NFI GROUP

NFI Subsidiary Alexander Dennis announces consultation on UK manufacturing strategy

Larbert, United Kingdom – June 11, 2025: (TSX: NFI, OTC: NFYEF, TSX: NFI.DB) NFI Group Inc. (NFI) a leader in propulsion-agnostic bus and coach mobility solutions, announced today that its subsidiary, Alexander Dennis Limited (Alexander Dennis), is entering into a consultation on a new strategy for its United Kingdom (UK) manufacturing operations. The refocused strategy results from the completion of a detailed business review and is intended to adjust the UK business to changing market dynamics.

Under the consultation, Alexander Dennis will look at consolidating its UK bus body manufacturing operations into a single site in Scarborough, England. Its Scottish based manufacturing in Falkirk, which has already been reduced in recent years, would be discontinued and the site closed. Production lines at Larbert would be suspended upon the completion of current contracts.

This proposed structure will lower overall costs, deliver clearer responsibilities, and increase efficiency by removing duplicate functions and activities.

The statutory consultation places up to 400 roles at Alexander Dennis at potential risk of redundancy. This represents approximately 22% of Alexander Dennis' workforce and 4% of NFI's global workforce. The company expects a follow-on impact in its domestic supply chain, where it has spent over £1bn in the last five years with its 1,000 suppliers in all parts of the UK.

Alongside the new manufacturing strategy, Alexander Dennis is making changes to the structure and management of key customer support teams to drive a clearer focus on quality and reliability, delivery to targets, and communications.

Paul Davies, Alexander Dennis President & Managing Director, said: "We are proposing a new UK manufacturing strategy to underpin financial sustainability and lower operating costs in the face of changing and challenging market dynamics. Together with our parent NFI Group, we are extremely proud of our UK history and legacy dating back to 1895 and firmly believe in our people, products and business. We must take significant action to drive efficiency to allow our operating model to be competitive.

"It is extremely regrettable that as part of this, we must place jobs at potential risk of redundancy and propose to cease manufacturing operations at some of our facilities. While stakeholders have been sympathetic of the situation, the stark reality is that current UK policy does not allow for the incentivization or reward of local content, job retention and creation, nor does it encourage any domestic economic benefit. We have warned of the competitive imbalance for some time and would like to see policy and legislative changes that incentivize the delivery of local benefit where taxpayer money is invested. We strongly believe funding that supports public transport should lead to investment in local jobs, domestic supply chains, technology creation and a recurrent tax base."

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), Plaxton (motorcoaches), 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.

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Forward-Looking Statements

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 market and general economic conditions and economic conditions of and funding availability for customers to purchase buses and to purchase parts or services; the ability of customers to suspend or terminate contracts for convenience, 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.

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.