

FIRSTGROUP PLC
ACQUISITION OF SIGHTSEEING BUS OPERATIONS IN LONDON AND BATH

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FirstGroup plc (the 'Group') today announces that it has acquired the UK sightseeing bus operations of RATP Développement SA for a consideration of c.£17 million, to grow and diversify the First Bus business in two key markets.

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Currently operating under the brand Tootbus, the operations are based in London and Bath and comprise:

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- 63 buses (42 in London and 21 in Bath)
- a large freehold depot in Wandsworth, southwest London and a leased depot in Keynsham, Bath
- c.190 employees across the two operations
- one of the five main sightseeing bus operators in London
- operations in Bath also include the Airdecker service from Bath to Bristol airport

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In London, entering the sightseeing market provides further diversification in the capital. Combined with the existing First Bus London depot footprint, the addition of the Wandsworth depot will also allow the Group to more effectively manage operations, enhance service delivery and improve profitability across sightseeing operations. We will also bid for additional Transport for London (TfL) red bus routes out of the depot. In Bath, it will add diversification to the Group's existing operations and provide additional depot capacity.

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In the year ended 31 December 2023, the UK operations of Tootbus reported revenues of £15.9m and an operating loss of £(0.6)m. Looking ahead, following a period of transition the Group plans to refocus the sightseeing businesses and to optimise operations across the whole depot footprint, making use of the additional depot capacity, synergies and efficiencies referenced above.

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The businesses are expected to make a minor initial loss during the first full year before returning to profitability thereafter. Annual revenues of c.£30m are anticipated by FY 2029, supported by some growth in First Bus London's TfL route contract portfolio, as new routes are bid for out of the depot in Wandsworth. Â

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The Acquisition will be financed from the Group's existing cash reserves. The Group now anticipates a FY 2026 year end adjusted net debt position of £140-150m.

Bill Cahill, MD First Bus London and Doug Claringbold, MD First Bus, West of England will oversee the integration and development of the businesses.

Commenting on the acquisition, Graham Sutherland, FirstGroup Chief Executive Officer said:

"The acquisition of the bus operations in London and Bath, in line with our UK-focused growth and diversification strategy, will allow us to further diversify and expand our footprint in two of our key markets. The integration of the businesses will also create material operational and cost synergies and the opportunity to grow our London route portfolio over time."

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About FirstGroup

FirstGroup plc (LSE: FGP.L) is a leading private sector provider of public transport services. With around 29,000 employees, we reported revenue of £5.1 billion and transported almost 2m passengers a day in FY 2025. We create solutions that reduce complexity, making travel smoother and life easier. Our businesses are at the heart of our communities and the essential services we provide are critical to delivering wider economic, social and environmental goals. Each of our divisions is a leader in its field: First Bus is one of the largest bus operators in the UK, serving more than 25% of the population in the UK with a fleet of c.6,000 buses and coaches, and carrying more than a million passengers a day. First Rail is one of the UK's most experienced rail operators, with many years of experience running long-distance, commuter, regional and sleeper rail services. We operate a fleet of c.1,800 locomotives and rail carriages through two DfT contracted train operating companies: WCP (incorporating Avanti West Coast and West Coast Partnership Development) and GWR, and two open access routes (Hull Trains and Lumo). We are formally committed to operating a zero emission First Bus commercial fleet by 2035, and First Rail will help support the UK Government's goal to remove all diesel-only trains from service by 2040. During FY 2025 FirstGroup received MSCI's highest possible ESG rating of AAA, was named one of the world's cleanest 200 public companies for the sixth consecutive year and holds an Industry Top-Rated status with Sustainalytics and Sustainability Yearbook membership with S&P Global. We provide easy and convenient mobility, improving quality of life by connecting people and communities. Visit our website at www.firstgroupplc.com and follow us on LinkedIn at <http://www.linkedin.com/company/first-group>.

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