

Press release

Knorr-Bremse invests in connectivity and digitalization expertise by acquiring majority stake in Spanish company Cojali S.L. in a move that will also boost its aftermarket business

- **Cojali is the world-leading developer and manufacturer of Jaltest Diagnostics, the multi-brand diagnostic system for commercial and other vehicle types in the aftermarket segment**
- **Based on its wide experience with diagnostics, Cojali has developed remote diagnostics and predictive maintenance; the next step for the connected and digitalized workshops**
- **In fiscal 2021, Cojali generated revenues of around EUR 78 million, has sustained an annual growth rate of 16 percent on average while achieving well above-average profitability**
- **Companies sign contract for acquisition of a majority 55% stake after agreeing purchase price of around EUR 200 million**
- **Investment targets digitalization and connectivity growth markets, dovetailing perfectly with Knorr-Bremse's global M&A strategy**

Munich, June 15, 2022 – Knorr-Bremse, global market leader for braking systems and other rail and commercial vehicle systems, has signed a contract to acquire a majority stake in Spanish company Cojali S.L. Cojali is a global developer of multi-brand traditional and remote diagnostics systems for commercial and other vehicle types. The transaction will be finalized subject to the usual conditions, including approval by the relevant antitrust authorities.

With the acquisition, Knorr-Bremse is investing in the growing market for connectivity applications while further developing the Group's own digitalization expertise. Capturing long-term business opportunities is an integral part of Knorr-Bremse's strategy. Apart from organic growth, Knorr-Bremse pursues bolt-on mergers and acquisitions (M&A) to access external tech expertise and benefits from growth markets and emerging developments in the transportation industry.

Bernd Spies, Member of the Executive Board of Knorr-Bremse AG and responsible for the Commercial Vehicle Systems division: "By acquiring a stake in Cojali, we're strengthening our position as a systems partner for our customers in the global growth market of digital, connected solutions. The proportion of mechatronic components per vehicle is growing with astonishing speed. At the same time, drivers on the road are supported by more and more digital services. Every vehicle breakdown costs money. This is why a combination of accurate stationary diagnostics in the workshop, coupled with smart remote vehicle diagnostics (including condition monitoring), helps our customers manage their fleets more efficiently over the long term. Not only are we strengthening our existing aftermarket business by

investing in a commercial vehicle-specific software solution that will open up new business opportunities for us in the fields of big data and predictive maintenance based on big data – we’re also continuing our successful growth based on the digitalization megatrend. I’m very much looking forward to working with the Cojali team.”

“With Knorr-Bremse, we now have the ideal partner at our side, as well as the Group’s extensive network. This cooperation will enable us to further develop our products and services and make them available to an even larger customer base. Together, we’re effectively triggering the next stage of Cojali’s growth, by sharing our knowledge and working together with Knorr-Bremse’s team,” adds Venancio Alberca, founder and CEO of Cojali S.L.

Using Cojali’s diagnostics expertise, workshops and fleet operators can evaluate the status of vehicle components accurately and quickly, regardless of brand, while also receiving comprehensive assistance with troubleshooting. Among fleet operators of all sizes, there is a growing need to check the condition of specific components and even entire vehicle systems not just while vehicles are parked in a workshop, but while they are on the move, so that any necessary repairs can be predicted as early as possible. As part of their collaborative relationship, Knorr-Bremse and Cojali will work intensively on expanding their range of remote diagnostics (including condition monitoring) and predictive maintenance solutions with the aim of further enhancing the availability of their customers’ vehicle fleets.

In fiscal 2021, Cojali generated revenues of EUR 77.6 million while achieving well above-average profitability. Over the last five years, Cojali has sustained an annual growth rate of 16 percent on average. The consolidation of Cojali will further boost the share of revenue accounted for by the CVS division’s attractive aftermarket business. Based on FY21, this would equate to an increase of approx. 160 basis points in CVS’s share of the global aftermarket segment (FY21: ~27 percent).

Knorr-Bremse (ISIN: DE000KBX1006, ticker symbol: KBX) is the global market leader for braking systems and other systems for rail and commercial vehicles. Knorr-Bremse’s products make a decisive contribution to greater safety and energy efficiency on rail tracks and roads around the world. About 30,500 employees at over 100 sites in more than 30 countries use their competence and motivation to satisfy customers worldwide with products and services. In 2021, Knorr-Bremse’s two divisions together generated revenues of EUR 6.7 billion. For more than 115 years, the company has been the industry innovator, driving developments in mobility and transportation technologies with an edge in connected system solutions. Knorr-Bremse is one of Germany’s most successful industrial companies and profits from the key global megatrends: Urbanization, Sustainability, Digitalization and Mobility.

Cojali S.L., which has its head office in Campo de Criptana, Spain, is a company with operations in more than 115 countries all over the world. It is already a leading global developer of technological solutions for traditional diagnostics, remote diagnostics, predictive maintenance and telematics, and is also manufacturing components for commercial vehicle. The highly profitable technology solutions developer employs around 495 people and is the market leader in Europe for multi brand diagnostics.

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