

# EBUSCO®

## MADE TO MOVE PEOPLE



HALF YEAR RESULTS 2024



# TODAY'S SPEAKERS



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Founder & Co-CEO



**Roald Dogge**

COO



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CFO



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Certain figures in this presentation, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.



# Agenda

- 1 Overview HY 2024
- 2 Financial performance HY 2024
- 3 Guidance 2024 and Turnaround plan
- 4 Q&A





# OVERVIEW HY 2024



# OPERATIONAL REVIEW

98 buses delivered,  
including first Ebusco 3.0  
buses assembled by  
contract manufacturers

Working with contract  
manufacturers proven to be  
the right choice, unit  
economics approaching  
expected levels

Start up inefficiencies and  
liquidity restraints resulting  
in hampered scale-up and  
delayed deliveries

Order book of 1,662 buses.  
729 buses on the road,  
including 650 2-series  
buses and 79 Ebusco 3.0

Ebusco 3.0 continues to  
show strong operational  
performance and market  
leading energy efficiency

Reshaping of the Executive  
Team completed with  
recent hires of Co-CEO,  
COO and CCO





# ORDERBOOK

H1-2024



## BUSES

Product	Fixed	Call off	Option	Total
Ebusco 2.2	113	178	660	951
Ebusco 3.0	584	0	127	711
<b>Total</b>	<b>697</b>	<b>178</b>	<b>787</b>	<b>1,662</b>

## ENERGY

Product	Fixed	Option	Total
Energy Storage System (ESS)	2	0	2
Mobile Energy Container (MEC)	20	0	20
Ebusco Maritime Battery (EMB)	2	0	2
Ebusco Charging System (ECS)	7	5	12
<b>Total</b>	<b>31</b>	<b>5</b>	<b>36</b>



## FINANCIAL REVIEW

HY 2024 revenue arrived at €38.0 million

EBITDA loss of €60.7 million

Net loss of €64.7million

Cash & Cash equivalents of €8.2 million

Contract assets of €56.8 million

Inventories of €113.1 million





# FINANCIAL PERFORMANCE HY 2024



# PROFIT AND LOSS STATEMENT

Summary of financials (€k)	H1-2024	H1-2023	Change
<b>Revenues</b>	<b>38,004</b>	<b>41,720</b>	<b>(3,716)</b>
Y-o-y growth	-9%		
Cost of materials	(50,024)	(44,410)	(5,614)
<b>Gross profit</b>	<b>(12,020)</b>	<b>(2,690)</b>	<b>(9,330)</b>
Margin	-31,6%	-6,4%	
Employee benefit expenses	(33,530)	(30,173)	(3,357)
Other operating expenses	(15,174)	(10,647)	(4,527)
<b>EBITDA</b>	<b>(60,724)</b>	<b>(43,510)</b>	<b>(17,214)</b>
Margin	-160%	-104%	
D&A	(4,263)	(3,215)	(1,048)
<b>EBIT</b>	<b>(64,987)</b>	<b>(46,725)</b>	<b>(18,262)</b>
Margin	-171%	-112%	
Financial expenses, net	890	251	639
Share of result of an associate	(591)	(488)	(103)
<b>Profit before tax</b>	<b>(64,688)</b>	<b>(46,962)</b>	<b>(17,726)</b>
Income taxes	-	11,177	(11,177)
<b>Profit for the year</b>	<b>(64,688)</b>	<b>(35,785)</b>	<b>(28,903)</b>
Margin	-170%	-86%	

## REVENUES

- The revenue amounts to €38 million as the company missed approximately €100 million due to production delays, including revenue from its energy solutions.

## GROSS PROFIT

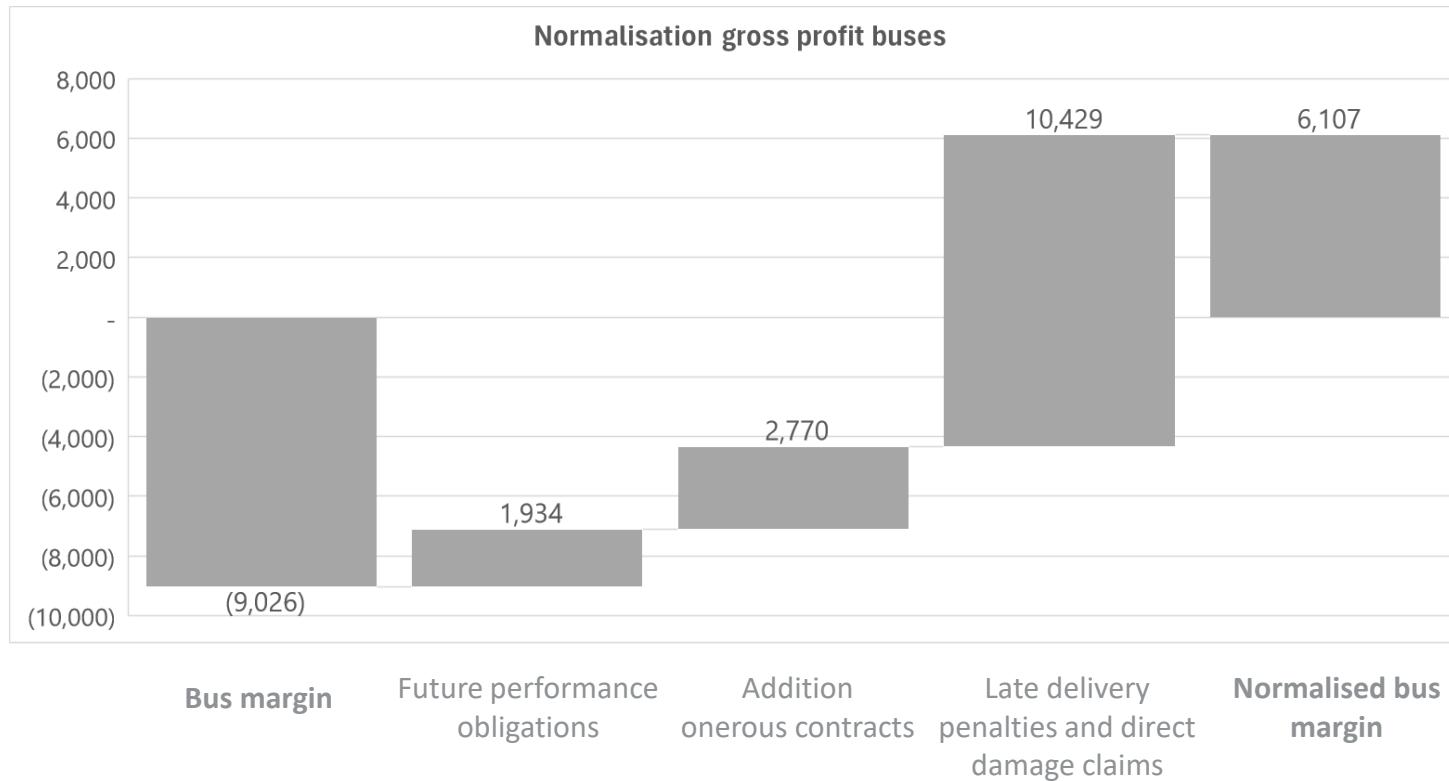
- The normalised gross margin is approximately 19%.
- Ebusco further sees that its unit economics on buses produced by its contract manufacturers are approaching expected gross margin levels.

## OPERATING EXPENSES

- The employee benefit expenses are higher than anticipated as the cost reduction programme could not be fully conducted in H1-2024.
- Other operating expenses are higher compared to H1-2023 mostly due to higher distribution costs, considering the adapted production strategy, and increased advisory expenses.



# GROSS PROFIT NORMALISATION



## GROSS MARGIN

- The total bus margin amounts to €9.0 million negative and is impacted by several items. The largest impact relates to late delivery penalties and direct damage claims from customers (€10.4 million). These penalties and claims to date do not fully represent cash items.
- The other items with negative impact on the bus margin are cost for onerous contracts (€2.8 million) and future performance obligations (€1.9 million).
- Without the negative impact of these items, the bus gross margin would have been €6.1 million positive (or 19%).



# CASH FLOW STATEMENT

Summary of financials (€k)	H1-2024	H1-2023	Change
<b>EBITDA</b>	<b>(60,724)</b>	<b>(43,510)</b>	<b>(17,214)</b>
Increase (decrease) provisions	7,373	1,616	5,757
Change in NWC	27,088	(553)	27,641
Income tax paid	(125)	-	(125)
<b>Cash flow from operating activities</b>	<b>(26,388)</b>	<b>(42,447)</b>	<b>16,059</b>
Investment in associates	(1,645)	(2,350)	705
Investment in fixed and financial assets	(3,235)	(7,189)	3,954
<b>Cash flow from investing activities</b>	<b>(4,880)</b>	<b>(9,539)</b>	<b>4,659</b>
Acquisition of non-controlling interest	(152)	-	(152)
Payment of share issuance expenses	-	-	-
Repayment of borrowings	(1,348)	(486)	(862)
Proceeds from borrowings	14,573	-	14,573
Payment of principal portion of lease liabilities	(1,353)	(811)	(542)
Interest income	25	256	(231)
Interest paid	(210)	(105)	(105)
<b>Cash flow from financing activities</b>	<b>11,535</b>	<b>(1,146)</b>	<b>12,681</b>
<b>(Decrease)/Increase in cash and cash equivalents</b>	<b>(19,736)</b>	<b>(53,132)</b>	<b>33,396</b>

## CASH FLOW FROM OPERATING ACTIVITIES

- The total decrease in cash and cash equivalents amounted to €19.7 million. This is much less than the EBITDA of €60.7 million negative. This underlines the limited direct relationship between cash and EBITDA currently in Ebusco.
- In H1-2024, approximately 100 buses were delivered to customers. These buses have been turned into cash, whereas revenue for these buses had mainly been recognised in 2023.

## CASH FLOW FROM INVESTING ACTIVITIES

- The cash flow from investing activities mainly relates to capital expenditures in the company's regular tangible and intangible fixed assets.

## CASH FLOW FROM FINANCING ACTIVITIES

- Financing cash flows are mainly driven by using the company's bank guarantee credit facility by means of letter of credits.



# BALANCE SHEET

Summary of financials (€k)	30/06/2024	31/12/2023	Change
Intangible fixed assets	49,876	49,888	(12)
Tangible fixed assets	37,058	38,300	(1,242)
Financial fixed assets	4,436	3,161	1,275
<b>Total fixed assets</b>	<b>91,370</b>	<b>91,349</b>	<b>21</b>
Contract assets and inventory	169,940	174,181	(4,241)
Receivables	18,750	19,285	(535)
Other current assets	3,545	7,098	(3,553)
Cash & cash equivalents	8,183	27,918	(19,735)
<b>Total current assets</b>	<b>200,418</b>	<b>228,482</b>	<b>(28,064)</b>
<b>Total assets</b>	<b>291,788</b>	<b>319,831</b>	<b>(28,043)</b>
<b>Total equity</b>	<b>122,604</b>	<b>178,297</b>	<b>(55,693)</b>
Provisions	17,160	9,787	7,373
Lease liability	13,015	14,216	(1,201)
Other non-current liabilities	427	491	(64)
<b>Total non-current liabilities</b>	<b>13,442</b>	<b>14,707</b>	<b>(1,265)</b>
Loans and borrowings	14,573	1,348	13,225
Convertible bond - debt	21,811	28,161	(6,350)
Convertible bond - embedded derivative	90	4,965	(4,875)
Lease liability	2,395	2,382	13
Trade payables	35,665	30,518	5,147
Contract liabilities	42,833	18,939	23,894
Other current liabilities	21,216	30,727	(9,511)
<b>Total current liabilities</b>	<b>138,582</b>	<b>117,040</b>	<b>21,542</b>
<b>Total liabilities</b>	<b>169,184</b>	<b>141,534</b>	<b>27,650</b>
<b>Total liabilities and equity</b>	<b>291,788</b>	<b>319,831</b>	<b>(28,043)</b>

## ASSETS

- Delivery of approximately 100 buses in H1-2024 and delays in bus production resulted in a reduction in contract assets.
- The remaining movement is explained by the decrease in cash and cash equivalents, as disclosed on the previous slide.

## LIABILITIES AND EQUITY

- The increase in loans and borrowings relate to the use of the bank guarantee credit facility by means of letter of credits.
- The company performed amortisation repayments for its outstanding convertible bonds. As the repayments were settled in shares, this also impacted equity in H1-2024.
- Contract liabilities increased mainly driven by advance customer payments in the first half of 2024.



# REVENUE RECOGNITION

## Revenue recognition accounting policy



- Ebusco has historically solely recognised revenue over time for the supply of its buses due to the level of required customer customisation.
- Ebusco's product design and processes however reach a more mature and standardised state, enabling the company to more effectively cope with the required customisation levels.
- This development generally facilitates Ebusco to recognise revenue at a point in time for its newly initiated bus contracts.
- This means that for those contracts Ebusco would recognise revenue from the sale of its buses upon delivery of the buses to its customers.

## Financial impact for H1-2024 and beyond



- The impact on H1-2024 revenue is limited to (EUR 2.1M) as most of the contracts contributing to revenue are recognised over time.
- Ebusco however expects the impact to be more significant in H2-2024 as newly initiated contracts are generally recognised at a point in time.
- The revenue for contracts initiated in 2024 yet delivered in 2025 will then be accounted in 2025 as well.



# GUIDANCE & TURNAROUND PLAN



# KEY FINDINGS NEW MANAGEMENT

1

Capital locked up in stock and work-in-progress, and spent on extensive footprint (multiple locations) and organisation

2

Lack of management experience to execute “new product introduction” and establishing fit-for-purpose supply chain / logistics concept

3

Stable and profitable Ebusco 2.2 business. New Ebusco 3.0 performs well on the road, has favourable TCO, and good market traction / order book

4

Key employees very committed despite hardship, have good ideas, and long for change and structure





# TURNAROUND PLAN

Simplify operational footprint and establish reactive supply chain

Complete industrialisation of existing product portfolio before launching new products

Gradual increase of run rate to 40-50 buses per month by the end of 2025

Structural reduce OPEX by €20-30 million in 2025

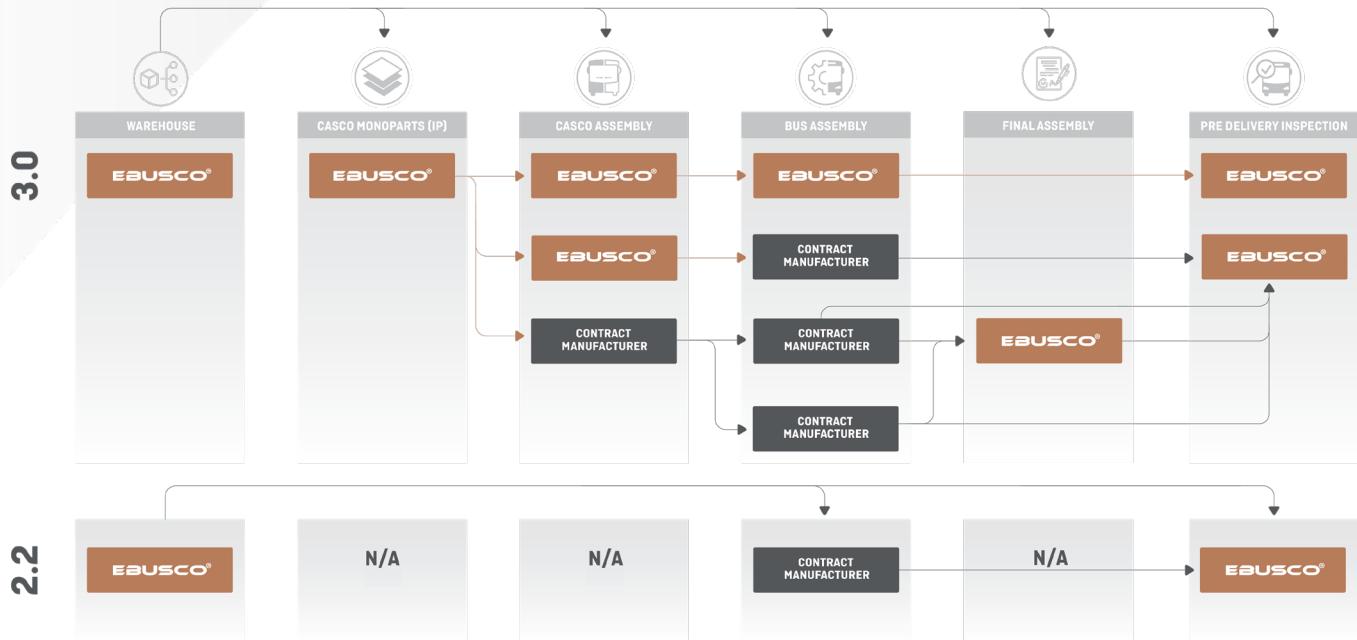
Mobilise organisation by creating clarity with respect to goals, processes, and responsibilities





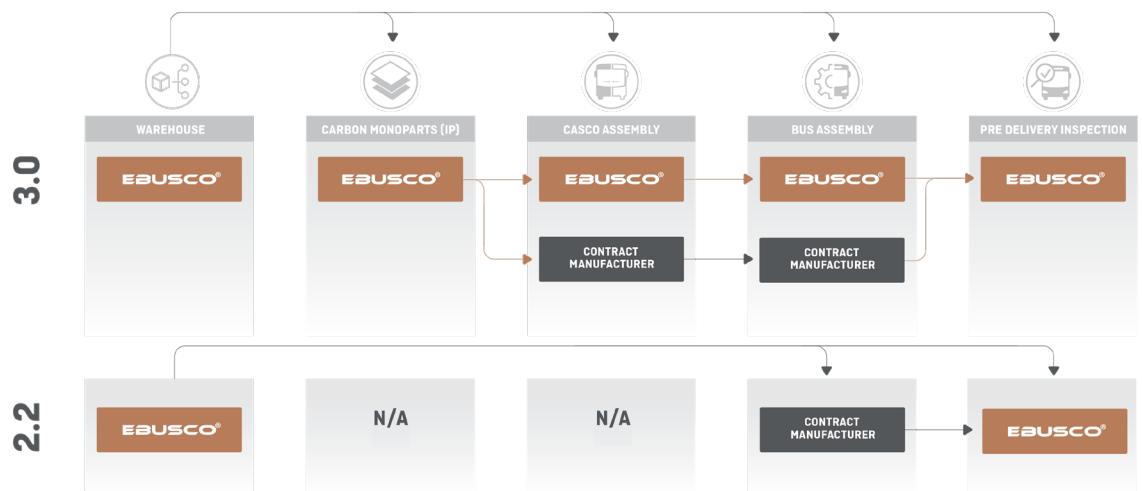
# OPERATIONAL FOOTPRINT SIMPLIFICATION

Current set-up



○ EBUSCO LOCATIONS	3
○ CONTRACT MANUFACTURERS	4
<b>TOTAL</b>	<b>7</b>

Future set-up



○ EBUSCO LOCATIONS	2
○ CONTRACT MANUFACTURERS	3
<b>TOTAL</b>	<b>5</b>



# CLARIFICATION TURNAROUND PLAN

- **Establish reactive supply chain**
  - Shifting from push to pull logistics for both in-house and outsourced production
  - Simplification of physical goods flow
- **Stabilising and ramp up production**
  - Implement slot planning based production schedule with a predetermined weekly run rate
  - Change from batch production to flow production set up
  - Minimise New Product Introductions which entail associated consequences such as supplier changes, impact on validation & testing, etc.



GUIDANCE 2024



# CAPITAL MARKETS DAY 2024

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| Q&A

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