PRESS AND MEDIA RELATIONS

JANUARY 19TH, 2021



PRESS RELEASE

The MSVS trucks complete their first year in the Canadian Army

On December 4, 2019, the 1,587th and last Medium Support Vehicle System (MSVS) truck was completed on the production lines in Marolles-en-Hurepoix. It was then shipped to Canada for final integration. On February 13th, 2020, Mack Defense handed it to the Canadian Army's officials in Saint Nicolas, Quebec, thus concluding a three-year industrial adventure which had started in France. The MSVS trucks' first year of service has been extremely busy already, with deployments both in Canada and in foreign operations.

The Medium Support Vehicle System (MSVS) program was designed to provide Canada with a fleet of mid-sized, multi-purpose logistics vehicles to replace their aging Medium Logistics Vehicle Wheeled (MLVW) fleets, which had been in service since the 1980s. It also included the acquisition of Armored Protection Systems and trailers. These new trucks and their equipment had to be able to provide a complete transport capacity (particularly in terms of loading/unloading of loads or on-board equipment) in theaters of operation, both on national territory and abroad.

Under Phase 4 of the MSVS program, which included the provision of Standard Military Pattern (SMP) trucks, including their trailers and crane systems, armored cabins and protective equipment, and vehicle support, Arquus Engineering and Manufacturing teams led parts of the militarization for all five variants of the 1,587-trucks program. This complete militarization aimed at ensuring the vehicle met the true capabilities of a truck designed for military use.

Arquus has a solid and long experience in the design and production of logistic and tactical military carriers, both specifically designed for the military and commercially designed but transformed for military use. In France alone, this partnership with the Army continues today with the GBC8KT, GBC180, TRM10000, TRM 2000, VLRA, or Sherpa Medium trucks. In total, more than 10,000 trucks that are now used daily in the French Army alone are Arquus-made.

This expertise has recently led to the launch of a brand new logistics and tactical range, the Armis family, consisting of three 4x4, 6x6 and 8x8 vehicles perfectly adapted to the needs of modern armed forces, designed by Arquus and built by the company and its French partners.

This experience enabled Arquus to take charge of the studies and design of militarized enhancements and transformations for the vehicles designed for the Canadian Army. These activities ensured the definition of a coherent global architecture adapted to the specific requirements of the Canadian Army in support of their mission profile and anticipated global deployments.

The militarization activities were carried out at two Arquus sites, in close cooperation with other Volvo Group businesses, Renault Trucks, Mack Defense and Prevost, and under the supervision of the French defense procurement agency, the Délégation Générale de l'Armement (DGA), the program's agent.

As part of the MSVS Program, the rolling chassis arrived from two Renault Trucks plants, Bourg-en-Bresse (bare chassis) and Blainville (cab) and were delivered to Marolles-en-Hurepoix, where a production line was purposely set up to advance assembly by adding specific enhancements such as cold weather start kits, Crane and supporting Hydraulic System installations among key activities

A total of five variants were supported:

- The LHS (Load Handling System): an MSVS truck version designed to embark, transport and deliver containers with a payload of up to 9.5t. It represents 47% of the whole fleet.
- The TCV (Troop Carrying Cargo): the "standard" cargo version of the MSVS, which makes about 38% of the fleet. It is equipped with a rear platform, side rails, a tailgate, folding seats and a tarpaulin. Versatile, it can embark 24 soldiers or equipment.
- The MHC (Material Handling Crane), 3% of the fleet, is a specialized version, similar to the "basic" version. On its open rear deck, it is equipped with hydraulic systems and a crane to handle loads.
- The Mobile Repair Team vehicle (MRT), which represents 10% of the fleet, is an MHC truck specially modified to embark a workshop-configured shelter.
- The Gun Tractor (GT), an MHC truck also modified to handle towed artillery pieces. It makes about 2% of the total fleet.



The MSVS production line in Marolles-en-Hurepoix Credits: Arquus

At the final step in the assembly line, the vehicles were treated with a specialized Chemical Agent Resistant Coating (CARC) paint in a purpose-built enhanced paint facility.



Painting operations in Marolles-en-Hurepoix Credits: Arquus

In parallel, the Arquus site in Limoges, which specializes in the manufacturing of Arquus new vehicles, assembled and prepared for shipment to Canada the trimming kits for the 161 Armoured Protection Systems (APS), which were being final assembled in Canada. Limoges, also due to its extensive expertise in final assemblies of vehicles, also contributed in supporting Marolles in final assemblies of the MSVS fleet in order to meet program timelines and milestones.

311 MSVS were delivered by Arquus in 2018, and 1276 in 2019 (i.e. an average of about 4 trucks per day, and more than 6 vehicles per day during peak production activities), illustrating the company's ability to produce efficiently a large number of vehicles in a constrained timeframe and to adapt to different rates on different configurations. Arquus has also been able to design and very quickly develop a complex production line, capable of managing different configurations.

In total, for Arquus, several dozen operators have been involved in the MSVS program, in the Design Office, project management, production, integration and finishing, both in Marolles and in Limoges.

Arquus' handling of this part of the program illustrates the company's capabilities in the design and production of military tactical and logistic carriers, as well as program processing in partnership with a large number of players.

The program also demonstrated Arquus' good management of a complex industrial scheme involving a large number of players (Renault Trucks, Prevost, the DGA, the Canadian customer) as well as constant communication between Arquus' Marolles and Limoges sites. More generally, the MSVS program demonstrated the Volvo Group's ability to pool the many complementary skills of the companies that meet customer requirements and expectations.

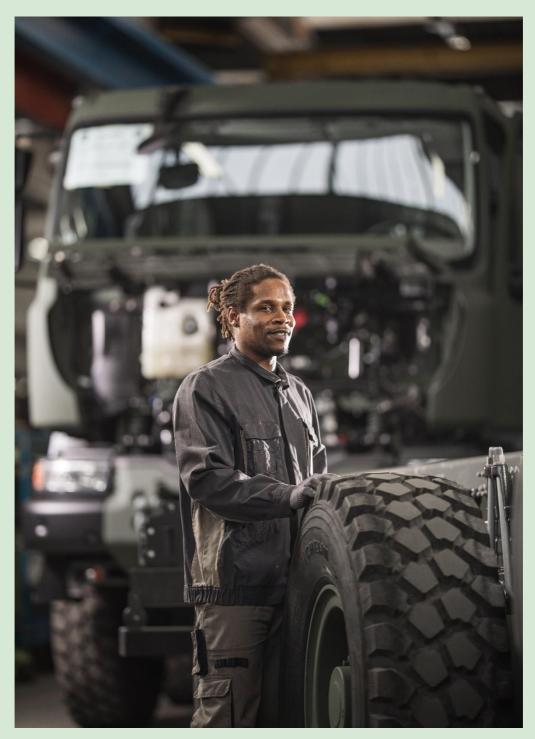


An MSVS truck during mobility trials Credits: Canadian Army Today



MSVS trucks during their first operational deployment abroad during a NATO exercise Credits: Canadian Army Today

The Canadian Army is very satisfied with the capabilities and quality of the MSVS trucks. All trucks have been deployed throughout Canada and have already been used in support of both domestic (Flood and humanitarian) and International (NATO) operations.



ARQUUS is a French Defense company, leader of land mobility solutions. Historical partner of the armies, Arquus has more than 25,000 vehicles currently in service in the French Army, 20,000 of which are directly supported by the company. Arquus takes part in the design and production of the new combat vehicles of the French Army, the VBMR GRIFFON and the EBRC JAGUAR, in the framework of a short-term consortium with Nexter and Thales. Arquus is notably in charge of designing and producing the drivelines and the RCWS for these two vehicles. Conceptor of worldwide famous vehicles such as the VAB, the VBL, the Bastion and the Sherpa, Arquus is a partner to more than 60 armies globally. Thanks to its own research facilities and the support of the Volvo Group, Arquus constantly innovates on own equity, notably in the fields of energy, automation and systems integration. To optimize the fleets' life cycle, Arquus offers complete and innovative support offers and capabilities, such as HUMS, virtual reality and additive manufacturing.

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