conversion rate prior to the pandemic
- Diversified debt profile with senior revolving credit facility and subordinated convertible debentures
- Liquidity of greater than $700M

Appendix

Looking Forward: Strategic Imperatives and Key Priorities

Operational Excellence

Sustainable Solutions

Market Leadership

Profitable Growth

- Maintain leadership position in zero-emission buses in core markets by offering the best products, with the lowest total cost of ownership, highest performance and range availability
- Leverage industry-leading service network to drive customer satisfaction, assist with transition to zero-emission buses, and support NFI's continued growth
- Focus on workforce development, tangible community impacts, and creation of long-term, sustainable value
- Continuous improvement initiatives and insourcing to drive ROIC and cash flow, while strengthening our balance sheet
- Expansion into new markets for core bus, coach and parts products

North America's best EV lineup

	Equess	Xcelsior CHARGE NG (battery-electric)	Xcelsior CHARGE H2 (fuel-cell)	MCI Electric Coaches J4500 (Private) and D45 CRT(Public and Private)	Enviro500EV CHARGE
Lengths	30' and 35'	35', 40', and 60'	40' and 60'	J4500 – 45' D45 CRT LE CHARGE – 45'	45'
ESS (kWH)	30' – 350 35' – 437	35' – 350 to 440 40' – 350 to 525 60' - 525	40' – 160 (700 with fuel-cell) 60' – 320 (1,100 with fuel-cell)	J4500 – 544 D45 CRT LE – 389	648
Range (Miles)	30' – 210 35' – 230	35' – 179 to 220 40' – 174 to 251 60' – 153	40' – 350 60' – 350	J4500 – 240 D45 CRT LE – 170	
Motor	Siemens ELFA3	35' and 40' – Siemens ELFA3 60' – Siemens ELFA3 and ZF AVE 130	40' – Siemens ELFA2 60' – Siemens ELFA2 and ZF AVE 130	Siemens	
Battery Provider	XALT	XALT	XALT Ballard – fuel-cell	XALT and A123	Proterra

Industry-Leading EV Line-Up

	NFI	NOVA BUS	GILLIG	REV Vehicles for life	PROTERRA	BYD	ARRIVAL
Battery-Electric	✓	✓	✓	✓	✓	✓	✓
Fuel Cell-Electric	✓			✓			
Electric Trolley	✓						
Diesel-Electric Hybrid	✓	✓	✓	✓	✓		
CNG	✓	✓	✓	✓	✓		
Clean Diesel	✓	✓	✓	✓	✓		
Lengths	25’, 30’, 35’, 40’, 60’ Articulated, and Double Deck	25’, 30’, 35’, 40’, 60’ Artic	25’, 30’, 35’, 40’, 60’ Artic	30’, 35’, 40’	30’, 35’, 40’	30’, 35’, 40’, Double Deck	40’

No other OEM in North America offers the range of NFI’s zero-emission and low-emission vehicles including medium-duty, heavy-duty, coach and double deck buses

Industry leading products for the UK and International Markets




	Enviro200EV (single-deck)	Enviro400EV (battery-electric)	Enviro400FCEV (fuel cell)	Enviro500EV
Lengths	31’, 33’, 36’ and 38’	34’ and 35’	36’	40’ and 45’
ESS (kWh)	Up to 348	Up to 382		Up to 648
Range (Miles)	Up to 160	Up to 160	Up to 300	Up to 200
Motor	BYD	BYD	Voith	Voith
Battery Provider	BYD	BYD	Impact, Ballard (fuel cell)	Impact
Region	UK, APAC	UK	UK	NA, APAC

Execution of NFI Forward | Capitalize on Record Bid Activity | **Industry-Leading EV Line-Up** | Grow with Government Funding | Achieve Financial Targets

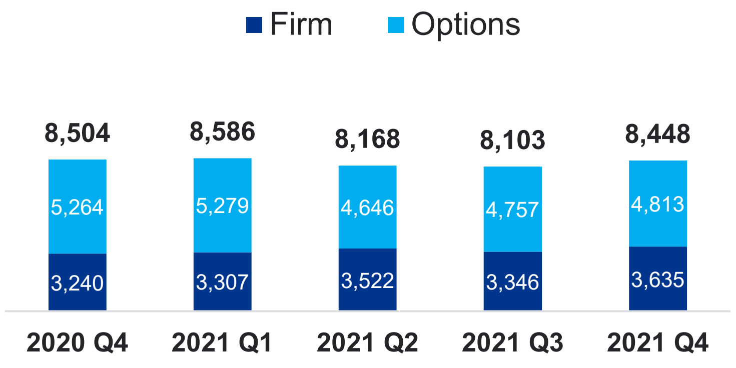
	NFI	Wright	Switch	Volvo	Yutong	Mercedes-Benz	Arrival
Battery-Electric	✓	✓	✓	✓	✓	✓	✓
Fuel Cell-Electric	✓	✓	✓				
Zero-Emission Capable Hybrid	✓						
Diesel-Electric Hybrid	✓	✓		✓		✓	
CNG	✓						
Clean Diesel	✓	✓	✓	✓		✓	
Lengths	25’, 30’, 35’, 40’, 60’ Articulated, and Double Deck	25’, 30’, 35’, 40’ and Double Deck	25’, 30’, 35’ and Double Deck	40’ and Double Deck	35’ and 40’	35’ and 40’	35’ and 40’

NFI surpasses the competition by offering the broadest range of zero-emission and low-emission vehicles in the UK, including medium-duty, heavy-duty, and double-deck buses

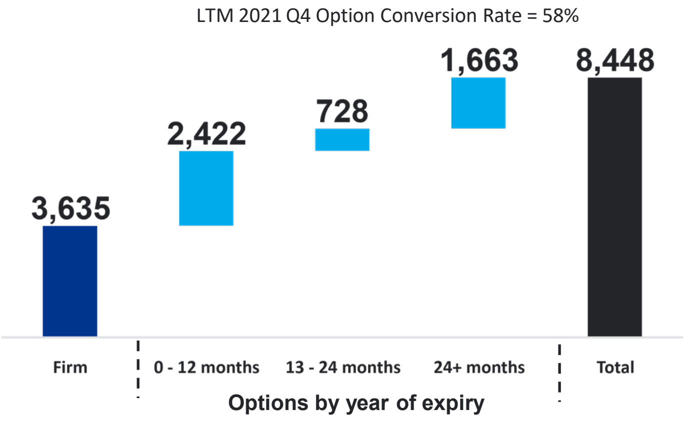
Backlog and Deliveries 2021 Update

Backlog 2021 Q4 EUs

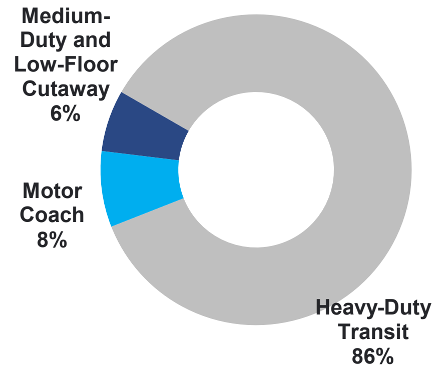
Backlog – Firm and Option



Backlog – Timing



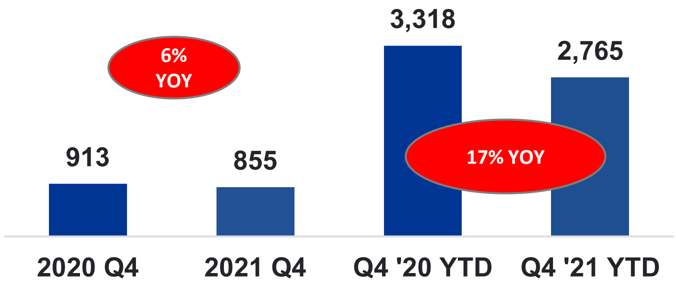
Backlog – By Product[1]



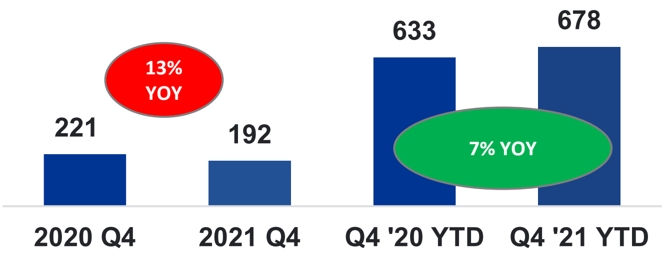
(1) Options for ARBOC vehicles are held by dealers, rather than the operator, and are not included as an option in the NFI backlog.

Deliveries: 2021 Q4 EUs

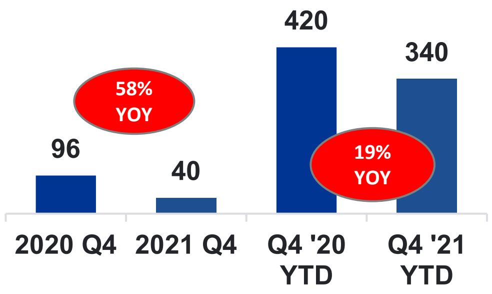
Heavy-Duty Transit



Coach



Low-Floor Cutaway and Medium-Duty



Non-IFRS Reconciliation (2021)

Reconciliation of IFRS to non-IFRS
As of January 2, 2022

In '000	First Quarter	Second Quarter	Third Quarter	Forth Quarter	Full Year
Net Sales	**$ 574,119**	**$ 582,794**	**$ 492,038**	**$ 694,843**	**$ 2,343,794**
Net Earnings	**$ 7,033**	**$ 2,588**	**$ (15,415)**	**$ (8,691)**	**$ (14,484)**
% of net sales	1.2%	0.4%	-3.1%	-1.3%	-0.6%
Adjustment, Gross					
Restructuring and other corporate initiatives	$ 2,372	$ 166	$ 9,501	$ (677)	$ 11,362
Goodwill impairment	$ 0	$ 0	$ 0	$ 0	$ 0
Derivative related	$ (7,663)	$ (3,990)	$ (1,708)	$ (20,142)	$ (33,503)
Foreign exchange loss/gain	$ 2,529	$ 2,107	$ 1,356	$ 5,799	$ 11,791
Equity settled stock-based compensation	$ 650	$ 502	$ 293	$ 293	$ 1,738
Unrecoverable insurance costs	$ 0	$ 718	$ 0	$ 0	$ 718
Asset related	$ (355)	$ 10	$ 643	$ (186)	$ 112
Employment related (past service costs)	$ 0	$ 0	$ 0	$ 0	$ 0
COVID-19	$ 289	$ 464	$ 280	$ 2,926	$ 3,959
Other	$ 40	$ 6,118	$ (616)	$ 398	$ 5,940
Income taxes	$ 1,164	$ 14	$ (5,650)	$ 4,714	$ 244
Net Earnings - Adjusted	**$ 6,059**	**$ 8,697**	**$ (11,316)**	**$ (15,566)**	**$ (12,123)**
% of sales	1.1%	1.5%	-2.3%	-2.2%	-0.5%
Adjustments:					
Income taxes	$ 6,422	$ 1,909	$ 1,261	$ (2,948)	$ 6,644
Finance costs	$ 17,795	$ 17,748	$ 17,415	$ 19,551	$ 72,509
Amortization	$ 24,564	$ 23,502	$ 23,970	$ 25,117	$ 97,151
Adjusted EBITDA	**$ 54,840**	**$ 51,856**	**$ 31,330**	**$ 26,154**	**$ 164,181**
% of net sales	9.6%	8.9%	6.4%	3.8%	7.0%

Non-IFRS Reconciliation (2020)

Reconciliation of IFRS to non-IFRS
As of December 27, 2020

In '000	First Quarter	Second Quarter	Third Quarter	Forth Quarter	Full Year
Net Sales	**$ 710,384**	**$ 333,334**	**$ 663,934**	**$ 711,523**	**$ 2,419,175**
Net Earnings	**$ (67,239)**	**$ (74,050)**	**$ (24,912)**	**$ 8,465**	**$ (157,736)**
% of net sales	-9.5%	-22.2%	-3.8%	1.2%	-6.5%
Adjustment, Gross					
Restructuring and other corporate initiatives	$ 22	$ 2,306	$ 25,429	$ 1,180	$ 28,937
Goodwill impairment	$ 50,790	$ 0	$ 0	$ 0	$ 50,790
Derivative related	$ 23,508	$ 454	$ (2,446)	$ (4,243)	$ 17,273
Foreign exchange loss/gain	$ (43)	$ (2,164)	$ (3,609)	$ (3,235)	$ (9,051)
Equity settled stock-based compensation	$ 14	$ 551	$ 597	$ 608	$ 1,770
Asset related	$ 163	$ 229	$ (191)	$ (257)	$ (56)
Employment related (past service costs)	$ (463)	$ 48	$ 1	$ 6	$ (408)
COVID-19	$ 0	$ 17,557	$ 24,392	$ 5,413	$ 47,362
Other	$ (56)	$ 3,665	$ 233	$ 37	$ 3,879
Income taxes	$ (7,176)	$ (5,493)	$ (13,766)	$ 202	$ (26,233)
Net Earnings - Adjusted	**$ (480)**	**$ (56,897)**	**$ 5,728**	**$ 8,177**	**$ (43,472)**
% of sales	-0.1%	-17.1%	0.9%	1.1%	-1.8%
Adjustments:					
Income taxes	$ 11,754	$ (11,110)	$ 10,754	$ 12,784	$ 24,182
Finance costs	$ 14,657	$ 15,632	$ 18,029	$ 17,871	$ 66,189
Amortization	$ 30,140	$ 28,146	$ 26,374	$ 26,124	$ 110,784
Adjusted EBITDA	**$ 56,071**	**$ (24,229)**	**$ 60,885**	**$ 64,956**	**$ 157,683**
% of net sales	7.9%	-7.3%	9.2%	9.1%	6.5%

Forward-Looking Statements

Certain statements in this presentation are “forward-looking statements”, which reflect the current expectations of management regarding the Company's future growth, financial performance and financial position and the Company’s strategic initiatives, plans, business prospects and opportunities, including the duration, impact of and recovery from the COVID-19 pandemic and supply chain challenges. A number of factors and risks may cause actual results to differ materially from the results discussed in the forward-looking statements (including factors relating to the Company’s “NFI Forward” initiatives, the global COVID-19 pandemic, supply chain challenges and the Company’s March 10, 2022 financial guidance (the “Guidance”). For more detail regarding the assumptions, factors and risks relating to these “forward looking statements”, please refer to the Company’s press release dated March 10, 2022 and management discussion and analysis (“MD&A”) dated March 10, 2022, and the factors and risks contained in its Annual Information Form and other materials filed with the Canadian securities regulatory authorities which are available on SEDAR at www.sedar.com. These forward-looking statements are made as of the date of this presentation and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws.

All figures in U.S. dollars unless otherwise noted.

Non-IFRS Measures

References to “Adjusted EBITDA” are to earnings before interest, income taxes, depreciation and amortization after adjusting for the effects of certain non-recurring and/or non-operations related items that do not reflect the current ongoing cash operations of the Company as described in the Company’s disclosure documents available on SEDAR at www.sedar.com. References to "ROIC" are to net operating profit after taxes (calculated as Adjusted EBITDA less depreciation of plant and equipment, depreciation of right-of-use assets and income taxes at a rate of 31%) divided by average invested capital for the last 12-month period (calculated as to shareholders’ equity plus long-term debt, obligations under leases, other long-term liabilities and derivative financial instrument liabilities less cash).

Management believes Adjusted EBITDA and ROIC are useful measures in evaluating the performance of the Company. However, Adjusted EBITDA and ROIC are not recognized earnings measures under IFRS and do not have standardized meanings prescribed by IFRS. Readers of this press release are cautioned that Adjusted EBITDA or ROIC should not be construed as an alternative to net earnings or loss or cash flows from operating activities determined in accordance with IFRS as an indicator of NFI’s performance. Historical reconciliations of net earnings to Adjusted EBITDA has been provided in the Company’s disclosure documents available on SEDAR at www.sedar.com. NFI’s method of calculating Adjusted EBITDA and ROIC may differ materially from the methods used by other issuers and, accordingly, may not be comparable to similarly titled measures used by other issuers.

Appendix: Key Financial Definitions

- **Adjusted EBITDA:** Earnings before interest, income taxes, depreciation and amortization after adjusting for the effects of certain non-recurring and/or non-operations related items that do not reflect the current ongoing cash operations of the Company. These adjustments include gains or losses on disposal of property, plant and equipment, fair value adjustment for total return swap, unrealized foreign exchange losses or gains on non-current monetary items and forward foreign exchange contracts, costs associated with assessing strategic and corporate initiatives, past service costs and other pension costs or recovery, non-recurring costs or recoveries relating to business acquisition, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, proportion of the total return swap realized, proportion of the total return swap realized, equity settled stock-based compensation, unrecoverable insurance costs, prior year sales tax provision, extraordinary COVID-19 costs, impairment loss on goodwill and non-recurring restructuring costs.
- **Free Cash Flow:** Defined as net cash generated by or used in operating activities adjusted for changes in non-cash working capital items, interest paid, interest expense, income taxes paid, current income tax expense, repayment of obligation under lease, cash capital expenditures, acquisition of intangible assets, proceeds from disposition of property, plant and equipment, costs associated with assessing strategic and corporate initiatives, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, defined benefit funding, defined benefit expense, past service costs and other pension costs or recovery, proportion of total return swap, unrecoverable insurance costs, prior year sales tax provision, non-recurring restructuring costs, extraordinary COVID-19 costs, foreign exchange gain or loss on cash held in foreign currency.
- **Return on Invested Capital ("ROIC"):** Defined as net operating profit after taxes (calculated as Adjusted EBITDA less depreciation of plant and equipment, depreciation of right-of-use assets and income taxes at a rate of 31%) divided by average invested capital for the last 12-month period (calculated as to shareholders' equity plus long-term debt, obligations under leases, other long-term liabilities and derivative financial instrument liabilities less cash).
- **Adjusted Net Earnings (Loss):** Defined as net earnings (loss) after adjusting for the after tax effects of certain non-recurring and/or non-operational related items that do not reflect the current ongoing cash operations of the Company including: fair value adjustments of total return swap, unrealized foreign exchange loss or gain, unrealized gain or loss on the interest rate swap, impairment loss on goodwill, portion of the total return swap realized, costs associated with assessing strategic and corporate initiatives, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, equity settled stock-based compensation, gain or loss on disposal of property, plant and equipment, past service costs and other pension costs or recovery, unrecoverable insurance costs, recovery on currency transactions, prior year sales tax provision, other tax adjustments, extraordinary COVID-19 costs and non-recurring restructuring costs.
- **Adjusted Earnings (Loss) per Share:** Defined as Adjusted Net Earnings (Loss) divided by the average number of Shares outstanding


NFI
Leading the ZEvolution.™