



Kongsberg Automotive divests a part of its Shawinigan operations to BRP

Zurich, August 9, 2022: Kongsberg Automotive ASA and its subsidiary Kongsberg Inc (henceforth referred to as KA) have entered into a definitive agreement for the sale of a part of its Shawinigan operations (henceforth referred to as KA Shawinigan) in Canada to BRP for a total enterprise value of CAD 136 million (EUR 104 million).

KA provides cutting-edge technology and engineering to the global vehicle industry. KA Shawinigan specializes in the production of a wide range of products for powersports applications, such as sensors, actuators, electronic power steering, wire harnesses, dashboard assemblies, etc.

In 2021, as a part of its Shift Gear transformation program, initiated by President & CEO Joerg Buchheim, KA started to modernize its product portfolio with a target to grow and increase profits towards double-digit margins by 2024/25. Additionally, KA continues to improve operationally and evaluate and develop strategies to deal with the global semi-conductor supply situation and reduce vulnerabilities.

The divestment of the Interior business segment in 2021, and the sale of a part of the Shawinigan operation is a part of KA's ongoing strategy to execute the transformation roadmap and react flexibly to market and customer trends. With this, KA will continue to actively scale up its presence in on-highway, agriculture, and construction sectors within the Off-Highway business unit, as well as the segments we excel at including Couplings, Fluid Transfer Systems, and Powertrain & Chassis. This transaction will provide additional net proceeds, which will allow KA to explore new markets, drive innovation, and invest in growth.

Joerg Buchheim, KA's President & CEO says, "BRP and KA have a strong relationship and a long history of collaboration. KA Shawinigan is almost solely dedicated to BRP. Therefore, the products KA Shawinigan supplies are highly customized. With this sale, BRP will fulfill its strong wish to vertically integrate KA's product portfolio. We look forward to continuing our relationship with BRP on future business opportunities out of our other US-based Off Highway business unit location."

"Over the years, we have built a strong relationship based on trust and shared values with KA. We are very enthusiastic about this acquisition as we expect that it will enable us to gain further expertise in mechatronics. We look forward to welcoming highly trained and skilled employees from Shawinigan who are already specialized in developing and manufacturing key components for many of our product lines," says José Boisjoli, President and Chief Executive Officer of BRP.

With this sale, approximately 300 employees will be integrated into BRP. KA will establish Shawinigan Tech Center in Canada, which will serve as a center of competence in electronics and software.

The anticipated sale, subject to customary closing conditions, is expected to be completed by the end of Q3 2022.

KA invites you to a media and investors presentation on August 9, 2022 at 10:45 (CET) 04:45 (EST) to be followed by a Q&A session. To join the conference call use this link:

https://channel.royalcast.com/landingpage/hegnarmedia/20220809_2/

About Kongsberg Automotive ASA

Kongsberg Automotive provides cutting-edge technology to the global vehicle industry. We drive the global transition to sustainable mobility by putting engineering, sustainability, and innovation into practice. Our product portfolio includes driver and motion control systems, fluid assemblies, and industrial driver interface products. Find more information at:

kongsbergautomotive.com

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About BRP

We are a global leader in the world of powersports products, propulsion systems and boats built on 80 years of ingenuity and intensive consumer focus. Our portfolio of industry-leading and distinctive products includes Ski-Doo and Lynx snowmobiles, Sea-Doo watercraft and pontoons, Can-Am on and off-road vehicles, Alumacraft and Quintrex boats, Manitou pontoons and Rotax marine propulsion systems as well as Rotax engines for karts and recreational aircraft. We complete our lines of products with a dedicated parts, accessories and apparel portfolio to fully enhance the riding experience. With annual sales of CA\$7.6 billion from over 120 countries, our global workforce includes close to 20,000 driven, resourceful people. www.brp.com

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Forward-looking statements

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