



Generac Acquires Controller Manufacturer Deep Sea Electronics

June 1, 2021

WAUKESHA, Wis., June 01, 2021 (GLOBE NEWSWIRE) -- Generac Holdings Inc. (NYSE: GNRC) ("Generac" or the "Company"), a leading global designer and manufacturer of energy technology solutions and other power products, announced today the acquisition of Deep Sea Electronics Limited, an advanced controls designer and manufacturer.

As a leader in the industry, Deep Sea Electronics provides a diverse suite of controller products that provide flexible solutions for multiple applications including generators, automatic transfer switches, battery charging, and off-highway vehicles. Headquartered in Hunmanby, United Kingdom, Deep Sea Electronics has a 40-year history of continuously advancing their products and driving innovation in the controls market.

"The technical and engineering expertise of the team at Deep Sea Electronics is second to none and will help us accelerate our product roadmap for the future," commented Aaron Jagdfeld, President and Chief Executive Officer of Generac. "The high level of talent and bandwidth they bring are critical for Generac as we continue to participate in the ongoing evolution of the world's electrical grid."

With the addition of Deep Sea Electronics, Generac has bolstered its engineering and control capabilities which will advance and support innovation of its products to meet the dynamic needs of the evolving energy technology market and its customers. Deep Sea Electronics' expertise will enhance Generac's focus on natural gas power generation and is expected to help drive entry into microgrid applications, a market the Company believes will serve as a key component of the power grid of the future. Additionally, Generac is excited to support Deep Sea Electronics as they continue to grow their current customer business.

"The integration of Deep Sea Electronics will augment our internal capacity in the field of Controls & Automation, helping to drive innovation and speed-to-market across our product development cycles," added Patrick Forsythe, Chief Technical Officer of Generac. "The team at Deep Sea Electronics will also help facilitate our global product platforming and will accelerate our growth into the distributed energy resource and microgrid market.

"We are extremely excited for the opportunity to build upon our history of excellence at Deep Sea Electronics and to continue to innovate the Controls & Automation industry as part of the Generac family," said David Thomson, Chief Executive Officer of Deep Sea Electronics. "The team is looking forward to executing our strategic vision and driving growth through our relationships with our valued customers while also helping Generac build a more sustainable electrical grid for the future."

The acquisition closed on June 1, 2021.

About Generac (NYSE: GNRC)

Founded in 1959, Generac is a leading global designer and manufacturer of a wide range of energy technology solutions and other power products. As an industry leader serving residential, light commercial, and industrial markets, Generac's products and solutions are available globally through a broad network of independent dealers, distributors, retailers, e-commerce partners, wholesalers and equipment rental companies, as well as sold direct to certain end user customers. For more information about Generac and its products and services, visit Generac.com.

About Deep Sea Electronics

Deep Sea Electronics is one of the world's top manufacturers of generator controllers, automatic transfer switch controllers, battery chargers and vehicle & off-highway controllers. Deep Sea Electronics employs over 160 people across four continents and sells products to over 150 countries direct from their UK head office through a comprehensive distributor network. For more information about Deep Sea Electronics and its products, visit www.deepseaelectronics.com.

Forward-looking Information

Certain statements contained in this news release, as well as other information provided from time to time by Generac Holdings Inc. or its employees, may contain forward looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Forward-looking statements give Generac's current expectations and projections relating to the Company's financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future," "optimistic" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

Any such forward looking statements are not guarantees of performance or results, and involve risks, uncertainties (some of which are beyond the Company's control) and assumptions. Although Generac believes any forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect Generac's actual financial results and cause them to differ materially from those anticipated in any forward-looking statements, including:

- frequency and duration of power outages impacting demand for our products;
- availability, cost and quality of raw materials and key components from our global supply chain and labor needed in producing our products;
- the impact on our results of possible fluctuations in interest rates, foreign currency exchange rates, commodities, product mix and regulatory tariffs;
- the possibility that the expected synergies, efficiencies and cost savings of our acquisitions will not be realized, or will not

be realized within the expected time period;

- the risk that our acquisitions will not be integrated successfully;
- the duration and scope of the impacts of the COVID-19 pandemic are uncertain and may or will continue to adversely affect our operations, supply chain, and distribution for certain of our products and services;
- difficulties we may encounter as our business expands globally or into new markets;
- our dependence on our distribution network;
- our ability to invest in, develop or adapt to changing technologies and manufacturing techniques;
- loss of our key management and employees;
- increase in product and other liability claims or recalls;
- failures or security breaches of our networks, information technology systems, or connected products; and
- changes in environmental, health and safety, or product compliance laws and regulations affecting our products, operations, or customer demand.

Should one or more of these risks or uncertainties materialize, Generac's actual results may vary in material respects from those projected in any forward-looking statements. In the current environment, some of the above factors have materialized and may or will continue to be impacted by the COVID-19 pandemic, which may cause actual results to vary from these forward-looking statements. A detailed discussion of these and other factors that may affect future results is contained in Generac's filings with the U.S. Securities and Exchange Commission ("SEC"), particularly in the Risk Factors section of the 2020 Annual Report on Form 10-K and in its periodic reports on Form 10-Q. Stockholders, potential investors and other readers should consider these factors carefully in evaluating the forward-looking statements.

Any forward-looking statement made by Generac in this press release speaks only as of the date on which it is made. Generac undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

SOURCE: Generac Holdings Inc.

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Source: Generac Holdings Inc