



Deurne, 11 October 2022

## **Selling season for public transport buses off to a good start**

### ***Production ramp up remains on track***

**Peter Bijvelds, founder and CEO:** *“Following the summer break, we continue to see strong momentum in the market for zero emission public transport and even stronger interest in our innovative lightweight Ebusco 3.0. The strong order intake at the start of the ordering season for public transport buses is for us the proof that we are on the right track.*

*We are very proud of the performance of our buses with both models offering high value added to our clients through amongst others very low energy consumption. This was once again highlighted by the first Ebusco 2.2 for BVG driving from Deurne to Berlin on a single charge and ongoing strong performance data from Munich.*

*On the back of our developing order book, tender pipeline and client feedback, we have continued to ramp up capacity in Deurne by adding additional staff. Meanwhile, we also continue to prepare for the opening of the Rouen (France) facility next year. As a result, headcount, including contractors, increased to 558 at the end of September compared to 492 at the half year stage.*

*Supply chain disruptions continue to take a lot of time and effort to circumvent but we see signs of improvement with parts availability improving. Having said this, we continue to see the impact of higher transportation costs, currency movements and component cost inflation.*

*Under the assumption that the current geopolitical, supply chain and COVID-19 situation does not deteriorate, we re-iterate our outlook as communicated at the half year results”*

### **Delivery & Shipments**

During the third quarter, we shipped an additional 56 buses. The shipments concerned partial shipments for BVG (33 buses) and different orders from Nobina (23 buses). In addition, deliveries were made to Wartburg (two 12 meter buses 2.2) and Schwalmtal (four 12 meter buses 2.2).

The first bus for BVG also made its way to Berlin and was able to cover the 600+ kilometers from Deurne without recharging. Upon its arrival at the BVG depot the Ebusco had 16% remaining battery capacity, highlighting its efficiency.

### **Orderbook development**

Since the first half year results we have continued to gain significant commercial traction with new orders for 76 buses from Nobina (22 Ebusco 3.0 buses of 12 meter and 54 Ebusco 3.0 buses of 18 meter) and 47 buses for Connect Bus a new client in Sweden (29 Ebusco 3.0 12-meter and 18 Ebusco 3.0 18-meter). Noteworthy is the number of additional 18 meter buses that have been ordered following the initial interest from Rouen in this model.



The current order book is reflected in the table below:

Type	Fixed contracts	Call off	Options	Total
Ebusco 2.2	199	253	645	1,097
Ebusco 3.0	243	0	84	327
<b>Total</b>	<b>442</b>	<b>253</b>	<b>729</b>	<b>1,424</b>

Customers are especially attracted to the low weight design of the Ebusco 3.0 resulting in low energy consumption. In times of elevated electricity prices and growing awareness of the importance of energy efficiency, this is an important differentiating factor.

The fact that this consumption data is backed by real-road data from our buses in Munich as well as independent e-Sort tests has further strengthened our position. The exceptional energy efficiency combined with our relentless focus on drivability, passenger comfort and safety has resulted in a unique product offering which has received strong recognition at InnoTrans.

The launch of the first Ebusco 2.2 right-hand-drive in Australia resulted in supportive feedback from transport authorities, operators, and governments. The availability of the bus for testing should drive commercial momentum in the region in the next 12-18 months.

Next to the new orders for buses, the first contract was signed for an Energy Storage Solution (ESS) which will be deployed by Emmett Green. The ESS has been developed in-house based on our experience with heavy-duty batteries and battery management systems. We see multiple use cases for these ESS systems where energy needs to be temporarily stored. These use cases include amongst others grid balancing, supporting smart charging infrastructure on bus depots as well as maritime solutions.

### **Tender activity**

Tender activity remains strong, and we have identified tenders for over 3,800 buses which are expected to be awarded in the next 12-18 months. This tender pipeline is a mixture of Ebusco 2.2 and Ebusco 3.0 buses which allows us to find a balance between the two models during the ramp up of Ebusco 3.0 capacity.

As battery electric buses are becoming the clear standard for zero emission public transport, a number of (local) governments and operators want to take meaningful steps in making their fleets more sustainable. As a result, we have identified several large framework tenders in the market.

Discussions for over 100 buses under the existing framework contracts are also progressing which provides visibility into next year. Furthermore, we see an increasing number of private transport operators showing interest in signing multi-country framework contracts.

This strong tender activity shows that the electrification of public transport, as part of the broader sustainability drive, continues to be high on the agenda of (local) governments and transport operators despite the macroeconomic backdrop.



### **Production Ramp up**

During the third quarter, we continued to ramp up our manufacturing capacity at the Deurne location and remain on track with our ramp-up plans. An additional 39 FTE joined our manufacturing team highlighting Ebusco's attractiveness as an employer. As parts availability improved, we have taken additional leaps forward on the learning curve. In the fourth quarter of 2022, we will reach the milestone of manufacturing one bus per day at our Deurne location.

This capacity will be ramped up to two buses per day in late Q1/early Q2 2023. Reaching this capacity requires recruiting an additional 100-110 FTE and a relocation of our existing Ebusco 2.2 Pre-Delivery Inspection (PDI) activities. To facilitate this relocation, multiple sites near our existing facilities are being investigated.

In relation to the facility in France, the project is moving forward as planned. Orders for production equipment with a long lead time have been placed and a dedicated project team has been formed. This team works together with a project team of the facility owner to enable Ebusco to move into the facility during the second quarter of 2023. Following the further refurbishment of the factory, installation of the manufacturing equipment, training and hiring of staff, the facility is expected to be operational by the end of 2023.

Once fully operational the Rouen facility will have a manufacturing capacity of 500 buses per annum. Given this location's size, Ebusco can scale up capacity further in future years. The initial capital expenditure for the Rouen project is confirmed at € 10 million.

While scaling up the 3.0 production capacity and despite a tight labor market, we have also been able to further grow our PDI capacity to deliver on the existing 2.2 orders.

### **Supply chain developments**

The supply chain situation continued to normalise over the third quarter but remains erratic at times. Although the parts availability has improved, we continue to experience late deliveries which sometimes leads to higher transport costs and inefficiencies during assembly.

To withstand supply chain shocks Ebusco continues to hold significant safety stock enabling continuation of production albeit at the expense of working capital efficiency. Next to supporting current production schedule, the safety stock also allows us to take in new orders for shipment in 2023 well into the next year.

We continue to work on optimising our supply chain with a strong focus on identifying dual source suppliers to lower risks and using scale advantages to lower the cost of goods sold.

### **Outlook 2022**

Assuming no deterioration to the current geopolitical, supply chain and COVID-19 situation, Ebusco management reiterates the outlook previously provided; based on the current and ongoing tender activity, anticipated deliveries and shipment in 2022, a sharp increase in revenue in 2022 compared to 2021 is expected, with 285 buses contributing to the 2022 revenue.

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## **About Ebusco**

Ebusco is a developer, manufacturer, and distributor of zero emission buses and charging systems as well as a supplier of ancillary products and services to the electric vehicle ecosystem. As an innovative frontrunner in the development of electric buses, its mission is to contribute to a better living environment by driving the transition to zero emission public transportation.

Ebusco's buses currently operate in multiple countries in Europe, including in major cities such as Amsterdam, Frankfurt, and Munich. Ebusco was founded in 2012 and had a workforce of 493 full-time employees as at 30 September 2022. The company is headquartered in Deurne, the Netherlands and has, next to its production facilities in Deurne, a third-party facility in Xiamen, China.

Since 22 October 2021 Ebusco is listed on Euronext Amsterdam.

For more information: [www.ebusco.com](http://www.ebusco.com)

## **Notes to the press release**

This press release contains information that qualifies, or may qualify, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

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