

ASX Announcement

7 April 2025

RENEWAL AND EXPANSION OF HOUSTON BUS SERVICES

Key Highlights

- Kelsian's wholly owned USA subsidiary First Class Transportation has been awarded a further contract to provide The Woodlands Express bus service in Texas, for a five-year term; securing approximately US\$29 million (plus cost base indexation) of revenue over the contract term; with an option to renew for up to five one-year terms if mutually agreed;
- The Woodlands Express bus service includes regular services to Downtown Houston, the Texas Medical Center, Greenway Plaza and the Energy Corridor;
- First Class Transportation has operated this service since 2013, and the contract is capital light in nature with the vehicles owned and procured by The Woodlands Township;
- The new contract is for services from May 2025 under substantially the same terms as currently provided and demonstrates a long track record of contract retention; and
- First Class Transportation has also secured a new contract with the City of Conroe utilising two buses per day from April 2025 securing US\$2.25m of revenue over a five-year term.

Kelsian Group Limited (ASX:KLS) ('Kelsian') today advises that First Class Transportation, LLC, ('First Class Transportation') a wholly owned subsidiary of All Aboard America! Holdings, Inc. ('AAAH') which in turn is a wholly owned subsidiary in the Kelsian group, has entered a new binding contract with The Woodlands Township, securing a total of approximately US\$29 million of revenue (plus cost base indexation) over the five-year contract term.

The new contract is for bus transit operations from May 2025 for an initial five-year term plus options to extend the contract term for up to five additional one-year terms on substantially the same terms and conditions as mutually agreed by both parties. Pursuant to the contract, First Class Transportation will continue to operate and maintain up to 25 motorcoaches owned and provided by The Woodlands Township from the First Class Transportation facility in Houston, TX and staffed by 35 employees.

The contract was awarded to First Class Transportation, following a competitive tender and demonstrates AAAH's long track record of successful contract retention.

Separately, First Class Transportation has also secured a new contract with the City of Conroe, in Texas, for a fixed-route service, utilising two buses per day for a five-year term with five one-year options to extend. These buses will be provided by First Class Transportation during the first year of service and will transition to City owned CNG⁺ vehicles during the second year. This contract commences in April 2025 and secures a total of approximately US\$2.25m of revenue over the five-year term.

Kelsian Group Chief Executive Officer, Graeme Legh said: “Our First Class Transportation team delivers 99.7% reliability for The Woodlands Township, and we look forward to continuing our partnership. We are delighted to also be working with the City of Conroe and transitioning their fleet to CNG*.

A key attribute of our AAAHI business is that the majority of its revenue is contracted with strong government and corporate counterparties delivering services in seven states in the USA,” he said.

*Compressed Natural Gas

Authorised for lodgement with the ASX by the Group Chief Executive Officer, Graeme Legh

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ABOUT KELSIAN: www.kelsian.com

Kelsian is Australia’s largest integrated multi-modal transport provider and tourism operator, with established bus operations in Australia, Singapore, USA, United Kingdom and the Channel Islands. Kelsian provides essential journeys for our customers by delivering safe and intelligent transport solutions designed to improve the sustainability and liveability of the communities we serve.

Kelsian has over 30 years’ experience delivering tourism and passenger transport services. The Group is a leader in sustainable public transport including operating Australia’s largest electrified bus depot.

As at 31 December 2024, Kelsian directly employs over 12,600 people and operates over 5,800 buses, 115 vessels and 24 light rail vehicles that delivered more than 378 million customer journeys over the last year.