SECURITIES AND EXCHANGE COMMISSION

FORM 40-F

Annual reports filed by certain Canadian issuers pursuant to Section 15(d) and Rule 15d-4

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended January 31, 2022 Commission File Number: 001-38648

BRP Inc.

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English (if applicable))

Quebec, Canada

(Province or other jurisdiction of incorporation or organization)

3799

(Primary Standard Industrial Classification Code Number (if applicable))

N/A

(I.R.S. Employer Identification Number (if applicable))

726 Saint-Joseph Street
Valcourt, Quebec
Canada, J0E 2L0
(450) 532-6154

(Address and telephone number of Registrant's principal executive offices)

BRP US Inc.
10101 Science Drive
Sturtevant, WI 53177
(262) 884-5000

(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered

Subordinate Voting Shares	DOOO	The Nasdaq Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None

(Title of Class)

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

(Title of Class)

For annual reports, indicate by check mark the information filed with this Form:

[**x**] Annual information form [**x**] Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

38,080,486 Subordinate Voting Shares and 42,954,979 Multiple Voting Shares

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

[**x**] Yes [ ] No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

[**x**] Yes [ ] No

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.
Emerging growth company [ ]

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. [**x**]

Auditor Firm Id: 1208 Auditor Name: Deloitte LLP Auditor Location: Montreal, Canada

PRINCIPAL DOCUMENTS

The following documents have been filed as part of this Annual Report on Form 40-F:

A. Annual Information Form

The Registrant's Annual Information Form for the year ended January 31, 2022 is attached as Exhibit 99.1 to this Annual Report on Form 40-F and is incorporated by reference herein.

B. Audited Annual Financial Statements

The Registrant's audited annual consolidated financial statements for the year ended January 31, 2022, including the report of the independent registered public accounting firm with respect thereto, are attached as Exhibit 99.2 to this Annual Report on Form 40-F and are incorporated by reference herein.

C. Management's Discussion and Analysis

The Registrant's Management's Discussion and Analysis for the year ended January 31, 2022 is attached as Exhibit 99.3 to this Annual Report on Form 40-F and is incorporated by reference herein.

CONTROLS AND PROCEDURES

The Company's President and Chief Executive Officer and the Chief Financial Officer are responsible for establishing and maintaining the Company's disclosure controls and procedures as well as its internal control over financial reporting, as those terms are defined in National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian securities regulatory authorities and Rule 13a-15(e) and Rule 15d-15(e) under the U.S. Securities Exchange Act of 1934, as amended.

Disclosure controls and procedures

The President and Chief Executive Officer and the Chief Financial Officer have designed, or caused to be designed under their supervision, disclosure controls and procedures in order to provide reasonable assurance that:

- material information relating to the Company has been made known to them; and
- information required to be disclosed in the Company's filings is recorded, processed, summarized and reported within the time periods specified in securities legislation.

An evaluation of the design and effectiveness of the Company's disclosure controls and procedures was carried out under the supervision of the President and Chief Executive Officer and the Chief Financial Officer. Based on this evaluation, the President and Chief Executive Officer and the Chief Financial Officer concluded, as of January 31, 2022, that the Company's disclosure controls and procedures were effective.

Management's Report on Internal Control over Financial Reporting

The President and Chief Executive Officer and the Chief Financial Officer have designed, or caused to be designed under their supervision, such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Management's projections of any evaluation of the effectiveness of internal control over financial reporting as to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

An evaluation of the design and effectiveness of the Company's internal controls over financial reporting was carried out under the supervision of the President and Chief Executive Officer and the Chief Financial Officer. In making this evaluation, the President and Chief Executive Officer and the Chief Financial Officer used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control – Integrated Framework (2013). Based on this evaluation, the President and Chief Executive Officer and the Chief Financial Officer concluded, as of January 31, 2022, that the Company's internal controls over financial reporting were effective.

The effectiveness of internal control over financial reporting as of January 31, 2022 has been audited by Deloitte LLP, the Company's independent auditors. Deloitte LLP's opinion, as stated in their report, is consistent with management's report on internal control over financial reporting as set forth above.

Remediation of Previously-Reported Material Weakness

As previously disclosed in "Item 15 — Internal Control Over Financial Reporting" in the Company's Annual Report on Form 40-F for the year ended January 31, 2021, in connection with its assessment for the fiscal year ended January 31, 2021, the Company's management identified the following deficiencies in its internal control over financial reporting that existed as of January 31, 2021. Management had determined that it did not design and maintain effective information technology general controls (ITGCs) in the areas of user access security, system change management and job processing for certain information technology (IT) systems that support the Company's financial reporting processes. Management concluded these deficiencies in aggregate resulted in a material weakness. As a result, automated controls and manual controls that were dependent on the completeness and accuracy of information derived from the affected IT systems were ineffective because they could have been adversely impacted.

To address the previously reported material weakness related to ITGCs, and as previously disclosed throughout the fiscal year ended January 31, 2021, management designed and implemented certain remedial measures throughout Fiscal 2021 and 2022 including the design, review and appropriate modification of access in the affected systems, in addition to the implementation of monitoring controls to prevent and detect inappropriate or unauthorized access or activities. In addition, various aspects of the logical access process were automated to reduce the possibility of manual error. Management also worked with control owners to improve the quality of evidence retained to support the operation of change management controls.

The President and Chief Executive Officer and the Chief Financial Officer do not expect that disclosure controls and procedures or internal control over financial reporting will prevent all misstatements. The design of a system of internal controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that the design will succeed in achieving the stated goals under all potential future conditions. Nevertheless, management has designed and implemented controls to mitigate this risk to the extent practicable.

During the fourth quarter of fiscal 2022 and prior to the filing of our audited consolidated financial statements for the year ended January 31, 2022, management completed its testing of the newly-designed controls. In light of the foregoing remediation activities and testing of controls, management determined that the Company's internal control over financial reporting was effective as of January 31, 2022.

Changes in internal control over financial reporting

Except for the changes in connection with our implementation of the remediation plan discussed above, there were no changes in the Company's internal control over financial reporting during the three- and twelve-month period ended January 31, 2022, that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

Attestation report of registered public accounting firm

The attestation report of Deloitte LLP on management's internal control over financial reporting is filed as Exhibit 99.2 to this annual report on Form 40-F, and is incorporated herein by reference.

NOTICES PURSUANT TO REGULATION BTR

There were no notices required by Rule 104 of Regulation BTR that the Registrant sent during the year ended January 31, 2022 concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR.

AUDIT COMMITTEE FINANCIAL EXPERT

The Registrant's board of directors (the "Board of Directors") has determined that it has at least one audit committee financial expert (as such term is defined in item 8(a) of General Instruction B to Form 40-F) serving on its audit committee (the "Audit Committee"). Michael Hanley has been determined by the Board of Directors to be such audit committee financial expert and is independent (as such term is defined by the Nasdaq Stock Market's corporate governance standards applicable to the Registrant).

Mr. Hanley is a corporate director with over 25 years of experience in senior management roles and corporate governance. He is the Lead Director on the board of directors of Nuvei Corporation and is the Chair of its Audit Committee as well as a member of its Governance Human Resources and Compensation Committee. He is a member of the board of directors of LyondellBasell Industries N.V. and chairs its Audit Committee in addition to being a member of its Health, Safety, Environment and Sustainability Committee. In addition, he is a member of the board of directors of ExCell Thera Inc. He was on the board of directors and on the Audit Committee of ShawCor Ltd. from 2015 until May 2021 as well as on the board of directors, the Audit Committee and the Human Resources and Compensation Committee of Industrial Alliance Insurance and Financial Services Inc. from 2015 to 2019. He also served on the board of directors and the Audit Committee of Le Groupe Jean Coutu (PJC) Inc. from 2016 until the company was acquired by Metro Inc. in 2018. Prior to that, Mr. Hanley held senior management positions for several years at various companies. He was Senior Vice-President, Operations and Strategic Initiatives at National Bank of Canada. He also held a number of positions at Alcan Inc., including Executive Vice-President and Chief Financial Officer, and President and CEO of the Global Bauxite and Alumina business group. He was also Chief Financial Officer of two Canadian public companies, namely Gaz Métro (now Énergir) and St-Laurent Paperboard Inc. Mr. Hanley is a chartered professional accountant and has been a member of the *Ordre des comptables professionnels agréés du Québec* (CPA) since 1987.

The SEC has indicated that the designation of Mr. Hanley as an audit committee financial expert does not make him an "expert" for any purpose, impose on him any duties, obligations or liability that are greater than the duties, obligations or liability imposed on him as a member of the Audit Committee and the Board of Directors in absence of such designation, or affect the duties, obligations or liability of any other member of the Audit Committee or Board of Directors.

CODE OF ETHICS

The Registrant has adopted a Code of Ethics and Conduct that applies to all directors, officers and employees of the Registrant and its subsidiaries. A copy of the Code of Ethics can be obtained, free of charge, on the Registrant's website (www.brp.com) or by contacting the Registrant at (450) 532-6154.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets out the fees billed to the Registrant by Deloitte LLP for professional services rendered for the fiscal period ended January 31, 2022 and January 31, 2021. During this period, Deloitte LLP was the Registrant's only external auditor.

(in Canadian dollars)	**Year ended January 31, 2022**	**Year ended January 31, 2021**
Audit Fees(1)	$ 4,521,837	$ 3,305,068
Audit-Related Fees(2)	603,274	576,069
Tax Fees(3)	122,774	157,049
All Other Fees(4)	-	-
Total Fees Paid	**$ 5,247,885**	**$ 4,038,186**

Notes:

1. "Audit Fees" include fees necessary to perform the annual audit or reviews of the consolidated financial statements.
2. "Audit-Related Fees" include fees for assurance and related services by the independent auditor that are reasonably related to the performance of the audit or review of the Company's financial statements other than those included in "Audit Fees," such as consultation on accounting and reporting matters.
3. "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees." This category includes fees for tax compliance, tax advice and tax planning.
4. "Other Fees" include fees for products and services provided by the independent auditor other than those included above, including consulting services.

The Registrant's Audit Committee is responsible for pre-approval of all audit services and permitted non-audit services provided to the Registrant or its subsidiaries by Deloitte LLP. The Audit Committee has delegated to the Chair of the Audit Committee, who is independent, the authority to act on behalf of the Audit Committee with respect to the pre-approval of all audit and permitted non-audit services provided by its external auditors from time to time. Any approvals by the Chair are reported to the full Audit Committee at its next meeting. All of the services described in footnotes 2, 3 and 4 under "Principal Accountant Fees and Services" above were approved by the Audit Committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

IDENTIFICATION OF THE AUDIT COMMITTEE

The Registrant has a separately designated standing Audit Committee established in accordance with section 3(a)(58)(A) of the Exchange Act. The members of the Audit Committee are Michael Hanley, Katherine Kountze, Estelle Métayer and Nicholas Nomicos.

CORPORATE GOVERNANCE

The Registrant is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act and its Subordinate Voting Shares are listed on the Toronto Stock Exchange ("TSX") and The Nasdaq Global Select Market ("Nasdaq"). Nasdaq Listing Rule 5615(a)(3) permits a foreign private issuer to follow its home country practices in lieu of certain requirements in the Nasdaq Listing Rules. The following is a summary of the significant ways in which the Registrant's corporate governance practices differ from those required to be followed by U.S. domestic issuers under Nasdaq's corporate governance standards. In addition, the Registrant is currently a "controlled company" as defined in the Nasdaq Listing Rules. Upon ceasing to be a "controlled company", as a foreign private issuer, the Registrant intends to continue to follow Canadian corporate governance practices and TSX rules in lieu of the corporate governance requirements of Nasdaq. Except as described below, the Registrant is in compliance with the Nasdaq corporate governance standards in all significant respects.

- **Quorum Requirements.** Rule 5620(c) of the Nasdaq Listing Rules requires that the minimum quorum requirement for a meeting of shareholders is 33.33% of the outstanding shares of its common voting stock. In addition, Rule 5620(c) requires that an issuer listed on Nasdaq state its quorum requirement in its bylaws. The Registrant follows the requirements of the *Canada Business Corporations Act* with respect to quorum requirements. The quorum requirement for a meeting of shareholders is set forth in the Registrant's by-laws, which require not less than 25% of the issued and outstanding shares entitled to vote at the meeting to be present in person or represented by proxy and at least two persons entitled to vote at the meeting actually present.

- **Shareholder Approval**. Sections 5635(a) through (d) of the Nasdaq Listing Rules require an issuer to obtain shareholder approval prior to certain issuances of securities, including (i) the acquisition of the stock or assets of another company; (ii) equity-based compensation of officers, directors, employees or consultants; (iii) a change of control; and (iv) private placements. The Registrant does not follow this rule. Instead, the Registrant complies with applicable TSX rules. Such rules require issuers to obtain shareholder approval prior to a distribution of common shares (other than in respect of public offerings) that involve the sale of more than 25% of the issuer's outstanding common shares prior to the transaction. In addition, under TSX rules (1) the creation of, or certain material amendments to, equity compensation plans require shareholder approval and (2) the sale of common shares at a discount to officers and directors requires shareholder approval in specified circumstances.

- **Compensation Committee**. The Registrant follows applicable Canadian laws with respect to compensation consultants, legal counsel and other advisers to our Human Resources & Compensation Committee. Applicable Canadian securities legislation does not specifically require consideration of potential conflicts of interest on the part of compensation consultants, legal counsel and other advisers to the compensation committee, but best practices dictate disclosure of any such conflicts in the Registrant's management information circular.

- **Independent Directors.** Nasdaq Listing Rule 5605(b) requires that a majority of a listed issuer's board of directors be independent directors as defined in Nasdaq Listing Rule 5605(a)(2) for companies that are not controlled. Applicable TSX rules require only that listed issuers have at least two independent directors. Although the Registrant is a "controlled company" under Nasdaq rules, we follow applicable TSX requirements with respect to director independence.

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

A. Undertaking

Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the staff of the SEC, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F, the securities in relation to which the obligation to file an annual report on Form 40-F arises, or transactions in said securities.

B. Consent to Service of Process

The Registrant has previously filed with the SEC an Appointment of Agent for Service of Process and Undertaking on Form F-X in connection with its Subordinate Voting Shares.

SIGNATURE

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

BRP INC.

Date: March 25, 2022

By: */s/ Sébastien Martel*

Name Sébastien Martel
Title: Chief Financial Officer

EXHIBIT INDEX

No.	Document
99.1	Annual Information Form of the Registrant for the year ended January 31, 2022.
99.2	Audited consolidated financial statements of the Registrant as at January 31, 2022 and 2021 and for the years ended January 31, 2022 and 2021.
99.3	Management's discussion and analysis of the Registrant for the year ended January 31, 2022.
23.1	Consent of Deloitte LLP.
31.1	Certification of Chief Executive Officer pursuant to Rule 13(a)-14(a) or 15(d)-14 of the Securities Exchange Act of 1934.
31.2	Certification of Chief Financial Officer pursuant to Rule 13(a)-14(a) or 15(d)-14 of the Securities Exchange Act of 1934.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	Interactive Data File.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

Exhibit 99.1

BRP INC.

ANNUAL INFORMATION FORM

Fiscal year ended January 31, 2022

March 24, 2022

TABLE OF CONTENTS

EXPLANATORY NOTES

The information in this annual information form (the "Annual Information Form") is stated as at January 31, 2022, unless otherwise indicated.

Unless otherwise noted or required by the context, the "Company" and "BRP" refer to BRP Inc. and its direct and indirect subsidiaries and predecessors or other entities controlled by them.

Unless otherwise indicated, all references to "$" or "dollars" are to Canadian dollars, references to "US$" or "U.S. dollars" are to United States dollars and references to "AUD$" are to Australian dollars. Amounts are stated in Canadian dollars unless indicated to the contrary.

All references to "Fiscal 2022" are to the Company's fiscal year ended January 31, 2022, to "Fiscal 2021" are to the Company's fiscal year ended January 31, 2021 and to "Fiscal 2020" are to the Company's fiscal year ended January 31, 2020.

All references to "season" throughout this Annual Information Form have different meanings depending on the applicable type of vehicle and region. Please refer to the following table for a description of such meanings:

Australia	
Boats	12 months ended September 30
All other Regions and Territories	
ATVs and SSVs	12 months ended June 30
Three-wheeled on-road vehicles	12 months ended October 31
Snowmobiles	12 months ended March 31
PWCs and pontoons	12 months ended September 30
Outboard engines	12 months ended July 31
Boats	12 months ended July 31

Any references to seasonal data for multiple products refer to each product's respective season for the specific year indicated.

Certain capitalized terms and phrases used in this Annual Information Form are defined in the "Glossary of Terms" beginning on page 76.

Forward-Looking Statements

Certain statements in this Annual Information Form about the Company's current and future plans, including statements relating to its 5-year plan referred to as "Mission 2025", prospects, expectations, anticipations, estimates and intentions, results, levels of activity, performance, objectives, targets, goals, achievements, priorities and strategies, financial position, market position, capabilities, competitive strengths and beliefs, the prospects and trends of the industries in which the Company operates, the expected growth in demand for products and services in the markets in which the Company competes, research and product development activities, including projected design, characteristics, capacity or performance of future products and their expected scheduled entry to market, expected financial requirements and the availability of capital resources and liquidities, or any other future events or developments and other statements in this Annual Information Form that are not historical facts constitute forward-looking statements within the meaning of applicable securities laws. The words "may", "will", "would", "should", "could", "expects", "forecasts", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "outlook", "predicts", "projects", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

Forward-looking statements are presented for the purpose of assisting readers in understanding certain key elements of the Company' s current objectives, goals, targets, strategic priorities, expectations and plans, and in obtaining a better understanding of the Company' s business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements contained herein. Forward-looking statements, by their very nature, involve inherent risks and uncertainties and are based on a number of assumptions, both general and specific. The Company cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the Company or the industry to be materially different from the outlook or any future results or performance implied by such statements.

In addition, many factors could cause the Company' s actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail under the heading "Risk Factors" of this Annual Information Form: the impact of adverse economic conditions such as those resulting from the ongoing coronavirus (known as COVID-19) health crisis (including on consumer spending, the Company' s operations and supply and distribution chains, the availability of credit and the Company' s workforce); any decline in social acceptability of the Company' s products; fluctuations in foreign currency exchange rates; high levels of indebtedness; any unavailability of additional capital; unfavourable weather conditions and climate change more generally; seasonal sales fluctuations; any inability to comply with product safety, health, environmental and noise pollution laws; the Company' s large fixed cost base; any inability of dealers and distributors to secure adequate access to capital; any supply problems, termination or interruption of supply arrangements or increases in the cost of materials; the Company' s competition in product lines; the Company' s inability to successfully execute its growth strategy; the Company' s international sales and operations, any failure of information technology systems or security breach; any failure to maintain an effective system of internal control over financial reporting and to produce accurate and timely financial statements; any loss of members of the Company' s management team or employees who possess specialized market knowledge and technical skills; any inability to maintain and enhance the Company' s reputation and brands; any significant product liability claim; any significant product repair and/or replacement due to product warranty claims or product recalls; the Company' s reliance on a network of independent dealers and distributors; the Company' s inability to successfully manage inventory levels; any intellectual property infringement and litigation; the Company' s inability to successfully execute its manufacturing strategy or to meet customer demand as a result of manufacturing capacity constraints; increased freight and shipping costs or disruptions in transportation and shipping infrastructure; any failure to comply with covenants in financing and other material agreements; any changes in tax laws and unanticipated tax liabilities; any impairment in the carrying value of goodwill and trademarks; any deterioration in relationships with employees; pension plan liabilities; natural disasters; any failure to carry proper insurance coverage; volatility in the market price for the Subordinate Voting Shares; the Company' s conduct of business through subsidiaries; the significant influence of Beaudier Group and Bain Capital; and future sales of Subordinate Voting Shares by Beaudier Group, Bain Capital, directors, officers or senior management of the Company. These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully.

Unless otherwise stated, the forward-looking statements contained in this Annual Information Form are made as of the date of this Annual Information Form, and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements, including to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable securities regulations. In the event that the Company does update any forward-looking statements contained in this Annual Information Form, no inference should be made that the Company will make additional updates with respect to that statement, related matters or any other forward-looking statement.

The Company made a number of economic, market and operational assumptions in preparing and making forward-looking statements. BRP cautions that its assumptions may not materialize and that current economic conditions may render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty.

IFRS and Non-IFRS Measures

The Company's financial statements, available under the Company's profiles on SEDAR at www.sedar.com and on EDGAR at www.sec.gov, have been prepared in accordance with International Financial Reporting Standards ("IFRS").

This Annual Information Form makes reference to certain non-IFRS financial measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

The Company believes non-IFRS measures are important supplemental measures of financial performance because they eliminate items that have less bearing on the Company's financial performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of companies, many of which present similar metrics when reporting their results. Management also uses non-IFRS measures in order to facilitate financial performance comparisons from period to period, prepare annual operating budgets, assess the Company's ability to meet its future debt service, capital expenditure and working capital requirements, and also, as a component in the determination of the short-term incentive compensation for the Company's employees. Because other companies may calculate these non-IFRS measures differently than the Company does, these metrics are not comparable to similarly titled measures reported by other companies. "Normalized EBITDA" is defined as net income before financing costs, financing income, income tax expense (recovery), depreciation expense and normalized elements described in the 2022 MD&A (as defined below), such as transaction costs, restructuring costs and impairment charges. "Normalized net income" is defined as net income before normalized elements described in the 2022 MD&A, such as foreign exchange gain on long-term debt and lease liabilities, transaction costs and restructuring costs, and adjusted to reflect the tax effect on these elements. The Company refers the reader to the "Non-IFRS Measures" and "Selected Consolidated Financial Information" sections of the Company's management's discussion and analysis for Fiscal 2022 (the "2022 MD&A"), which are incorporated by reference herein, for definitions and reconciliations of Normalized EBITDA and Normalized net income presented by the Company to the most directly comparable IFRS measure. The Company's 2022 MD&A is available under the Company's profiles on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

Market and Industry Data

The Company has obtained the market and industry data presented in this Annual Information Form from a combination of internal surveys, third-party information and the estimates of the Company's management. There are limited sources that report on the Company's markets and industries and some of the sources do not include certain markets where the Company operates. As such, much of the market and industry data presented in this Annual Information Form is based on internally generated management estimates, including estimates based on extrapolations from third party surveys of the industries in which the Company competes, to the extent available. While the Company believes internal surveys, third-party information and estimates of the Company's management are reliable, the Company has not verified them, nor have they been verified by any independent sources and the Company has no assurance that the information contained in third-party websites is current, complete and up-to-date. While the Company is not aware of any material misstatements regarding the market and industry data presented in this Annual Information Form, such data involves risks and uncertainties and are subject to change based on various factors, including those factors discussed under "Forward-Looking Statements" and "Risk Factors".

Trademarks and Tradenames

This Annual Information Form refers to trademarks, including *Alumacraft*®, *BRP*®, *Can-Am*®, *Lynx*®, *Manitou*®, *Quintrex*®, *Rotax*®, *Sea-Doo*® and *Ski-Doo*® in respect of its main brands, which trademarks are protected under applicable intellectual property laws and are the property of the Company. Solely for convenience, the Company's trademarks and tradenames referred to in this Annual Information Form may appear without the ® or ™ symbol, but such references are not intended to indicate, in any way, that the Company will not assert, to the fullest extent under applicable law, its rights to these trademarks and tradenames. All other trademarks used in this Annual Information Form are the property of their respective owners.

Corporate Social Responsibility (CSR)

The Company is committed to Corporate Social Responsibility and more specifically to the environment, product safety, health and safety, social well-being and economic prosperity everywhere it operates. The Company recognizes that these factors are fundamental to its growth and success. Supported by Senior Management, its Board of Directors is the ultimate steward of environmental, social and governance ("ESG") matters. For the past few years, the Company has published its corporate social responsibility performance. The latest CSR report (FY21) constitutes a comprehensive overview of the Company's ESG framework and the priority issues relevant to its business and stakeholders. This report is available for information purposes only on the Company's website at www.brp.com.

Information on the Company's website does not form part of and is not incorporated by reference in this Annual Information Form.

CORPORATE STRUCTURE

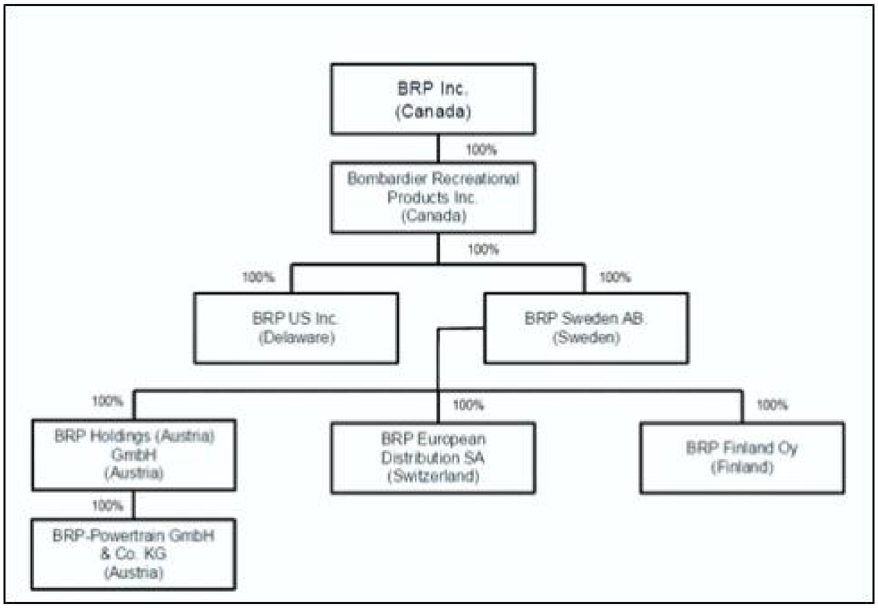
Incorporation and Office

The Company was incorporated under the *Canada Business Corporations Act* on May 1, 2003 under the name J.A. Bombardier (J.A.B.) Inc. On June 28, 2006, the Company was amalgamated with 4308042 Canada Inc., a wholly-owned subsidiary of the Company. On April 12, 2013, the Company filed articles of amendment to change its name to BRP Inc. Immediately prior to the closing of its initial public offering on May 29, 2013 (the "IPO"), the Company filed articles of amendment to reorganize its authorized and issued share capital as described under "Description of the Capital Structure".

The Company's head and registered office is located at 726 Saint-Joseph Street, Valcourt, Québec, J0E 2L0.

Intercorporate Relationships

The following organization chart indicates the inter-corporate relationships of the Company and its material subsidiary entities together with the jurisdiction of incorporation or constitution of each such entity as at the date hereof:



Certain subsidiaries of the Company, each of which represented not more than 10% of the consolidated assets and not more than 10% of the consolidated revenue of the Company, and all of which, in the aggregate, represented not more than 20% of the total consolidated assets and the total consolidated revenue of the Company as at the date hereof, have been omitted.

GENERAL DEVELOPMENT OF THE BUSINESS

General

BRP's origins date back to 1937 when founder Joseph-Armand Bombardier obtained his first patent for a tracked vehicle used for travelling on snow. In 1959, the Company gave birth to the recreational snowmobile by introducing the first lightweight single-track two-passenger snowmobile under the *Ski-Doo* brand.

In 1968, the Company launched the industry's first personal watercraft under the *Sea-Doo* brand, and in 1970, the Company acquired the maker of *Rotax* engines. In 1989, the Company acquired the Finnish company Nordtrac Oy, the maker of the *Lynx* brand of snowmobiles. A decade later, the Company entered a new powersports category when it began selling all-terrain vehicles ("ATVs"), which are now branded *Can-Am*.

In 2003, while operating as a division of Bombardier Inc., the Company was sold by Bombardier Inc. to an investor group including Bain Capital Luxembourg Investments S.à r.l. ("Bain Capital") members of the Bombardier and Beaudoin families and Caisse de dépôt et placement du Québec ("CDPQ").

In 2007, the Company entered the on-road market and created a new on-road product category with the introduction of the *Spyder* three-wheeled vehicle ("3WV"). In 2010, the Company added another product to its portfolio with the introduction of its first recreational side-by-side vehicle ("SSV") under the *Can-Am* brand. In 2012, BRP decided to cease the manufacturing of sport boats and announced that it would offer its jet boat propulsion technology to boat builders.

In June 2018, the Company completed the acquisition of Alumacraft Boat Co. ("Alumacraft"). Alumacraft is a recreational boat manufacturer with one manufacturing facility located in St. Peter, Minnesota (United States).

In connection with the acquisition of Alumacraft, the Company established a Marine Group, thereby creating two operating and reportable segments: Powersports and Marine. The Powersports segment includes Year-Round Products, Seasonal Products and Powersports PA&A and OEM engines. The Marine segment includes outboard and jet boat engines, boats and related PA&A and other services.

In August 2018, the Company completed the acquisition of Triton Industries, Inc. ("Triton"). Triton is a manufacturer of pontoon boats under the *Manitou* brand with a manufacturing facility located in Lansing, Michigan (United States). In August 2019, the Company completed the acquisition of 80% of the outstanding shares of Telwater Pty, Ltd ("Telwater"). Paul Phelan, Telwater's majority owner and managing director before BRP's acquisition, held the other 20% until September 1st, 2021, when the Company completed the repurchase, at fair value, of the remaining 20% non-controlling interest. Telwater is a manufacturer of aluminum boats and trailers under the brands *Quintrex*, *Stacer*, and *Savage* with a manufacturing facility located in Coomera (Australia).

In May 2020, in the context of the COVID-19 pandemic, the Company announced that it re-oriented its marine business by focusing on the growth of its boat brands with new technology and innovative marine products, and by discontinuing the *Evinrude E-TEC* outboard engines production in its Sturtevant facility (United States), which facility is being repurposed for new projects. In an effort to consolidate the Alumacraft operations into one site, the Company's facility in Arkadelphia (United States) has also been closed and its operations are being transferred to the Company's facility in St. Peter (United States). The Company introduced the *Switch* pontoons as a new product offering under the *Sea-Doo* brand of products, included in the Powersports segment.

Public Offerings and Other Transactions

The Company completed its IPO in 2013. Since then, the Company's subordinate voting shares (the "Subordinate Voting Shares") have been listed on the Toronto Stock Exchange ("TSX") under the symbol "DOO". On September 14, 2018, the Company completed the listing of its Subordinate Voting Shares on the Nasdaq Global Select Market ("NASDAQ") under the symbol "DOOO".

On May 30, 2019, the Company announced a substantial issuer bid (the "2019 SIB") pursuant to which it completed on July 23, 2019 the purchase for cancellation of a total of 6,342,494 Subordinate Voting Shares (representing approximately 6.6% of the total number of Shares issued and outstanding as of such date) at a price of $47.30 per Share for an aggregate consideration of approximately $300.0 million. Prior to the completion of the 2019 SIB, Beaudier Group and Bain Capital converted respectively 1,836,170 and 1,403,543 Multiple Voting Shares into an equivalent number of Subordinate Voting Shares. These converted shares were repurchased in the 2019 SIB.

In addition, over the last three financial years, the Company repurchased for cancellation, 3,960,855 (from April 2019 to March 2020), 4,278,028 (from December 2020 to April 2021) and 525,200 (from December 3, 2021 to January 31, 2022)[1] of its outstanding Subordinate Voting Shares through normal course issuer bids.

On December 16, 2019, Beaudier Group, Bain Capital and other selling shareholders completed a bought deal secondary offering (the "2019 Secondary Offering") pursuant to which they sold an aggregate of 5,000,000 Subordinate Voting Shares at a price of $61.17 per Subordinate Voting Share for aggregate gross proceeds of $305,850,000. The Company did not receive any of the proceeds from the 2019 Secondary Offering.

On October 21, 2020, Bain Capital and other selling shareholders completed a bought deal secondary offering (the "2020 Secondary Offering") pursuant to which they sold an aggregate of 2,000,000 Subordinate Voting Shares at a price of $75.45 per Subordinate Voting Share for aggregate gross proceeds of $150,900,000. The Company did not receive any of the proceeds from the 2020 Secondary Offering.

On June 15, 2021, the Company announced a substantial issuer bid (the "2021 SIB") pursuant to which it completed on July 27, 2021 the purchase for cancellation of a total of 3,381,641 Subordinate Voting Shares (representing approximately 4% of the total number of Shares issued and outstanding as of such date) at a price of $103.50 per Share for an aggregate consideration of approximately $350.0 million. Prior to the completion of the 2021 SIB, Beaudier Group converted 936,692 Multiple Voting Shares into an equivalent number of Subordinate Voting Shares. These converted shares were repurchased in the 2021 SIB.

As at March 23, 2022, 38,080,486 Subordinate Voting Shares and 42,954,979 Multiple Voting Shares of the Company were issued and outstanding.

BUSINESS OF THE COMPANY AND ITS INDUSTRY

Overview of the Company

BRP is a global leader in the design, development, manufacturing, distribution and marketing of powersports vehicles and marine products. The Company is a diversified manufacturer of powersports vehicles and marine products, providing enthusiasts with a variety of exhilarating, stylish and powerful products for all year-round use on a variety of terrains.

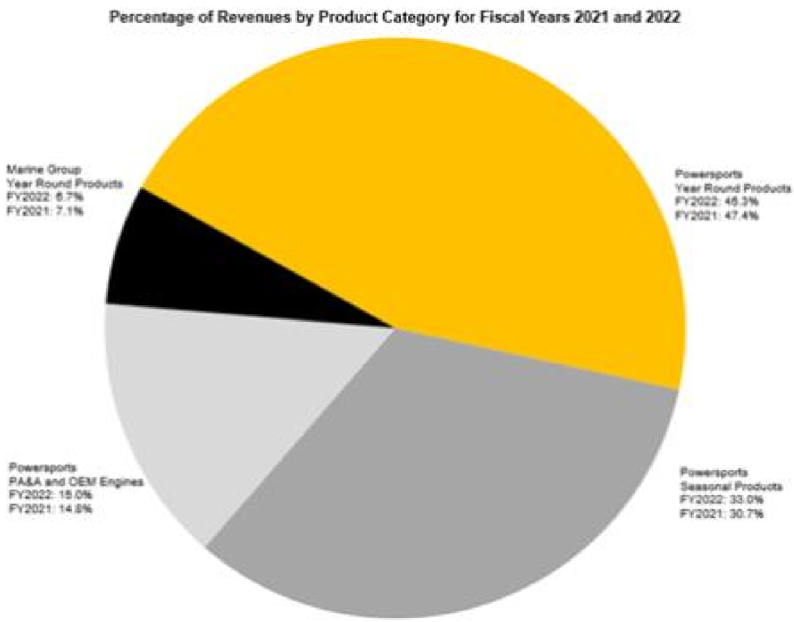
The Company is a brand of choice for true powersports and boating enthusiasts. BRP's products are recognized by stunning designs, powerful and efficient engines, and the incorporation of advanced technologies that drive industry-leading performance. BRP aims to continuously enhance the consumer experience through new features and models in a variety of ways, including enhancing rider ergonomics, adding safety features, enhancing engine performance and reducing environmental impact.

The Company's diversified portfolio of brands and products includes, under the Powersports segment, Year-Round Products such as *Can-Am* ATVs, SSVs and 3WVs, Seasonal Products such as *Ski-Doo* and *Lynx* snowmobiles, *Sea-Doo* PWCs and pontoons, and *Rotax* engines for karts, motorcycles and recreational aircraft, and under the Marine segment, *Alumacraft*, *Manitou*, *Quintrex*, *Stacer* and *Savage* boats, and *Rotax* engines for jet boats. Additionally, the Company supports its line of products with a dedicated PA&A business.

[1] The current normal course issuer bid of the Company entitles the Company to purchase for cancellation up to 3,787,945 Subordinate Voting Shares over the twelve-month period ending on December 2, 2022. As at March 23, 2022, the Company repurchased for cancellation 989,150 of its outstanding Subordinate Voting Shares under its normal course issuer bid.

As at the end of Fiscal 2022, the Company employed close to 20,000 people worldwide. It sells its products in over 120 countries. In Fiscal 2022, BRP achieved revenues, Normalized EBITDA, net income and Normalized net income of $7,647.9 million, $1,462.1 million, $794.6 million, and $846.5 million, respectively.

The following charts set forth the percentage of the Company' s revenues generated by each of its product category in Fiscal 2022 and Fiscal 2021, respectively:



The powersports industry is comprised of several product categories. The majority of powersports products are used for recreational purposes. Certain products, primarily ATVs and SSVs, are also used for utility purposes, such as for agriculture, construction, and other commercial applications. BRP competes in the ATV, SSV, snowmobile and PWC categories (which includes the recently introduced *Sea-Doo Switch* pontoons), in the three-wheeled vehicles category of motorcycles with the *Can-Am Spyder* and *Ryker* 3WVs and their respective PA&A businesses. BRP' s competition primarily comes from North American and Asian manufacturers.

The marine industry is composed of boats, marine engines and their respective PA&A businesses. BRP competes in the boat product category with the *Alumacraft*, *Manitou, Quintrex, Stacer* and *Savage* boats and in the marine engine product category with the *Rotax* engines for jet boats and the next generation of engine technology that the Company is currently developing.

The markets for BRP' s products are highly competitive based on a number of factors, including innovation, performance, price, technology, product features, design and ergonomics, fit and finish, brand loyalty, quality, warranties and distribution. Management believes consumer demand for powersports vehicles and Marine Products is mostly influenced by macroeconomic conditions, product life cycles, the introduction of new features, technologies and products, brand recognition and the maintenance of extensive and engaged distribution networks.

Powersports and Marine Products are sold through networks of dealers and distributors. Manufacturers generally either distribute their products in a country directly to an established network of largely independent dealers or through distributors who act as intermediaries with dealers. Manufacturers typically provide dealers with marketing and after-sale service support as well as training for service technicians. At the dealer/distributor level, competition is based on a number of factors, including sales and marketing support efforts such as dealer/distributor inventory financing arrangements, dealer/distributor training, store redesign initiatives, flexible ordering systems, advertising and diversity in product offerings. Management believes that BRP' s Powersport and Marine Products, covering all seasons and, in the case of Powersports products, multiple terrain applications, provide a compelling value proposition for its dealer/distributor network.

BRP Brands and Products

The Company has 4 main product categories:

Product Category	**Segment**	**Type of Products**
Year-Round Products	Powersports	*Can-Am* ATVs, SSVs and 3WVs
Seasonal Products	Powersports	*Ski-Doo* and *Lynx* snowmobiles and *Sea-Doo* PWCs and *Sea-Doo Switch* pontoons
PA&A and OEM engines	Powersports	PA&A and *Rotax* OEM engines for karts, motorcycles and recreational aircraft
Marine Products	Marine	*Alumacraft, Manitou, Quintrex, Stacer* and *Sava*ge boats, Rotax engines for jet boats and the next generation of engine technology that the Company is currently developing

* The Company also sells boats under the names *Stacer* and *Savage*.

Powersports - Year-Round Products

Year-Round Products consist of BRP vehicles that are sold and used throughout the year in most climates and include the ATV, SSV and 3WV product lines. All products within the Year-Round Product category are sold under the *Can-Am* brand. *Can-Am* ATVs, SSVs and 3WVs all leverage BRP's renowned *Rotax* engines.

ATVs

ATVs are four-wheel vehicles used for recreational and utility purposes in all four seasons of the year. Seats are designed to be straddled by the rider who steers using handlebars. ATVs can be broken down into four main categories: sport, recreational-sport, recreational-utility and youth.

The primary manufacturers of ATVs include BRP, CF Moto, Honda, Kawasaki, Polaris, Suzuki, Textron and Yamaha. Certain Chinese and Taiwanese manufacturers also produce ATVs, but primarily focus on entry-level products, which are not included in the industry data.

Management estimates that the global ATV market represented approximately 457,000 units in season 2021, up 14% from approximately 401,000 units in season 2020, which was up 15% from approximately 349,000 units in season 2019. Management estimates that the Company's global ATV market share in season 2021 reflected a number three position.

The *Can-Am* ATV line-up targets a broad range of consumers within the recreational-utility, recreational-sport and sport sectors. The Company offers a total of 73 models, including youth models and six-wheel ATVs.

For season 2022, the manufacturer suggested retail prices ("MSRPs")[2] for the Company's ATV models (including youth models) range from approximately US$2,349 to US$16,899 in the United States.

SSVs

An SSV is driven much like a car, using a steering wheel and pedals, is equipped with seat belts and rollover protection bars and sits the driver and passenger side-by-side. Certain models also include one or two rows of additional seats to accommodate up to six passengers. SSVs can be divided into two categories: (1) recreational SSVs, which can be sub-divided into three main groupings: sport, recreational-utility, utility-recreational; and (2) utility SSVs. The utility category of the SSV market remains strong, but in the last decade the SSV market has been transformed by the introduction of vehicles designed primarily for recreational purposes. Both existing and aspirational powersports consumers are drawn to recreational SSVs in large part by their enhanced functionality, innovation and differentiated riding experience. In recent years, several consumers have shifted from ATVs to SSVs.

The primary manufacturers of recreational SSVs are BRP, Honda, John Deere, Kawasaki, Polaris, Textron and Yamaha. Management estimates that the global recreational SSV market represented approximately 440,000 units for season 2021, an increase of 7% from approximately 413,000 units in season 2020, which was up 22% from approximately 339,000 units in season 2019.[3]

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[2] MSRPs stated herein are for the entry package of the products and exclude freight, delivery charge, taxes and registration fees. Accessory installation costs might not be included. Certain additional fees might also be applicable. Dealers may sell for a different price.
[3] The approximate numbers of the SSV units in season 2021, 2020 and 2019 was calculated without considering the number of vehicles sold by John Deere in North America as this information was not available.

The Company's share of the global recreational SSV market in season 2021 reflected a number two market share position based on management's estimates.

The primary manufacturers of utility SSVs are Bobcat, John Deere, Kawasaki, Kubota and Polaris.

The Company offers one of the widest and deepest line-ups of the SSV market with 77 models.

For season 2022, MSRPs for the Company's SSV models range from approximately US$11,699 to US$34,299 in the United States.

3WVs

BRP's *Can-Am Spyder* and *Ryker* vehicles are non-traditional three-wheeled vehicles (with two wheels in the front and one in the back) designed to be driven on paved roads, highways and gravel roads. While many jurisdictions have implemented distinct licensing requirements for three-wheeled vehicles that are generally less expensive, demanding and lengthy to obtain than for traditional motorcycles, certain jurisdictions still apply the same licensing requirement for the *Spyder* and *Ryker* 3WVs as for traditional motorcycles. Other jurisdictions require only an automobile driver's license.

BRP's *Can-Am Spyder* and *Ryker* 3WVs compete for consumers against three-wheeled vehicle manufacturers such as Harley Davidson, Polaris, Piaggio and Yamaha. Management believes that, in addition to the traditional motorcycle consumer, the *Spyder* and *Ryker* 3WVs open-air experience, styling, performance and stability appeal to consumers that would not have considered buying a motorcycle. With their Y-shape architecture, vehicle stability system and semiautomatic or automatic transmission, management believes that the *Spyder* and *Ryker* 3WVs offer greater stability and overall ease of use for a broad range of riders of all skill levels.

The *Can-Am* 3WV line-up is comprised of 14 models. Management estimates that the global market for three-wheeled vehicles represented approximately 51,000 units in season 2021, up 19% from approximately 43,000 units in season 2020, which was up 10% from approximately 39,000 units in season 2019. Management estimates that the Company holds the leading market-share position of the global 3WV market.

For season 2022, MSRPs for the Company's *Spyder* models range from approximately US$17,999 to US$29,999 in the United States. In September 2018, the Company introduced the *Ryker* 3WVs, with MSRP for season 2022 ranging from approximately US$8,999 to US$13,499 in the United States.

Powersports - Seasonal Products

Seasonal Products consist of BRP products that are mostly used in specific seasons. These products include snowmobiles, which are mainly used during the winter season with sales to dealers concentrated in the months of September to January, PWCs and pontoons, which are mainly used during the summer season with sales to dealers concentrated in the months of January to June in North America. BRP leverages its *Rotax E-TEC* and *ACE* engine technologies to produce snowmobiles and watercraft that are recognized as being among the most fuel-efficient in the market.

Snowmobiles

Snowmobiles are used in various snow-covered riding environments, including on- and off-trail for deep snow, trail, performance, touring and utility purposes. On-trail models have high engine displacement and are generally used on groomed trails. Off-trail models such as cross-over and deep snow snowmobiles have high engine displacement and are known for their lighter weight and longer tracks. Utility snowmobiles are easier to handle and are generally used for work-related purposes. The primary manufacturers of snowmobiles are BRP, Polaris, Textron and Yamaha. Management estimates that the Company holds the leading market-share position of the global snowmobile market.

The global snowmobile market is highly concentrated in North America, Scandinavia and Russia, with North America accounting for an estimated 81% of global unit sales in season 2021. Management estimates that the global snowmobile market represented approximately 130,000 units for season 2021, up 10% from approximately 118,000 units in season 2020, which was down 9% from approximately 129,000 units in season 2019.

The Company produces 129 different key models of snowmobiles, categorized as (i) on-trail models (touring, sport, cross-country and youth), (ii) on/off-trail models (cross-over) and (iii) off-trail models (mountain, utility). These models, addressing the needs of all consumer sectors, are grouped into 18 product families and marketed under two different brand names, *Ski-Doo* and *Lynx*. BRP snowmobiles are sold primarily in North America under the *Ski-Doo* brand and in Europe and Russia under the *Lynx* and *Ski-Doo* brands. In 2021, the Company started selling snowmobiles under the *Lynx* brand in North America.

For season 2022, MSRPs for BRP snowmobiles range from approximately US$8,249 to US$20,099 in the United States.

PWCs

PWCs include sit-down and stand-up models and are used on lakes, rivers or oceans. PWCs are designed to accommodate one to three riders and are used primarily for recreational purposes, with a small proportion being used for utility purposes such as marine patrol and rescue. PWCs can be divided into four primary categories: Value, Recreation, Sport and Luxury.

The primary manufacturers in the PWC market are BRP, Kawasaki and Yamaha. Management estimates that the Company holds the leading market-share position of the global PWC market.

In season 2021, the global PWC market represented approximately 132,000 units, up 6% from approximately 125,000 units in season 2020, which was up 5% from approximately 119,000 units in season 2019.

The Company produces a full line of PWCs consisting of 37 models marketed under the *Sea-Doo* brand name, which allows it to compete in the main PWC product categories.

For season 2022, MSRPs for BRP' s PWC models range from approximately US$5,699 to US$18,999 in the United States.

In Fiscal 2022, the Company introduced *Switch* pontoons as a new product offering under the *Sea-Doo* brand. The *Sea-Doo Switch* offers a modular design made of tiles that can be re-configured easily; it is powered by a Rotax jet propulsion engine and is maneuvered by a handlebar steering system. The *Sea-Doo Switch* comes in two upgrade package options: the Cruise and the Sport, with lengths ranging from 13 to 21 feet.

For season 2022, MSRP for *Sea-Doo Switch* pontoons starts at approximately US$17,999 in the United States.

Powersports - PA&A and Rotax engines

Powersports PA&A

BRP sells a broad range of Powersports PA&A to complement each of its product lines, providing a stable revenue stream with high profit margins, along with increased brand exposure. PA&A products enhance the overall consumer experience and lifestyle associated with powersports products.

The parts sold by BRP include consumables (e.g. oils, lubricants and cleaning products), wearable components (e.g. brake pads, tires and transmission belts) and replacement parts (e.g. pistons, clutches and suspension components). BRP's expertise also served to develop some of the lubricant and care products that it sells, including the *XPS* line of products, which have been engineered to prolong the life of vehicles and are tested on engine platforms and other applicable components of powersport vehicles.

The accessories include, for example, bumpers, windshields, rims, winches, passenger seats, covers, racks and cargo boxes. Certain accessories sold by BRP have also been designed and developed by BRP, including a tool-less system for near-instant installation of accessories named LinQ, which management believes is a first in the industry. The accessories designed with the *LinQ* system offer a sturdy and easy installation experience.

BRP aims to create an unparalleled riding experience by delivering technical riding gear and sportswear that promote its *Lynx*, *Sea-Doo*, *Ski-Doo* and *Can-Am* brands, among others, and enhances the adventure of riding. BRP's riding gear and sportswear portfolio includes a range of products such as shell jackets, insulated jackets, technical riding pants, gloves, boots, helmets as well as hoodies, t-shirts and caps.

The competitive landscape is composed mainly of companies specialized in parts, accessories and apparel ("aftermarket companies") ranging from multi-brand distributors to smaller single-brand companies. Aftermarket parts and accessories are generally of universal design and can be installed on the Company's vehicles as much as on the competitors' vehicles.

BRP designs the vast majority of its PA&A. The parts and accessories are developed alongside the vehicles. They are subject to the same testing and validation processes as the vehicles, resulting in superior assembly, installation and fit. The Company's apparel line-up prominently features its brands. Management believes that BRP's PA&A offering is a key influencer in the consumer's purchase decision of a new vehicle, thus providing the Company with a competitive advantage.

Rotax Engines

With their recognized performance, fuel efficiency and emissions profile, *Rotax* engines represent a core component of BRP's industry-leading product performance. They power *Can-Am* ATVs, SSVs and 3WVs, *Ski-Doo* and *Lynx* snowmobiles, *Sea-Doo* PWCs and pontoons, and the marine *Rotax* inboard jet propulsion system. *Rotax* engines are also sold to distributors and OEMs that manufacture products that are not in direct competition with BRP products. When sold to such third parties, the engines are used to power karts, motorcycles, small recreational aircraft and fire pumps. BRP has developed a comprehensive line-up of compact *Rotax* engines with engine specifications varying from one to four cylinders, 2-stroke and 4-stroke.

Most of BRP's powersports competitors power their vehicles with engines they manufacture themselves. For kart engines, the main competitors are IAME, TM Racing and Vortex Engines. For motorcycle engines, the main competitors are Honda, Kawasaki, Triumph and Yamaha. For small recreational aircraft engines, the main competitors are Continental Motors and Lycoming.

Marine – Boats and Engines

Boats

Recreational boats include rigid inflatable boats, pontoon, deck, bowrider, cruiser and fishing boats. The Company competes in the recreational boats segment with recreational fishing boats, pontoons and bowriders and also offers PA&A to complement these products.

Recreational fishing boats can be divided in two categories: (i) fishing boats mostly used in off-shore salt water, that are generally at least 25 feet long; and (ii) fishing boats mostly used in fresh water, that are generally less than 23 feet long. The vast majority of fishing boats are powered by outboard engines. Fishing boats mostly used in fresh water are made of either fiberglass or aluminum. The Company' s *Alumacraft* fishing boats are of 20 feet or less, generally used in fresh water, in aluminum and are generally outboard powered. The Company' s *Quintrex*, *Stacer* and *Savage* fishing boats range from 7 to 23 feet long, used in off-shore salt water and made of aluminum.

Pontoons are leisure boats in aluminum almost exclusively used in North America on fresh water and are generally outboard powered. The Company' s *Manitou* pontoons compete in that category of recreational boats.

Bowriders are generally designed for recreational use such as day cruising or watersports, and come in a variety of styles. They range between 16 to 28 feet long, use jet propulsion, stern drive, outboard or inboard engines and carry anywhere from 6 to 10 passengers. The Company' s bowriders, which are made of aluminum only, are sold under the *Quintrex*, *Stacer* and *Savage*.

BRP' s competition in the boat industry primarily comes from North American manufacturers such as Bass Pro Shops, Brunswick, and Polaris. For season 2022, MSRPs for the Company' s *Alumacraft* aluminum fishing boats range from approximately US$5,612 to US$62,507 (including the engine), MSRPs for *Manitou* range from approximately US$29,000 to US$327,000 (including the engine) in the United States, and MSRPs for *Quintrex*, *Stacer* and *Savage* boats range from approximately AUD$3,720 to AUD$120,830 (including the engine) in Australia.

Marine Engines

Marine propulsion systems for recreational power boats are comprised of outboard engines and inboard engines. They are generally sold to independent boat builders that in turn resell the engines and related rigging as part of a boat package, and to independent dealers and distributors. Outboard engines are designed to be affixed to the outside of a boat transom and tend to be lighter, less expensive and more easily replaceable than inboard engines. Inboard engines are designed to be integrated within the boat by the boat builder as part of the production of the boat.

Since May 2020, the Company has discontinued its production of *Evinrude E-TEC* outboard engines, but it continues to sell *Evinrude* service parts. Further to certain outboard engine supply agreements with Mercury Marine and Yamaha, it continues to sell boat packages to its dealers and distributors.

For inboard engines, the primary manufacturers are Brunswick and Volvo Penta for stern drive propulsion systems, and BRP and Yamaha for jet propulsion systems. Management estimates that demand experienced some growth in recent years for inboard engines.

BRP manufactures *Rotax* inboard jet propulsion engines, which offer boat builders an alternative for traditional inboard sterndrives and other inboard engines.

Strategic Priorities

In Fiscal 2020, the Company announced a strategic 5-year plan referred to as Mission 2025 which was implemented in Fiscal 2021. Mission 2025 aims at "Setting the Course for BRP 2.0" by creating and establishing the winning conditions for the Company to be able to proceed to the next chapter as a global leader. The main objectives and priorities of Mission 2025 consist in building an improved lean enterprise model focused on efficiency, integration and smart solutions, placing the customers at the heart of all aspects of the Company and delivering excellent employee experiences. These objectives and priorities, as amended by the Company from time to time, together with several others contained in Mission 2025, continue to play a key role in the Company's strategy, especially with respect to the efficiency of its operations and the satisfaction of its customers, with a view to refining and improving its strategy. See "Forward-Looking Statements" and "Risk Factors".

Manufacturing Facilities and Operations

The Company manufactures its products at 12 facilities: one in Australia, one in Austria, one in Canada, one in Finland, four in Mexico and four in the United States. All of the Company's facilities are owned by the Company except for the Rovaniemi (Finland) plant, which is leased. In December 2021, the Company, purchased the Juárez 2 (Mexico) and Querétaro (Mexico) facilities, which it previously leased.

The following table presents the location, size and products manufactured at the Company's current manufacturing facilities.

Location	Approx. Size (sq. ft.)	Products Manufactured
Valcourt, Canada	800,000	*Ski-Doo* snowmobiles and *Can-Am Spyder* 3WVs
Juárez, Mexico ("Juárez 2")	615,000	*Can-Am* SSVs
Querétaro, Mexico	590,000	*Rotax* engines, *Sea-Doo* PWCs and *Sea-Doo Switch*
Gunskirchen, Austria	510,000	*Rotax* engines
Juárez, Mexico ("Juárez 3")	480,000	*Can-Am* SSVs
Sturtevant, United States	465,000	Assembly of *Sea-Doo Switch and Evinrude E-TEC components*
Juárez, Mexico ("Juárez 1")	450,000	*Can-Am* ATVs and *Can-Am Ryker* 3WVs
Coomera, Australia	310,000	*Quintrex, Stacer* and *Savage* aluminum boats and trailers
Rovaniemi, Finland	244,000	*Ski-Doo* and *Lynx* snowmobiles and certain specialized *Can-Am* ATVs
Lansing, United States	140,000	*Manitou* pontoon boats
St. Peter, United States	135,000	*Alumacraft* aluminum fishing boats
Spruce Pine, United States	100,000	Mainly components for *Rotax* engines

The Company's manufacturing strategy, including the products manufactured and the operational activities carried on in each manufacturing facility, is based on a variety of factors such as the proximity to key retail markets, the presence and cost of skilled labour, production capacity, international and local laws, rules and regulations (including custom duties, tariffs and free-trade arrangements) as well as social and political conditions.

The Company's facility in Valcourt (Canada) assembles *Ski-Doo* snowmobiles, *Can-Am Spyder* 3WVs and manufactures components of such vehicles.

The Company' s Juárez 2 facility (Mexico) assembles *Can-Am* SSVs, manufactures related components and produces SSV accessories such as bumpers, racks and brackets.

The Company' s facility in Querétaro (Mexico) assembles *Sea-Doo Spark* PWCs, *Sea-Doo Switch* and *Rotax* engines for *Can-Am* ATVs, SSVs and *Can-Am Ryker* 3WVs. Since 2016, the facility in Querétaro has been gradually starting to assemble the entire *Sea-Doo* PWC line-up and *Sea-Doo* PWC engines, which are partially manufactured in the Gunskirchen (Austria) facility and subsequently completed in the Querétaro facility, with the exception of the *Spark* PWC engines, which are completely produced in Querétaro. The facility also manufactures composite components for *Sea-Doo* PWCs. Since 2017, the Company has started machining *Rotax* engine components for *Can-Am* ATVs and SSVs and for PWCs in its Querétaro facility. It also machines *Rotax* engine components for *Can-Am Ryker* 3WVs.

The Company' s Gunskirchen (Austria) facility assembles *Rotax* engines for the Company' s *Ski-Doo* and *Lynx* snowmobiles and *Can-Am* 3WVs, as well as for third-party OEMs for use in karts, motorcycles, boats, recreational and small aircraft and fire pumps. Since January 2016, *Sea-Doo* PWC engines are partially manufactured in the Gunskirchen (Austria) facility and subsequently completed in the Querétaro facility, with the exception of the *Sea-Doo Spark* PWC engines, which are entirely produced in Querétaro (Mexico). In 2020, an additional area was built in the Company' s Gunskirchen facility to serve as a laboratory for research and development in the electric space. The facility in Gunskirchen is strategically located in a region in which skilled labour in advanced propulsion systems is abundant due to the proximity of several automotive industry research centers and key suppliers.

The Company' s Juárez 3 facility (Mexico) assembles *Can-Am* SSVs, manufactures related components and produces SSV accessories such as bumpers, racks and brackets.

In May 2020, the Company announced the re-orientation of its marine business by focusing on the growth of its boat brands and by discontinuing the *Evinrude E-TEC* outboard engines production in its Sturtevant facility. As a result, the facility in Sturtevant (United States) is being repurposed for upcoming marine product production. It is currently being used for the final assembly of the *Sea-Doo Switch*, and it manufactures *Evinrude E-TEC* outboard engines parts. In an effort to consolidate the Alumacraft operations into one site, the Company' s facility in Arkadelphia (United States) was closed in the second half of 2020 and its operations were transferred to the Company' s facility in St. Peter (United States).

The Company' s Juárez 1 facility (Mexico) assembles *Can-Am* ATVs and started assembling *Can-Am Ryker* 3WVs in 2018 but ceased assembling SSVs in this facility in 2020. The facility also manufactures components for *Can-Am* off-road vehicles and *Can-Am Ryker* 3WVs and produces ATV, SSV and *Ryker* 3WV accessories such as bumpers, racks, steering columns and brackets.

The Company' s facility in Coomera (Australia) manufactures *Quintrex*, *Stacer* and *Savage* aluminum boats and trailers.

The Company' s facility in Rovaniemi (Finland) assembles *Lynx* and *Ski-Doo* snowmobiles and completes the assembly of certain models of specialized *Can-Am* ATVs. The Company also manufactures components for snowmobiles and ATVs in Rovaniemi.

The Company' s facility in Lansing (United States) assembles *Manitou* pontoons and performs aluminum transformation such as blanking, forming and aluminum welding.

The Company' s facility in St. Peter (United States) assembles *Alumacraft* aluminum fishing boats and performs aluminum transformation such as blanking, forming and riveting.

The Company's facility in Spruce Pine (United States) provides lost foam aluminum casted parts for *Rotax* branded engines as well as other OEM customers serving the automotive, rail and construction equipment industries.

The Company is vertically integrated with respect to those manufacturing processes that represent its core competencies, such as surface treatment, painting, high precision machining and honing, aluminum fabrication and forming, riveting and welding, steel forming and welding and engine component manufacturing. For other product components, the Company relies on external suppliers. The Company uses contract carriers to ship its products to its customers and maintains international distribution centers to allow for its products to be shipped to international customers with shorter lead-times. For boats, shipping is also performed by the Company in North America.

Research and Development

BRP relies heavily on research and development to sustain its reputation towards innovation, high performance products, build strong consumer loyalty and reduce production costs. In Fiscal 2022, investments by the Company in research and development activities represented approximately $289.8 million, or approximately 4% of the Company's annual revenues. BRP's significant research and development efforts have repeatedly materialized into:

new industry-leading platforms (e.g. the *Ski-Doo REV Gen 4* platform, *Can-Am Ryker* 3WV, the *Sea-Doo GTI* personal watercraft, and *Sea-Doo Switch* pontoons);

new segments (e.g. *Sea-Doo FishPro* for sport fishermen, *Sea-Doo GTI 130 PRO* specifically designed for the rental market, and Jet-powered pontoons under 21 feet with the *Sea-Doo Switch*);

new design features (e.g. first PWC with direct access to front storage from the driver's seat, *Sea-Doo FishPro* Trophy, the first PWC with a livewell and swivel seat, *Sea-Doo Switch* modular funiture and tile system);

new engine technologies (e.g. *Ski-Doo SHOT* engine starting system, the first factory produced 2-stroke turbocharged engine, the *Ski-Doo 850 E-TEC Turbo*, six different electric vehicle concepts. 200hp Turbo RR engine along with 700/HD7 ACE and HD9 engines for SSVs, and *Sea-Doo* iDF (Intelligent Debris Free) pump system);

new ergonomic features (e.g. the *Ergo-Lok* system deployed across the *Sea-Doo* PWC line-up, including the new *Ergo-Lok R* system with an adjustable rear saddle on the new *RXP-X*, effectively positioning the rider and watercraft into perfect performance-oriented ergonomics);

new safety features (e.g. the *Sea-Doo* speed limiting *Learning Key* or the *Can-Am work key*);

new features enhancing the customer's experience (e.g. the industry's first *BRP Connect* portal for smartphone apps as well as the new *BRP GO!* snowmobile navigation app and the *Belt Monitoring System* on all *Ski-Doo Summit* and *Freeride* models; and

new accessories (e.g. *Ski-Doo 1+1* seat, the *Sea-Doo LinQ* cooler, the *Sea-Doo Switch Premium Audio System* and the *Can-Am* ATV & SSV *LinQ* cargo systems).

BRP's research and development activities are spread across its four research and development sites located in Canada, Austria, the United States and Finland. Research and development activities are organized around centers of expertise, with each facility focused primarily on certain specific activities.

BRP is a partner, with the *Université de Sherbrooke*, of the *Centre de technologies avancées BRP - Université de Sherbrooke*, which has the mandate of developing specialized vehicles and advanced technologies. BRP also established the *Laurent Beaudoin Design & Innovation Centre,* which serves as the home to BRP's design and advanced concept teams, working to create revolutionary products and develop new product lines and categories. In addition, BRP is a partner with the Austrian government in the *Regionales Innovations Centrum* in Austria, focusing on the design and development of efficient powertrain technologies.

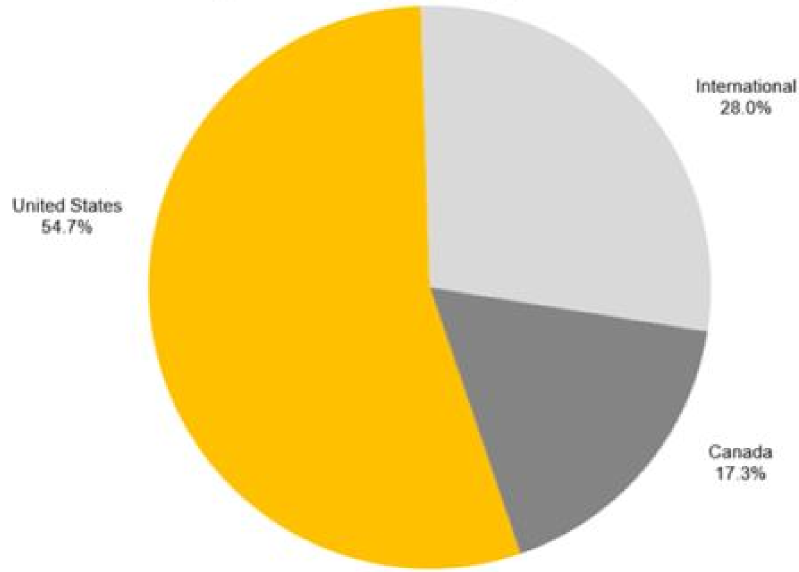
Distribution, Sales and Marketing

Distribution and Sales

BRP has established an extensive global distribution network selling products, directly or indirectly, in over 120 countries. As of the date hereof, BRP sells products directly to approximately 2,800 dealers in 21 countries. In certain geographic markets, the Company prefers to leverage a network of distributors acting as intermediaries with dealers. Through its network of approximately 170 distributors, BRP sells products to approximately 460 additional dealers. In China, the Company distributes products through a joint venture with Smooth Marine Equipment Ltd., its long-time distributor in China, and BRP has a majority ownership stake in this joint venture. In 2018, the Company opened a new office in Texas, U.S. for management and staff forming part of the sales, marketing, dealer services, finance and human resources functions of the Company. In 2018, the Company also transitioned, in Russia, from a model where it distributes its products through a distributor, to a model where it distributes its products directly to dealers. Consequently, the Company established an office in Russia to support this market. In March 2022, in light of the geopolitical instability around the military conflict in Ukraine, the Company temporarily ceased the export of its products to Russia. See "Risk Factors - The Company's international sales and operations subject it to additional risks, which risks may differ in each country in which the Company operates".

In Fiscal 2022, 28.0% of the Company's revenues were generated outside of North America. In addition to reducing the Company's reliance on any single geographic market, management believes that the breadth of BRP's distribution network positions it favorably to capture future growth opportunities in emerging powersports markets.

Percentage of Revenues by Geography for Fiscal Year 2022



The Company typically enters into agreements with dealers, pursuant to which they are authorized to market specific product lines and are required to stock service parts and perform warranty and out-of-warranty repairs and other services. Most of these contracts do not require a dealer to market the Company' s products on an exclusive basis. Based on various business criteria, dealers can become entitled to discounts, co-operative advertising subsidies and inventory financing. The Company also enters into agreements with distributors covering specific territories.

The Company delivers its products to dealers and distributors either directly from distribution centers and warehouses strategically located, which are operated either by the Company itself or by third-party logistics providers.

The Company operates a build-to-order process under which it manufactures products based on dealer and distributor orders. It also manages a sales and operations process through which it adjusts production schedules on a weekly or monthly basis to precisely tailor production to incoming orders and market conditions. The Company measures the success of its global production scheduling based on its order fill rate and finished product inventory. The Company produces its Powersports Seasonal Products, namely its snowmobiles and PWCs, before and early in their respective seasons of use, while it produces its Powersports Year-Round Products and Marine Products, namely its ATVs, SSVs, 3WVs and boats, year-round. Due to the supply chain lead-time for Seasonal Products, flexibility in adjusting production volumes to meet changes in anticipated demand is limited.

The Company regularly holds dealer and distributor meetings to introduce new products and register pre-season orders. Dealers and distributors also have the opportunity to modify their orders during the season, either quarterly, monthly or on an ongoing basis, depending on the product line and the geography. The distribution network for Seasonal and Year-Round Products is relatively stable and consists of a majority of dealers and distributors with whom BRP has enjoyed a longstanding relationship. The *Rotax* inboard jet propulsion engines are distributed exclusively through boat builders. The *Alumacraft* and *Manitou* boats are distributed mainly through a network of dealers in the United States and in Canada while the *Quintrex, Stacer and Savage* boats are distributed through a network of dealers in Australia.

See "Risk Factors - *The Company's international sales and operations subject it to additional risks, which risks may differ in each country in which the Company operates*".

Dealers' and Distributors' Inventory Financing Arrangements

BRP has agreements with large financing companies in North America, Europe, Australia, New Zealand and Latin America to provide third-party inventory financing to its dealers and distributors in order to facilitate their purchase of the Company's products. These agreements improve BRP's liquidity by financing dealer and distributor purchases of products without requiring substantial use of the Company's working capital. A significant percentage of BRP's sales are made under such arrangements. The total amount of financing provided under such financing agreements totaled approximately $6.1 billion for Fiscal 2022 compared to approximately $4.5 billion for Fiscal 2021. Under the dealer and distributor financing agreements, in the event of a default of a dealer or distributor, the Company may be required to purchase, from the finance companies, repossessed new and unused products at the total unpaid principal balance of the dealer or distributor to the finance companies. During the three-month period ended July 31, 2021, the Company renegotiated and regrouped some of its repurchase obligations for obligations that were held with the same third-party financing providers. Henceforth, the Company's obligations are now generally within a range between U.S. $14.0 million ($17.8 million) or 15% of the calendar year average amount of financing outstanding under the financing agreements, and U.S. $25.0 million ($31.7 million) or 10% of the last twelve-month average amount of financing outstanding under the financing agreements. See "Risk Factors–*The inability of the Company's dealers and distributors to secure adequate access to capital could materially adversely affect the Company's business, results of operations or financial condition*".

Marketing

In 2016, BRP embarked on a customer-focused marketing transformation. Today, BRP is aiming to deliver best-in-class customer experiences. BRP seeks to drive consumer loyalty and ambassadorship by focusing on consumer experience and collaborating with its dealers and distributors. The Company has implemented several initiatives to expose thousands of consumers each year to the excitement and energy of the Powersports and Marine community, including through brand communications, physical and virtual experiences and high-quality product trials. The Company's digital factory leverages its websites, Customer Relationship Management platforms and social media properties to drive excitement, showcase the community, and provide customers with the information they are looking for.

Suppliers

BRP's primary purchases from its suppliers include raw materials, tooling, parts and systems, information technology ("IT") services, marketing and transportation services. Parts, components and systems are subject to an extensive validation process in order to ensure their reliability and durability. Raw materials or standard parts are generally readily available from multiple sources for the products manufactured by BRP. Furthermore, whenever possible, BRP tries to identify potential substitute supply arrangements for components. BRP strives to obtain the lowest total costs of supply and manufacturing while ensuring high quality, and regularly seeks alternative sources of supply outside its current network of suppliers.

The Company is vertically integrated with respect to core manufacturing processes. For product components, other than those resulting from the core manufacturing processes, the Company generally establishes long-term relationships with external suppliers. The Company has implemented a certification process to evaluate the suitability of potential suppliers, which includes a review of suppliers' financial condition and their capacity to produce components in conformity with BRP's requirements and specifications as well as with applicable labour and environmental standards. Additionally, the Company performs both laboratory and field testing of components before using them in its products. All suppliers must comply with applicable trade sanctions and the BRP Supplier Code of Conduct, which outlines a clear set of standards on ethical matters such as health & safety, environment as well as prevention of child labor and modern slavery.

The manufacturing of the Company's youth *Can-Am* ATVs and youth *Ski-Doo* snowmobiles as well as the production of most of its accessories and apparel is outsourced.

Please refer to "Risk Factors" for more information on the operating and financial impact of the pandemic on the Company.

Seasonality

Some of BRP's product lines, such as snowmobiles, PWCs and boats, are seasonal. However, certain of these products are also sold during offsetting seasons, reducing the overall seasonal impact on the Company. Additionally, BRP's 3WV, jet boat engines, ATV and SSV products are less subject to seasonal weather patterns than snowmobiles, PWCs and boats.

The following table reflects the seasonality of revenues for each of the quarters in the three most recent fiscal years.

(in % of annual revenues)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Fiscal 2022	23.6%	24.9%	20.8%	30.7%
Fiscal 2021	20.7%	20.7%	28.1%	30.5%
Fiscal 2020	22.0%	24.1%	27.2%	26.7%

Employees

As at the end of Fiscal 2022, the Company employed close to 20,000 employees of whom approximately 5,200 were covered by collective arrangements, either through an association, a joint company-employee relations committee, or a certified union/works council.

In Valcourt (Canada), the Company has employee relations committees to ensure joint company-employee discussions addressing employee matters and business challenges in an open and transparent context. These employee relations committees also serve as a channel of communication between the Company and all related employees in order to foster a culture of collaboration and mutual trust. Employee relations committee meetings are held on a regular basis.

In the United States, employees are not unionized.

Employees in Austria and Finland are represented by these countries' respective national works councils that supervise labour law compliance. The members of the respective local works councils meet with management on a regular basis and also participate in social, employment and, to a lesser extent, economic and financial decisions. In general, the Company representatives and works councils' members meet on a regular basis to discuss specific work conditions and other normative elements. The Company and local works councils also hold annual formal negotiations to discuss overall work conditions. By law, certain employee-related topics must be negotiated with the works councils and the outcome must be documented in writing and signed by both parties.

Employees in Juárez (Mexico) are not represented by any association. Manufacturing employees in Querétaro (Mexico) are represented by a union; wages are agreed upon yearly and other benefits every other year.

In addition, employees in non-manufacturing sites located in Belgium, Brazil, France, Italy, Norway, Spain, and Sweden are represented by their respective national collective agreements. Employees in Switzerland and Russia are not governed by any type of collective arrangement.

Employees in New Zealand, China and Japan are non-manufacturing workers. They are not unionized, but they can be represented by their respective local or national work councils. Their employment rights and conditions are regulated and protected under agreement and national employment law.

In Australia, employees are not unionized.

Please refer to Risk Factors" for more information on the operating and financial impact of the pandemic on the Company.

Intellectual Property

The Company has an extensive portfolio of intellectual property, including patents, trademarks, copyrights and trade secrets that protect its brands, products, designs and technologies.

Patents

As at January 31, 2022, the Company held more than 1,654 issued patents and pending patent applications to protect its products, designs and technologies, in jurisdictions including the United States, the European Union, Canada, China and Russia, among others. The Company diligently seeks to protect its key innovations through patent filings. The Company determines jurisdictions in which it files patent applications based on strategic considerations and the availability of patent protection in such jurisdictions. As it continues to develop new products, manufacturing processes and technologies the Company plans to apply for patents to protect such innovations.

As an example, the Company's intellectual property portfolio includes patents and applications relating to its ATV and SSV *Ride Control* technologies, *Can-Am 3W vehicle stability* system *(VSS)* and *Ryker Drivetrain* technology, the *Sea-Doo* PWC *iBR brake* system and *Shark Gill* design, the *Ski-Doo* 2 *strokes turbocharged engine* technology, the *Ski-Doo SHOT* starter, the *Rotax Electric Kart Direct Drive* technology and the *LinQ* technology.

Trademarks

In addition to protecting its technical innovations, the Company relies on a combination of registered and unregistered trademarks to protect its position as a branded company with strong brand name recognition. It holds numerous registered trademarks in respect of its brands, including *Alumacraft*®, *BRP*®, *Can-Am*®, *Lynx*®, *Manitou*®, *Quintrex*®, *Rotax*®, *Savage*®, *Sea-Doo*®, *Ski-Doo*® and *Stacer*®. It also holds registered trademarks with respect to its various model lines, including *Aurora*®, *Commander*®, *Defender*®, *Expedition*®, *Fish Pro*®, *Freeride*®, *G2*®, *Maverick*®, *MX-Z*®, *Renegade*®, *Rave*®, *Ryker*®, *RXP*®, *RXT*®, *Skandic*®, *Spark*®, *Spyder*®, *Summit*®, *Switch*™ and *Traxter*®, and additional registered trademarks with respect to certain of its technologies, including *4-TEC*®, *BRP Connect*®, *BV2S*®, *E-TEC*®, *iBR*®, *iCatch*®, *iControl*®, *iS*®, *Learning Key*®, *LinQ*®, *Radien*®, *REV*®, *V-Toon*®, and *XPS*®. The Company determines the jurisdictions in which it registers its trademarks based on strategic considerations and on the availability of trademark registration in such jurisdictions. As it continues to develop and introduce new brands, models and technologies, the Company plans to register new trademarks to protect its strong name recognition.

Licenses

In the ordinary course of business, the Company enters into license agreements for intellectual property held by suppliers, competitors and other third parties with respect to parts, components and other systems used in the Company's products.

Product Warranties

The Company's manufacturer product warranties generally cover periods from six months to five years for most products. In certain circumstances, the Company provides extended warranty coverage as a result of sales programs, under certain commercial accounts, or as required by local regulations. During the warranty period, the Company reimburses dealers and distributors the entire cost of repair or replacement performed on the products (mainly composed of parts or accessories provided by the Company and labour costs incurred by dealers or distributors). In addition, the Company sells in the normal course of business and provides under certain sales programs, extended product warranties.

Information Technology

The Company uses several IT platforms in the operation of its business. For example, the Company uses SAP (enterprise system), SalesForce (sales and after-sale), Cognos (finance) and certain applications developed in-house. All such platforms support specific functions of the Company.

Regulatory Matters

The Company is subject to extensive laws and regulations at many steps in its chain of conception, production and distribution of products. Above and beyond the laws and regulations applicable to any business, there are certain requirements applicable only to powersports vehicles or recreational products such as those manufactured by the Company. These regulations include standards related to safety, construction rules, sound and gaseous emissions, and the sale and marketing of products, and have generally become stricter in recent years.

The Company is taking appropriate measures to ensure that its products will be compliant with anticipated more stringent regulations as they become effective from time to time. Such measures include the development of new engines and vehicle design, as well as the development of new energy-efficiency related technologies. While these efforts require substantial expenditures, it is impractical at this time to isolate these specific compliance costs from total project costs. See "Risk Factors – The Company is subject to laws, rules and regulations regarding product safety, health, environmental and noise pollution and other issues that could cause the Company to incur fines or penalties or increase its capital or operating costs".

Safety Regulation

The Company's products are subject to extensive laws, rules and regulations relating to product safety promulgated by the governments or regulatory authorities of Canada, individual Canadian provinces, the United States, individual American states or other countries.

These requirements pertain to the conception, production and distribution of BRP's products.

In addition, the Company is a member of several industry and trade associations in Canada, the United States, and other countries whose mandate is to promote safety in the manufacture and use of powersports products. Some of those trade associations promulgate voluntary industry product safety standards with which the Company complies.

Use Regulation

In Canada, the United States and other countries, laws, rules and regulations have been promulgated or are under consideration relating to the use of powersports vehicles and boats. Some countries, provinces, states, municipalities and local regulatory bodies have adopted, or are considering the adoption of, legislation and local ordinances that restrict the use of snowmobiles, PWCs, ATVs, SSVs, boats and outboard engines to specified hours and locations. The use of said products has been restricted in some national parks and federal lands in Canada, the United States and other countries. In some instances, this restriction has consisted of a ban on the recreational use of these vehicles in specific locations.

Emissions Regulation

The Company's products are subject to sound and gaseous emissions laws, rules and regulations promulgated by the governments and regulatory authorities of Canada (Environment and Climate Change Canada), the United States (Environmental Protection Agency), individual American states (such as the California Air Resources Board), the European Union and other jurisdictions. Such laws, rules and regulations may require the development of new engines and vehicle design, as well as the development of new energy-efficient technologies. See "Risk Factors – The Company is subject to laws, rules and regulations regarding product safety, health, environmental and noise pollution and other issues that could cause the Company to incur fines or penalties or increase its capital or operating costs".

Environmental Regulation Applicable to Facilities

The Company is also subject to environmental laws, rules and regulations pursuant to which, among other things, it may become liable for the costs of investigating, removing and monitoring any hazardous substances found in its manufacturing and other facilities.

Insurance

The Company carries various insurance coverage policies to protect against certain risks of loss consistent with the exposures associated with the nature and scope of its operations. The most significant insurance policies that the Company carries include:

- commercial general liability insurance for bodily injury and property damage resulting from its operations and its products;
- property insurance covering the replacement value of all real and personal property damage, including damages arising from earthquake, flood damage and business interruption;
- cargo insurance to protect against loss or damage to goods while in transit;
- workers' compensation coverage in the United States to required statutory limits;
- automobile liability insurance for all owned, non-owned and hired vehicles covering liabilities to third parties for bodily injury and property damage;
- aviation insurance for bodily injury and property damage resulting from the Company's small recreational aircraft engines;
- directors and officers insurance; and
- cyber insurance to mitigate risk exposure by offsetting recovery costs following a cyber-related security breach or similar event.

All policies are subject to certain deductibles, limits or sub-limits and policy terms and conditions.

RISK FACTORS

The risks and uncertainties described in this Annual Information Form are those the Company currently believes to be material, but they are not the only ones it faces. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified or that it currently considers not to be material, actually occur or become material, the Company's business, guidance, prospects, financial condition, results of operations and cash flows and consequently the price of the Subordinate Voting Shares could be materially and adversely affected.

Economic conditions that impact consumer spending may have a material adverse effect on the Company's business, results of operations or financial condition

The Company's business is cyclical in nature, and the Company's products compete with a variety of other recreational products and activities for consumers' discretionary income and leisure time. The Company's results of operations are sensitive to changes in overall economic conditions, primarily in North America and Europe, that impact consumer spending and particularly discretionary spending. Fluctuations in economic conditions may negatively affect disposable consumer income such as personal income levels, the availability of consumer credit, employment levels, consumer confidence, business conditions, changes in housing market conditions, capital markets, inflation, tax rates, savings rates, interest rates, exchange rates, fuel and energy costs, tariffs. Natural disasters, acts of terrorism, epidemic or pandemic outbreaks, or other similar events, could also reduce consumer spending generally or discretionary spending in particular. Such reductions could materially adversely affect the Company's business, results of operations or financial condition. Changes in economic conditions could also result in a deterioration or increased volatility in the credit and lending markets, which could adversely impact the consumers who purchase the Company's products from dealers and rely upon financing for such purchases as well as the availability of financing arrangements for dealers and distributors to finance their inventory. If financing is not available to consumers or dealers and distributors on satisfactory terms, the Company's business, results of operations or financial condition could be materially adversely affected. Further, volatility in the capital markets has been heightened during recent months and such volatility may continue, which may cause declines in the price of the Subordinate Voting Shares or result in shareholder grievance or activism.

The continued spread of the COVID-19 virus around the globe, including the emergence of new variants, and the responses of governmental authorities and corporate entities, including through mandated or voluntary shutdowns, have led to temporary disruptions and slowdowns to our workforce and facilities, our consumers, our sales and operations and our supply chain. The situation is dynamic and changing day-to-day, such that the Company will continue to monitor it closely as it develops and will take appropriate measures to mitigate any impact on the Company.

Any decline in the social acceptability of the Company or of the Company's products or any increased restrictions on the access or the use of the Company's products in certain locations could materially adversely affect its business, results of operations or financial condition

Demand for the Company's products depends in part on their social acceptability. Public concerns about the environmental impact of the Company's products or their perceived safety could result in diminished social acceptance. Circumstances outside the Company's control, such as social action to reduce the use of fossil fuels, could also negatively impact consumers' perceptions of the Company's products. Any decline in the social acceptability of the Company's products could negatively impact their sales or lead to changes in laws, rules and regulations that prevent their access to certain locations, including trails and lakes, or restrict their use or manner of use in certain areas or during certain times. Additionally, while the Company has implemented various initiatives to address these risks, including the improvement of the environmental footprint and safety of its products, there can be no assurance that the perceptions of the Company's customers will not change. Consumers' attitudes towards the Company's products and the activities in which they are used also affect demand. Any failure by the Company to maintain the social acceptability of its products could impact its ability to retain existing customers or attract new ones which, in turn, could have a material adverse effect on its business, results of operations or financial condition.

Similarly, in the last several years, the importance of environmental, social and governance ("**ESG**") performance requirements, standards and reporting has increased significantly across all stakeholder groups. While the Company has in place programs and commitments with respect to ESG, there is no assurance that it will be able to adequately address all ESG pressures and potential requirements to maintain stakeholder confidence. Further, the Company's ability to implement its programs and commitments with respect to ESG is likely to be compared against its peers. The failure to achieve its ESG targets, or a perception among key stakeholders that its ESG targets are insufficient, could adversely affect the Company's reputation and its ability to attract capital from financial institutions and investors incorporating sustainability and ESG considerations as a part of their portfolios or adopting restrictive decarbonization policies.

Fluctuations in foreign currency exchange rates could result in declines in reported sales and net earnings

The Company reports its financial results in Canadian dollars and the majority of its sales and operating costs are realized in currencies other than the Canadian dollar. In Fiscal 2022, 54.7% of the Company' s revenues were realized in the United States. The Company is also exposed to other currencies such as the Australian dollar, the Brazilian real, the Euro, the Mexican peso, the Norwegian krone, the Swedish krona and the Russian rubble. If the value of any currencies in which sales are realized depreciates relative to the Canadian dollar, the Company' s foreign currency revenue will decrease when translated to Canadian dollars for reporting purposes. In addition, any depreciation in foreign currencies could result in higher local prices, which may negatively impact local demand and have a material adverse effect on the Company' s business, results of operations or financial condition. Alternatively, if the value of any of the currencies in which operating costs are realized appreciates relative to the Canadian dollar, the Company' s operating costs will increase when translated to Canadian dollars for reporting purposes. Although these risks may sometimes be naturally hedged by a match in the Company' s sales and operating costs denominated in the same currency, fluctuations in foreign currency exchange rates could create discrepancies between the Company' s sales and its operating costs in a given currency that could have a material adverse effect on its business, results of operations or financial condition. Fluctuations in foreign currency exchange rates could also have a material adverse effect on the relative competitive position of the Company' s products in markets where they face competition from manufacturers who are less affected by such fluctuations in exchange rates.

In addition, the Company' s indebtedness under its Term Facility and a portion of the Revolving Credit Facilities are denominated in U.S. dollars. As a result, any strengthening of the U.S. dollar versus the Canadian dollar or any revaluation of the denomination of the Term Facility into Canadian dollars at the end of each reporting period can result in significant fluctuations of net income, which could have a material adverse effect on the Company' s business, results of operations or financial condition.

While the Company actively manages its exposure to foreign-exchange rate fluctuations and enters into hedging contracts from time to time, such contracts hedge foreign-currency denominated transactions and any change in the fair value of the contracts could be offset by changes in the underlying value of the transactions being hedged. Furthermore, the Company does not have foreign exchange hedging contracts in place for some currencies in which it does business. As a result, there can be no assurance that the Company' s approach to managing its exposure to foreign-exchange rate fluctuations will be effective in the future or that the Company will be able to enter into foreign-exchange hedging contracts as deemed necessary on satisfactory terms.

The Company has, and is expected to continue to have and incur, indebtedness and there can be no assurance that it will be able to pay its indebtedness as it becomes due

The Company has, and is expected to continue to have and incur, a significant amount of indebtedness, including obligations under the Revolving Credit Facilities as well as substantial obligations under the Term Facility. In addition, the Company may incur greater levels of indebtedness as a result of challenging economic or other conditions affecting the Company, including as a result of the seasonality of its business or due to supply chain related disruptions increasing its working capital needs. The amount of indebtedness that the Company has from time to time may, among other things, limit the Company' s ability to obtain additional financing, require the Company to dedicate a substantial portion of its cash flow generated from operations to payments on its indebtedness or fixed costs (thereby reducing the funds available for other purposes), make the Company more vulnerable to economic downturns, or limit the Company' s flexibility in planning for, or reacting to, competitive pressures or changes in its business environment, any of which could, in turn, have a material adverse effect on its business, results of operations or financial condition.

The ability of the Company to make scheduled payments under its indebtedness will depend on, among other things, its future operating performance and its ability to refinance its indebtedness, if necessary. In addition, as the Company incurs indebtedness that bears interest at fluctuating interest rates and is mainly denominated in U.S. dollars, to the extent that interest rates increase or the U.S. dollar appreciates relative to the Canadian dollar, its interest expense will increase. Each of these factors is, to a large extent, subject to economic, financial, competitive, regulatory, operational and other factors, many of which are beyond the Company' s control. Any failure by the Company to generate sufficient cash from its operations to pay its debt and other financial obligations could have a material adverse effect on its business, results of operations and financial condition.

The Company uses cash generated from its operating activities to fund its business and execute its growth strategy and may require additional capital that may not be available to the Company

The Company relies on net cash generated from its operating activities as its primary source of liquidity. To support the Company' s business and execute its growth strategy as planned, the Company will need to continue to generate significant amounts of cash from operations, including funds to pay personnel, invest further in its infrastructure and facilities and invest in research and development. In case of decreasing capacity of the Company to generate cash from operations, the eventual recovery of the Company may be delayed due to factors such as the cyclical nature of the Company' s business, the seasonality of certain of its products, and the inventory levels of the Company, and that of its distributors and dealers. If the Company' s business does not generate cash flow from operating activities sufficient to fund these activities, and if sufficient funds are not otherwise available from its credit facilities, the Company may need to seek additional capital, through debt or equity financings, to fund its business or execute its growth strategy. Conditions in the credit markets (such as availability of financing, fluctuations in interest rates and deterioration of the global economic condition, including as experienced in connection with the ongoing COVID-19 health crisis) may make it difficult for the Company to obtain such financing on attractive terms, or even at all. Additional debt financing that the Company may undertake may be expensive and might impose on it covenants that restrict the Company' s operations and strategic initiatives, including limitations on its ability to incur liens or additional debt, pay dividends, repurchase its capital shares, make investments or engage in merger, consolidation and asset sale transactions. Any equity financing may also be on terms that are dilutive to the Company' s shareholders, and the prices at which new investors would be willing to purchase equity securities may be lower than the price per share of the Company' s Subordinate Voting Shares, especially in light of the heightened volatility in the capital markets experienced globally during recent months. If new sources of financing are required, but are unattractive insufficient, or unavailable, then the Company could be required to modify its business plans or growth strategy based on available funding, if any, which, in turn, could have a material adverse effect on the Company' s business, results of operations or financial condition.

Supply problems, termination or interruption of supply arrangements or increases in the cost of materials could have a material adverse effect on the Company' s business, results of operations or financial condition

The primary raw materials used in manufacturing the Company' s products are aluminum, steel, plastic, resins, stainless steel, copper, rubber and certain rare earth metals. Certain suppliers provide the Company with certain product parts and components. In some instances, the Company also purchases systems, components, raw materials and parts that are derived from a single source and which may represent an increased risk of supply disruptions. The Company cannot be certain that it will not experience supply problems, such as the untimely delivery of, or defects or variations in, raw materials, parts or components. Shortages of key components, such as semiconductors, can disrupt the Company' s production. For example, the powersports vehicles and marine products industry have faced in recent months, and continue to face, a significant shortage of semiconductors, which has a complex supply chain with long lead times required to increase production and capacity. Such supply chain related disruptions can result in larger than usual production of substantially completed units awaiting missing components. Also, at present, there is still a risk of production stoppages and slowdowns in several jurisdictions where the Company operates, which could lead to further supply disruptions and delivery delays for the Company. Given this context, the Company has been forced to, and expects to continue to, take additional measures to secure its supply chain and maintain its production, including the use of expedited freight or air freight, resulting in additional costs for the Company. Additionally, various sources of supply-chain risk, including strikes or shutdowns at delivery ports, disruptions or shutdowns caused by health crisis such as the COVID-19 pandemic, or loss of or damage to goods while they are in transit or storage, could limit the supply of these raw materials and components. Any prolonged disruption in the supply chain could have a material adverse effect on the Company's operations or profitability and the insolvency, bankruptcy, financial restructuring or force majeure event of any critical suppliers could result in the Company incurring unrecoverable costs related to the financial work-out or resourcing costs of such suppliers and/or increased exposure for product liability, warranty or recall costs relating to the components supplied by such suppliers to the extent such supplier is not able to assume responsibility for such amounts.

As well, the Company obtains certain of the raw materials, parts and components it uses from either sole suppliers or a limited number of suppliers. If these supply arrangements were terminated or interrupted for reasons such as supplied goods not meeting the Company's quality or safety standards or the suppliers' operations being disrupted as a result of a variety of internal or external risks, including a deterioration in general economic conditions, which may be the case as a result of the ongoing COVID-19 health crisis, the Company could have difficulty establishing substitute supply arrangements on satisfactory terms. Problems with the Company's supplies could have a material adverse effect on the Company's business, results of operations or financial condition.

Moreover, the Company's profitability is affected by significant fluctuations in the prices of the raw materials, parts and components it uses, including as recently experienced as a result of the inflationary environment driven by high demand and supply chain disruptions. Further, higher energy costs and fuel increase can adversely affect the pricing and availability of petroleum-based raw materials such as resins and rubber used in many of the Company's products. The Company may not be able to pass along price increases in raw materials, parts or components to its customers. As a result, an increase in the cost of raw materials, parts and components used in the manufacturing of the Company's products could reduce its profitability and have a material adverse effect on its business, results of operations or financial condition.

If the Company loses the services of members of its management team or employees who possess specialized market knowledge and technical skills, the Company's ability to compete, to manage its operations effectively, or to develop new products could be materially adversely affected

Many members of the Company's management team have extensive experience in the Company's industry and with its business, products and customers. The loss of the technical, management and operational knowledge and expertise of one or more members of the management team could result in a diversion of management resources, as the remaining members of management would need to cover the duties of any senior executive who leaves the Company and would need to spend time usually reserved for managing the Company's business to search for, hire and train new members of management. The loss of some or all of the members of Company's management team, particularly if combined with difficulties in finding qualified substitutes, could negatively affect the Company's ability to develop and pursue its business strategy, which could materially adversely affect the Company's business, results of operations or financial condition.

In addition, the Company's success depends to a large extent upon its ability to retain and attract skilled employees. There is intense competition for qualified and skilled employees in the labour markets in which we operate. We must attract, train, and retain many qualified employees while controlling related labour costs. Tighter labour markets, such as those experienced presently, may make it even more difficult for us to hire and retain qualified employees and control labour costs. Our ability to attract qualified employees and control labor costs is subject to numerous external factors, including prevailing wage rates, employee preferences, employment law and regulation, labour relations and immigration policy. The continued existence of a remote working environment may negatively impact the Company's ability to hire, retain and motivate talent. The Company's failure to recruit, train and retain such employees could have a material adverse effect on its business, results of operations or financial condition.

To implement and manage the Company's business and operating strategies effectively, the Company must maintain a high level of efficiency, performance and content quality, continue to enhance its operational and management systems and continue to effectively attract, train, motivate and manage its employees. If the Company is not successful in doing so, it may have a material adverse effect on its business, results of operations or financial condition.

The risks to the Company of a pandemic, epidemic or other public health crisis, such as the ongoing COVID-19 pandemic, include risks to employee health and safety, prolonged restrictive measures put in place in order to control the outbreak and limitations on travel, which may result in temporary shortages of staff or unavailability of certain employees or consultants with key expertise or knowledge of the Company, impact on workforce productivity and increased medical costs/insurance premiums.

Unfavourable weather conditions, and climate change more generally, may reduce demand and negatively impact sales and production of certain of the Company's products

The sales of the Company's products are affected by unfavourable weather conditions. Unfavourable weather in any particular geographic region may have a material adverse effect on sales of the Company's products in that region. In particular, lack of snowfall during winter may materially adversely affect snowmobile sales, while excessive rain before and during spring and summer may materially adversely affect sales of off-road vehicles, three-wheeled vehicles, PWCs, boats and marine propulsion systems. To the extent that unfavourable weather conditions are exacerbated by global climate change or otherwise, the Company's sales may be affected to a greater degree than previously experienced. There is no assurance that unfavourable weather conditions could not affect the Company's sales for any of its products, which, in turn, could have a material adverse effect on the Company's business, results of operations or financial condition.

Furthermore, any of the Company's manufacturing facility may be vulnerable to the adverse effects of climate change. Changing market dynamics, global policy developments, and the increasing frequency and impact of extreme weather events on critical infrastructure in Canada, the U.S., Mexico and elsewhere have the potential to disrupt the Company's business and the business of its third-party suppliers, and may cause the Company to experience higher attrition, losses and additional costs to maintain or resume operations.

The failure of the Company's information technology systems or a security breach could materially adversely affect the Company's business, results of operations or financial condition

The Company's global business operations are managed through a variety of information technology systems. These systems govern all aspects of the Company's operations around the world. The Company is dependent on these systems for all commercial transactions, financial reporting, dealership and distributorship interactions, and supply chain and inventory management. Certain of the Company's key IT systems are dated and require, or are in the process of, modernization. The Company's information technology systems may also be vulnerable to damage or interruption from circumstances beyond the Company's control, including fire, flood, natural disasters, systems failures, network or communications failures, power outages, public health emergencies, security breaches, cyber-attacks and terrorism. If one of the Company' s key IT systems were to suffer a failure, no assurance can be given that the Company' s backup systems or contingency plans will sustain critical aspects of the Company' s operations, and the Company' s business, results of operations or financial condition could be materially adversely affected. Further, the Company relies on large outsourcing contracts for IT services with major third-party service providers, and if such service providers were to fail or the relationships with the Company were to end, and the Company were unable to find suitable replacements in a timely manner, the Company' s business, results of operations or financial condition could be materially adversely affected. The Company also depends on security measures that these third-party service providers are taking to protect their own systems and infrastructure. If such third-party service providers do not maintain adequate security measures in accordance with contractual requirements, the Company may experience operational difficulties and increased costs. The Company is continually modifying and enhancing its IT systems and technologies to increase productivity and efficiency. As new systems and technologies are implemented, the Company could experience unanticipated difficulties resulting in unexpected costs and adverse impacts to its financial reporting and manufacturing and other business processes. When implemented, the systems and technologies may not provide the benefits anticipated and could add costs and complications to ongoing operations, which may have a material adverse effect on the Company' s business, results of operations or financial condition.

The Company and its dealers and distributors receive and store personal information in connection with their human resources operations, credit operations, warranty management, marketing efforts and other aspects of their businesses. Additionally, the Company maintains financial information in its IT system and exchanges electronically information with a large number of trading partners across all aspects of its commercial operations. The Company makes significant investments in research and development each year and data from such activities is maintained in the Company' s IT systems. Any security breach of the Company' s IT systems could result in disruptions to its operations, erroneous transactions or reporting, loss of data from research and development activities or the devaluation of intellectual property. The Company has security measures and controls in place to protect personal and business information, and on an ongoing basis, continues to make investments to reinforce secure access to our information technology network. In addition, despite the Company' s preventive efforts to address cybersecurity threats, these threats are increasingly complex and can change frequently such that the Company may be unable to proactively address those threats or implement adequate preventive measures. With the increased use of technologies such as the internet to conduct business, the Company is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Further, the work-from-home measures implemented in response to the COVID-19 crisis present cybersecurity challenges, as the Company' s security and control measures might fail to adapt to a remote environment. While the Company has deployed additional protective measures including advanced threat hunting, real time response and Operational Technology (OT) surveillance services, it is not completely immune from these increasing cybersecurity threats. To the extent that a cybersecurity breach results in a loss or damage to the Company' s data, or in inappropriate disclosure of confidential or personal information, it could cause significant damage to the Company' s reputation, affect its relationships with its customers, lead to violations of applicable privacy and other laws, regulatory fines, penalties, additional compliance costs, claims against the Company and ultimately materially adversely affect its business, results of operations or financial condition.

The Company's international sales and operations subject it to additional risks, which risks may differ in each country in which the Company operates

The Company manufactures its products in Australia, Austria, Canada, Finland, Mexico and the United States. The Company maintains sales and administration facilities in approximately 20 countries. The Company's primary distribution facilities distribute the Company's products to its North American dealers and the Company relies on various other locations around the world, including in Australia, Belgium, Finland and Russia, that distribute its products to its international dealers and distributors. The Company's total sales outside Canada and the United States represented 28.0% of the Company's total sales for Fiscal 2022 and the Company intends to continue to expand its international operations by investing in developing its dealer network and promoting the Company's brands and products in international markets. International markets have been and are expected to continue generating sales growth. Several factors, including weakened international economic conditions, the introduction of new trade restrictions, increased protectionism or changes in free-trade arrangements, tariffs, negative geo-political events or an outbreak of infectious disease, a pandemic or a similar public health threat, such as the ongoing COVID-19 health crisis, could adversely affect such growth. With its global spread, COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020, which caused various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions and caused the Company to take temporary measures to suspend or reduce operations at its manufacturing plants and distribution facilities. Despite the lifting of most of these measures, new variants of the virus have led to the temporary re-imposition of restrictive measures across North America and in other jurisdictions where the Company operates. Although the Company did not take additional measures in Fiscal 2022 to suspend or reduce operations at its manufacturing plants and distribution facilities as a result of such new variants, the continued spread of the virus in jurisdictions where the Company operates, and any further resurgences of the pandemic, may cause the reintroduction of previously loosened or eliminated restrictions or impositions of new restrictions that could potentially be more onerous. As such, the duration of the business disruptions internationally and related financial or operational impacts on the Company will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope and additional subsequent waves of the COVID-19 outbreak and the actions and measures that will be taken in each jurisdiction to contain or treat the COVID-19 outbreak as well as their effectiveness.

Additionally, the expansion of the Company's existing international operations and entry into additional international markets require significant management attention and financial resources. The risks inherent in having sales or operations in foreign countries include:

- increased costs of adapting products for foreign countries' laws, rules and regulations and cultural preference; lack of acceptability of the Company's products;
- difficulties in managing and staffing international operations and increased infrastructure and operational costs;
- different employee/employer relationships and labor regulations including the existence of work councils and labor unions and statutory equity requirements and other challenges caused by distance, language, and cultural differences, making it harder to do business in certain jurisdictions;
- restricted access to and/or lower levels of use of the internet, or limitations on technology infrastructure, both of which could limit the Company's ability to migrate international operations to its existing systems, which could result in increased costs;
- risk of travel advisories or travel restrictions related to the outbreak of contagious illnesses, such as the COVID-19 health crisis that continues to impact several geographic locations,

which could impact the Company' s ability to operate in certain markets and/or manage our operations in those markets;

- the imposition of additional Canadian or foreign governmental controls or regulations; new or enhanced trade restrictions and restrictions on the activities of foreign agents, representatives, and distributors; the imposition of increased costs or delays, or the introduction of new import and export licensing and other compliance requirements, customs duties or tariffs, or other non-tariff barriers to trade;

- breaches or violation of any anti-corruption laws, rules or regulations by any of the Company' s employees, consultants, dealers or distributors;

- the imposition of Canadian and/or international sanctions against a country, company, person, or entity with whom the Company does business which restricts or prohibits the Company' s continued business with the sanctioned country, company, person, or entity (including the recent restrictions imposed by foreign governments towards Russia);

- new and different sources of competition;

- international pricing pressures;

- disruptions in international logistics;

- laws and business practices favouring local companies;

- governmental expropriation;

- the imposition of any trade restrictions, or other similar restrictions impacting commercial activities among countries;

- adverse currency exchange rate fluctuations;

- longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems; and

- difficulties and inconsistencies relating to the enforcement of laws, rules, and regulations, including rules relating to environmental, health, safety and intellectual property matters.

The Company has four operating manufacturing facilities in Mexico, two of which are under expansion, which could be impacted by changes in economic, regulatory, social or political conditions affecting such country. In the past, Mexico has been subject to political instability, changes and uncertainties and there can be no assurance that similar events will not occur again in the future. In addition, the impact of any changes in economic, regulatory, social and political conditions affecting Mexico would be beyond the Company' s control, and there can be no assurance that any mitigating actions by the Company would be effective. As a result, the Company' s business, results of operations or financial condition could be materially adversely affected by any significant change in economic, regulatory, social and political conditions affecting Mexico. Moreover, goods produced in Mexico and Canada and sold to the United States benefit from the *Canada-United States-Mexico Agreement* (CUSMA), which has been signed and ratified by all three countries and implemented on July 1, 2020. Disputes between the three countries in relation to the interpretation of certain provisions contained in CUSMA have already taken place, and there can be no assurance that the Company' s operations will not be impacted by other such disputes in the future.

The global snowmobile market is highly concentrated in North America, Russia and Scandinavia, and the Company has an office in Russia. On February 24, 2022, a military conflict started between Russia and Ukraine, which has resulted in heightened tensions between Russia, the United States, Canada and a number of European states. A continuation, or any further deterioration, of the situation could have significant geopolitical implications, including economic, social and political repercussions on a number of regions that may impact the Company and its customers. Additionally, government sanctions imposed in connection with this crisis are impacting the Company's ability to offer services in the region, and additional sanctions could be imposed in the future. These sanctions and export controls, as well as any responses from Russia, could adversely affect the Company and/or its supply chain, business partners or customers. While these factors and their impact are difficult to predict, any one or more of them could have a material adverse effect on the Company's competitive position, results of operations, financial condition or liquidity. Further instability or tension in Russia, Ukraine, and the surrounding region could also cause the Company to adjust its operating model, which could increase its costs of operations. The conflict in Ukraine could also lead to volatility in the global markets, increase inflation and further disrupt supply chains, all of which could reduce the Company profitability and have a material adverse effect on its business, results of operations or financial condition.

The Company's results of operations fluctuate from quarter to quarter and from year to year as they are affected, among other things, by the seasonal nature of its business

The Company's results of operations experience substantial fluctuations from quarter to quarter and year to year. In general, retail sales of the Company's products are highest in their particular season of use and in the immediately preceding period. For example, retail sales for snowmobiles will be highest in fall and winter, retail sales for PWCs will be highest in spring and summer and retail sales for boats will be highest in winter and spring. Revenues in the first half of the fiscal year have generally been lower than those in the second half. However, the mix of product sales may vary considerably from time to time as a result of changes in seasonal and geographic demand, the introduction of new products and models and production scheduling for particular types of products. Any negative economic conditions that occur during the months of traditionally higher sales of a given product could have a disproportionate effect on the Company's results of operations for the entire fiscal year. In addition, the Company's dealers and distributors may modify orders, change delivery schedules or change the mix of products ordered. The Company may also make strategic decisions to deliver and invoice products at certain dates in order to lower costs or improve supply chain efficiencies or may be forced to do so because of supply chain issues or disruption. As a result, the Company's results of operations are likely to fluctuate significantly from period to period such that any historical results should not be considered indicative of the results to be expected for any future period. In addition, the Company incurs significant additional expenses in the periods leading up to the introduction of new products which may also result in fluctuations in the Company's results of operations. The Company's annual and quarterly gross profit margins are also sensitive to a number of factors, many of which are beyond its control, including shifts in product sales mix, geographic sales trends, and currency exchange rate fluctuations, all of which the Company expects will continue. This seasonality in revenues, expenses and margins, along with other factors that are beyond the Company's control, including general economic conditions, changes in consumer preferences, weather conditions, tariffs, free-trade arrangements, geopolitical uncertainty, the cost or availability of raw materials or labour, discretionary spending habits and currency exchange rate fluctuations, could materially adversely affect the Company's business, results of operations or financial condition.

The Company is subject to laws, rules and regulations regarding product safety, health, environmental and noise pollution and other issues that could cause the Company to incur fines or penalties or increase its capital or operating costs

The Company is subject to federal, provincial/state and local/municipal laws, rules and regulations in Canada, the United States, Europe and other countries regarding product safety, health, environmental and noise pollution and other issues that could cause the Company to incur fines or penalties or increase the Company' s capital or operating costs, all of which could have a material adverse effect on the Company' s business, results of operations or financial condition. A failure to comply with, or compliance with, any such requirements or any new requirements could result in increased expenses to modify the Company' s products, or harm to its reputation, which could have a material adverse effect on the Company' s business, results of operations or financial condition. Certain jurisdictions require or are considering requiring a license to operate the Company' s products. While such licensing requirements are not expected to be unduly restrictive, they may deter potential customers, thereby reducing the Company' s sales. The Company' s products are also subject to laws, rules and regulations imposing environmental, noise emission, zoning and permitting restrictions, which laws, rules and regulations are subject to change and may limit the locations where the Company' s products may be sold or used or restrict their use during certain times or on certain conditions. Since the beginning of the COVID-19 pandemic, the Company also has had to adapt its health and safety measures throughout its facilities to comply with changing local regulations in connection with the COVID-19 health crisis, resulting in incremental costs to the Company. Additional costs and investments might be required in the future if new regulations or restrictions are put in place.

Climate change is receiving increasing attention worldwide. A perceived consensus among scientists, legislators and others regarding the impact of increased levels of greenhouse gases, including carbon dioxide, on climate change has led to significant legislative and regulatory efforts to limit greenhouse gas emissions. Greenhouse gas regulations could require the Company to purchase allowances to offset the Company' s own emissions or result in an overall increase in costs of raw materials or operating expenses, any of which could reduce competitiveness in a global economy or otherwise have a material adverse effect on the Company' s business, results of operations or financial condition. Many of the Company' s suppliers face similar circumstances. Moreover, the Company may face greater regulatory or customer pressure to develop products that generate less emissions. This may require the Company to spend additional funds on research and development and implementation and subject the Company to the risk that the Company' s competitors may respond to these pressures in a manner that gives them a competitive advantage. The development of such products may also present challenges in maintaining the look, sound and feel of the Company' s products. While additional regulations of emissions in the future appear likely, it is too early to predict whether such regulation could ultimately have a material adverse effect on the Company' s business, results of operations or financial condition.

The Company is also subject to environmental laws, rules and regulations pursuant to which, among other things, current or previous owners or occupants of property may become liable for the contamination of such property and, as a result, may be liable for the costs of investigating, removing and monitoring any hazardous substances found on the property. Given the nature of the Company' s manufacturing activities and the fact that certain of its facilities have been in operation for many years, the Company and the prior owners or occupants of its property may have generated and disposed of materials that are or may be considered hazardous. The Company is aware of certain current environmental liabilities in relation to certain of its property and it is possible that additional environmental liabilities may arise in the future as a result of any prior or future generation or disposal of hazardous materials. The Company may therefore incur material costs and obligations related to environmental compliance and remediation matters in the future. Any failure to comply with, or the compliance with, any applicable environmental laws, rules or regulations, could have a material adverse effect on the Company' s business, results of operations or financial condition.

The Company has a relatively large fixed cost base that can affect its profitability in a declining sales environment

The fixed costs involved in owning and operating the Company' s facilities can reduce the Company' s gross profit margins when sales and production decline, such as could be the case as a result of the inflationary environment driven by high demand and supply chain disruptions. The

Company' s profitability is dependent, in part, on its ability to spread fixed costs over an increasing number of products sold and shipped, and if the Company is required to reduce its rate of production, gross profit margins could be negatively affected. Consequently, decreased demand can lower the Company' s ability to absorb fixed costs, which could have a material adverse effect on its business, results of operations or financial condition.

The inability of the Company' s dealers and distributors to secure adequate access to capital could materially adversely affect the Company' s business, results of operations or financial condition

The Company' s dealers and distributors require adequate liquidity to finance their operations and to purchase the Company' s products. Dealers and distributors are subject to numerous risks and uncertainties that could unfavourably affect their liquidity positions, including, among other things, continued access to adequate financing sources on a timely basis and on reasonable terms. The Company currently has agreements in place with large financing companies to provide inventory financing to its dealers and distributors to facilitate their purchase of the Company' s products. Also, the Company obtains financing for substantially completed units shipped to the Company' s dealers that is conditional on meeting certain financial thresholds, which, if not met, may force the Company to finance these units directly, thereby diminishing its available cash. These sources of financing are instrumental to the Company' s ability to sell products through the Company' s distribution network, as a significant percentage of the Company' s sales are done under such arrangements. See "Business of the Company – Distribution, Sales and Marketing – Distribution and Sales – Dealers' and Distributors' Inventory Financing Arrangements". The Company' s business, results of operations or financial condition could be materially adversely affected if a decline in financing availability to the Company' s dealers and distributors occurs, or if financing terms change unfavourably. This could require the Company to find alternative sources of financing, including the Company potentially providing financing directly to dealers and distributors, which could require additional capital to fund the associated receivables. In the event of a dealer or distributor default, the Company may be required to purchase new and unused products at the total unpaid principal balance to the finance company from financing companies providing inventory financing to the Company' s dealers and distributors, subject to certain caps as described under "Business of the Company – Distribution, Sales and Marketing". Any requirement of the Company to purchase the inventory of several of its dealers or distributors could result in a material adverse effect on the Company' s business, results of operations or financial condition.

The Company faces intense competition in all product lines and any failure to compete effectively against competitors or any failure to meet consumers' evolving expectations could materially adversely impact the Company' s business, results of operations or financial condition

The powersports industry is highly competitive. Competition in such industry is based upon a number of factors, including price, quality, reliability, styling, product features, warranties and overall consumer experience. At the dealer and distributor level, factors impacting competition include sales and marketing support programs such as retail sales promotions, dealer and distributor performance bonuses, and dealer and distributor inventory financing. Some of the Company' s competitors are more diversified and have financial and marketing resources that are substantially greater than the Company' s, which allow these competitors to invest more heavily in intellectual property, product development, sales and marketing support and innovative consumer offers. The Company is also subject to competitive pricing. Such pricing pressure may limit the Company' s ability to maintain prices or to increase prices for its products in response to raw material, component and other cost increases, and therefore negatively affect the Company' s profit margins.

In addition, the industries in which the Company does business may experience significant change in the coming years. Participants are disrupting, and could continue to disrupt, the historic business model of such industries through the introduction of new technologies, products or services as well as by establishing alternative sales channels. The Company expects to face increased pressure in the future to develop new products and services, including products and services that could be viewed as falling outside its historical core business such as electric vehicles and digital services. With the demand for digital capabilities further enhanced by the COVID-19 crisis, a failure to keep pace with customer demands or to react to or anticipate changing trends in a timely and cost-efficient manner could affect the Company' s customer base and limit our ability to attract new customers. Although the Company accelerated its digital transformation in response to the COVID-19 crisis and increased customer demands, its competitors may adapt their customer experience more rapidly or in a more cost-efficient manner, which could adversely affect the Company' s business, results of operations or financial condition, reputation and brand value.

The process of designing and developing new technologies, products and services is complex, costly and uncertain, requires extensive capital investment and is dependent upon the ability to recruit and retain talent. There can be no assurance that future innovation is achievable or will occur in a timely manner, or that competitors of the Company will not be able to develop new technologies, products and services before the Company does or that it will acquire technologies on an exclusive basis or at a significant price advantage. If the Company is not able to compete with new products, product features, models or product prices of its competitors, to attract new dealers and distributors and retain existing ones, or to adapt to changing consumer habits or disruption in historical business models, the Company' s business, results of operations or financial condition could be materially adversely affected.

The Company may be unable to successfully execute its growth strategy

The Company' s strategic plan established by management includes an organic growth strategy, which is focused mainly on the development of new products and features, and may involve from time-to-time growth through strategic acquisitions, investments, alliances, joint ventures and similar transactions.

While the Company makes significant investments in research and development and emerging product lines, there can be no assurance that it will be able to continue to successfully enhance its existing products, develop new innovative products and distinguish its products from its competitors' products through innovation and design. Product improvements and new product introductions also require significant planning, design, development and testing at the technological, product and manufacturing process levels and the Company may not be able to develop product improvements or new products in a timely manner, notably in light of temporary slowdowns or suspensions of production lines that have happened and could continue to happen as a result of the ongoing COVID-19 health crisis. The new products of the Company' s competitors may access the market more rapidly, be more effective with better features and/or less expensive than the Company' s products, obtain better market acceptance, or render the Company' s products obsolete. The Company may therefore not be able to satisfy the needs and preferences of customers and compete effectively with its competitors. Product development requires significant financial, technological and other resources. The Company expended approximately $289.8 million in research and development in Fiscal 2022. There can be no assurance that the Company will be able to sustain this level of investment or that this level of investment in research and development will be sufficient to successfully maintain the Company' s competitive advantages in product innovation and design in the future. Further, the sales of any new products are expected to decline over such new products' life cycle, with sales being higher early in the life cycle of the new products and sales decreasing over time as the new products age. The Company cannot predict the length of the life cycle for any new product. Any failure by the Company to continue to enhance existing products and develop and market new products that respond to customer needs and preferences and achieve market acceptance could have a material adverse effect on the Company' s business, results of operations or financial condition. In addition, even if the Company is able to successfully develop improvements to existing products and develop new products, there is no guarantee that the markets for the Company' s existing products and new products will evolve as anticipated. If any of the markets in which the Company' s existing products compete do not develop as expected, the Company's business, results of operations or financial condition could be materially adversely affected.

The Company is exposed to increased competition in attracting, recruiting, and retaining the key talent and skills that it needs for its development and growth. Despite making significant efforts, the Company may be unable to recruit and retain the key talent and skills it needs, which could impair its ability to develop, innovate and could as a result cause a slowdown in its growth.

The Company has completed acquisitions in the past years, and it may also consider pursuing acquisitions, investments, alliances, joint ventures or similar transactions in the future. Any such transactions would involve a number of risks, including:

- difficulties in integrating the operations of any acquired or new businesses with the Company's existing operations and the failure by management to accomplish such integration successfully;

- the necessity to raise additional capital, through debt or equity, or use cash that would otherwise have been available to support the Company's existing business operations and research and development activities to finance the transaction (see "Risk Factors – The Company uses cash generated from its operating activities to fund its business and execute its growth strategy and may require additional capital that may not be available to the Company");

- the diversion of management's attention;

- difficulties in realizing projected efficiencies, cost savings and synergies;

- the potential loss of key employees or customers of an acquired business or adverse effects on existing business relationships with suppliers and customers;

- unforeseen costs and liabilities, including litigation or other claims arising in connection with the acquired company or investment;

- difficulties in the implementation of the Company's disclosure controls and procedures, internal controls over financial reporting as well as procedures relating to cybersecurity and compliance with applicable regulations, or deficiencies in connection thereto, which could affect the Company's compliance with its obligations under applicable laws, regulations, rules and listing standards or may require the Company to avail itself of scope limitations with respect to certifications required thereunder;

- a negative impact on overall profitability if any acquired or new businesses do not achieve the financial results projected in the Company's valuation models;

- dilution to existing shareholders if securities of the Company are issued as part of transaction consideration or to fund the transaction consideration; and

- the inability to direct the management and policies of any acquired business, joint venture, strategic alliance, or partnership, particularly in circumstances where other participants may be able to take action contrary to the Company's instructions or requests and against its policies and objectives.

The Company's ability to grow through strategic acquisitions, investments, alliances, joint ventures or other similar transactions will depend, among other things, on the availability of such strategic opportunities, their cost, their terms and conditions, the Company's ability to compete effectively for such strategic opportunities and the availability to the Company of required capital and personnel. The Company may also be precluded from pursuing such transactions as a result of financial or other covenants in agreements to which it is a party. The Company's inability to take advantage of future strategic opportunities, or its failure to successfully address the risks associated with any strategic opportunities that is completed, could have a material adverse effect on the Company's business, results of operations or financial condition.

If the Company fails to maintain an effective system of internal control over financial reporting, the Company may not be able to produce accurate and timely financial statements

Ensuring that the Company has adequate internal financial and accounting controls and procedures in place so that it can produce accurate financial statements on a timely basis is a costly and time-consuming effort that needs to be evaluated frequently. In connection with the audit of the Company's consolidated financial statements for the fiscal year ended January 31, 2022. If the Company fails to correct any material weakness in its internal controls, or having corrected such material weakness, thereafter, fails to maintain the adequacy of its internal controls, the Company may be unable to report its financial results accurately, which could increase operating costs and harm its business, including investors' perception of its business and the price of its Subordinate Voting Shares. Any continued or future failure to maintain adequate internal controls over financial reporting could materially adversely affect the Company's business, results of operations or financial condition.

The Company's success depends upon the continued strength of its reputation and brands

The Company's well-established brands include *Can-Am* off-road vehicles (ATVs and SSVs) and *Can-Am* three-wheel vehicles (*Spyder* and *Ryker* vehicles), *Ski-Doo* and *Lynx* snowmobiles, *Sea-Doo* PWCs and pontoons *Alumacraft, Manitou*, *Quintrex*, *Stacer* and *Savage* boats, and *Rotax* engines. The Company believes that its reputation and brands are significant contributors to the success of its business. Any negative publicity about the Company's products could diminish customer trust, do significant damage to the Company's reputation and brands and negatively impact sales. As the Company expands into new geographical markets, maintaining and enhancing its brands may become increasingly difficult and expensive, as consumers in these markets may not accept its brand image. Failure to maintain and enhance the Company's brands in any of its markets may materially adversely affect the Company's business, results of operations or financial condition.

The Company's brands and branded products could also be adversely affected by incidents that reflect negatively on the Company. Moreover, the negative impact of these events may be aggravated due to their coverage in the media and on social media, over which the Company has no control. The increasing use of social media has heightened the need for reputational risk management. Any actions the Company takes that cause negative public opinion have the potential to negatively impact the Company's reputation, which may materially adversely affect its business, results of operations or financial condition.

An adverse determination in any significant product liability claim against the Company could materially adversely affect its business, results of operations or financial condition

The development, manufacturing, sale and usage of the Company's products expose the Company to significant risks associated with product liability claims. If the Company's products are defective, malfunction or are used incorrectly by its consumers, it may result in bodily injury, property damage or other injury, including death, which could give rise to product liability claims against the Company. Changes to the Company's manufacturing processes and the production of new products could result in product quality issues, thereby increasing the risk of litigation and potential liability. Any losses that the Company may suffer from any liability claims and the effect that any product liability litigation may have upon the brand image, reputation and marketability of the Company's products could have a material adverse impact on its business, results of operations or financial condition.

The Company does not believe the outcome of any pending product liability claim could have a material adverse effect on its business, results of operations or financial condition, and the Company has insurance with respect to future claims in amounts it believes to be appropriate. However, no assurance can be given that the Company's historical claims record will not change, that material product liability claims will not be made in the future against the Company, or that claims will not arise in the future in excess or outside the coverage of the Company's indemnities and insurance. The Company records provisions for known potential liabilities, but there is the possibility that actual losses may exceed these provisions and therefore negatively impact earnings. Also, the Company may not be able in the future to obtain adequate product liability insurance or the cost of doing so may be prohibitive. Adverse determinations of material product liability claims made against the Company could also harm the Company's reputation and cause it to lose customers and could have a material adverse effect on its business, results of operations or financial condition.

Significant product repair and/or replacement due to product warranty claims or product recalls could have a material adverse impact on the Company's business, results of operations or financial condition

The Company provides a limited warranty against defects for all of its products for a period generally varying from six months to five years. The Company may provide extended warranty coverage related to certain promotional programs, as well as extended warranty coverage in certain geographical markets as determined by local laws, rules or regulations and market conditions. The Company also provides a limited emissions warranty for certain emissions related parts in its products as required by the United States Environmental Protection Agency and the California Air Resources Board. Although the Company employs quality control procedures, it happens that a product manufactured by the Company needs repair or replacement or be recalled. The Company's standard warranties require that dealers repair or replace defective products during such warranty periods at no cost to the consumer. The Company records provisions based on an estimate of product warranty claims, but there is the possibility that actual claims may exceed these provisions and therefore negatively impact earnings. The Company could make major product recalls or could be held liable in the event that some of its products do not meet safety standards or statutory requirements on product safety or consumer protection. In addition, the risks associated with product recalls may be aggravated if production volumes increase significantly, as it has been the case in the last years; or if supplied goods do not meet the Company's standards, or the Company fails to perform its risk analysis systematically or product-related decisions are not fully documented. Historically, product recalls have been administered through the Company's dealers and distributors. The repair and replacement costs that the Company could incur in connection with a recall could have a material adverse effect on the Company's business, results of operations or financial condition. Product recalls could also harm the Company's reputation and cause it to lose customers, particularly if recalls cause consumers to question the safety or reliability of the Company's products, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company relies on a network of independent dealers and distributors to manage the retail distribution of its products and failure to establish or maintain the appropriate level of dealers and distributors may negatively impact its business

The Company depends on the capability of its independent dealers and distributors to develop and implement effective retail sales plans to create demand among retail purchasers for its products. If the Company's independent dealers and distributors are not successful in these endeavours, the Company will be unable to maintain or grow its sales. The measures taken by governmental authorities from time to time in connection with the ongoing COVID-19 health crisis, including with respect to labour stoppages, business interruptions and restrictions or temporary shutdowns may impact the ability of our independent dealers and distributors to carry out their retail sales plans for a certain period of time.

Further, independent dealers and distributors may experience difficulty in funding their day-to-day cash flow needs and paying their obligations resulting from adverse business conditions, including weakened consumer spending or tightened credit. Inability to fund operations can force dealers and distributors to cease business, and the Company may not be able to obtain alternate distribution in the vacated market, which could negatively impact the Company's sales through reduced market presence or inadequate market coverage. In the event of a dealer or distributor default under any financing arrangement, the Company may also be required to repurchase such dealer's or distributor's inventory from the financing company. See "Risk Factors – The inability of the Company's dealers and distributors to secure adequate access to capital could materially adversely affect the Company's business, results of operations or financial condition". Additionally, weak demand for the Company's products may cause dealers and distributors to voluntarily or involuntarily reduce of terminate their business with the Company. In addition to dealers or distributors ceasing business, in some cases, the Company may seek to terminate relationships with some dealers or distributors leading to a reduction in the number of its dealers or distributors. Being forced to liquidate a former dealer's or distributor's inventory of the Company's products could add downward pressure on such products' prices. Ultimately, if the Company fails to establish or maintain an appropriate level of dealers and distributors for each of its products, the Company may not obtain adequate market coverage for the desired level of retail sales of its products.

Further, the unplanned loss of any of the Company's independent dealers or distributors may create negative impressions of the Company with its retail customers and have a material adverse impact on the Company's ability to collect wholesale receivables that are associated with that dealer or distributor. Also, if the Company's dealer and distributor base were to consolidate, competition for the business of fewer dealers and distributors would intensify. If the Company does not provide product offerings and pricing that meet the needs of its dealers and distributors, or if the Company loses a substantial amount of its dealer and distributor base or is not able to expand in certain key regions, its business, results of operations or financial condition could be materially adversely affected.

The Company sells a majority of its products through dealer and distributor agreements. In general, distributors are contractually obligated to offer the Company's products on an exclusive basis. However, many of the dealers through which the Company sells its products also carry competing product offerings and most dealers who sell the Company's products exclusively are not contractually obligated to continue to do so and may choose to sell competing products at any time. If certain dealers or distributors decide to emphasize products from the Company's competitors or to otherwise reduce their purchase of the Company's products, it may lower the Company's sales. The Company also relies on its dealers and distributors to service and repair its products. The addition of several new technologies in the Company's products increases their complexity which in turn requires additional skills and knowledge from its dealers and distributors to service and repair these products. There can be no assurance that the Company's dealers and distributors will provide high quality repair services to the Company's customers. If dealers or distributors fail to provide quality service during either trial, delivery or after-sales service to the Company's customers, the Company's brand identity and reputation may be damaged, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company depends upon the successful management of the inventory levels, both at the Company's and the dealers' and distributors' levels, and any failure to successfully manage inventory levels could have a material adverse effect on the Company's business, results of operations or financial condition

The Company must maintain sufficient inventory levels to operate its business successfully. However, the Company must also guard against accumulating excess inventory as it seeks to minimize lost sales. The nature of the Company's product lines requires the Company to purchase supplies and manufacture products well in advance of the time these products are offered for sale. As a result, the Company may experience difficulty in responding to a changing retail environment, such as the one caused by the ongoing COVID-19 health crisis, which may lead to excess inventory or to inventory shortages if supply does not meet demand.

Sales for certain product lines are managed through longer term purchase commitments, and the Company plans annual production levels and long-term product development and introduction based on anticipated demand, as determined by the Company in reliance on its own market assessment and regular communication with its dealers, distributors and other customers. If the Company does not accurately anticipate the future demand for a particular product or the time it will take to adjust inventory, its inventory levels will not be appropriate and its results of operations may be negatively impacted, including through lower gross profit margins due to greater than anticipated discounts and markdowns that might be necessary to reduce inventory levels. On the other hand, the sales of certain other product lines are managed through shorter-term purchase commitments, and the Company has introduced a flexible order management system for some of its products. Any failure by the Company to maintain adequate inventory levels for such products, which the Company has experienced as a result of shortages of key components, supply chain disruptions, labour shortages and other aspects of the COVID-19 health crisis, have resulted, and could continue to result in undesirable delivery delays for its customers or result in the loss of certain sales, which could, in turn, have a material adverse effect on the Company' s business, results of operations or financial condition.

Additionally, the Company' s dealers and distributors could decide to reduce the number of units of the Company' s products they hold. Such a decision would likely require the Company to reduce its production levels, thus resulting in lower rates of absorption of fixed costs in the Company' s manufacturing facilities and lower gross profit margins. If the Company' s dealers and distributors then placed additional orders for the Company' s products, this could impair the Company' s ability to respond rapidly to these demands and adequately manage its inventory levels, which could materially adversely affect its business, results of operations or financial condition.

The Company may be unable to protect its intellectual property, or it may incur substantial costs as a result of litigation or other proceedings relating to protection of its intellectual property

The Company' s success depends in part on its ability to protect its patents, trademarks, copyrights and trade secrets from unauthorized use by others. If substantial unauthorized use of the Company' s intellectual property rights occurs, the Company may incur significant costs in enforcing such rights by prosecuting actions for infringement of its rights, particularly taking into account that policing unauthorized use of the Company' s intellectual property may be more difficult outside North America and Europe and that the laws in those jurisdictions may not protect intellectual property rights to the same extent as the laws in North America and Europe. Such unauthorized use could also result in the diversion of engineering and management resources to these matters at the expense of other tasks related to the business. Others may also initiate litigation to challenge the validity of the Company' s patents, trademarks, copyrights and trade secrets, or allege that the Company infringes their patents, trademarks, copyrights or trade secrets. If the Company' s competitors initiate litigation to challenge the validity of the Company' s patents, trademarks, copyrights and trade secrets, or allege that the Company infringes theirs, the Company may incur substantial costs to defend its rights. If the outcome of any such litigation is unfavourable to the Company, its business, results of operations or financial condition could be materially adversely affected. The Company also cannot be sure that the patents it has obtained, or other protections such as confidentiality and trade secrets, will be adequate to prevent imitation of its products and technology by others. If the Company is unable to protect its technology through the enforcement of intellectual property rights, its ability to compete based on technological advantages may be harmed. If the Company fails to prevent substantial unauthorized use of its trade secrets, it risks the loss of certain competitive advantages, which could have a material adverse effect on its business, results of operations or financial condition.

Some of the Company' s direct and indirect competitors may have significantly more resources to direct toward developing and patenting new technologies. It is possible that the Company' s competitors will develop and patent equivalent or superior engine and motor technologies and other products that compete with the Company' s products. They may assert these patents against the Company and the Company may be required to license these patents on unfavourable terms or cease using the technology covered by these patents, either of which could harm the Company' s competitive position and may materially adversely affect its business, results of operation or financial condition. Also, because of the rapid pace of technological change in the Company' s industry, aspects of its business and products rely on technologies developed or licensed by third parties, and the Company may not be able to obtain or continue to obtain licenses and technologies from these third parties on reasonable terms or at all.

Additionally, the Company has been and could in the future be a defendant in patent proceedings or similar actions and if it is unsuccessful in its defense of any of these actions, there could be material adverse consequences including payment of monetary damages, licensing of patents on unfavourable terms, limitations on its ability to use certain technology and removal of desirable features from the Company' s products. Even if the Company was able to defeat such claims, the allegation that it is infringing on others' intellectual property rights could harm its reputation and cause it to incur significant costs in connection with its defense of these actions. Also, from time to time, third parties have challenged, and may in the future try to challenge, the Company' s trademark rights and branding practices. The Company may be required to institute or defend litigation to enforce its trademark rights, which, regardless of the outcome, could result in substantial costs and diversion of resources and could have a material adverse effect on the Company' s business, results of operations or financial condition. If the Company loses the use of a product name, its efforts spent building that brand will be lost and it will have to rebuild a brand for that product, which it may or may not be able to do.

The Company may not be able to successfully execute its manufacturing strategy or to meet customer demand as a result of manufacturing capacity constraints

One of the priorities of the strategic plan established by management consists of sustained efforts in the areas of cost reduction and operational efficiencies. This priority aims in part at leveraging the strength of the Company' s established manufacturing centers. In addition, in order to help the Company respond to ongoing changes in the marketplace and reduce inventory across the supply chain, the Company' s cost reduction and operational efficiencies efforts focus on further implementing model mix production on its assembly lines, which allows the Company to produce a greater range of models on a weekly and daily basis, without expensive set-up costs or production downtime. The Company believes that flexible manufacturing is the key element to enable improvements in the Company' s ability to respond to customers in a cost-effective manner. The success of the Company in implementing this priority of its strategic plan is dependent on the involvement of management, production employees and suppliers. Any failure to achieve this cost reduction and operational efficiencies priority (including the anticipated levels of productivity and operational efficiencies) in the Company' s manufacturing facilities, could materially adversely impact the Company' s business, results of operations or financial condition and its ability to deliver the right product at the right time to the customer.

An unforeseen increase in demand for its products, the development of new products or the enhancement of existing products or models could require the construction, improvement, re-configuration, relocation or expansion of the Company' s existing production facilities, such as those presently on-going in Mexico at Juárez 3 and Querétaro. Any such development of new manufacturing operations inherently involves a number of risks and uncertainties, including ongoing compliance with regulatory requirements, procurement and maintenance of construction, procurement of building materials and equipment, environmental and operational licenses and approvals for additional expansion, potential supply chain constraints, hiring, training and retaining qualified employees and related delays in operating facilities at a maximum production level while manufacturing high-quality units at scale. There can be no assurance that the Company' s current or future manufacturing capabilities will be sufficient to meet customer demand in the future or that the Company will be able to successfully expand its manufacturing capabilities, or do so in a timely manner, to meet demand, which could result in loss of revenue and market share.

Increased freight and shipping costs or disruptions in transportation and shipping infrastructure could adversely impact the Company's business, results of operations or financial condition

The Company uses external freight shipping and transportation services to transport and deliver products and raw materials. Adverse fluctuations in freight costs, limitations on shipping and receiving capacity, and other disruptions in the transportation and shipping infrastructure at important geographic points of exit and entry for the Company's products and raw materials could adversely affect its business and results of operations. For example, delivery delays or increases in transportation costs (including through increased fuel costs, increased carrier rates or driver wages as a result of driver shortages, a decrease in transportation capacity for overseas shipments, or work stoppages or slowdowns) could significantly decrease the Company's ability to make sales and earn profits. Labour shortages or work stoppages in the transportation industry or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries or which would necessitate the Company securing alternative shipping suppliers could also increase its costs or otherwise negatively affect its business, results of operations or financial condition. The Company's inbound shipping costs are also impacted by changing dynamics in the ocean shipping industry, most notably by the wave of market consolidation observed in container shipping in recent years. In the last year, the Company has experienced, and may in the future continue to experience, an increase in freight costs, which could have a further impact on the Company's results of operations. Disruptions in the movement of freight caused by the COVID-19 crisis are also impacting the Company's freight costs and ultimately its revenues, notably by forcing the Company to resort to expedited freight or air freight in order to secure its supply to maintain production and mitigate delays.

Covenants contained in agreements to which the Company is a party affect and, in some cases, significantly limit or prohibit the manner in which the Company operates its business

Some of the financing and other major agreements to which the Company is a party, including the Term Facility and the Revolving Credit Facilities, contain certain covenants that affect and, in some cases, significantly limit, among other things, the activities in which the Company may engage, the ability of the Company to incur debt, grant liens over its assets, engage in lines of business different from its own, consummate asset sales, pay dividends or make other distributions, redeem or otherwise retire shares or make other restricted payments, make loans, advances and other investments, and merge consolidate or amalgamate with another person. Under the Revolving Credit Facilities, the Company is bound by a fixed charge coverage ratio applicable if excess availability under its Revolving Credit Facilities is less than $100.0 million for seven consecutive business days (until such time as such excess availability exceeds $100.0 million for seven consecutive business days). These covenants may prevent the Company from pursuing certain business opportunities or taking certain actions that may be in the best interest of the business, which could materially adversely affect its business and financial results.

A failure by the Company to comply with such contractual obligations or to pay amounts due under financing and other major agreements could result in an acceleration of the debt incurred under such agreements, a termination of the commitments made thereunder, as well as an exercise of remedies provided therein by the creditors of the Company (including foreclosure over substantially all of the assets of the Company). In such a situation, the Company may not be able to repay the accelerated indebtedness, fulfill its obligations under certain contracts or otherwise cover its fixed costs, which could result in a material adverse effect on the Company's business, results of operations or financial condition.

Tax matters and changes in tax laws could materially adversely affect the Company's business, results of operations or financial condition

The Company, as an international company conducting operations through subsidiaries in multiple jurisdictions, is subject to income taxes in Canada, the United States and numerous other foreign jurisdictions. The Company's effective income tax rate in the future could be adversely affected as a result of a number of factors, including acquisitions, changes in the mix of earnings in countries with different statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in tax laws and the outcome of income tax audits in various jurisdictions around the world. The Company regularly assesses all of these matters to determine the adequacy of its tax liabilities. If any of the Company's assessments turn out to be incorrect, the Company's business, results of operations or financial condition could be materially adversely affected.

The Company's Canadian and foreign subsidiaries undertake certain operations with other currently existing or new subsidiaries in different jurisdictions, including Canada, the United States, Mexico, Finland, Austria and Switzerland. The tax laws of these jurisdictions, including Canada, have detailed transfer pricing rules that require that all transactions with non-resident related parties be priced using arm's length pricing principles. Although the Company believes that its transfer pricing policies have been reasonably determined in accordance with arm's length principles, the taxation authorities in the jurisdictions where the Company carries on business could challenge its arm's length related party transfer pricing policies. International transfer pricing is a subjective area of taxation and generally involves a significant degree of judgment. If any of these taxation authorities were to successfully challenge the Company's transfer pricing policies, its income tax expense may be adversely affected and the Company could also be subjected to interest and penalties. Any such increase in the Company's income tax expense and related interest and penalties could have a material adverse effect on its business, results of operations or financial condition.

Additionally, there is uncertainty with respect to tax and trade policies, tariffs and government regulations affecting trade between countries. Major developments in tax policy or trade relations, such as the Canada-United States-Mexico Agreement (the "CUSMA") which came into effect on July 1, 2020 (replacing the North American Free Trade Agreement), the disallowance of tax deductions for imported merchandise or the imposition of unilateral tariffs on imported products, could have a material adverse effect on the Company's growth opportunities, business and results of operations. The impact of the continued implementation of the CUSMA on our business and operations is still uncertain.

The Company's Canadian and foreign entities are entitled to claim certain expenses, deductions, and tax credits, including research and development expenses and Scientific Research and Experimental Development tax credits. Although the Company believes that its claims or deductions have been reasonably determined, there can be no assurance that the Canadian (federal or provincial) or the relevant foreign taxation authorities will agree. If a taxation authority were to successfully challenge the correctness of such expenses, deductions, or tax credits claimed, or if a taxation authority were to reduce any tax credit either by reducing the rate of the grant or the eligibility of some research and development expenses in the future, the Company's business, results of operations or financial condition could be materially adversely affected.

An impairment in the carrying value of goodwill and intangibles could negatively impact the Company's consolidated results of operations and net worth

Goodwill and intangible assets, such as the Company's trademarks, are recorded at fair value at the time of acquisition and are not amortized but are reviewed for impairment annually or more frequently if impairment indicators arise. The determination of whether goodwill impairment has occurred is based on a comparison of each of the Company's reporting units' fair market value with its carrying value. Significant and unanticipated changes in circumstances, such as significant and long-term adverse changes in business climate, unanticipated competition, changes in technology or markets, and/or acquisitions not yielding expected returns could require a provision for impairment in a future period that could negatively impact the Company's business, results of operations or financial condition, and reduce the Company's consolidated net worth and shareholders' equity.

Deterioration in relationships with the Company's non-unionized and unionized employees could have a material adverse effect on the business, results of operations or financial condition

A majority of the Company's employees are non-unionized, including in all facilities in Canada and the United States. The maintenance of a productive and efficient labour environment and, in the event of unionization of these employees, the successful negotiation of a collective bargaining agreement, cannot be assured. A deterioration in relationships with employees or in the labour environment could result in work interruptions or other disruptions, or cause management to divert time and resources from other aspects of the Company's business, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company is party to some national collective arrangements in Austria, Finland and Mexico that expire at various times in the future. As the Company is dependent on national unions to renew these agreements on terms that are satisfactory as they become subject to renegotiation from time to time, the outcome of these labour negotiations could have a material adverse effect on the Company's business, results of operations or financial condition. Such could be the case if current or future labour negotiations or contracts were to further restrict its ability to maximize the efficiency of its operations. In addition, the Company's ability to make short-term adjustments to control compensation and benefit costs is limited by the terms of its national collective arrangements.

The Company cannot predict the outcome of any current or future negotiations relating to labour disputes, union representation or the renewal of its national collective arrangements, nor can the Company assure that it will not experience work stoppages, strikes, property damage or other forms of labour protests pending the outcome of any current or future negotiations. If its unionized workers engage in a strike or any other form of work stoppage, or if non-unionized employees wish to unionize, the Company could experience a significant disruption to its operations, damage to its property and/or interruption to its services, which could have a material adverse effect on the Company's business, results of operations or financial condition.

Pension plan liability may have a material adverse effect on the Company

Economic cycles can have a negative impact on the funding of the Company's remaining defined benefit pension obligations and related expenditures. In particular, a portion of the Company's pension plan assets are invested in equity securities, which can experience significant declines if financial markets weaken. The Company's latest actuarial valuation reports show that the defined benefit components of the Company's registered pension plans present a combined deficit and, as a result of such deficit combined with the application of the stabilization provisions of the law, the Company is required to make additional contributions to fund that deficit. There is no guarantee that the expenditures and contributions required to fund these defined benefit pension obligations will not increase in the future and therefore negatively impact the Company's operating results, liquidity and financial position. Risks related to the funding of defined benefit pension plans may materialize if total obligations with respect to such a pension plan exceed the total value of the plan fund's assets. Shortfalls may arise due to lower-than-expected returns on investments, changes in the discount rate used to assess the pension plan's obligations, and actuarial losses, as well as changes to existing federal pension laws and regulations. Any of these risks could result in a material adverse effect on the Company's business, results of operations or financial condition.

Natural disasters, unusually adverse weather, epidemic or pandemic outbreaks, boycotts and geo-political events could materially adversely affect the Company's business, results of operations or financial condition

The occurrence of one or more natural disasters, such as hurricanes and earthquakes, unusually adverse weather, epidemic or pandemic outbreaks, such as the ongoing COVID-19 outbreak, boycotts and geo-political events, such as the military conflict between Russia and Ukraine, or civil unrest and acts of terrorism, or similar disruptions could materially adversely affect the Company's business, results of operations or financial condition. These events could result in physical damage to one or more of the Company's properties, increases in fuel or other energy prices, temporary or permanent closure of one or more of the Company's facilities, temporary lack of an adequate workforce in a market, temporary or long-term disruption in the supply of raw materials, product parts and components, temporary disruption in transport to and from overseas, disruption in the Company's distribution network and disruption to the Company's information systems. The Company may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results and financial condition.

Failure to carry adequate insurance coverage may have a material adverse effect on the Company

The Company maintains liability insurance, property and business interruption insurance, cyber liability insurance, cargo insurance, workers' compensation coverage in the United States to the required statutory limits, automotive liability insurance, aviation insurance and directors and officers insurance, and its insurance coverage reflects deductibles, self-insured retentions, limits of liability and similar provisions. However, there is no guarantee that the Company's insurance coverage will be sufficient, or that insurance proceeds will be paid to it in a timely manner. Any uninsured loss or claim (including a loss that is less than the applicable deductible or that is not covered by insurance, such as, in certain cases, losses due to acts of war and certain natural disasters), or a loss or claim in excess of insured limits, in full or in part, may result in significant expenditures by the Company. Moreover, the Company may not be able to maintain insurance policies in the future at reasonable costs, on acceptable terms or at all, which may adversely affect its business, financial condition and results of operations. The successful assertion of one or more large claims against the Company that exceed available insurance coverage, or the occurrence of changes in the Company's insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could adversely affect its business, financial condition and results of operations.

Among other factors, national security concerns, acts of war, certain natural disasters, pandemics such as the COVID-19 pandemic, or any changes in any applicable statutory requirement binding insurance carriers to offer certain types of coverage could also adversely affect available insurance coverage and result in, among other things, increased premiums on available coverage (which may cause the Company to elect to reduce its policy limits or not renew its coverage) and additional exclusions from coverage. As cyber incidents and threats continue to evolve, the Company may also be required to expend additional, perhaps significant, resources to continue to update, modify or enhance its protective measures or to investigate and remediate any vulnerability to cyber incidents.

Volatility in the market price of the Subordinate Voting Shares

The market price of the Company's Subordinate Voting Shares has fluctuated in the past it is reasonable to expect it to fluctuate in the future. In addition to the other risks described herein, the market price of the Subordinate Voting Shares may be influenced by many factors, many of which are beyond the Company's control, including:

- actual or anticipated fluctuations in the Company's quarterly results of operations;

- changes in estimates of the Company's future results of operations by the Company or changes in accounting policies;
- changes in forecasts, estimates or recommendations of securities research analysts regarding the Company's future results of operations or financial performance, or publication of research reports or news stories about the Company, its competitors or its industry;
- changes in the economic performance or market valuations of other companies that investors deem comparable to the Company;
- changes in overall economic conditions, primarily in North America and Europe, including changes that impact consumer spending and discretionary spending;
- additions or departures of the Company's board members, senior management team or other key employees;
- sales or perceived sales of additional Subordinate Voting Shares, and short-sales, hedging and other derivative transactions in the Subordinate Voting Shares;
- litigation or regulatory action against the Company;
- breaches of security or privacy incidents, and the costs associated with any such breaches and remediation;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and
- news reports relating to trends, concerns or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Financial markets have in the past experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies, including during the first months of the COVID-19 crisis. Such fluctuations have also, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Subordinate Voting Shares may decline even if the Company's operating results, financial condition or prospects have not changed. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Subordinate Voting Shares by those institutions, which could materially adversely affect the trading price of the Subordinate Voting Shares. If such increased levels of volatility and market turmoil resume, the Company's business, results of operations or financial condition could be materially adversely impacted and the trading price of the Subordinate Voting Shares could be materially adversely affected. Unstable market conditions have in the past caused, and may cause in the future, and the resurgence or continued spread of the COVID-19 pandemic in many regions may once again cause, a slowdown in the global economy as well as volatility in global financial markets and may adversely affect the market price of the Subordinate Voting Shares.

BRP Inc. is a holding company and its financial performance and results are dependent on the earnings of its subsidiaries and the distribution of those earnings to BRP Inc.

BRP Inc. is a holding company and a substantial portion of its assets consists in the shares of its direct and indirect subsidiaries. As a result, BRP Inc. is subject to the risks attributable to its subsidiaries. As a holding company, BRP Inc. conducts substantially all of its business through its subsidiaries, which generate substantially all of its revenues. Consequently, BRP Inc.' s cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its subsidiaries and the distribution of those earnings to BRP Inc. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations that require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing their debt. In the event of a bankruptcy, liquidation or reorganization of any of its subsidiaries, holders of indebtedness and trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to BRP Inc. As at January 31, 2022, the Shares were effectively junior to approximately $5,958.5 million of indebtedness of BRP Inc.' s subsidiaries.

Beaudier Group and Bain Capital have significant influence with respect to matters put before the shareholders, which may have a negative impact on the trading price of the Subordinate Voting Shares

As at March 23, 2022, Beaudier Group and Bain Capital owned 22,345,536 and 15,796,615 Multiple Voting Shares, respectively, which represented approximately 45.3% and 32.0%, respectively, of the combined voting power of the Company' s outstanding Shares. Accordingly, Beaudier Group and Bain Capital have significant influence with respect to all matters submitted to the Company' s shareholders for approval, including without limitation the election and removal of directors, amendments to the articles of incorporation and by-laws of the Company and the approval of certain business combinations. Holders of Subordinate Voting Shares have a limited role in the Company' s affairs. This concentration of voting power may impact the market price of the Subordinate Voting Shares, delay or prevent any acquisition or delay or discourage take-over attempts that shareholders may consider to be favourable, or make it more difficult or impossible for a third party to acquire control of the Company or effect a change in the Company' s Board of Directors and management. Any delay or prevention of a change of control transaction could deter potential acquirors or prevent the completion of a transaction in which the Company' s shareholders could receive a substantial premium over the then current market price for their Subordinate Voting Shares.

In addition, Beaudier Group' s and Bain Capital' s interests may not in all cases be aligned with interests of the other shareholders of the Company. Beaudier Group and Bain Capital may have an interest in pursuing acquisitions, divestitures and other transactions that, in the judgment of their management, could enhance their equity investment, even though such transactions might involve risks to the shareholders of the Company and may ultimately affect the market price of the Subordinate Voting Shares.

Future sales of Subordinate Voting Shares by Beaudier Group, Bain Capital or the Company' s directors and officers

As at March 23, 2022, Beaudier Group owned 22,345,536 Multiple Voting Shares, which in the aggregate represented approximately 52.0% of the issued and outstanding Multiple Voting Shares of the Company, and Bain Capital owned 15,796,615 Multiple Voting Shares, which in the aggregate represented approximately 36.8% of the issued and outstanding Multiple Voting Shares of the Company. Each outstanding Multiple Voting Share may at any time, at the option of the holder, be converted into one Subordinate Voting Share. See "Description of the Capital Structure".

Subject to compliance with applicable securities laws, Beaudier Group, Bain Capital or the Company' s directors and officers may sell some or all of their Subordinate Voting Shares in the future. No prediction can be made as to the effect, if any, such future sales of Subordinate Voting Shares will have on the market price of the Subordinate Voting Shares prevailing from time to time. However, the future sale of a substantial number of Subordinate Voting Shares by Beaudier Group, Bain Capital or the Company's directors and officers or the perception that such sales could occur, could materially adversely affect prevailing market prices for the Subordinate Voting Shares.

Pursuant to the Registration Rights Agreement, each of Beaudier Group and Bain Capital is granted certain registration rights. See "Material Contracts – Securityholders Agreements – Registration Rights Agreement".

DIVIDENDS

The following table sets out the cash dividends declared and paid during Fiscal 2020, Fiscal 2021 and Fiscal 2022.

Date of Declaration	Date of Payment	Amount of Dividend per Share
March 21, 2019	April 12, 2019	$0.10
May 29, 2019	July 12, 2019	$0.10
August 28, 2019	October 11, 2019	$0.10
November 26, 2019	January 10, 2020	$0.10
November 24, 2020	January 14, 2021	$0.11
March 24, 2021	April 19, 2021	$0.13
June 2, 2021	July 16, 2021	$0.13
September 1, 2021	October 14, 2021	$0.13
November 30, 2021	January 14, 2022	$0.13
March 24, 2022	April 18, 2022	$0.16

The Board of Directors has determined that each of the foregoing quarterly dividends was, at the time of declaration, appropriate based on the Company's results of operations, current and anticipated cash requirements and surplus, financial condition, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and upon other relevant factors. The payment of each future quarterly dividend remains subject to the declaration of such dividend by the Board of Directors. The actual amount, the declaration date, the record date and the payment date of each quarterly dividend are subject to the discretion of the Board of Directors, and, at this time, no assurance can be given as to the declaration of any future dividend by the Company and, if a dividend is declared, the timing, frequency or amount of any such future dividend. See "Risk Factors".

DESCRIPTION OF THE CAPITAL STRUCTURE

The Company's authorized share capital consists of an unlimited number of Multiple Voting Shares and Subordinate Voting Shares and an unlimited number of preferred shares (the "Preferred Shares"), issuable in series. As at March 23, 2022, 38,080,486 Subordinate Voting Shares, 42,954,979 Multiple Voting Shares and no Preferred Shares were issued and outstanding.

The Subordinate Voting Shares are "restricted securities" within the meaning of such term under applicable Canadian securities laws.

Shares

Except as described herein, the Subordinate Voting Shares and the Multiple Voting Shares have the same rights, are equal in all respects and are treated by the Company as if they were shares of one class only.

Rank

The Subordinate Voting Shares and Multiple Voting Shares rank *pari passu* with respect to the payment of dividends, return of capital and distribution of assets in the event of the liquidation, dissolution or winding up of the Company. In the event of the liquidation, dissolution or winding-up of the Company or any other distribution of its assets among its shareholders for the purpose of winding-up its affairs, whether voluntarily or involuntarily, the holders of Multiple Voting Shares and the holders of Subordinate Voting Shares are entitled to participate equally, share for share, subject always to the rights of the holders of any Preferred Shares, in the remaining property and assets of the Company available for distribution to the holders of Shares, without preference or distinction among or between the Subordinate Voting Shares and the Multiple Voting Shares.

Dividends

The holders of outstanding Shares are entitled to receive, subject always to the rights of the holders of any Preferred Shares, dividends on a share for share basis out of assets legally available therefore at such times and in such amounts and form as the Board of Directors may from time to time determine, without preference or distinction among or between the Subordinate Voting Shares and the Multiple Voting Shares. In the event of a payment of a dividend in the form of Shares, holders of Subordinate Voting Shares shall receive Subordinate Voting Shares and holders of Multiple Voting Shares shall receive Multiple Voting Shares.

Voting Rights

Under the Company's articles, the Subordinate Voting Shares carry one vote per share and Multiple Voting Shares carry six votes per share. Based on the number of shares issued and outstanding as at March 23, 2022, the Subordinate Voting Shares represented 47.0% of the Company's total issued and outstanding Shares and 12.9% of the voting power attached to all of the Shares.

Conversion

The Subordinate Voting Shares are not convertible into any other class of shares. Each outstanding Multiple Voting Share may at any time, at the option of the holder, be converted into one Subordinate Voting Share. Upon the first date that any Multiple Voting Share is held other than by a Permitted Holder (as defined below), such holder, without any further action, shall automatically be deemed to have exercised his, her or its rights to convert all of the Multiple Voting Shares held by such holder into fully paid and non-assessable Subordinate Voting Shares, on a share for share basis.

In addition, all Multiple Voting Shares, regardless of the holder thereof, will convert automatically into Subordinate Voting Shares at such time as Permitted Holders that hold Multiple Voting Shares no longer hold and own, collectively, directly or indirectly, more than 15% of the beneficial ownership interests in the aggregate number of outstanding Multiple Voting Shares and Subordinate Voting Shares (it being understood that the number of Multiple Voting Shares shall be added to the number of Subordinate Voting Shares for the purposes of such calculation).

For the purposes of the foregoing:

"Affiliate" means, with respect to any specified Person (as defined below), any other Person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person;

"Members of the Immediate Family" means with respect to any individual, each spouse (whether by marriage or civil union) or common law partner (as defined in the Income Tax Act (Canada) (the "Tax Act")) or child or other descendants (whether by birth or adoption) of such individual, each spouse (whether by marriage or civil union) or common law partner (as defined in the Tax Act) of any of the aforementioned Persons, each trust created solely for the benefit of such individual and/or one or more of the aforementioned Persons, and each legal representative of such individual or of any aforementioned Persons (including without limitation a tutor, curator, mandatary due to incapacity, custodian, guardian or testamentary executor), acting in such capacity under the authority of the law, an order from a competent tribunal, a will or a mandate in case of incapacity or similar instrument. For the purposes of this definition, a Person shall be considered the spouse of an individual if such Person is legally married to such individual, lives in a civil union with such individual or is the common law partner (as defined in the Tax Act as amended from time to time) of such individual. A Person who was the spouse of an individual within the meaning of this paragraph immediately before the death of such individual shall continue to be considered a spouse of such individual after the death of such individual.

"Permitted Holders" means (i) Janine Bombardier, Claire Bombardier Beaudoin, Laurent Beaudoin, Huguette Bombardier Fontaine, Jean-Louis Fontaine and J.R. André Bombardier, and the Members of the Immediate Family of each such individual; (ii) any Person controlled, directly or indirectly, by one or more of the Persons referred to in clause (i) above; (iii) Bain Capital and any of its Affiliates and; (iv) CDPQ and any of its Affiliates;

"Person" means any individual, partnership, corporation, company, association, trust, joint venture or limited liability company; and

A Person is "controlled" by another Person or other Persons if: (i) in the case of a company or other body corporate wherever or however incorporated: (A) securities entitled to vote in the election of directors carrying in the aggregate at least 66⅔% of the votes for the election of directors and representing in the aggregate at least 66⅔% of the participating (equity) securities are held, other than by way of security only, directly or indirectly, by or solely for the benefit of the other Person or Persons; and (B) the votes carried in the aggregate by such securities are entitled, if exercised, to elect a majority of the board of directors of such company or other body corporate; or (ii) in the case of a Person that is not a company or other body corporate, at least 66⅔% of the participating (equity) and voting interests of such Person are held, directly or indirectly, by or solely for the benefit of the other Person or Persons; and "controls", "controlling" and "under common control with" shall be interpreted accordingly.

Subscription Rights

In the event of any distribution or issuance, including by way of a share dividend (a "Distribution") of voting shares of the Company (other than Multiple Voting Shares, Subordinate Voting Shares issued upon the conversion of Multiple Voting Shares or voting shares issued pursuant to the exercise of a right attached to any security of the Company issued prior to the Distribution) (the "Voting Shares") or of securities convertible or exchangeable into Voting Shares or giving the right to acquire Voting Shares (other than options or other securities issued under compensatory plans or other plans to purchase Voting Shares or any other securities in favour of the management, directors, employees or consultants of the Company) (the "Convertible Securities" and, together with the Voting Shares, the "Distributed Securities"), the Company shall issue to the holder(s) of Multiple Voting Shares rights to subscribe for that number of Multiple Voting Shares, or, as the case may be, for securities convertible or exchangeable into or giving the right to acquire, on the same terms and conditions, including subscription or exercise price, as applicable, mutatis mutandis (except for the ultimate underlying securities that shall be Multiple Voting Shares), as those stipulated in the Convertible Securities, that number of Multiple Voting Shares, respectively, which carry, in the aggregate, a number of voting rights sufficient to fully maintain the proportion of total voting rights (on a fully diluted basis) associated with the then outstanding Multiple Voting Shares (the "Rights to Subscribe").

The Rights to Subscribe shall be issued to the holder(s) of Multiple Voting Shares in a proportion equal to their respective holdings of Multiple Voting Shares and shall be issued concurrently with the completion of the Distribution of the applicable Distributed Securities. To the extent that any such Rights to Subscribe are exercised, in whole or in part, the securities underlying such Rights to Subscribe (the "Subscription Securities") shall be issued and must be paid for concurrently with the completion of the Distribution and payment to the Company of the issue price for the Distributed Securities, at the lowest price permitted by the applicable securities and stock exchange regulations and subject (as to such price) to the prior consent of the exchanges but at a price not lower than (i) if the Distributed Securities are Subordinate Voting Shares, the price at which Subordinate Voting Shares are then being issued or distributed, (ii) if the Distributed Securities are Convertible Securities, the price at which the applicable Convertible Securities are then being issued or distributed, and (iii) if the Distributed Securities are Voting Shares other than Subordinate Voting Shares, the higher of (a) the weighted average price of the transactions on the Subordinate Voting Shares on the TSX (or such other primary stock exchange on which they are listed, as the case may be) for the 20 trading days preceding the Distribution of such Voting Shares or of (b) the weighted average price of transactions on the Subordinate Voting Shares on the TSX (or such other primary stock exchange on which they are listed, as the case may be), the trading day before the Distribution of such Voting Shares.

The privileges attached to Subscription Securities that are securities convertible or exchangeable into or giving the right to acquire Multiple Voting Shares shall only be exercisable if and whenever the same privileges attached to the Convertible Securities are exercised and shall not result in the issuance of a number of Multiple Voting Shares that increases the proportion (as in effect immediately prior to giving effect to the completion of the Distribution) of total voting rights associated with the Multiple Voting Shares after giving effect to the exercise by the holder(s) of the privileges attached to such Convertible Securities.

The right to receive Rights to Subscribe as described above, and the legal or beneficial ownership of the Rights to Subscribe, may be assigned in whole or in part among Permitted Holders, provided that written notice of any such assignment shall be sent promptly to the other holders of Multiple Voting Shares and the Company.

Subordinate Voting Shares have no pre-emptive or subscription rights to purchase any securities of the Company. An issuance of participating (equity) securities will not be rendered invalid due to a failure by the Company to comply with the foregoing.

Subdivision or Consolidation

No subdivision or consolidation of the Subordinate Voting Shares or the Multiple Voting Shares may be carried out unless, at the same time, the Multiple Voting Shares or the Subordinate Voting Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis.

Certain Amendments

In addition to any other voting right or power to which the holders of Subordinate Voting Shares shall be entitled by law or regulation or other provisions of the Articles of the Company from time to time in effect, but subject to the provisions of Articles of the Company, holders of Subordinate Voting Shares shall be entitled to vote separately as a class, in addition to any other vote of shareholders that may be required, in respect of any alteration, repeal or amendment of the Articles of the Company that would adversely affect the powers, preferences or rights of the holders of Subordinate Voting Shares, including an amendment to the terms of the Articles of the Company that provide that any Multiple Voting Shares sold or transferred to a Person that is not a Permitted Holder shall be automatically converted into Subordinate Voting Shares.

Certain Class Votes

Without limiting other rights at law of any holders of Multiple Voting Shares or Subordinate Voting Shares to vote separately as a class or the terms of the following paragraph, neither the holders of the Multiple Voting Shares nor the holders of the Subordinate Voting Shares shall be entitled to vote separately as a class upon a proposal to amend the Articles of the Company in the case of an amendment of the kind referred to in paragraph (a) of subsection 176(1) of the *Canada Business Corporations Act* and, as regards the creation of additional classes of preferred shares that are non-voting, paragraph (e) of subsection 176(1) of the *Canada Business Corporations Act*.

The holders of the Subordinate Voting Shares shall be entitled to vote separately as a class (but will not have any dissent rights) in respect of any amalgamation, arrangement, business combination or sale, lease, exchange or transfer of all or substantially all the property of the Company (as such expressions are interpreted for the purposes of the *Canada Business Corporations Act*) in connection with which or following which any holder of Multiple Voting Shares would, directly or indirectly, receive or be entitled to receive consideration, money, property or securities of greater value per share or different in kind than the consideration or distribution available to holders of Subordinate Voting Shares, unless the holders of Subordinate Voting Shares are otherwise already entitled to vote separately as a class in respect of such transaction under any applicable law (including, without limitation, securities laws in any jurisdiction, together with the rules, regulations, orders and notices made thereunder and the local, uniform and national published instruments and policies adopted by the securities regulatory authority in such jurisdiction, as applied and interpreted by such securities regulatory authority) or the rules, notices, policies and procedures or any decision of any applicable stock exchange.

Issuance of Additional Multiple Voting Shares

Subject to the provisions of the Articles of the Company, the Company may not issue Multiple Voting Shares without the approval of at least 66⅔% of the votes cast at a meeting of the holders of Subordinate Voting Shares duly held for that purpose. However, approval is not required in connection with a subdivision or conversion on a pro rata basis as between the Subordinate Voting Shares and the Multiple Voting Shares or the issuance of Multiple Voting Shares upon the exercise of the Rights to Subscribe.

Take-Over Bid Protection

Under applicable Canadian law, an offer to purchase Multiple Voting Shares would not necessarily require that an offer be made to purchase Subordinate Voting Shares. In accordance with the rules of the TSX designed to ensure that, in the event of a take-over bid, the holders of Subordinate Voting Shares will be entitled to participate on an equal footing with holders of Multiple Voting Shares, the Beaudier Group, Bain Capital and CDPQ, as the owners of all the outstanding Multiple Voting Shares, entered into a coattail agreement dated May 29, 2013 with the Company and Computershare Trust Company of Canada (the "Coattail Agreement"). The Coattail Agreement contains provisions customary for dual class, TSX-listed companies designed to prevent transactions that otherwise would deprive the holders of Subordinate Voting Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Multiple Voting Shares had been Subordinate Voting Shares.

The undertakings in the Coattail Agreement do not apply to prevent a sale of Multiple Voting Shares by any of Beaudier Group, Bain Capital or CDPQ if concurrently an offer is made to purchase Subordinate Voting Shares that:

- offers a price per Subordinate Voting Share at least as high as the highest price per share paid pursuant to the take-over bid for the Multiple Voting Shares;
- provides that the percentage of outstanding Subordinate Voting Shares to be taken up (exclusive of shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of Multiple Voting Shares to be sold (exclusive of Multiple Voting Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);
- has no condition attached other than the right not to take up and pay for Subordinate Voting Shares tendered if no shares are purchased pursuant to the offer for Multiple Voting Shares; and
- is in all other material respects identical to the offer for Multiple Voting Shares.

In addition, the Coattail Agreement does not prevent the transfer of Multiple Voting Shares by Beaudier Group, Bain Capital or CDPQ to a Permitted Holder, provided such transfer is not or would not have been subject to the requirements to make a take-over bid (if the vendor or transferee were in Canada) or constitutes or would constitute an exempt take-over bid (as defined in applicable securities legislation). The conversion of Multiple Voting Shares into Subordinate Voting Shares, whether or not such Subordinate Voting Shares are subsequently sold, would not constitute a disposition of Multiple Voting Shares for the purposes of the Coattail Agreement.

Under the Coattail Agreement, any disposition of Multiple Voting Shares (including a transfer to a pledgee as security) by a holder of Multiple Voting Shares party to the agreement is conditional upon the transferee or pledgee becoming a party to the Coattail Agreement, to the extent such transferred Multiple Voting Shares are not automatically converted into Subordinate Voting Shares in accordance with the Articles of the Company.

The Coattail Agreement contains provisions for authorizing action by the trustee to enforce the rights under the Coattail Agreement on behalf of the holders of the Subordinate Voting Shares. The obligation of the trustee to take such action is conditional on the Company or holders of the Subordinate Voting Shares providing such funds and indemnity as the trustee may require. No holder of Subordinate Voting Shares will have the right, other than through the trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Coattail Agreement unless the trustee fails to act on a request authorized by holders of not less than 10% of the outstanding Subordinate Voting Shares and reasonable funds and indemnity have been provided to the trustee. The Company agreed to pay the reasonable costs of any action that may be taken in good faith by holders of Subordinate Voting Shares pursuant to the Coattail Agreement.

The Coattail Agreement provides that it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a) the consent of the TSX and any other applicable securities regulatory authority in Canada and (b) the approval of at least 66⅔% of the votes cast by holders of Subordinate Voting Shares excluding votes attached to Subordinate Voting Shares held by Beaudier Group, Bain Capital, CDPQ, their affiliates and any persons who have an agreement to purchase Multiple Voting Shares on terms that would constitute a sale or disposition for purposes of the Coattail Agreement other than as permitted thereby.

No provision of the Coattail Agreement limits the rights of any holders of Subordinate Voting Shares under applicable law.

Preferred Shares

The Company is authorized to issue an unlimited number of Preferred Shares, issuable in series. Each series of Preferred Shares shall consist of such number of shares and having such rights, privileges, restrictions and conditions as may be determined by the Board of Directors prior to the issuance thereof. Holders of Preferred Shares, except as otherwise provided in the terms specific to a series of Preferred Shares or as required by law, will not be entitled to vote at meetings of holders of Shares. With respect to the payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the Preferred Shares are entitled to preference over the Shares and any other shares ranking junior to the Preferred Shares from time to time and may also be given such other preferences over Shares and any other shares ranking junior to the Preferred Shares as may be determined at the time of creation of such series.

Advance Notice Requirements for Director Nominations

The Company's by-laws provide that shareholders seeking to nominate candidates for election as directors must provide timely written notice to the Company's secretary at its principal executive offices. To be timely, a shareholder's notice must be received (i) in the case of an annual meeting of shareholders, not less than 30 days nor more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice by the shareholder may be received not later than the close of business on the 10th day following the date of such public announcement; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors, not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made. The Company's by-laws also prescribe the proper written form for a shareholder's notice. The Board of Directors may, in its sole discretion, waive any requirement under these provisions. These provisions shall be automatically repealed and cease to have effect upon the termination of the Nomination Rights Agreement entered into between the Company and the Beaudier Group, Bain Capital and CDPQ. See "Material Contracts – Securityholders Agreement – Nomination Rights Agreement".

MARKET FOR SECURITIES AND TRADING PRICE AND VOLUME

The Subordinate Voting Shares are listed for trading on the TSX and NASDAQ under the symbols "DOO" and "DOOO", respectively.

The following table sets forth, for the periods indicated, the monthly range of highs and lows trading closing prices of the Subordinate Voting Shares, as well as total monthly volumes and average daily volumes of the Subordinate Voting Shares traded on the TSX:

Month	Price per Subordinate Voting Share ($) Monthly Low	Price per Subordinate Voting Share ($) Monthly High	Subordinate Voting Shares Total Monthly Volume	Subordinate Voting Shares Average Daily Volume
February 2021	84.35	99.23	4,879,863	256,835
March 2021	88.50	110.74	8,286,958	360,303
April 2021	107.90	119.68	6,581,484	313,404
May 2021	96.66	116.00	6,153,911	307,696
June 2021	88.51	103.00	7,076,881	321,676
July 2021	95.17	104.80	4,441,460	211,498
August 2021	102.28	112.78	3,423,185	163,009

September 2021	104.20	129.98	4,874,699	232,129
October 2021	105.00	119.04	3,888,147	194,407
November 2021	99.56	117.87	3,311,161	150,507
December 2021	94.11	111.95	4,783,429	227,782
January 2022	93.00	113.84	4,238,196	211,910

The following table sets forth, for the periods indicated, the monthly range of highs and lows trading closing prices of the Subordinate Voting Shares, as well as total monthly volumes and average daily volumes of the Subordinate Voting Shares traded on NASDAQ:

Month	Price per Subordinate Voting Share (US$) Monthly Low	Price per Subordinate Voting Share (US$) Monthly High	Subordinate Voting Shares Total Monthly Volume	Subordinate Voting Shares Average Daily Volume
February 2021	65.01	78.16	1,451,698	76,405
March 2021	69.68	88.06	3,051,335	132,667
April 2021	85.58	96.44	2,413,309	114,919
May 2021	79.80	94.52	2,479,646	123,982
June 2021	73.19	85.55	2,467,259	112,148
July 2021	74.51	83.97	1,522,675	72,508
August 2021	80.08	90.00	1,279,113	58,142
September 2021	82.59	102.96	1,812,999	86,333
October 2021	84.46	95.94	1,071,154	51,007
November 2021	77.76	94.64	1,194,519	56,882
December 2021	73.34	87.80	2,018,979	91,772
January 2022	73.42	88.53	1,898,993	94,950

The Multiple Voting Shares are not listed for trading on any stock exchange.

DIRECTORS AND OFFICERS

The following tables set out for each of the Company' s directors and executive officers as of the date hereof, the person' s name, province or state, and country of residence, position with the Company, principal occupation during the five preceding years and, if a director, the date on which the person became a director. The Company' s directors are expected to hold office until the Company' s next annual general meeting of shareholders. The Company' s directors are elected annually and, unless re-elected, retire from office at the end of the next annual meeting of shareholders. As a group, the directors and executive officers beneficially owned, or controlled or directed, directly or indirectly, a total of 1,172,279 Subordinate Voting Shares, representing in the aggregate 3.1% of all of the Company' s issued and outstanding Subordinate Voting Shares, 1.4% of all of the Company' s issued and outstanding Shares and 0.4% of the total voting power attached to all of the Company' s issued and outstanding Shares as at March 23, 2022.

Directors

Name and Province or State and Country of Residence	Age	Position(s)/Title	Director Since	Principal Occupation

PIERRE BEAUDOIN[1][2] Québec, Canada	59	Director	2019	Corporate Director
JOSHUA BEKENSTEIN[3][4] Massachusetts, U.S.	63	Director	2003	Managing Director at Bain Capital Investors, LLC (a private equity fund)
JOSÉ BOISJOLI[5] Québec, Canada	64	Director[6], President and Chief Executive Officer	2011	President and Chief Executive Officer of the Company
CHARLES BOMBARDIER[7] Québec, Canada	48	Director	2020	Corporate Director
MICHAEL HANLEY[8][9] Québec, Canada	56	Director	2012	Corporate Director
ERNESTO M. HERNÁNDEZ[10] State of Mexico, Mexico	64	Director	2020	Corporate Director
KATHERINE KOUNTZE[11] Massachusetts, U.S.	59	Director	2020	Executive Vice-President and Chief Information Officer for DentaQuest, LLC
LOUIS LAPORTE[12] Québec, Canada	61	Director	2013	President of GL Capital Inc. (a private investment company)
ESTELLE MÉTAYER[13] Québec, Canada	51	Director	2014	President of EM Strategy Inc. (a strategy consulting firm) and adjunct professor at McGill University
NICHOLAS NOMICOS[14] Massachusetts, U.S.	59	Director	2016	Senior Advisor of Nonantum Capital Partners, LLC (a middle market private equity firm)
EDWARD PHILIP[15][16] Massachusetts, U.S.	56	Director	2005	Corporate Director
BARBARA J. SAMARDZICH[17][18][19] Michigan, U.S.	63	Director	2017	Corporate Director

(1) Member of the Human Resources & Compensation Committee.
(2) Member of the Nominating Governance and Social Responsibility Committee.
(3) Member the Human Resources & Compensation Committee.
(4) Member of the Nominating, Governance and Social Responsibility Committee.
(5) Member of the Investment and Risk Committee.
(6) Chair of the Board of Directors of the Company.
(7) Member of the Investment and Risk Committee.
(8) Lead Director.
(9) Chair of the Audit Committee.
(10) Member of the Investment and Risk Committee.
(11) Member of the Audit Committee.
(12) Member of the Investment and Risk Committee.
(13) Member of the Audit Committee.
(14) Member of the Audit Committee.
(15) Chair of the Human Resources & Compensation Committee.
(16) Chair of the Nominating, Governance and Social Responsibility Committee.
(17) Chair of the Investment and Risk Committee.
(18) Member of the Human Resources & Compensation Committee.
(19) Member of the Nominating, Governance and Social Responsibility Committee.

Executive Officers

Name and Province or State and Country of Residence	Age	Position(s)/Title
JOSÉ BOISJOLI Québec, Canada	64	President and Chief Executive Officer
KARIM DONNEZ Illinois, U.S.	45	Senior Vice-President, Marine Group
BERNARD GUY Québec, Canada	57	Senior Vice-President, Global Product Strategy
ANNE-MARIE LABERGE Québec, Canada	56	Senior Vice-President, Global Brands & Communication
MARTIN LANGELIER Québec, Canada	51	Senior Vice-President, General Counsel & Public Affairs
DENYS LAPOINTE Québec, Canada	60	Senior Vice-President, Design, Innovation & Creative Services
ANNE LE BRETON Québec, Canada	50	Senior Vice-President, Human Resources
SÉBASTIEN MARTEL Québec, Canada	50	Chief Financial Officer
JOSÉE PERREAULT Québec, Canada	59	Senior Vice-President, Omnichannel Experience & Apparel
SANDY SCULLION Québec, Canada	54	Senior Vice-President, Global Retail & Services, Powersports Group
MINH THANH TRAN Québec, Canada	38	Vice-President, Corporate Strategy & Development and Global Transformation
THOMAS UHR Québec, Canada	57	Senior Vice-President, Product Engineering & Manufacturing Operations, Powersports Group

Biographies

The following are brief profiles of the directors and executive officers of the Company, including a description of each individual' s principal occupation within the past five years.

Non-Executive Directors

Pierre Beaudoin, Director

Mr. Beaudoin is a corporate director. Mr. Beaudoin joined the Marine Products division of Bombardier Inc. in 1985. In October 1990, he was appointed Vice-President, Product Development of the Sea-Doo/Ski-Doo division. In 1992, he was appointed Executive Vice-President of the Sea-Doo/Ski-Doo division and became President of Bombardier Inc. January 1994. In April 1996, he was promoted to President and Chief Operating Officer of Bombardier Recreational Products. In February 2001, he was appointed President of Bombardier Aerospace Services Limited, Business Aircraft and he became President and Chief Operating Officer of Bombardier Aerospace Services Limited in October of the same year. On December 13, 2004, in addition to his duties as President and Chief Operating Officer of Bombardier Aerospace Services Limited, he was appointed Executive Vice-President of Bombardier Inc. and became a member of the board of directors of Bombardier Inc. On June 4, 2008, he was appointed President and Chief Executive Officer of Bombardier Inc. and served until 2015. He became Executive Chairman of the board of directors of Bombardier Inc. in February 2015 and Chairman of the board of directors in July 2017. He is a member of the board of directors of Power Corporation of Canada.

Joshua Bekenstein, Director

Mr. Bekenstein is a Managing Director and Co-Chairman at Bain Capital Investors, LLC. Prior to joining Bain Capital in 1984, Mr. Bekenstein spent several years at Bain & Company, Inc., where he was involved with companies in a variety of industries. Mr. Bekenstein is a member of the board of directors and the Nominating and Governance Committee of Canada Goose Holdings Inc. He is also a member of the board of directors and the Human Resources and Compensation Committee of Dollarama Inc. He also serves as a director of Bright Horizons Family Solutions Inc., for which he is a member of the Compensation Committee. Mr. Bekenstein received a Bachelor of Arts from Yale University and a Master of Business Administration (MBA) from Harvard Business School.

Charles Bombardier, Director

Mr. Bombardier is a corporate director. For over twenty years, he has served as President for *Gestion Charles Bombardier* as well as other private Canadian companies. Between 2018 and 2019, he also worked as senior consultant for the International Civil Aviation Organization (ICAO). In addition, since November 2016, Mr. Bombardier is conducting research at the *Université de Sherbrooke*, where he develops neurofeedback systems applied to new product development. Mr. Bombardier is a Canadian engineer and holds a Bachelor's and a Master's of science degrees from the *École de Technologie Supérieure* and a certificate in board governance from *Université Laval*. He is a member of the board of directors of Bombardier Inc.

Michael Hanley, Director

Mr. Hanley is a corporate director with over 25 years of experience in senior management roles and corporate governance. He is the Lead Director on the board of directors of Nuvei Corporation and is the Chair of its Audit Committee as well as a member of its Governance Human Resources and Compensation Committee. He is a member of the board of directors of LyondellBasell Industries N.V. and chairs its Audit Committee in addition to being a member of its Health, Safety, Environment and Sustainability Committee. In addition, he is a member of the board of directors of ExCell Thera Inc. He was on the board of directors and on the Audit Committee of ShawCor Ltd. from 2015 until May 2021 as well as on the board of directors, the Audit Committee and the Human Resources and Compensation Committee of Industrial Alliance Insurance and Financial Services Inc. from 2015 to 2019. He also served on the board of directors and the Audit Committee of Le Groupe Jean Coutu (PJC) Inc. from 2016 until the company was acquired by Metro Inc. in 2018. Prior to that, Mr. Hanley held senior management positions for several years at various companies. He was Senior Vice-President, Operations and Strategic Initiatives at National Bank of Canada. He also held a number of positions at Alcan Inc., including Executive Vice-President and Chief Financial Officer, and President and CEO of the Global Bauxite and Alumina business group. He was also Chief Financial Officer of two Canadian public companies, namely Gaz Métro (now Énergir) and St-Laurent Paperboard Inc. Mr. Hanley is a chartered professional accountant and has been a member of the *Ordre des comptables professionnels agréés du Québec* (CPA) since 1987.

Ernesto M. Hernández, Director

Mr. Hernández is a corporate director who has over 40 years of engineering sales, marketing and operations experience in the automotive industry. After starting his career at General Motors (Mexico) in 1980 as a Development Engineer, he worked in several positions including Engineering Manager, Executive Engineer, and Marketing Director. In 2003, he was appointed Vice-President of General Motors de México and Executive Director of Sales, Service and Marketing, where he successfully led the commercial operations of various brands including Chevrolet, Buick, GMC and Cadillac. In 2011, he took the helm as the first Mexican national to be appointed President and Managing Director. He held this role until September 2019 and retired in January 2020. During his tenure, Ernesto M. Hernández managed both the commercial and manufacturing sides of General Motors' operations in Mexico, Central America and the Caribbean. He sits on the board of directors of Constellation Brands, Inc. and is a member of its Human Resources Committee. He also sits on the board of directors of Dana Incorporated and is a member of its Compensation Committee as well as its Technology and Sustainability Committee. He currently serves in various Chambers of Commerce and Business Councils. Mr. Hernández was an independent director on the board of directors of Grupo KUO, S.A.B. de C.V., DINE, S.A.B. de C.V., and Corporación Zapata, S.A. de C.V.

Katherine Kountze, Director

Ms. Kountze has held various senior IT leadership positions across her 25+ years working in the technology field. Since April 2021, she is the Executive Vice-President and Chief Information Officer (CIO) for DentaQuest, LLC, a health insurance company headquartered in Boston, which manages dental benefits for more than 30 million members and provides direct patient care through oral health centers in 6 states in the United States. In this role Ms. Kountze is responsible for all aspect of Information Technology including cyber security and compliance, digital strategy and leading large enterprise-wide technology business programs and projects. Before joining DentaQuest, LLC, Ms. Kountze was Senior Vice-President and Chief Information Officer (CIO) for Eversource Energy, the largest provider of electric, gas and water services in the New England area of the United States, where she held that position for 11 years. Prior to that Ms. Kountze spent 2 years as the Vice-President and CIO for United Illuminating Company, an electric utility company in Connecticut. She is the Chair for the Boston CIO Leadership Council and a member of the Massachusetts Cybersecurity Council, a cybersecurity advisory group for the Governor of Massachusetts. Ms. Kountze serves on the board of The Children's Place Inc. and is a member of its Audit Committee since November 2021. She has won several awards including: 2021 Top Women in Energy, 2021 Diversity Women Elite 100, Most Impactful Black Women in Boston 2021, 2017 CIO of the Year, and 2015 Women Leading Stem Award. Ms. Kountze holds a bachelor's degree in actuarial Math and Science and a master's degree in Computer Science.

Louis Laporte, Director

Mr. Laporte is President of GL Capital Inc. since 2019. Mr. Laporte was the Executive Vice-President of Beaudier Inc., a private holding company and a holder of Multiple Voting Shares, from 2004 to 2019. In 2003, Mr. Laporte managed the acquisition of the recreational products business of Bombardier Inc. for Beaudier Group. Prior to 2003, Mr. Laporte was the owner and operator of a number of privately held companies, such as Dudley Inc., one of Canada's leading lock manufacturers and distributors, and AMT Marine Inc., a manufacturer, subcontractor and supplier of *Sea-Doo* jet boats, where he contributed to the production and participated in the initial design and engineering of the *Sea-Doo* jet boat for BRP Inc. Mr. Laporte is and has been a director of several privately-owned companies. Mr. Laporte holds a Bachelor of Accounting Sciences from the *Université du Québec à Montréal* (UQAM) and a Bachelor of Commerce from McGill University. Mr. Laporte is a chartered professional accountant.

Estelle Métayer, Director

Ms. Métayer is the president of EM Strategy Inc. and an adjunct professor at McGill University. She currently serves on the board of directors, sits on the Human Resources and Compensation Committee, the Strategy Committee and chairs the Investment Committee of Audemars Piguet Holding S.A. (Switzerland). She also serves on the board of Ivanhoe Cambridge inc. (Canada) for which she is a member of the Human Resources and Compensation Committee and chairs the Governance and Ethics Committee, the board of Agropur Cooperative (Canada) for which she is a member of the technology committee, the Governance Committee and the Sustainable Development Committee, and the board of Martur Fompak International (Turkey) for which she is a member of the Audit Committee. She serves on the advisory board of Groupe Sélection (Canada) and LifeScore Limited

(UK). Prior to that, she served on the boards of directors of Blockstream Corporation (Montreal/Silicon Valley) between 2016 and 2018, Zag Bank (Canada) between 2015 and 2017 and Ubisoft Entertainment SA between 2012 and 2016 where she chaired the Compensation Committee. Prior thereto, Ms. Métayer worked at the ING Bank (Netherlands), Bouygues (France), and in Canada at McKinsey & Company, CAE Inc., and Competia Inc. which she founded and sold in 2004. Ms. Métayer is a certified director of the *Institut Français des Administrateurs* and attended the High Performing Boards Program at Harvard Business School. She was trained in the Netherlands, where she obtained her MBA and Drs. from the University of Nijenrode.

Nicholas Nomicos, Director

Mr. Nomicos is a Senior Advisor of Nonantum Capital Partners, LLC, a middle market private equity firm that he founded with other executives in 2018. Prior to that, Mr. Nomicos was at Bain Capital Investors, LLC where he worked from 1999 to 2016 as an Operating Partner focused on investments in the manufacturing and consumer product sectors and as a Managing Director of Bain Capital Credit, LP, the credit arm of Bain Capital Investors, LLC. Previously, Mr. Nomicos was a senior corporate development and manufacturing executive at Oak Industries Inc., and he spent several years at Bain & Company, Inc. where he was an engagement manager. Mr. Nomicos serves on the board of directors and is a member of the Audit Committee of Dollarama Inc. He received a Master of Business Administration (MBA) from Harvard Business School and a Bachelor of Science in Engineering from Princeton University.

Edward Philip, Director

Mr. Philip is a corporate director. He served as the Chief Operating Officer of Partners in Health (a non-profit health care organization) from 2013 until 2017. In addition, Mr. Philip was a Special Partner at Highland Consumer Fund (consumer-oriented private equity fund), serving in this role from 2013 until 2017. He served as Managing General Partner at Highland Consumer Fund from 2006 to 2013. Prior thereto, Mr. Philip served as President and Chief Executive Officer of Decision Matrix Group, Inc. (research and consulting firm) from 2004 to 2005. Prior to joining Decision Matrix Group, Inc., he was Senior Vice-President of Terra Networks, S.A. (global Internet company) from 2000 to 2004. In 1995, Mr. Philip joined Lycos, Inc. (an Internet service provider and search company) as one of its founding members. At Lycos, Inc., Mr. Philip held the positions of President, Chief Operating Officer and Chief Financial Officer at different times. Prior to joining Lycos, Inc., Mr. Philip was the Vice-President of Finance for The Walt Disney Company, and prior thereto Mr. Philip spent a number of years in investment banking. He sits on the board of directors of Hasbro, Inc. and on its Compensation Committee, Executive Committee as well as being Chairman of its Nominating, Governance and Social Responsibility Committee. Mr. Philip is also the Non-Executive Chairman of United Airlines Holdings, Inc. and sits on its Audit Committee, and is also Chairman of its Executive Committee and of its Nominating and Governance Committee. In addition, he is on the board of directors and Chairman of the Audit Committee of Blade Air Mobility, Inc., a technology-powered, global air mobility platform. Mr. Philip received a B.S. in Economics and Mathematics from Vanderbilt University and holds a Master of Business Administration from Harvard Business School.

Barbara J. Samardzich, Director

Ms. Samardzich is a corporate director. Ms. Samardzich previously held various senior leadership positions across her 26-year career with Ford Motor Company. Before retiring in 2016, she was the Vice-President and Chief Operating Officer of Ford Europe leading a team of over 30,000 employees. In previous years, she served as Vice-President, Product Development; Vice-President, Global Powertrain Engineering and held various roles in powertrain and vehicle engineering within Ford. She has also worked in various engineering roles at Westinghouse Electric Corporation. Ms. Samardzich sits on the board of directors of several companies including Aktiebolaget SKF (Sweden) and chairs the Compensation Committee and is a member of the Audit Committee for Adient plc

(Ireland). She has won many awards including CBTNews "Leading Women in Automotive in 2019" and 2016 Automotive News Europe "25 Leading Women in the European Auto Industry". Ms. Samardzich holds a Bachelor of Science in Mechanical Engineering from the University of Florida, a Master of Science in Mechanical Engineering from Carnegie Mellon University, and a Master of Science in Engineering Management from Wayne State University.

Executive Officer Who Also Serves as Director

José Boisjoli, Chair of the Board of Directors, President and Chief Executive Officer

Mr. Boisjoli is Chair of the Board of Directors of BRP since 2019 and President and Chief Executive Officer of BRP since December 2003, when BRP became a standalone company. In October 1998, Mr. Boisjoli was named President of the Snowmobile and Watercraft division, the largest division of Bombardier Recreational Products Inc. In April 2001, he was given the added responsibility of managing the ATV division. Mr. Boisjoli joined Bombardier Recreational Products Inc. in 1989, after eight years in the pharmaceutical and road safety equipment industries. Mr. Boisjoli served on the board of directors of McCain Foods Group Inc. from January 2018 to February 2022. Mr. Boisjoli received a Bachelor of Engineering from the Université de Sherbrooke. In April 2005, Mr. Boisjoli received the prestigious titles of Executive of the Year by Powersports Magazine, the most important powersports magazine in the United States, as Entrepreneur of the Year, Québec, by EY in 2014 and was also named CEO of the year 2017 by the Canadian business newspaper *Les Affaires*.

Executive Officers Who Do Not Serve as Directors

Karim Donnez, Senior Vice-President, Marine Group

An impressive breadth of personal and professional experience brought Karim Donnez to BRP as Senior Vice-President, Strategy, Business Development & Transformation in 2015.

Born in Paris, France, Karim has lived and worked around the world. He's passionate about family and adventure, and he loves getting out on Lake Michigan for watersports of all kinds. Karim is always ready to take on new challenges and learn from each lived experience. He's a strong believer in the journey of life, not the destination.

A die-hard rugby fan, Karim was involved with the Canada Rugby League for years, both as a player and later as a certified coach. His team spirit and determination are evident in his professional life, as he brings his all to his work, driving himself–and those around him–to excel.

He came to BRP from Rio Tinto, where he held several leadership positions including General Manager, Refinery & Energy for Rio Tinto Kennecott. In those roles, he oversaw business transformation initiatives as part of corporate global functions.

Karim's determination and relatability helped forge BRP's business strategy, which was instrumental in BRP's acquisitions of Alta Motors assets, leading to the creation of BRP EV, and subsequently Alumacraft, Manitou and Telwater. After the creation of the Marine Group in 2018, Karim took on its leadership in 2020.

Bernard Guy, Senior Vice-President, Global Product Strategy

Bernard Guy has enjoyed more than 30 years' of experience with BRP. He has served in several management positions before he was named Senior Vice-President, Global Product Strategy in 2017.

Bernard was born in Sept-Îles, Quebec, and has been a die-hard fan of motorized sports for as long as he can remember. An adrenaline-loving rider to the core, he believes that there's nothing like being out in the open air.

Bernard joined BRP in 1987 as a Project Engineer for Ski-Doo R&D and has moved up within the Company ever since, contributing his knowledge and expertise to engineering, procurement, strategy and product planning. He is driven by product innovation and improvement, and shares BRP's passion and determination to create the ultimate experience for our customers.

Bernard's global vision truly came into play with the launch of the Can-Am brand. His focus and commitment to the brand propelled BRP from seventh to third place in the North American market. He also played a major role in developing BRP's value proposition strategy – and the results for both the Company and our dealers speak for themselves.

Anne-Marie LaBerge, Senior Vice-President, Global Marketing & Communications

From the moment Anne-Marie LaBerge joined BRP in October 2016 as Senior Vice-President, Global Brands & Communication, she's made her mark on the Company's DNA, winning our customers' hearts and minds with a renewed focus on rider experience.

Born in Rochester, Minnesota, Anne-Marie discovered Quebec as a five-year-old on a sled behind her parents' Ski-Doo. Her passions – family and adventure – took root at her family's hunting and fishing camp, which she still loves to explore via snowmobile and ATV.

From her start at TELUS in 1996 to her appointment as Vice-President, Brand and Marketing Communications in 2009, Anne-Marie played a key role in growing the Company to one of the best-known brands in Canada. Her visionary approach is what then led her to BRP, and her love of the outdoors was a natural fit with our adventurous spirit.

Anne-Marie's client-centered approach and exceptional ability to think outside the box earned her several accolades, starting in 2011 with a Marketer of the Year award from Strategy magazine and the Québec Women in Business – Large Corporations award. She also received the prestigious CMO Club Marketing Innovation Award in 2017 and was recognized in 2018 as a marketing visionary of the year by Infopresse. In 2019, Anne-Marie was again nominated for the Marketer of the Year award from Strategy magazine.

Martin Langelier, Senior Vice-President, General Counsel & Public Affairs

Martin Langelier knows BRP inside and out, having been with the Company since 2000, and has held the position of Senior Vice-President, General Counsel & Public Affairs since 2008.

Born in Hull, Quebec, Martin grew up on Montreal's South Shore. He's passionate about living an active lifestyle and spending time with his family – and not surprisingly, he often combines the two.

After practicing as a lawyer at a reputable firm in Montreal, Martin decided to enroll in an international business MBA program at the Birmingham Business School in the UK. He was then drawn to BRP's global reach and human values, and joined the Company in 2000. Martin's dedication to helping communities led him to play a key role in the establishment of the Company's original Corporate Social Responsibility program in 2015.

Thanks to his extensive experience, Martin contributed in no small part to the Company's success, from weathering the economic crisis of 2008 – and emerging stronger than ever – to playing a key role when it became a publicly traded company.

Martin' s resourcefulness and determination to make this world a better place for future generations earned him a Lexpert Zenith award in 2018 as a change agent in the field of law.

Denys Lapointe, Senior Vice-President, Design, Innovation and Creative Services

Senior Vice-President, Design, Innovation & Creative Services, Denys Lapointe has been revolutionizing the world of motorsports since joining BRP in 1985.

Denys shares a long history with the Company. Born in Quebec City, he spent part of his childhood in Valcourt, home of BRP' s global centre of expertise. He was quickly immersed in the world of motorsports, going on to become the excellent rider we know.

A passionate and truly creative force, Denys carved out a prominent position for himself within the Company, quickly assuming the role of vice-president. He' s the mastermind behind the design and innovation philosophy at BRP – a philosophy that sets our products apart in the market.

Now at the head of a multidisciplinary design and innovation team whose members hail from the four corners of the globe, Denys continues to push the boundaries and imagine the future. He' s received scores of international design awards and lives by the mantra that races are won by looking forward.

Denys holds a Bachelor of Arts in Design from the Université du Québec à Montréal. He is a board member of the Centre de technologies avancées (CTA) BRP – Université de Sherbrooke and part of the following design associations: World Design Organization (WDO), Industrial Designers Society of America, Association of Canadian Industrial Designers, and Association des designers industriels du Québec. In 2017, Denys was inducted into the National Marine Manufacturers Association (NMMA) Canada Hall of Fame for his impressive contribution to the marine industry.

Anne Le Breton, Senior Vice-President, Human Resources

A true champion of the BRP community, Anne Le Breton has been Senior Vice-President, Human Resources since 2016.

Anne hails from Moncton, New Brunswick, and has studied and worked in both in the US and Europe. This wealth of experience helped form her global worldview and her penchant to dive into international teams and fit right in.

From her beginnings in human resources up to her current role as Vice-President, Anne has been motivated by bringing people and diverse visions together. Anne thrives on BRP' s fast-paced rhythm and passionate team members, always mindful of respecting BRP' s spirit and promoting a culture that inspires people. Anne is a proud sponsor of the Employee experience based on the company' s new five-year plan, Mission 2025, which places each employee at the heart of BRP' s decisions, with the goal of providing a workplace that contributes to each and every employee' s success.

Anne' s knowledge and expertise in management and interdisciplinary collaboration has been key in the success of several growth and transformation projects over the past few years. BRP' s corporate culture and company DNA are what sets the company apart, and we want to be sure to transmit this passion to our employees. Anne is responsible for all aspects of human resources for over 19,500 employees worldwide.

Sébastien Martel, Chief Financial Officer

BRP's Chief Financial Officer, Sébastien Martel has been with the Company since 2004.

Sébastien was born in La Tuque, or as he calls it, the "ATV capital of Quebec". He is passionate about his work and credits his affinity for finance and business to his grandfathers, one of whom was an accountant and the other an entrepreneur.

Sébastien has stood out in his various roles with BRP over the years, from Director, Financial Information to Vice-President, Strategic Planning Business Development and others along the way. He and his team are on a permanent quest for constant improvement and they found their niche within BRP's ever-evolving, innovative environment.

In 2013, Sébastien took on a project that would ultimately transform BRP when he piloted the Company's first public offering. This process was met with overwhelmingly positive results, earning BRP the title of IPO of the year. In 2018, he successfully introduced BRP to a second stock exchange when we listed the Company on NASDAQ in the US.

Josée Perreault, Senior Vice-President, Omnichannel Experience & Apparel

Josée Perreault joined BRP in October 2016 as Senior Vice-President, *Can-Am* On-Road and immediately dove in by revolutionizing the On-Road vehicle industry with the launch of the *Can-Am Ryker*. A real game-changer, this three-wheel motorcycle is the best in class for personalization and riding experiences. Now in her role as Senior Vice-President, Omnichannel Experience & Apparel, she's streamlining BRP's online and offline sales and take BRP's fans on a truly exhilarating ride.

Born in Montreal, Quebec, Josée has worked on just about every continent, giving her a unique leadership vision and skills. A passionate global executive, she is always seeking adrenaline-laden adventures and challenges at the office and beyond.

Prior to BRP, Josée held various senior leadership positions at Oakley, moving up to Senior Vice-President, World Business. She contributed to the Company's success in many ways as a real driving force in the international growth, competitiveness and profitability of its retail, wholesale, web and franchise business. Among other achievements, she restructured the European sales and operations, established and developed the Canadian division, introduced Oakley owned retail and led all aspects of Oakley's commercial activities across the globe.

Bringing together the best talent to promote, distribute and sell a brand and its products is what has motivated Josée throughout her career, and has earned her several awards. It's also what inspires her to share her expertise as a board member of several companies. There is no challenge that Josée isn't up for.

Sandy Scullion, Senior Vice-President, Global Retail & Services, Powersports Group

Sandy Scullion joined BRP in 1994 and has held various leadership positions before becoming Senior Vice-President, Global Retail & Services, Powersports Group in 2016.

Sandy hails from Alma, Quebec, and basically grew up on a Ski-Doo snowmobile. He's an avid rider and loves nothing more than getting out on his machines alongside his family. To Sandy, nothing beats outdoor adventures to escape the everyday and reconnect with nature.

BRP's constant innovation has been a major motivating factor in Sandy's professional growth. He's filled several management roles within the Company both in Europe and North America, including sales and network management, marketing, product development, and distribution and operations. Prior to his present role at the Company, Sandy was BRP' s General Manager for Western Europe, Middle East and Africa.

Sandy' s visionary leadership has had a huge impact on customer experience, as he was behind our powersports accessories and lifestyle transformation, which is recognized today as a key brand differentiator.

Minh Thanh Tran, Vice-President, Corporate Strategy & Development and Global Transformation

Minh Thanh Tran joined BRP in 2017 as Director, Strategy Mergers & Acquisitions, and he' s been a driving force ever since. After holding increasingly important roles in strategic planning and development, in August 2020, he was appointed Vice-President, Corporate Strategy & Development and Global Transformation. In this new role, Minh Thanh continues to seek out new opportunities for BRP around the world. He also drives BRP' s growth through various business transformation initiatives.

Minh Thanh began his career in the world of investment and corporate banking at Lazard Frères & LLC and BMO Capital Markets in New York and Montreal.

Through his role in BRP' s initial public offering in 2013, Minh Thanh observed both BRP' s growth potential and its expertise in the industry, which led him to join the Company a few years later. He sees his experience with BRP as a true adventure; for Minh Thanh, it' s all about the journey, the thrill of the ride.

At BRP, Minh Thanh built the Mergers and Acquisitions group. Four game-changing acquisitions swiftly followed: Alta Motors assets, Manitou, Alumacraft and Telwater. These acquisitions cemented BRP' s leading role in the recreational market and are sure to propel the Company to further success for years to come.

Thomas Uhr, Senior Vice-President, Product Engineering & Manufacturing Operations, Powersports Group

A global citizen, Thomas was born in Hachenburg, Germany, and has lived and worked in various countries, including Austria, Canada, Germany, Spain and Japan, leading technological innovation and engineering teams for major companies. He holds a degree in Mechanical Engineering from RWTH Aachen University. Since 2018, he has been leading BRP' s global R&D and manufacturing operations as Senior Vice-President, Product Engineering & Manufacturing Operations for Powersports.

Thomas has over 25 years' experience in the automotive industry. His expertise, along with his hard work and dedication, has earned him several recognitions. He joined Mercedes-Benz AG in 1992 and subsequently held various positions with increasing responsibilities (amongst others, heading a team to work on the first fuel cell for mass production at Ballard Power Systems, leading the Mercedes Berlin plant, serving as founding General Manager of MDC Power – then a joint venture between Mercedes and Mitsubishi, and heading the R&D prototyping and testing activities for Mercedes Cars).

From his start at BRP' s European operations in 2014, Thomas went above and beyond, even occupying the positions of Vice-President, Powertrain at BRP-Rotax in Austria and Vice-President R&D/Operations in Austria and Finland at the same time.

Thomas' s passion for product and technology led his teams to develop and launch several ground-breaking Rotax powertrains, such as the 849 E-TEC for snowmobiles, the 1603 PWC engine, and the 915iS – he was one of the first to fly with this new game-changing aircraft engine. He credits

BRP's focus on ingenuity as the key to his success and motivation.

His innovative and enterprising spirit will no doubt improve the experience of generations of thrill-seekers to come.

Corporate Cease Trade Orders

None of the Company's directors or executive officers is, as at the date of this Annual Information Form, or has been, within the 10 years prior to the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including the Company) that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity), was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation, in each case, for a period of more than 30 consecutive days.

Bankruptcies

None of the Company's directors or executive officers is, as at the date of this Annual Information Form, or has been, within the 10 years prior to the date of this Annual Information Form, a director or executive officer of any company (including the Company), that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or comprise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except for (i) Louis Laporte who was a board member up until July 2018 of Canest Transit Inc., which had a receiver manager appointed to hold its assets in June 2019 and (ii) Joshua Bekenstein who was a director of Toys "R" Us, Inc. from 2005 to 2019, which filed for bankruptcy in September 2017, and who was from 2010 to 2017 a director of The Gymboree Corporation, which filed for bankruptcy in June 2017.

None of the Company's directors or executive officers has, within the 10 years prior to the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or comprise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Shareholder Bankruptcies

No shareholder holding a sufficient number of securities to affect materially the control of the Company is, as at the date of this Annual Information Form, or has been within 10 years before the date of this Annual Information Form, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No shareholder holding a sufficient number of securities to affect materially the control of the Company, nor any personal holding company of any such person, has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the shareholder.

Securities Penalties or Sanctions

No director or executive officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, nor any personal holding company of any such person, has:

- been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of the Company's knowledge, there are no known existing or potential conflicts of interest among the Company and its directors, officers or other members of management as a result of their outside business interests except that certain of the Company's directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies. See "Directors and Officers" and "Interest of Management and Others in Material Transactions".

Indemnification and Insurance

The Company has implemented a director and officer insurance program and has entered into indemnification agreements with each of its directors and executive officers. The indemnification agreements generally require that the Company indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Company as directors and executive officers, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in or not opposed to the Company's best interests and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, the indemnitees had no reasonable grounds to believe that his or her conduct was unlawful. The indemnification agreements also provide for the advancement of defense expenses to the indemnitees by the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is involved from time to time in legal proceedings and regulatory actions of a nature considered normal to its business and operations. As at January 31, 2022, the Company had approximately 162 pending litigation cases. See "Risk Factors – The Company may be unable to protect its intellectual property or it may incur substantial costs as a result of litigation or other proceedings relating to protection of its intellectual property".

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set out below or as described elsewhere in this Annual Information Form, none of (i) the directors or executive officers of the Company, (ii) the shareholders who beneficially own or control or direct, directly or indirectly, more than 10% of the voting shares of the Company, or (iii) any associate or affiliate of the persons referred to in (i) and (ii), has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company.

Reimbursement to Bombardier Inc., a company related to Beaudier Group

Pursuant to the purchase agreement entered into in 2003 in connection with the acquisition of the recreational products business of Bombardier Inc., the Company is required to reimburse to Bombardier Inc. income taxes that amounted to $22.1 million as of January 31, 2022. The reimbursement will begin when Bombardier Inc. starts making any income tax payments in Canada and/or the United States.

In addition, in connection with the above-mentioned transaction, the Company entered into a trademark license agreement whereby it has the right to continue to use certain trademarks of Bombardier Inc. that were not otherwise assigned to the Company in connection with such transaction, subject to certain conditions. The license allows the Company to use "Bombardier" in the corporate name of certain subsidiaries of the Company as long as, among other things, Beaudier Group maintains at least a 10% voting or equity interest in the Company.

INDEPENDENT AUDITOR, TRANSFER AGENT AND REGISTRAR

The independent auditor of the Company is Deloitte LLP, 1190 avenue des Canadiens-de-Montréal, Suite 500, Montreal, Québec, H3B 0M7.

The transfer agent and registrar for the Subordinate Voting Shares and Multiple Voting Shares is Computershare Investor Services Inc. at their offices in Montreal and Toronto.

MATERIAL CONTRACTS

The following are the only material contracts, other than those contracts entered into in the ordinary course of business, which the Company has entered into since the beginning of the last financial year ended January 31, 2022, or entered into prior to such date, but which are still in effect and that are required to be filed with Canadian securities regulatory authorization in accordance with Section 12.2 of *National Instrument ‑ 51-102 Continuous Disclosure Obligations*. Each of the summaries below describes certain material provisions of the relevant material contract and is subject to, and qualified in its entirety by reference to, the relevant material contract, a copy of which is available on the SEDAR website at www.sedar.com.

Underwriting Agreements

On September 13, 2018, Beaudier Inc., 4338618 Canada Inc., Bain Capital and other selling shareholders entered into an underwriting agreement with a syndicate of underwriters and the Company pursuant to which they sold 8,700,000 Subordinate Voting Shares of the Company at a price of $47.00 per Subordinate Voting Share for aggregate gross proceeds of $408,900,000. The Company did not receive any of the proceeds from the bought deal secondary offering.

On December 16, 2019, Beaudier Group, Bain Capital and other selling shareholders entered into an underwriting agreement with a syndicate of underwriters and the Company pursuant to which they sold 5,000,000 Subordinate Voting Shares of the Company at a price of $61.17 per Subordinate Voting Share for aggregate gross proceeds of $305,850,000. The Company did not receive any of the proceeds from the bought deal secondary offering.

On October 21, 2020, Bain Capital and other selling shareholders entered into an underwriting agreement with a syndicate of underwriters and the Company pursuant to which they sold 2,000,000 Subordinate Voting Shares of the Company at a price of $75.45 per Subordinate Voting Share for aggregate gross proceeds of $150,900,000. The Company did not receive any of the proceeds from the 2020 Secondary Offering.

Term Facility

Pursuant to a fourth amended and restated credit agreement entered into between a syndicate of lenders and subsidiaries of the Company on May 23, 2018, term facilities in the aggregate principal amount of US$900.0 million maturing on May 23, 2025 were made available to Bombardier Recreational Products Inc. in U.S. dollars (as amended from time to time, the "Term Facility").

On July 23, 2019, the Company amended the Term Facility to add a new US$335.0 million tranche for a total principal amount of US$1,235.0 million.

On February 4, 2020, the Company amended the Term Facility whereby the Term Facility was consolidated into a single tranche, the cost of borrowing was reduced by 0.50% for the previous US$335.0 million tranche and the maturity was extended from May 2025 to May 2027 ("Term Loan B-1").

On May 8, 2020, the Company entered into an amendment which provided for an incremental US$600.0 million tranche under its Term Facility ("Term Loan B-2"). This new tranche had a May 2027 maturity and, consistent with the existing tranche of the Term Facility, was not subject to any financial covenants.

On February 16, 2021, the Company amended the Term Facility by increasing the amount outstanding under its Term Loan B-1 by US $300 million; the proceeds therefrom, along with cash from its balance sheet, were used to repay, in full, the Term Loan B-2, which had less favourable terms.

Security holders Agreements

In connection with the IPO on May 29, 2013, the Beaudier Group, Bain Capital, CDPQ and the Company entered into a nomination rights agreement (the "Nomination Rights Agreement"), an amended and restated registration rights agreement (the "Registration Rights Agreement") and the Coattail Agreement.

Nomination Rights Agreement

The Nomination Rights Agreement provides that Beaudier Group, Bain Capital and CDPQ shall cast all votes to which they are entitled to fix the size of the Board of Directors at 13 members and to elect members of the Board in accordance with the provisions thereof. The Beaudier Group, Bain Capital and CDPQ have certain rights to designate members of the Board of Directors. As of the date of this Annual Information Form, Bain Capital, Beaudier Group and CDPQ are entitled to designate three, three and one member(s) of the Board of Directors, respectively, under the terms of the Nomination Rights Agreement.

Registration Rights Agreement

The Registration Rights Agreement provides for demand registration rights in favour of the parties to the Registration Rights Agreement that enable them to require the Company to qualify by prospectus in Canada or, following the one-year anniversary of the closing of the IPO and subject to certain conditions, the United States, all or any portion of the Shares held by them for a distribution to the public, provided such demand will result in a minimum offering size of $50 million.

The Registration Rights Agreement also provides for incidental registration rights allowing the parties to the Registration Rights Agreement to include their Subordinate Voting Shares in certain public offerings of Subordinate Voting Shares, subject to certain underwriters' cutback rights.

Coattail Agreement

See "Description of the Capital Structure – Shares – Take-Over Bid Protection" for a description of the Coattail Agreement.

INTEREST OF EXPERTS

The current independent auditor of the Company, Deloitte LLP, who has issued an auditor's report dated March 24, 2022 in respect of the Company's consolidated financial statements, which comprise the consolidated statements of financial position as at January 31, 2022 and January 31, 2021 and the consolidated statements of net income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, has informed the Company that it is independent with respect to the Company within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

AUDIT COMMITTEE

Charter of the Audit Committee

The Board has adopted a written charter (the "Charter of the Audit Committee") describing the mandate of the audit committee of the Company (the "Audit Committee"). The Charter of the Audit Committee reflects the purpose of the Audit Committee, which is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to ensuring that adequate procedures are in place for the review of the Company's public disclosure documents that contain financial information, ensuring that an effective internal audit process has been implemented, ensuring that an effective risk management and financial control framework has been implemented and tested by the Company's management, providing better communication between directors, management, internal auditors and external auditors, overseeing the work and reviewing the independence of the external auditors and reporting to the Board of Directors on any outstanding issue. The text of the Charter of the Audit Committee is attached to this Annual Information Form as Appendix A.

Composition of the Audit Committee

As set forth in the Charter of the Audit Committee, the Audit Committee must be composed of a minimum of three directors, each of whom needs to be independent and to meet the criteria for financial literacy established by applicable laws, including National Instrument 52-110 – *Audit Committees*. As of the date hereof, the Audit Committee is composed of Mses. Métayer and Kountze and Messrs. Hanley and Nomicos, all of whom are independent and meet the criteria for financial literacy established by applicable laws, including National Instrument 52-110 – *Audit Committees*. Mr. Hanley is the Chair of the Audit Committee.

Relevant Education and Experience of the Audit Committee Members

Each of the Audit Committee members has an understanding of the accounting principles used by the Company to prepare its financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting.

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

Mr. Michael Hanley (Chair) is a corporate director with over 25 years of experience in senior management roles and corporate governance. He is the Lead Director on the board of directors of Nuvei Corporation and is the Chair of its Audit Committee as well as a member of its Governance Human Resources and Compensation Committee. He is a member of the board of directors of LyondellBasell Industries N.V. and chairs its Audit Committee in addition to being a member of its Health, Safety, Environment and Sustainability Committee. In addition, he is a member of the board of directors of ExCell Thera Inc. He was on the board of directors and on the Audit Committee of ShawCor Ltd. from 2015 until May 2021 as well as on the board of directors, the Audit Committee and the Human Resources and Compensation Committee of Industrial Alliance Insurance and Financial Services Inc. from 2015 to 2019. He also served on the board of directors and the Audit Committee of Le Groupe Jean Coutu (PJC) Inc. from 2016 until the company was acquired by Metro Inc. in 2018. Prior to that, Mr. Hanley held senior management positions for several years at various companies. He was Senior Vice-President, Operations and Strategic Initiatives at National Bank of Canada. He also held a number of positions at Alcan Inc., including Executive Vice-President and Chief Financial Officer, and President and CEO of the Global Bauxite and Alumina business group. He was also Chief Financial Officer of two Canadian public companies, namely Gaz Métro (now Énergir) and St-Laurent Paperboard Inc. Mr. Hanley is a chartered professional accountant and has been a member of the *Ordre des comptables professionnels agréés du Québec* (CPA) since 1987.

Ms. Katherine Kountze has held various senior IT leadership positions across her 25+ years working in the technology field. Since April 2021, she is the Executive Vice-President and Chief Information Officer (CIO) for DentaQuest, LLC, a health insurance company headquartered in Boston, which manages dental benefits for more than 30 million members and provides direct patient care through oral health centers in 6 states in the United States. In this role Ms. Kountze is responsible for all aspect of Information Technology including cyber security and compliance, digital strategy and leading large enterprise-wide technology business programs and projects. Before joining DentaQuest, LLC, Ms. Kountze was Senior Vice-President and Chief Information Officer (CIO) for Eversource Energy, the largest provider of electric, gas and water services in the New England area of the United States, where she held that position for 11 years. Prior to that Ms. Kountze spent 2 years as the Vice-President and CIO for United Illuminating Company, an electric utility company in Connecticut. She is the Chair for the Boston CIO Leadership Council and a member of the Massachusetts Cybersecurity Council, a cybersecurity advisory group for the Governor of Massachusetts. Ms. Kountze serves on the board of The Children' s Place Inc. and is a member of its Audit Committee since November 2021. She has won several awards including: 2021 Top Women in Energy, 2021 Diversity Women Elite 100, Most Impactful Black Women in Boston 2021, 2017 CIO of the Year, and 2015 Women Leading Stem Award. Ms. Kountze holds a bachelor' s degree in actuarial Math and Science and a master' s degree in Computer Science.

Ms. Estelle Métayer is the president of EM Strategy Inc. and an adjunct professor at McGill University. She currently serves on the board of directors, sits on the Human Resources and Compensation Committee, the Strategy Committee and chairs the Investment Committee of Audemars Piguet Holding S.A. (Switzerland). She also serves on the board of Ivanhoe Cambridge inc. (Canada) for which she is a member of the Human Resources and Compensation Committee and chairs the Governance and Ethics Committee, the board of Agropur Cooperative (Canada) for which she is a member of the technology committee, the Governance Committee and the Sustainable Development Committee, and the board of Martur Fompak International (Turkey) for which she is a member of the Audit Committee. She serves on the advisory board of Groupe Sélection (Canada) and LifeScore Limited (UK). Prior to that, she served on the boards of directors of Blockstream Corporation (Montreal/Silicon Valley) between 2016 and 2018, Zag Bank (Canada) between 2015 and 2017 and Ubisoft Entertainment SA between 2012 and 2016 where she chaired the Compensation Committee. Prior thereto, Ms. Métayer worked at the ING Bank (Netherlands), Bouygues

(France), and in Canada at McKinsey & Company, CAE Inc., and Competia Inc. which she founded and sold in 2004. Ms. Métayer is a certified director of the *Institut Français des Administrateurs* and attended the High Performing Boards Program at Harvard Business School. She was trained in the Netherlands, where she obtained her MBA and Drs. from the University of Nijenrode.

Mr. Nicholas Nomicos is a Senior Advisor of Nonantum Capital Partners, LLC, a middle market private equity firm that he founded with other executives in 2018. Prior to that, Mr. Nomicos was at Bain Capital Investors, LLC where he worked from 1999 to 2016 as an Operating Partner focused on investments in the manufacturing and consumer product sectors and as a Managing Director of Bain Capital Credit, LP, the credit arm of Bain Capital Investors, LLC. Previously, Mr. Nomicos was a senior corporate development and manufacturing executive at Oak Industries Inc., and he spent several years at Bain & Company, Inc. where he was an engagement manager.
Mr. Nomicos serves on the board of directors and is a member of the Audit Committee of Dollarama Inc. He received a Master of Business Administration (MBA) from Harvard Business School and a Bachelor of Science in Engineering from Princeton University.

Independent Auditor Fees

In Fiscal 2022 and Fiscal 2021, the Company was invoiced the following fees by its independent auditor, Deloitte LLP:

	Fiscal 2022	Fiscal 2021
Audit Fees(1)	$ 4,521,837	$ 3,305,068
Audit Related Fees(2)	603,274	576,069
Tax Fees(3)	122,774	157,049
All Other Fees(4)	–	–
Total Fees Paid	**5,247,885**	**4,038,186**

(1) "Audit Fees" include fees necessary to perform the annual audit or reviews of the consolidated financial statements.
(2) "Audit Related Fees" include fees for assurance and related services by the independent auditor that are reasonably related to the performance of the audit or review of the Company's financial statements other than those included in "Audit Fees", such as advisory on accounting and reporting matters.
(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax advice and tax planning.
(4) "Other Fees" include fees for products and services provided by the independent auditor other than those included above.

The Audit Committee is responsible for the pre-approval of all and any non-audit services to be provided to the Company or its subsidiary entities by the independent auditor. At least annually, the Audit Committee shall review and confirm the independence of the independent auditor.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on the Company's website at www.brp.com, on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

Additional information, including, without limitation, directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, will be contained in the Company's information circular for its annual meeting of shareholders.

Additional information is provided in the audited consolidated financial statements and management's discussion and analysis of the Company for the Fiscal 2022.

“**2019 Secondary Offering**” has the meaning set out under the heading “General Development of the Business”.

“**2019 SIB**” has the meaning set out under the heading “Public Offerings and Other Transactions”.

“**2020 Secondary Offering**” has the meaning set out under the heading “General Development of the Business”.

“**2021 SIB**” has the meaning set out under the heading “Public Offerings and Other Transactions”.

“**3WV**” means three-wheeled vehicle.

“**Alumacraft**” has the meaning set out under the heading “General Development of the Business”.

“**Annual Information Form**” means this annual information form of the Company dated March 24, 2022.

“**ATV**” means all-terrain vehicle.

“**Audit Committee**” means the audit committee of the Company.

“**Bain Capital**” means Bain Capital Luxembourg Investments S.à r.l.

“**Beaudier Group**” means, collectively, Beaudier Inc. and 4338618 Canada Inc.

“**Board**” or “**Board of Directors**” means the board of directors of the Company.

“**CDPQ**” means the Caisse de dépôt et placement du Québec, and includes any of its affiliates.

“**Charter of the Audit Committee**” means the written charter describing the mandate of the Audit Committee, as adopted and amended by the Board of Directors upon the recommendation of the Audit Committee.

“**Coattail Agreement**” means the coattail agreement entered into by the Beaudier Group, Bain Capital and CDPQ, as the owners of all the outstanding Multiple Voting Shares, the Company and a trustee on May 29, 2013.

“**Company**” means BRP Inc. and its direct and indirect subsidiaries and predecessors or other entities controlled by them, unless otherwise noted or the context otherwise requires.

“**Convertible Securities**” has the meaning set out under the heading “Description of the Capital Structure – Shares –Subscription Rights”.

“**Distributed Securities**” has the meaning set out under the heading “Description of the Capital Structure – Shares –Subscription Rights”.

“**Distribution**” has the meaning set out under the heading “Description of the Capital Structure – Shares – Subscription Rights”.

“**Fiscal 2020**” means the Company’ s fiscal year ending January 31, 2020.

"**Fiscal 2021**" means the Company's fiscal year ending January 31, 2021.

"**Fiscal 2022**" means the Company's fiscal year ending January 31, 2022.

"**hp**" means horsepower.

"**IFRS**" means the International Financing Reporting Standards.

"**international**" means all jurisdictions other than Canada and the United States.

"**Investment and Risk Committee**" means the investment and risk committee of the Company.

"**IPO**" means the initial public offering of the Company which closed on May 29, 2013.

"**IT**" has the meaning set out under the heading "Business of the Company and its industry – Marketing".

"**Juárez 1**" has the meaning set out under the heading "Business of the Company and its industry - Manufacturing Facilities and Operations".

"**Juárez 2**" has the meaning set out under the heading "Business of the Company and its industry - Manufacturing Facilities and Operations".

"**Juárez 3**" has the meaning set out under the heading "Business of the Company and its industry - Manufacturing Facilities and Operations".

"**Marine Products**" means *Alumacraft, Manitou, Quintrex, Stacer* and *Savage* boats, *Rotax* engines for jet boats and the next generation of engine technology that the Company is currently developing.

"**Multiple Voting Shares**" means multiple voting shares in the capital of the Company.

"**MSRP**" means manufacturer suggested retail price as set out under the heading "Business of the Company and its industry - BRP Brands and Products - Powersport - Year-Round Products".

"**NASDAQ**" has the meaning set out under the heading "Public Offerings and Other Transactions"

"**Nomination Rights Agreement**" means the nomination rights agreement entered into by the Company and the Beaudier Group, Bain Capital and CDPQ on May 29, 2013.

"**North America**" means Canada and the United States, and excludes Mexico.

"**OEM**" means original equipment manufacturer.

"**PA&A**" means parts, accessories and apparel and other services sold to third parties.

"**Person**" means any individual, partnership, corporation, company, association, trust, joint venture or limited liability company.

"**Powersports**" means Year-Round Products, Seasonal Products and Powersports PA&A and OEM engines.

"**Preferred Shares**" means preferred shares in the capital of the Company.

“**PWC**” means personal watercraft.

“**Registration Rights Agreement**” means the amended and restated registration rights agreement entered into by the Company and the Beaudier Group, Bain Capital and CDPQ on May 29, 2013.

“**Revolving Credit Facilities**” means the third amended and restated credit agreement entered into by subsidiaries of the Company on May 23, 2018 (as amended on March 14, 2019, May 4, 2021 and February 16, 2022) pursuant to which credit facilities in the aggregate principal amount of $1.1 billion have been made available to Bombardier Recreational Products Inc. and BRP Inc.

“**Rights to Subscribe**” has the meaning set out under the heading “Description of the Capital Structure – Shares – Subscription Rights”.

“**Seasonal Products**” means *Ski-Doo* and *Lynx* snowmobiles, *Sea-Doo* PWCs and *Sea-Doo Switch* pontoons.

“**Shares**” means, collectively, the Subordinate Voting Shares and the Multiple Voting Shares.

“**SSV**” means side-by-side vehicle.

“**Subordinate Voting Shares**” means subordinate voting shares in the capital of the Company.

“**Subscription Securities**” has the meaning set out under the heading “Description of the Capital Structure – Shares – Subscription Rights”.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended.

“**Telwater**” has the meaning set out under the heading “General Development of the Business”.

“**Term Facility**” has the meaning set out under the heading “Material contracts –Term Facility”.

“**Term Loan B-1**” has the meaning set out under the heading “Material Contracts - Term Facility”.

“**Term Loan B-2**” has the meaning set out under the heading “Material Contracts - Term Facility”.

“**Triton**” has the meaning set out under the heading “General Development of the Business”.

“**TSX**” means the Toronto Stock Exchange.

“**Voting Shares**” has the meaning set out under the heading “Description of the Capital Structure – Shares – Subscription Rights”.

“**Year-Round Products**” means *Can-Am* ATVs, SSVs and 3WVs.

APPENDIX A

CHARTER OF THE AUDIT COMMITTEE

1.0 Introduction

This charter (the "Charter") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of BRP Inc. (the "Company").

2.0 Purpose

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

Financial reporting and disclosure requirements;

Ensuring that an effective risk management and financial control framework has been implemented and tested by management of the Company;

External and internal audit processes;

Helping directors meet their responsibilities;

Providing better communication between directors and the external auditor as well as between directors and the internal audit function;

Ensuring the independence of the external auditor and the internal audit function;

Increasing the credibility and objectivity of financial reports; and

Strengthening the role of directors by facilitating in-depth discussions among directors, management, the external auditor and the internal audit function regarding significant issues involving judgment and impacting quality controls and reporting.

3.0 Composition and Membership

(a) The Board will appoint the members ("Members") of the Committee. The Members will be appointed at the first meeting of the Board following the election of directors by the shareholders of the Company to hold office until the next annual meeting of shareholders of the Company or until their successors are appointed. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a director.

(b) The Committee will consist of at least three directors. Each Member will meet the criteria for independence established by applicable laws, including sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees. All members shall be financially literate or shall become financially literate within a reasonable period of time after their appointment to the Committee; a member of the Committee is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

(c) The Board will appoint one of the Members to act as the chair of the Committee (the "Chair"). The secretary of the Company (the "Secretary") will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Committee. If the Secretary is not in attendance at any meeting, the Committee will appoint another person who may, but need not, be a Member to act as the secretary of that meeting.

4.0 Meetings

(a) Meetings of the Committee will be held at such times and places as the Chair may determine, but in any event not less than four (4) times per year. The Committee should meet within the 45 days following the end of the first three fiscal quarters of the Company and within 90 days following the end of the fiscal year of the Company. Members may attend all meetings either in person, by videoconference or by telephone. The Committee shall keep minutes of each meeting.

(b) At the request of the external auditor of the Company, the Chief Executive Officer, the Chief Financial Officer, the Chief Audit Executive, the General Counsel, the Chair of the Investment and Risk Committee or any Member, the Chair will convene a meeting of the Committee. Any such request will set out in reasonable detail the business proposed to be conducted at the meeting so requested.

(c) The Chair, if present, will act as the chair of meetings of the Committee. If the Chair is not present at a meeting of the Committee the Members in attendance may select one of their members to act as chair of the meeting.

(d) A majority of Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by written resolutions signed by all Members.

(e) The Chief Financial Officer and the Chief Audit Executive shall have direct access to the Committee and shall attend all meetings of the Committee, and the Chief Executive Officer and the Chair of the Board shall receive notice of and have the right to attend all meetings of the Committee, except in each case such part of the meeting, if any, which is a private session not involving all or some of these officers as determined by the Committee. The external auditor shall receive notice of and have the right to attend any meetings of the Committee, at the Company's expense, except such part of the meeting, if any, which is a private session not involving the external auditor.

(f) The Committee shall maintain a free and open line of communication with management, the Chief Financial Officer, the Chief Audit Executive and the external auditor. The Committee may invite directors, officers, consultants and employees of the Company or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee. The Committee shall meet in camera without members of management in attendance or with the Chief Financial Officer or the Chief Audit Executive on a regular basis and as appropriate or required.

(g) In advance of every meeting of the Committee, the Chair, with the assistance of the Secretary, the Chief Financial Officer and the Chief Audit Executive, should prepare and distribute to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials.

5.0 Duties and Responsibilities

The Committee will carry out, among other things, the following responsibilities:

5.1 Financial Statements and Reporting

Assist the Board in the discharge of its oversight responsibilities to the shareholders, potential shareholders, the investment community, and others relating to the Company's financial statements and its financial reporting practices and system of internal accounting and financial controls, the corporate audit and risk assessment function, the management information systems, the annual external audit of the Company' s financial statements and the compliance by the Company with laws and regulations and its own Code of Ethics.

Review significant accounting and reporting issues, including complex or unusual material transactions and highly judgmental areas, unusual or sensitive matters such as disclosure of related party transactions, significant non-recurring events, significant risks and changes in provisions, estimates or provisions included in any financial statements, and recent professional and regulatory pronouncements, and understand their impact on and presentation in the financial statements.

Review and discuss with management and the external auditor the results of the audit, including any difficulties encountered and follow-up in that context and ensure that the external auditor is satisfied that the accounting estimates and judgments made by management' s selection of accounting principles reflect an appropriate application of generally accepted accounting principles.

Review the financial statements, and consider whether they are complete, adequate, consistent with information known to the Members, and reflect appropriate accounting principles and, if appropriate, recommend to the Board their approval and disclosure.

Review the Company' s management discussion and analysis, and other financial information provided by the Company to any governmental body or the public and, if appropriate, recommend to the Board their approval and disclosure.

Review the Company' s annual information form and related regulatory filings before release to the extent that same include financial information, and consider the accuracy and completeness of the financial information contained therein and, if appropriate, recommend to the Board their approval and disclosure.

Review the Company' s press releases containing financial information before the Company publicly discloses this information and, if appropriate, recommend to the Board their approval and disclosure.

Review and discuss with management any litigation matters which could significantly affect the financial statements, and review the manner in which these matters are disclosed in the financial statements.

Review and discuss any regulatory compliance issues which could significantly affect the financial statements.

Review and discuss any corporate governance issues which could significantly affect the financial statements.

Review with management and the external auditor all matters required to be communicated to the Committee under generally accepted auditing standards.

Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.

Review interim financial reports with management and the external auditor before disclosure and filing with regulators, and consider whether they are complete and consistent with the information known to the Members and reflect appropriate accounting principles and, if appropriate, recommend to the Board their approval and disclosure.

To the extent not previously reviewed by the Committee, review and, if appropriate, recommend to the Board the approval of all financial statements included in any prospectus or other offering memoranda and all other financial reports required by regulatory authorities and requiring approval by the Board.

Review the statement of management' s responsibility for the financial statements as signed by the management of the Company and included in any published document.

Obtain explanations for communication to the Board for all significant variances between comparable reporting periods.

Ensure that adequate procedures are in place for the review of the Company' s public disclosure of financial information extracted or derived from the Company' s financial statements and periodically assess the adequacy of those procedures.

Monitor the application and update, as necessary, of the Company' s Disclosure Policy.

5.2 Internal Control

With the assistance of the external auditor, the Chief Financial Officer and the Chief Audit Executive, consider the effectiveness and the adequacy of the Company' s internal control systems, including information technology security and control, as well as cybersecurity and data protection.

Take all reasonable measures to ensure that the Board and management comply with all of the Company' s policies or practices relating to business ethics and integrity (including the Authorities and Limits Policy and the Segregation of Duties Policy).

Understand the scope of internal and external auditor' s review of internal control over financial reporting, and obtain reports on any identified weaknesses, deficiencies or significant findings and recommendations, together with management' s responses and actions taken to remedy the issues identified.

Review and discuss with the Chief Executive Officer and Chief Financial Officer the process for the certifications to be provided in the Company' s public disclosure documents.

Review, monitor, report, and, where appropriate, provide recommendations to the Board of Directors on the Company' s disclosure controls and procedures.

5.3 External Audit

Manage the relationship between the Company and the external auditor.

Recommend to the Board the appointment or discharge and compensation of the Company' s external auditor.

Fill the role as the direct contact for the external auditor.

Oversee the work of the external auditor, including the resolution of disagreements between the external auditor and management.

Review any suggestions made by the external auditor for improvement of the Company' s operations or internal control.

Pre-approve all non-audit services (or delegating such pre-approval if and to the extent permitted by law) to be provided to the Company or its subsidiary entities by the Company' s external auditor, which services shall not be covered by the prohibited non-audit services listed in Annex 1 hereto.

At least annually, review and approve the terms of the external auditor's (i) annual audit services engagement letter and (ii) the quarterly review services engagement letter; each of these letters shall be signed by the Chair of the Committee.

At least annually, review the external auditor's proposed audit scope and approach, including coordination of audit effort with internal audit function, and pre-approve all related audit fees.

To the extent practicable, at least annually, review the performance of the external auditor.

At least annually, review and confirm the independence of the external auditor by obtaining statements from the auditor on relationships between the auditor and the Company, including non-audit services, discussing the relationships with the auditor and discussing any restrictions placed on them or other difficulties encountered in the course of the audit.

At least annually, meet separately with the external auditor to discuss the access to requested information and level of cooperation from management during the performance of their work.

On a regular basis, the Chief Executive Officer, the Chief Financial Officer, the Chief Audit Executive, the Chair of the Investment and Risk Committee or any other representative of management whose presence is requested by the Chair of the Committee or any of the Members, and the external auditor shall meet separately with the Committee, in a private session held during the course of a meeting.

On a regular basis, review and approve the Company's hiring policies regarding partners, employees and former employees of the present and former external auditor of the Company.

Periodically rotate the lead partner for the external auditor.

5.4 Internal Audit Function

Review and approve the charter, nature, scope of work and organizational structure of the internal audit function as well as the annual audit plan and any major changes thereon.

Ensure that the internal audit function has the necessary resources to fulfill its mandate and responsibilities.

Approve the appointment and dismissal of the Chief Audit Executive, as well as approve his/her performance evaluation and compensation. The Chief Audit Executive shall report directly to the Committee.

Periodically review the audit plan status, including a progress report on the internal audit mandates and a follow-up on past due recommendations.

Review internal audit reports, including management responses, and ensure that the necessary steps are taken to follow up on important report recommendations.

Review with the assistance of the Chief Audit Executive the internal audit budget, resource plan, activities, and organizational structure of the internal audit function.

Ensure the independence and effectiveness of the internal audit function, including by requiring that the function be free of any influence that could adversely affect its ability to objectively assume its responsibilities, by ensuring that it reports to the Committee, and by meeting regularly with the Chief Audit Executive without management being present in order to discuss, among others, the questions he/she raises regarding the relationship between the internal audit function and management and access to the information required.

5.5 Compliance

Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters, and for the confidential, anonymous submission by employees of the Company or its subsidiaries of concerns regarding questionable accounting or auditing matters (the "Complaints of Illegal or Unethical Conduct Policy").

Review the effectiveness of the Complaints of Illegal or Unethical Conduct Policy and follow-up (including disciplinary action) of any instances of non-compliance.

Review the findings of any examinations by regulatory agencies, and any auditor observations.

Obtain regular updates from management and the Company's legal counsel regarding compliance matters in respect of the Complaints of Illegal or Unethical Conduct Policy.

5.6 Other Responsibilities

Perform other activities related to this Charter as requested by the Board.

Investigate and assess any issue that raises significant concern to the Committee, with the assistance, if so required by the Committee, of the Chief Financial Officer, the Chief Audit Executive and/or the external auditor.

Evaluate the Committee's and individual members' performance on a regular basis.

Communicate and collaborate with other committees of the Board of Directors to ensure coordination in the fulfillment of any responsibilities of the Committee which may overlap with the responsibilities of other committees.

6.0 Oversight Function

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or comply with applicable accounting standards, as applicable, and other applicable requirements. These are the responsibilities of management and the external auditor.

7.0 Limitation on Committee's Duties

Notwithstanding the foregoing and subject to applicable law, nothing contained in this Charter is intended to require the Committee to ensure the Company's compliance with applicable laws or regulations.

In contributing to the Committee's discharge of its duties under this Charter, each Member shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any Member a standard of care or diligence that is in any way more onerous or extensive than the standard to which the member of the Board are subject.

The Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Company's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively. The terms contained herein are not intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

8.0 Reporting

The Chair should report to the Board at each Board meeting on the Committee's activities since the last Board meeting. As required by applicable rules and regulations, the Committee should report annually to shareholders, describing the Committee's composition, responsibilities and how they were discharged, and any other information required by law. The Committee should also review any other report the Company issues that relates to the Committee's responsibilities. The Secretary should circulate the minutes of each meeting of the Committee to the members of the Board.

9.0 Access to Information and Authority

The Committee will be granted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at the Company's expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve and pay any such firm's fees and other retention terms without prior approval of the Board. The Committee also has the authority to communicate directly with the external auditor, the Chief Financial Officer, the Chief Audit Executive as well as any other employee of the Company as it deems necessary.

10.0 Review of Charter

The Committee will, from time to time, review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration. The Board may, amend this Charter (as required).

Annex 1
Prohibited Non-Audit Services

Bookkeeping or other services related to the accounting records or financial statement

Expert services unrelated to the audit

Financial information systems design and implementation

Appraisal or valuation services, fairness opinions or contribution-in-kind reports

Actuarial services

Internal audit outsourcing services

Broker-dealer, investment adviser or investment banking services

Legal services

Tax services to officers and directors of BRP

Financial statements, note disclosures and MD&A compilation

Regulatory filing preparation

Design and implementation of internal controls, policies and procedures

Services performed on a success or contingent fee basis

Temporary personnel assignments

Certain tax services such as tax provision assistance

Project management services

Vendor procurement and selection services

Incident response services

Data management or hosting services

Translation services of the Company` s disclosures

Personnel immigration services

Serving as a member of a supervisory body

Marketplace business relationships

Cash and investment management

Forecasting, projections, analytics

Policy and standards development and selection

Setting strategic direction

Hiring or dismissing employees

Authorizing transactions

Employee oversight

Ongoing monitoring services

Current and future state business decisions and deciding on/implementing third-party recommendations

Acting as Director or Officer

Representation with tax authorities and at courts or public tribunals

Exhibit 99.2

Consolidated Financial Statements

BRP Inc.

For the years ended January 31, 2022 and 2021

Deloitte.

Deloitte LLP
La Tour Deloitte
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Suite 500
Montreal QC H3B 0M7
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of BRP Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of BRP Inc. and subsidiaries (the "Company") as of January 31, 2022 and 2021, the related consolidated statements of net income, comprehensive income, changes in equity, and cash flows, for each of the two years in the period ended January 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of January 31, 2022 and 2021, and its financial performance and its cash flows for each of the two years in the period ended January 31, 2022, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of January 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 24, 2022, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue — Refer to Note 2 and 22 to the Financial Statements

Critical Audit Matter Description

The Company’s revenue consists of transactions sourced from multiple order entry systems and databases. The Company’s information technology (IT) environment is complex and includes multiple IT systems that are used to process revenue-related data and the Company relies on the output of these systems to process and record its revenue transactions.

Given the Company’s systems to process and record revenue are highly automated, there are potential risks arising from the capture, processing and transfer of data accurately and completely between the various IT systems. The prior year material weakness identified by management in respect to certain information technology general controls related to access security, system change management and job processing for certain IT systems that support the Company’s financial reporting processes was only remediated part way through the current period under audit. As such, auditing revenue resulted in an increased extent of audit effort and the nature of audit procedures were designed to include information outside of the IT systems.

How the Critical Audit Matter was Addressed in the Audit

Our audit procedures related to the Company’s IT systems, software applications and automated controls used to process revenue transactions included the following, among others:

- With the assistance of IT specialists,
  - Assessed the general computer and automated controls for relevant IT systems used to process revenue transactions;
  - Assessed the interface outputs between relevant IT systems to determine that information transferred is accurate and complete; and
  - Evaluated the service auditor reports on which the Company relies.

- Selected a sample of revenue transactions and performed the following:
  - Compared revenue from the IT system to the customer confirmation and cash receipts;
  - Matched revenues from the IT system to the approved pricing outside of the IT system;
  - Compared revenue selections to the third-party bill of lading; and
  - Evaluated the reasonableness of manual journal entries posted to revenues in the general ledger.

/s/ Deloitte LLP

Chartered Professional Accountants
Montréal, Canada
March 24, 2022

We have served as the Company’s auditor since 2006.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of BRP Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of BRP Inc. and subsidiaries (the "Company") as of January 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 31, 2022, based on criteria established in Internal Control - Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended January 31, 2022, of the Company and our report dated March 24, 2022, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte LLP

Chartered Professional Accountants
Montréal, Canada
March 24, 2022

CONSOLIDATED STATEMENTS OF NET INCOME

[in millions of Canadian dollars, except per share data]

	Notes	Years ended January 31, 2022	Years ended January 31, 2021
Revenues	22	**$7,647.9**	$5,952.9
Cost of sales		**5,515.7**	4,480.6
Gross profit		**2,132.2**	1,472.3
Operating expenses			
Selling and marketing		**393.9**	332.5
Research and development		**289.8**	242.3
General and administrative		**271.0**	230.5
Other operating (income) expenses	26	**(9.5)**	24.3
Impairment charge	25	**—**	177.1
Total operating expenses		**945.2**	1,006.7
Operating income		**1,187.0**	465.6
Financing costs	27	**128.9**	120.0
Financing income	27	**(3.8)**	(19.8)
Foreign exchange gain on long-term debt		**(14.8)**	(118.9)
Income before income taxes		**1,076.7**	484.3
Income tax expense	28	**282.1**	121.4
Net income		**$794.6**	$362.9
Attributable to shareholders		$793.9	$363.4
Attributable to non-controlling interest		**$0.7**	$(0.5)
Basic earnings per share	21	**$9.57**	$4.15
Diluted earnings per share	21	**$9.31**	$4.10

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

[in millions of Canadian dollars]

		Years ended January 31, 2022	January 31, 2021
Net income		**$794.6**	$362.9
Other comprehensive income			
Items that will be reclassified subsequently to net income			
Net changes in fair value of derivatives designated as cash flow hedges		**11.5**	7.3
Net changes in unrealized (loss) gain on translation of foreign operations		**(38.7)**	30.8
Income tax expense		**(2.6)**	(2.3)
		(29.8)	35.8
Items that will not be reclassified subsequently to net income			
Actuarial gains on defined benefit pension plans	17	**63.8**	8.2
(Loss) gain on fair value of restricted investments		**(0.2)**	0.1
Income tax expense		**(18.1)**	(2.2)
		45.5	6.1
Total other comprehensive income		**15.7**	41.9
Total comprehensive income		**$810.3**	$404.8
Attributable to shareholders		**$809.9**	$405.1
Attributable to non-controlling interest		**$0.4**	$(0.3)

The accompanying notes are an integral part of these consolidated financial statements.

BRP Inc.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

[in millions of Canadian dollars]
As at

	Notes	January 31, 2022	January 31, 2021
Cash and cash equivalents		**$265.8**	$1,325.7
Trade and other receivables	5	**465.7**	311.5
Income taxes and investment tax credits receivable		**31.6**	28.4
Other financial assets	6	**73.6**	76.5
Inventories	7	**1,691.3**	1,087.3
Other current assets	8	**140.1**	32.9
Total current assets		**2,668.1**	2,862.3
Investment tax credits receivable		**24.4**	18.8
Other financial assets	6	**53.2**	31.6
Property, plant and equipment	9	**1,441.9**	1,064.3
Intangible assets	10	**494.9**	465.1
Right-of-use assets	11	**132.7**	214.2
Deferred income taxes	28	**212.8**	227.1
Other non-current assets	8	**2.9**	2.5
Total non-current assets		**2,362.8**	2,023.6
Total assets		**$5,030.9**	$4,885.9
Trade payables and accruals	13	**1,622.9**	1,296.5
Provisions	14	**328.1**	353.2
Other financial liabilities	15	**152.3**	348.6
Income tax payable		**135.7**	63.0
Deferred revenues		**247.9**	72.4
Current portion of long-term debt	16	**103.1**	25.3
Current portion of lease liabilities	11	**29.4**	33.5
Total current liabilities		**2,619.4**	2,192.5
Long-term debt	16	**1,937.4**	2,384.4
Lease liabilities	11	**117.5**	206.3
Provisions	14	**86.2**	75.2
Other financial liabilities	15	**34.0**	34.4
Deferred revenues		**107.3**	132.7
Employee future benefit liabilities	17	**220.2**	297.8
Deferred income taxes	28	**22.4**	16.4
Other non-current liabilities		**19.3**	21.1
Total non-current liabilities		**2,544.3**	3,168.3
Total liabilities		**5,163.7**	5,360.8
Deficit		**(132.8)**	(474.9)
Total liabilities and deficit		**$5,030.9**	$4,885.9

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

[in millions of Canadian dollars]

For the year ended January 31, 2022

	Attributed to shareholders							
	Capital Stock (Note 18)	Contributed surplus	Retained losses	Translation of foreign operations	Cash-flow hedges	Total	Non-controlling interests	Total deficit
Balance as at January 31, 2021	**$210.4**	**$(154.0)**	**$(575.9)**	**$35.5**	**$5.3**	**$(478.7)**	**$3.8**	**$(474.9)**
Net income	**—**	**—**	**793.9**	**—**	**—**	**793.9**	**0.7**	**794.6**
Other comprehensive income (loss)	**—**	**—**	**45.5**	**(38.4)**	**8.9**	**16.0**	**(0.3)**	**15.7**
Total comprehensive income (loss)	**—**	**—**	**839.4**	**(38.4)**	**8.9**	**809.9**	**0.4**	**810.3**
Dividends (Note 18)	**—**	**—**	**(43.1)**	**—**	**—**	**(43.1)**	**—**	**(43.1)**
Issuance of subordinate shares	**86.1**	**(21.1)**	**—**	**—**	**—**	**65.0**	**—**	**65.0**
Repurchase of subordinate shares (Note 18)	**(35.9)**	**152.8**	**(624.7)**	**—**	**—**	**(507.8)**	**—**	**(507.8)**
Stock-based compensation	**—**	**19.1** [a]	**—**	**—**	**—**	**19.1**	**—**	**19.1**
Other	**—**	**—**	**—**	**—**	**—**	**—**	**(1.4)**	**(1.4)**
Balance as at January 31, 2022	**$260.6**	**$(3.2)**	**$(404.3)**	**$(2.9)**	**$14.2**	**$(135.6)**	**$2.8**	**$(132.8)**

[a] Includes $1.4 million of income tax recovery.

For the year ended January 31, 2021

	Attributed to shareholders							
	Capital Stock (Note 18)	Contributed surplus	Retained losses	Translation of foreign operations	Cash-flow hedges	Total	Non-controlling interests	Total deficit
Balance as at January 31, 2020	$190.6	$(32.6)	$(757.0)	$4.9	$0.3	$(593.8)	$4.1	$(589.7)
Net income (loss)	—	—	363.4	—	—	363.4	(0.5)	362.9
Other comprehensive income	—	—	6.1	30.6	5.0	41.7	0.2	41.9
Total comprehensive income (loss)	—	—	369.5	30.6	5.0	405.1	(0.3)	404.8
Dividends (Note 18)	—	—	(9.6)	—	—	(9.6)	—	(9.6)
Issuance of subordinate shares	31.3	(8.8)	—	—	—	22.5	—	22.5
Repurchase of subordinate shares (Note 18)	(11.5)	(129.7)	(178.8)	—	—	(320.0)	—	(320.0)
Stock-based compensation	—	17.1 [a]	—	—	—	17.1	—	17.1
Balance as at January 31, 2021	$210.4	$(154.0)	$(575.9)	$35.5	$5.3	$(478.7)	$3.8	$(474.9)

[a] Includes $2.9 million of income tax recovery.

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

[in millions of Canadian dollars]

	Notes	Years ended January 31, 2022	Years ended January 31, 2021
OPERATING ACTIVITIES			
Net income		**$794.6**	$362.9
Non-cash and non-operating items:			
Depreciation expense		**273.6**	260.8
Income tax expense	28	**282.1**	121.4
Foreign exchange gain on long-term debt		**(14.8)**	(118.9)
Interest expense and transaction costs	27	**101.0**	110.6
Net loss (gain) on disposal of property, plant and equipment	26	**1.0**	(12.6)
Impairment charge	25	**—**	177.1
Other		**30.0**	(0.9)
Cash flows generated from operations before changes in working capital		**1,467.5**	900.4
Changes in working capital:			
(Increase) decrease in trade and other receivables		**(168.9)**	90.3
(Increase) decrease in inventories		**(647.8)**	101.2
Increase in other assets		**(157.5)**	(77.5)
Increase in trade payables and accruals		**355.9**	199.0
(Decrease) increase in other financial liabilities		**(47.1)**	15.8
Decrease in provisions		**(4.4)**	(110.5)
Increase (decrease) in other liabilities		**151.5**	(14.1)
Cash flows generated from operations		**949.2**	1,104.6
Income taxes paid, net of refunds		**(179.2)**	(150.4)
Net cash flows generated from operating activities		**770.0**	954.2
INVESTING ACTIVITIES			
Additions to property, plant and equipment	9	**(628.9)**	(253.3)
Additions to intangible assets	10	**(68.8)**	(26.6)
Proceeds on disposal of property, plant and equipment		**0.4**	19.3
Other		**9.6**	0.3
Net cash flows used in investing activities		**(687.7)**	(260.3)
FINANCING ACTIVITIES			
Issuance of long-term debt	16	**409.9**	964.3
Long-term debt amendment fees		**(19.8)**	(42.2)
Repayment of long-term debt	16	**(779.4)**	(52.8)
Repayment of lease liabilities		**(35.3)**	(33.8)
Interest paid		**(53.2)**	(92.1)
Issuance of subordinate voting shares		**65.0**	22.5
Repurchase of subordinate voting shares	18	**(682.7)**	(172.1)
Dividends paid	18	**(43.1)**	(9.6)
Other		**(4.1)**	(0.4)
Net cash flows (used in) generated from financing activities		**(1,142.7)**	583.8
Effect of exchange rate changes on cash and cash equivalents		**0.5**	5.5
Net (decrease) increase in cash and cash equivalents		**(1,059.9)**	1,283.2
Cash and cash equivalents at the beginning of year		**1,325.7**	42.5
Cash and cash equivalents at the end of year		**$265.8**	$1,325.7

The accompanying notes are an integral part of these consolidated financial statements.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

1. NATURE OF OPERATIONS

BRP Inc. ("BRP") is incorporated under the laws of Canada. BRP's multiple voting shares are owned by Beaudier Inc. and 4338618 Canada Inc. (collectively, "Beaudier Group"), Bain Capital Integral Investors II, L.P. ("Bain Capital") and La Caisse de dépôt et placement du Québec ("CDPQ"), (collectively, the "Principal Shareholders"). BRP's subordinate voting shares are listed in Canada on the Toronto Stock Exchange under the symbol DOO and in the United States on the Nasdaq Global Select Market under the symbol DOOO.

BRP and its subsidiaries (the "Company") design, develop, manufacture and sell powersports vehicles and marine products. The Company's Powersports segment comprises "Year-Round Products" which consists of all-terrain vehicles, side-by-side vehicles and three-wheeled vehicles; "Seasonal Products" which consists of snowmobiles, personal watercraft and the recently introduced "Switch" pontoon boats; and "Powersports PA&A and OEM Engines" which consists of parts, accessories and apparel ("PA&A"), engines for karts, motorcycles and recreational aircraft and other services. Additionally, the Company's "Marine" segment consists of boats, jet boat and outboard engines and related PA&A and other services. During the year ended January 31, 2022, the Company introduced the "Switch" pontoon boats as a new product offering under the *Sea-Doo* brand of products, included in the Powersports segment.

The Company's products are sold mainly through a network of independent dealers, independent distributors and to original equipment manufacturers (the "Customers"). The Company distributes its products worldwide and manufactures them in Mexico, Canada, Austria, the United States, Finland and Australia.

The Company's headquarters is located at 726 Saint-Joseph Street, Valcourt, Québec, J0E 2L0.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

These consolidated financial statements for the years ended January 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

These consolidated financial statements have been prepared on a historical cost basis except for certain transactions that are measured using a different basis as explained below in the significant accounting policies section.

On March 24, 2022, the Board of Directors of the Company approved these consolidated financial statements for the years ended January 31, 2022 and 2021.

b) Basis of consolidation

These consolidated financial statements include the financial statements of BRP and its subsidiaries. BRP controls all of its subsidiaries that are wholly owned through voting equity interests, except for Regionales Innovations Centrum GmbH in Austria for which a non-controlling interest of 25% is recorded upon consolidation and BRP Commerce & Trade Co. Ltd in China for which a non-controlling interest of 20% is recorded upon consolidation. BRP is also part of a joint venture located in Austria.

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

b) Basis of consolidation [continued]

The most significant subsidiaries of BRP included in these consolidated financial statements are as follows:

- Bombardier Recreational Products Inc., located in Canada;
- BRP US Inc., located in the United States;
- BRP-Rotax GmbH & Co. KG, located in Austria;
- BRP European Distribution SA, located in Switzerland, and
- BRP Finland Oy, located in Finland.

All inter-company transactions and balances have been eliminated upon consolidation.

c) Foreign currencies

The consolidated financial statements of the Company are presented in Canadian dollars, the currency of the primary economic environment ("functional currency") in which it operates. The functional currency of foreign operations is their local currency, corresponding to the currency in which the majority of their third-party transactions are denominated.

Transactions in foreign currency

For the purpose of preparing consolidated financial statements, the Company applies the following procedures on transactions and balances in currencies other than their functional currency. Monetary items are translated using exchange rates in effect at the consolidated statement of financial position date and non-monetary items are translated using exchange rates prevailing at the transaction date. Revenues and expenses (other than depreciation, which is translated at the same exchange rates as the related assets) are translated using exchange rates in effect on the transaction dates or at the average exchange rates of the period. Translation gains or losses are recorded in the consolidated statement of net income.

Consolidation of foreign operations

All assets and liabilities of foreign operations are translated into Canadian dollars at exchange rates in effect at the consolidated statement of financial position date. Revenues and expenses are translated at the average exchange rates for the period. The Company's gains and losses on translation of foreign operations are recognized in other comprehensive income and accumulated in equity until the Company no longer controls the foreign operation. At that time, gains or losses on translation accumulated in equity are entirely reclassified to net income.

d) Inventory valuation

Materials and work in progress, finished products and parts, accessories and apparel are valued at the lower of weighted average cost or net realizable value. The cost of work in progress and finished products manufactured by the Company includes the cost of materials, direct labour and directly attributable manufacturing overhead. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to complete the sale.

Inventories are written down to net realizable value when the cost of inventories is determined to be not fully recoverable. When the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of write-down is reversed.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

e) Property, plant and equipment

Property, plant and equipment includes land, building, equipment and tooling held for use in the development, production and distribution activities or for administrative purposes. They are stated at cost less accumulated depreciation and accumulated impairment charges.

The cost of an item of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating, which also includes the borrowing costs incurred during the construction.

Property, plant and equipment is depreciated, with the exception of land, using the straight-line method over their estimated useful lives. If an item of property, plant and equipment is composed of significant components having different estimated useful lives, depreciation is calculated on a component basis using the straight-line method over their respective useful lives. The Company's estimated useful lives per category are the following:

Tooling	3 to 7 years
Equipment	3 to 20 years
Building	10 to 60 years

Depreciation of assets under development begins when they are ready for their intended use.

The estimated useful lives, residual values and depreciation methods are reviewed at each year-end, with the effect of any changes in estimates accounted for on a prospective basis.

Fully depreciated building, equipment and tooling are retained in the cost and accumulated depreciation accounts until such assets are removed from service. In the case of disposals, cost and related accumulated depreciation amounts are removed from the consolidated statement of financial position, and the net amounts, less proceeds from disposal, is recorded in the consolidated statement of net income.

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment in order to determine if there is any indication that those assets may be impaired. If any such indication exists, an impairment test is performed as described below in paragraph h).

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

f) Intangible assets

Goodwill represents the excess of the purchase price of businesses acquired over the fair value of the net assets acquired. Goodwill is systematically tested for impairment as at January 31 or more frequently if events or circumstances indicate that it might be impaired. Goodwill is tested for impairment at the cash generating unit ("CGU") level representing the lowest level at which management monitors it.

Trademarks are carried at cost and are not depreciated due to their indefinite expected useful lives for the Company. The assessment of indefinite expected useful lives is reviewed at each year-end. Trademarks are systematically tested for impairment as at January 31 or more frequently if events or circumstances indicate that they might be impaired. Trademarks are tested for impairment with the CGU to which they relate.

Software and licences, patents, dealer networks and customer relationships are carried at cost and are depreciated on a straight-line basis over their estimated useful lives, which are as follows:

Software and licences	3 to 5 years
Patents	10 years
Dealer networks	5 to 20 years
Customer relationships	10 to 15 years

At the end of each reporting period, the Company reviews the carrying amounts of its software and licences, dealer networks and customer relationships in order to determine if there is any indication that those assets may be impaired. If any such indication exists, an impairment test is performed as described below in paragraph h).

Expenditures related to research and development activities are recognized as expense in the period in which they are incurred, except for development activities if specific criteria for capitalization as intangible assets are met.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

g) Leases

At inception, the Company assesses whether the contract is or contains a lease. Leases are recognized as right-of-use assets and lease liabilities at the lease commencement date. Payments associated with short-term leases and leases of low-value assets are recognized as an expense.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Company's incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Lease liabilities include the net present value of the following lease payments (when applicable):

- Fixed payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable under residual value guarantees;
- Exercise price of purchase options if the Company is reasonably certain to exercise that option; and
- Penalties for early termination of a lease, except if the Company is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The lease liability is remeasured, and a corresponding adjustment is made to the carrying amount of the right-of-use assets, when there is a change in future lease payments arising from a change in an index or rate, from a change in the estimation of a residual value guarantee or from a change in the assumption of purchase, extension or termination option. The lease liability is also remeasured when the underlying lease contract is amended.

The Company accounts for each lease component and any associated non-lease components as a single lease component.

The right-of-use asset is initially measured at cost, which includes the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less any incentives received. The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. In addition, the right-of-use asset is reduced by impairment losses resulting from impairment tests as described below in paragraph h), if any, and adjusted for certain remeasurements of the lease liability.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

h) Impairment of property, plant and equipment, intangible assets and right-of-use assets

An asset is impaired when its carrying amount is above its recoverable amount. The recoverable amount is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In that case, the asset is assessed for impairment within a CGU, representing the lowest level of assets for which there are separately identifiable cash inflows. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Value in use is determined using a discounted future net cash flows approach. Fair value less costs to sell reflects the amount the Company could obtain from the asset's disposal in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. If there is no active market for the asset, the fair value is assessed by using appropriate valuations models dependent on the nature of the asset or CGU, such as discounted cash flow models. The impairment charge recorded in the consolidated statement of net income is the difference between the carrying amount and the recoverable amount.

At the end of each reporting period, the Company reviews the carrying amount of assets (excluding goodwill) or CGU impaired in previous periods in order to determine if there is any indication that its recoverable amount has increased. If any such indication exists, an impairment test is performed and the impairment recovery is recorded in the consolidated statement of net income up to the carrying amount that would have existed had the impairment charge never been recorded in prior years.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one party and a financial liability or equity for another party. Financial instruments are initially recorded at fair value when the Company becomes a party to the transaction and are subsequently revalued at fair value or amortized cost at the end of each reporting period depending on their classification.

When the Company acquires or issues a financial instrument that is not recorded at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance are incorporated in the carrying amount and amortized in the consolidated statement of net income using the effective interest rate method. When the Company acquires or issues a financial instrument measured at fair value through profit or loss, all transaction costs are expensed as incurred.

A modification of financial liabilities that includes a prepayment option at par with no break costs is equivalent to an extinguishment. When a modification is accounted for as an extinguishment, the original financial instrument is derecognized, including any unamortized transaction costs and any costs or fees incurred related to the modification, and the new instrument arising from the modification is recognized at fair value.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

i) Financial instruments [continued]

Financial assets and financial liabilities other than derivatives

At the end of each reporting period, financial assets and financial liabilities that are not derivatives are measured at fair value or amortized cost using the effective interest method depending on the following classification:

- Restricted investments are measured at fair value through other comprehensive income at the end of each reporting period.
- Cash and cash equivalents and trade and other receivables are measured at amortized cost at the end of each reporting period.
- Non-controlling interest liability is measured at fair value through net income at the end of each reporting period.
- Revolving credit facilities, trade payables and accruals, other financial liabilities, long-term debt and lease liabilities are measured at amortized cost at the end of each reporting period.

Derivative financial instruments

Derivative financial instruments are financial assets or financial liabilities recorded at fair value through profit or loss. They are measured at fair value at the end of each reporting period including those derivatives that are embedded in financial and non-financial contracts that are not closely related to the host contract.

In the consolidated statement of net income, changes in fair value of derivatives used to manage foreign exchange exposure on working capital elements are recorded in other operating expenses (income).

Derivative financial instruments under cash flow hedge accounting

The Company applies cash flow hedge accounting when forecasted cash flows are highly probable to occur and all other cash flow hedge criteria are met. The effective portion of the change of fair value of derivative financial instruments designated as hedging items under the cash flow hedge model is recorded in other comprehensive income and accumulated in equity until the hedged transaction is recognized in the consolidated statement of net income. The ineffective portion is recognized in the consolidated statement of net income at each period end. The Company makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, whether the hedging instruments are expected to be effective in offsetting the cash flows of the respective hedged items during the period for which the hedge is designated.

If a derivative financial instrument accounted for using the cash flow hedge model has been settled prior to maturity or the hedge relationship is no longer meeting cash flow hedge criteria, accumulated gains or losses associated with the derivative financial instrument remain in equity as long as the underlying hedged transaction is expected to occur and are recognized in the consolidated statement of net income in the period in which the underlying hedged transaction is recognized in the consolidated statement of net income. In the event that the underlying hedged transaction is settled prior to maturity or is not expected to occur anymore, gains or losses accumulated in equity at this date are immediately reclassified in the consolidated statement of net income. Gains or losses related to derivative financial instruments accounted for using the cash flow hedge model are recorded in the same category as the hedged item in the consolidated statement of net income.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

j) Derecognition of receivables

Receivables are derecognized from the consolidated statement of financial position only when the Company's contractual rights to the cash flows expire or when the Company has transferred to a third party substantially all the risks and rewards on receivables sold.

k) Dealer holdback programs

The Company provides dealer incentive programs whereby at the time of shipment, the Company invoices an amount to the dealer that is reimbursable upon ultimate sale and warranty registration of the product. The Company presents the amounts due to dealers in other current financial liabilities in the consolidated statement of financial position.

l) Provisions

Provisions represent liabilities for which the amount or timing of payment is uncertain. Provisions are recorded in the consolidated statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation. Additionally, provisions are recorded for contracts under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received.

Provisions are measured at each period end at the best estimate of the expenditure required to settle the obligation. To account for the effect of the time value of money, provisions are measured at the present value of the outflows required to settle the obligation using a risk free rate adjusted to the specific risk of the obligation. They are re-measured at each consolidated statement of financial position date using interest rates prevailing at this date and an interest expense is recorded to reflect the passage of time.

The main provisions of the Company are described in more detail below:

Products related provisions

When the products are sold, the Company records a provision related to limited product warranties generally covering periods from six months to five years.

The Company records a provision for product liability claims or possible claims incurred but not reported at the end of each reporting period.

The Company provides for estimated sales promotions at time of revenue recognition. Examples of these costs include product rebates given to clients, volume discounts and retail financing programs. In the consolidated statement of net income, cash sales promotions are recorded as a reduction of revenues whereas non-cash sales promotions, such as delivery of free products, are included in cost of sales.

Restructuring provision

The Company provides for estimated direct restructuring costs to be incurred in a restructuring plan in the period the Company has a detailed formal plan describing the restructuring activity and has communicated the main features of the plan to those affected by it.

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

m) Employee benefits

Current benefits

The Company records an expense in the consolidated statement of net income for wages, salaries, bonuses, share based compensations and social security contributions of employees in the period the services are rendered. Current benefit associated with manufacturing employees is included in the cost of inventory produced as described above in paragraph d).

Future benefits

The Company sponsors several Canadian and foreign funded and unfunded defined benefit and defined contribution pension plans covering most of its employees. The Company also provides other post-retirement benefit plans to certain employees.

Defined benefit plans and other post-retirement benefit plans

Annual costs of defined benefit pension plans and other post-retirement benefit plans, which include current service costs, net interest costs and past service costs, is actuarially determined using the projected unit credit method based on management's best estimate of discount rates, salary escalation, retirement ages of employees, life expectancy, inflation and health care costs.

Current service costs are recorded in the consolidated statement of net income when employees are rendering the services to the Company. For manufacturing employees, current service costs are included in the cost of inventory produced as described above in paragraph d).

Net interest costs are recorded in the consolidated statement of net income at each period following the passage of time.

Past service costs (gains) arising from the change in the present value of the defined benefit obligation resulting from a plan amendment or a curtailment are recorded in the consolidated statement of net income when the plan amendment or the curtailment occurs. A curtailment arises from a transaction that significantly reduces the number of employees covered by a plan.

In the consolidated statement of net income, costs related to defined benefit pension plans and other post-retirement benefit plans are classified separately depending on their nature. Current service costs and past service costs (gains) are presented within operating income whereas the net interest expense on the employee future benefit liability is presented in financing costs.

The liability recognized in the consolidated statement of financial position is the present value of the plan obligations less the fair value of the plan assets at that date. Plan obligations are determined based on expected future benefit payments discounted using market interest rates prevailing as at January 31 and plan assets are stated at their fair value at that date. Actuarial gains and losses that arise in calculating the present value of plan obligations and the fair value of plan assets are recorded in other comprehensive income and accumulated directly in retained earnings (losses).

Defined contribution plans

Defined contribution plan expenses are recorded in the consolidated statement of net income when employees are rendering the services to the Company. Expenses associated with manufacturing employees are included in the cost of inventory produced as described above in paragraph d). Defined contribution plan expenses are entirely presented within operating income.

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

n) Revenue recognition

The Company's revenues are derived primarily from the sale of products and related parts and accessories. Each sale is considered as a single performance obligation and revenues are recognized when products are shipped, which corresponds to the point in time when the Customers have obtained control of the asset and the Company has satisfied its performance obligation. Revenues are measured at an amount equal to the consideration to which the Company expects to be entitled, which takes into account sales promotions and expected returns to occur after the shipment date. A deferred revenue is recognized if the Company receives consideration, or has an unconditional right to receive consideration, prior to the completion of its performance obligation.

When, in addition to the regular warranty coverage, an extended warranty coverage is given with the purchase of the product, a portion of the revenue representing the value of the extended warranty is deferred. The value deferred is based on the stand-alone selling price of both the unit sold and the extended warranty given. The deferred revenue is then recognized over the extended warranty coverage period.

o) Government assistance

Government assistance, including research and development tax credits, is recorded when the Company is complying with the assistance program requirements and the recovery is reasonably assured. Government assistance received but contingently repayable is recorded in the consolidated statement of net income as long as it is probable that the conditions for repayment will not be met. Government assistance granted to compensate expenses are presented in the consolidated statement of net income as a reduction of the expense they relate to, whereas assistance granted for the acquisition of property, plant and equipment and intangibles is deducted from the cost of the related asset.

p) Stock-based compensation

The Company grants stock options to officers and employees that are settled by the issuance of common shares. The Company establishes compensation expense for those grants based on the fair value of each tranche of option at the grant date. The compensation expense is recognized in the consolidated statement of net income over the vesting period of each tranche based on the number of options that are ultimately expected to vest. The Company estimates stock option forfeitures at time of grant and revises those estimates in subsequent periods if actual forfeitures differ from those estimates. The corresponding amount is recorded in contributed surplus within equity.

q) Income taxes

The Company's income tax expense represents the sum of the taxes currently payable based on taxable income of the year and deferred taxes. Deferred income tax assets and liabilities are determined based on the differences between the carrying amounts and tax bases of assets and liabilities using enacted or substantively enacted tax rates and laws expected to be in effect when the differences reverse. Current and deferred income taxes are recognized in the consolidated statement of net income except to the extent it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income or in equity.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

2. SIGNIFICANT ACCOUNTING POLICIES [CONTINUED]

r) Earnings per share

Basic earnings per share is calculated by dividing the net income attributable to equity holders of the Company by the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares from stock option plans. For the stock options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock options.

s) Business combinations

Business combinations are recorded by using the acquisition method. Under this method, the purchase consideration is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities ("Net assets") based on the fair value at the acquisition date, with the excess of the purchase consideration amount allocated to goodwill. Provisional fair values allocated at a reporting date are finalized as soon as the relevant information is available, which period shall not exceed twelve months from the acquisition date and are adjusted to reflect the transaction as of the acquisition date.

The results of the acquired businesses are included in the consolidated financial statements from the date of the acquisition. Acquisition costs are expensed as incurred.

Intangible assets and goodwill arising from business combinations are accounted for by applying the acquisition method of accounting to these transactions. In measuring the fair value of the assets acquired and the liabilities assumed and estimating their useful lives, the Company uses significant estimates and assumptions regarding cash flow projections, economic risk, and weighted average cost of capital. These estimates and assumptions determine the amount allocated to intangible assets and goodwill, as well as the amortization period for intangible assets with finite lives.

t) Segmented information

Operating segments are components of an entity that engage in business activities from which they earn revenues and incur expenses (including revenues and expenses related to transactions with the other components of the entity). The related operations can be clearly distinguished and the revenues and gross profit are regularly reviewed by a chief operating decision-maker to make resource allocation decisions and to assess performance.

The Company has two operating and reportable segments: Powersports and Marine. The Powersports segment includes Year-Round Products, Seasonal Products and Powersports PA&A and OEM Engines. The Marine segment includes boats, jet boat and outboard engines and related PA&A and other services.

3. SIGNIFICANT ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements in accordance with the Company's accounting policies requires management to make estimates and judgments that can affect the reported amounts of assets and liabilities, related amounts of revenues and expenses, other comprehensive income and disclosures made.

a) Significant estimates in applying the Company's accounting policies

The Company's best estimates are based on the information, facts and circumstances available at the time estimates are made. Management uses historical experience and information, general economic conditions and trends, as well as assumptions regarding probable future outcomes as the basis for determining estimates. Estimates and their underlying assumptions are reviewed periodically and the effects of any changes are recognized immediately. Actual results could differ from the estimates used and such differences could be significant.

The Company's annual operating budget and operating budget revisions performed during the year (collectively "Budget") and the Company's strategic plan comprise fundamental information used as a basis for some significant estimates necessary to prepare these consolidated financial statements. Management prepares the annual operating budget and strategic plan each year using a process whereby a detailed one-year budget and three-year strategic plan are prepared by each entity and then consolidated.

Cash flows and profitability included in the Budget are based on the existing and future expected sales orders, general market conditions, current cost structures, anticipated cost variations and current agreements with third parties. Management uses the annual operating budget information as well as additional projections or assumptions to derive the expected results for the strategic plan and periods thereafter.

The Budget and the strategic plan are approved by management and the Board of Directors. Management then tracks performance as compared to the Budget. Significant variances in actual performance are a key trigger to assess whether certain estimates used in the preparation of financial information must be revised.

Management needs to rely on estimates in order to apply the Company's accounting policies and considers that the most critical ones are the following:

Estimating the net realizable value of inventory

The net realizable value of materials and work in progress is determined by comparing inventory components and value with production needs, current and future product features, expected production costs to be incurred and the expected profitability of finished products. The net realizable value of finished products and parts, accessories and apparel is determined by comparing inventory components and value with expected sales prices, sales programs and new product features.

Estimating the useful life of tooling

Tooling useful life is estimated by product line based on their expected physical life and on the expected life of the product platform to which they are related.

3. SIGNIFICANT ESTIMATES AND JUDGMENTS [CONTINUED]

a) Significant estimates in applying Company's accounting policies [continued]

Estimating impairment on property, plant and equipment, intangible assets and right-of-use assets

Management assesses the value in use of property, plant and equipment, intangible assets and right-of-use assets mainly at groups of CGU level using a discounted cash flow approach by product line based on annual budget and strategic plan process. When the Company acquired the recreational products business from Bombardier Inc. in 2003, trademarks and goodwill were recorded as part of the business acquisition. Trademarks of $122.6 million and goodwill of $114.7 million were related to this transaction as at January 31, 2022 ($122.6 million and $114.7 million respectively as at January 31, 2021). In addition, trademarks of $74.6 million and goodwill of $1.2 million were recorded as at January 31, 2022 following various business combinations that occurred after 2003 ($76.7 million and $1.3 million respectively as at January 31, 2021).

Trademarks and goodwill impairment test

For the purpose of impairment testing, trademarks are allocated to their respective CGU. As at January 31, 2022, the carrying amount of trademarks amounting to $197.2 million is related to *Ski-Doo*, *Sea-Doo*, *Alumacraft*, *Manitou, Quintrex* and *Stacer* for $63.5 million, $59.1 million, $19.2 million, $36.9 million, $14.1 million and $4.4 million respectively. As at January 31, 2021, the carrying amount of trademarks amounting to $199.3 million was related to *Ski-Doo*, *Sea-Doo*, *Alumacraft, Manitou, Quintrex and Stacer* for $63.5 million, $59.1 million, $19.2 million, $37.2 million, $15.4 million and $4.9 million respectively.

Following the creation of the Powersports and Marine segments during the year ended January 31, 2019, the Company has fully allocated the goodwill of $114.7 million created in 2003 to the Powersports segment.

Recoverable amount (see Note 25 for more details on impairment testing)

The recoverable amount for the group of CGU is based on a value-in-use calculation using cash flow projections, which takes into account the Company's one-year budget and three-year strategic plan, with a terminal value calculated by discounting the final year in perpetuity. The figures used as the basis for the key assumptions in the value-in-use calculation includes sales volume, sales price, production costs, distribution costs and operating expenses as well as discount rates. This information represents the best available information as at the date of impairment testing. The estimated future cash flows are discounted to their present value using a pre-tax discount rate of 9.0% to 12.6%. These discount rates were calculated by adding to the Company's weighted average cost of capital the risk factor associated with the product line tested. In assessing value in use, growth rates between -0.7% and 2.0% were used to calculate the terminal value. In addition, a market approach was performed to assess the reasonability of the conclusions reached.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

3. SIGNIFICANT ESTIMATES AND JUDGMENTS [CONTINUED]

a) Significant estimates in applying Company's accounting policies [continued]

Estimating impairment on property, plant and equipment, intangible assets [continued]

Sensitivity analysis

The Company performs sensitivity analysis on the cash flows and discount rates in order to confirm that the trademarks and goodwill are not impaired. The analyses are presented in isolation from one another and all the other estimates are unchanged. The result is that a 5% decrease on the estimated cash flows or an increase of 100 basis points in the discount rates used would not have resulted in an impairment charge as at January 31, 2022.

Estimating recoverability of deferred tax assets

Deferred tax assets are recognized only if management believes it is probable that they will be realized based on annual budget, strategic plan and additional projections to derive the expected results for the periods thereafter.

Estimating provisions for product regular warranty, product liability, sales program and restructuring

The regular warranty cost is established by product line and recorded at the time of sale based on management's best estimate, using historical cost rates and trends. Adjustments to the regular warranty provision are made when the Company identifies a significant and recurring issue on products sold or when costs and trend differences are identified in the analysis of warranty claims.

The product liability provision at period end is based on management's best estimate of the amounts necessary to resolve existing claims. In addition, the product liability provision at the end of the reporting period includes incurred, but not reported claims based on average historical cost information.

Sales program provision is estimated based on current program features, historical data and expected retail sales for each product line.

Restructuring provision is initially estimated based on estimated restructuring costs in relation with the plan features approved by management. Restructuring provision is reviewed at each period end in order to take into account updated information in relation with the realization of the plan. If necessary, the provision is adjusted accordingly.

Estimating the discount rates used in assessing defined benefit plan expenses and liability

In order to select the discount rates used to determine defined benefit plan expenses and liabilities, management consults with external actuarial firms to provide commonly used and applicable discount rates that are based on the yield of high quality corporate fixed income investments with cash flows that match expected benefit payments for each defined benefit plan. Management uses its knowledge and comprehension of general economic factors in order to conclude on the accuracy of the discount rates used.

Estimating the incremental borrowing rate used in measuring lease liability

Management makes estimates in the determination of the incremental borrowing rate used to measure the lease liability for each lease contract when the interest rate implicit in the lease is not readily available. The incremental borrowing rate should reflect the interest rate the Company would have to pay to borrow the same asset at a similar term and with a similar security.

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3. SIGNIFICANT ESTIMATES AND JUDGMENTS [CONTINUED]

a) Significant estimates in applying Company's accounting policies [continued]

Estimating the lease term

On commencement date, when determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options or periods subject to termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. This assessment is reviewed if a significant change in circumstances occurs within the Company's control.

b) Significant judgments in applying the Company's accounting policies

Management needs to make certain judgments in order to apply the Company's accounting policies and the most significant ones are the following:

Impairment of property, plant and equipment, intangible assets and right-of-use assets

The Company operates using a high level of integration and interdependency between design, development, manufacturing and distribution operations. The cash inflows generated by each product line require the use of various assets of the Company, limiting the impairment testing to be done for a single asset. Therefore, management performs impairment testing by grouping assets into CGUs.

Functional currency

The Company operates worldwide, but its design, development, manufacturing and distribution operations are highly integrated, which require significant judgements from management in order to determine the functional currency of each entity using factors provided by *IAS 21 "The Effects of Changes in Foreign Exchange Rates"*. Management established the functional currency of each entity as its local currency unless the assessment of the criteria established by IAS 21 to assess the functional currency leads to the determination of another currency. IAS 21 criteria are reviewed annually for each entity.

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4. FUTURE ACCOUNTING CHANGES

Deferred Tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)

In May 2021, the International Accounting Standards Board ("IASB") issued targeted amendments to *IAS 12 – Income Taxes* to specify how companies account for deferred tax on transactions such as leases and decommissioning obligations. In specific circumstances, companies were dispensed from recognizing deferred tax upon the initial recognition of assets or liabilities. Prior to the amendments, uncertainties persisted about applying the exemption to transactions such as leases, which entails both an asset and a liability. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

The amendments will become effective for the Company fiscal year beginning on February 1, 2023. The Company is assessing the potential impact of these amendments.

Improving accounting policy disclosures and clarifying distinction between accounting policies and accounting estimates (Amendments to IAS 1 and IAS 8)

In February 2021, the IASB issued amendments to *IAS 1 – Presentation of Financial Statements* ("IAS 1"), *IFRS Practice Statement 2 – Making Materiality* Judgments ("IFRS Practice Statement 2") and *IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors* ("IAS 8").

The amendments to IAS 1 require companies to disclose its material accounting policy information instead of its significant accounting policies. The amendments to IFRS Practice Statement 2 provide additional guidance and examples to support the amendments to IAS 1.

The amendments to IAS 8 seek to help companies distinguish between accounting policies and accounting estimates. Clarifying this distinction is important since changes in accounting estimates are applied prospectively but changes in accounting policies are generally also applied retrospectively.

The amendments will become effective for the Company fiscal year beginning on February 1, 2023. The Company is assessing the potential impact of these amendments.

Other standards or amendments

The IASB has issued other standards or amendments to existing standards that are not expected to have a significant impact on the Company's consolidated financial statements.

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

5. TRADE AND OTHER RECEIVABLES

The Company's trade and other receivables were as follows, as at:

	January 31, 2022	January 31, 2021
Trade receivables	**$340.5**	$253.5
Allowance for doubtful accounts	**(4.4)**	(4.2)
	336.1	249.3
Sales tax and other government receivables	**118.0**	56.4
Other	**11.6**	5.8
Total trade and other receivables	**$465.7**	$311.5

6. OTHER FINANCIAL ASSETS

The Company's other financial assets were as follows, as at:

	January 31, 2022	January 31, 2021
Restricted investments [a]	**$14.3**	$15.7
Derivative financial instruments	**38.0**	25.9
Advances to suppliers related to property, plant and equipment	**50.4**	47.8
Other	**24.1**	18.7
Total other financial assets	**$126.8**	$108.1
Current	**73.6**	76.5
Non-current	**53.2**	31.6
Total other financial assets	**$126.8**	$108.1

[a] The restricted investments are publicly traded bonds that can only be used for severance payments and pension costs associated with Austrian pension plans, and are not available for general corporate use.

The non-current portion is mainly attributable to the restricted investments and derivative financial instruments.

7. INVENTORIES

The Company's inventories were as follows, as at:

	January 31, 2022	January 31, 2021
Materials and work in progress	**$1,193.6**	$540.7
Finished products	**176.9**	305.0
Parts, accessories and apparel	**320.8**	241.6
Total inventories	**$1,691.3**	$1,087.3

The Company recognized in the consolidated statements of net income during the year ended January 31, 2022, a write-down on inventories of $20.6 million ($43.5 million for the year ended January 31, 2021) and reversed previously recorded write-downs of $11.2 million ($6.2 million for the year ended January 31, 2021). For the year ended January 31, 2021, the write-down on inventories includes an amount of $20.4 million related to the wind-down of the Evinrude outboard engines production.

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

8. OTHER ASSETS

The Company's other assets were as follows, as at:

	January 31, 2022	January 31, 2021
Prepaids	**$36.1**	$26.0
Deferred financing cost	**4.1**	3.6
Other [a]	**102.8**	5.8
Total other assets	**$143.0**	$35.4
Current	**140.1**	32.9
Non-current	**2.9**	2.5
Total other assets	**$143.0**	$35.4

[a] The balance is mainly attributable to the substantially completed units awaiting installation of missing components at dealers for which the legal property title has been transferred while not qualifying for revenue recognition as at January 31, 2022 (refer to note 2n)). The Company was either compensated for substantially completed units through its amended financing agreement with its third-party financing provider (refer to note 32) or has an unconditional right to be compensated, which ultimately resulted in the deferral of revenue recognition. The revenue will be recognized upon completion of its performance obligation, concurrently with the aforementioned other asset that will be recognized as Cost of sales.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

9. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment were as follows, as at:

	January 31, 2022			January 31, 2021		
	Cost	**Accumulated depreciation**	**Carrying amount**	**Cost**	**Accumulated depreciation**	**Carrying amount**
Tooling	**$1,023.6**	**$663.6**	**$360.0**	$924.5	$632.0	$292.5
Equipment	**1,029.8**	**516.5**	**513.3**	896.6	471.6	425.0
Building	**604.6**	**185.9**	**418.7**	422.7	168.1	254.6
Land	**149.9**	**—**	**149.9**	92.2	—	92.2
Total	**$2,807.9**	**$1,366.0**	**$1,441.9**	$2,336.0	$1,271.7	$1,064.3

As at January 31, 2022 and 2021, assets under development amounted to $140.9 million and $103.5 million respectively and were included in the cost of property, plant and equipment.

The following table explains the changes in property, plant and equipment during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	**Additions [a]**	**Disposals**	**Depreciation**	**Effect of foreign currency exchange rate changes**	**Carrying amount as at January 31, 2022**
Tooling	**$292.5**	**$172.5**	**$(0.1)**	**$(95.8)**	**$(9.1)**	**$360.0**
Equipment	**425.0**	**195.7**	**(1.1)**	**(92.8)**	**(13.5)**	**513.3**
Building	**254.6**	**197.3**	**(0.3)**	**(22.0)**	**(10.9)**	**418.7**
Land	**92.2**	**60.4**	**—**	**—**	**(2.7)**	**149.9**
Total	**$1,064.3**	**$625.9**	**$(1.5)**	**$(210.6)**	**$(36.2)**	**$1,441.9**

[a] Government assistance of $3.0 million has been recorded against the additions.

The following table explains the changes in property, plant and equipment during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	**Additions [b]**	**Disposals**	**Depreciation**	**Impairment (Note 25)**	**Effect of foreign currency exchange rate changes**	**Carrying amount as at January 31, 2021**
Tooling	$313.5	$90.8	$(0.1)	$(95.4)	$(21.7)	$5.4	$292.5
Equipment	403.6	105.3	(0.9)	(82.5)	(8.8)	8.3	425.0
Building	247.4	23.7	(0.3)	(19.3)	—	3.1	254.6
Land	62.9	32.9	(5.4)	—	—	1.8	92.2
Total	$1,027.4	$252.7	$(6.7)	$(197.2)	$(30.5)	$18.6	$1,064.3

[b] Government assistance of $0.6 million has been recorded against the additions.

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

10. INTANGIBLE ASSETS

The Company's intangible assets were as follows, as at:

	January 31, 2022			January 31, 2021		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Goodwill	**$115.9**	**$—**	**$115.9**	$116.0	$—	$116.0
Trademarks	**197.2**	**—**	**197.2**	199.3	—	199.3
Software and licences	**249.2**	**125.4**	**123.8**	189.8	111.3	78.5
Patents	**5.1**	**1.9**	**3.2**	5.3	1.4	3.9
Dealer networks	**131.0**	**76.5**	**54.5**	134.1	68.6	65.5
Customer relationships	**22.9**	**22.6**	**0.3**	25.0	23.1	1.9
Total	**$721.3**	**$226.4**	**$494.9**	$669.5	$204.4	$465.1

The Company completed the required annual impairment test of goodwill and indefinite useful life trademarks as at the consolidated statement of financial position dates and concluded that no impairment had occurred during the year ended January 31, 2022. The Company concluded that an impairment had occurred during the year ended January 31, 2021 (see Note 25).

The following table explains the changes in Company's intangible assets during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Additions [a]	Depreciation	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2022
Goodwill	**$116.0**	**$—**	**$—**	**$(0.1)**	**$115.9**
Trademarks	**199.3**	**—**	**—**	**(2.1)**	**197.2**
Software and licences	**78.5**	**62.3**	**(16.4)**	**(0.6)**	**123.8**
Patents	**3.9**	**—**	**(0.5)**	**(0.2)**	**3.2**
Dealer networks	**65.5**	**—**	**(8.5)**	**(2.5)**	**54.5**
Customer relationships	**1.9**	**—**	**(1.4)**	**(0.2)**	**0.3**
Total	**$465.1**	**$62.3**	**$(26.8)**	**$(5.7)**	**$494.9**

[a] Government assistance of $6.5 million has been recorded against the additions.

The following table explains the changes in Company's intangible assets during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Additions	Depreciation	Impairment (Note 25)	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2021
Goodwill	$230.2	$—	$—	$(114.3)	$0.1	$116.0
Trademarks	219.2	—	—	(20.2)	0.3	199.3
Software and licences	76.6	26.6	(16.3)	(8.9)	0.5	78.5
Patents	4.4	—	(0.5)	—	—	3.9
Dealer networks	76.2	—	(9.2)	(3.2)	1.7	65.5
Customer relationships	3.5	—	(1.8)	—	0.2	1.9
Total	$610.1	$26.6	$(27.8)	$(146.6)	$2.8	$465.1

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

11. LEASES

The main leasing activities of the Company are attributable to the Company's manufacturing facility located in Finland, to offices located in Canada and to warehouses used for the distribution of parts, accessories and apparel.

The following table explains the changes in right-of-use assets during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Additions	Depreciation	Effect of foreign currency exchange rate changes	Termination, remeasurement and other [a]	Carrying amount as at January 31, 2022
Building & land	**$198.0**	**$17.1**	**$(29.9)**	**$(3.1)**	**$(64.4)**	**$117.7**
Equipment	**16.1**	**5.8**	**(6.3)**	**(0.3)**	**(0.4)**	**14.9**
Other	**0.1**	**0.1**	**—**	**(0.1)**	**—**	**0.1**
Total	**$214.2**	**$23.0**	**$(36.2)**	**$(3.5)**	**$(64.8)**	**$132.7**

[a] During the year ended January 31, 2022, the Company acquired two of its leased production facilities in Mexico. Consequently, the leases related to this transaction were terminated and reclassified as property, plant and equipment.

The following table explains the changes in right-of-use assets during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Additions	Depreciation	Effect of foreign currency exchange rate changes	Remeasurement and other	Carrying amount as at January 31, 2021
Building & land	$198.2	$11.8	$(28.8)	$1.3	$15.5	$198.0
Equipment	16.3	7.9	(6.9)	(0.1)	(1.1)	16.1
Other	0.2	—	(0.1)	(0.1)	0.1	0.1
Total	$214.7	$19.7	$(35.8)	$1.1	$14.5	$214.2

The following table explains the changes in lease liabilities during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Issuance	Interest	Repayment [a]	Effect of foreign currency exchange rate changes	Termination, remeasurement and other	Carrying amount as at January 31, 2022
Lease liabilities	**$239.8**	**$23.4**	**$7.2**	**$(42.5)**	**$(2.1)**	**$(78.9)**	**$146.9**

[a] Includes $(7.2) million of interest paid.

The following table explains the changes in lease liabilities during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Issuance	Interest	Repayment [a]	Effect of foreign currency exchange rate changes	Remeasurement and other	Carrying amount as at January 31, 2021
Lease liabilities	$240.9	$19.7	$9.3	$(43.1)	$(1.5)	$14.5	$239.8

[a] Includes $(9.3) million of interest paid.

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

12. REVOLVING CREDIT FACILITIES

On May 4, 2021, the Company amended its $700.0 million revolving credit facilities to increase the availability to $800.0 million and extend the maturity from May 2024 to May 2026 (the "Revolving Credit Facilities"). The pricing grid and other conditions remained unchanged. Subsequent to January 31, 2022, the Company amended its Revolving Credit Facilities to increase total availability to $1,100.0 million (refer to note 33).

The applicable interest rates vary depending on a leverage ratio. The leverage ratio is defined in the Revolving Credit Facilities agreement by the ratio of net debt to consolidated cash flows of the Company (the "Leverage ratio"). As at January 31, 2022, the applicable interest rates are as follows:

(i) U.S. dollars at either
- (a) LIBOR plus 1.45% to 3.00% per annum; or
- (b) U.S. Base Rate plus 0.45% to 2.00% per annum; or
- (c) U.S. Prime Rate plus 0.45% to 2.00% per annum;

(ii) Canadian dollars at either
- (a) Bankers' Acceptance plus 1.45% to 3.00% per annum; or
- (b) Canadian Prime Rate plus 0.45% to 2.00% per annum

(iii) Euros at Euro LIBOR plus 1.45% to 3.00% per annum.

In addition, the Company incurs commitment fees of 0.25% to 0.40% per annum on the undrawn amount of the Revolving Credit Facilities.

As at January 31, 2022, the cost of borrowing under the Revolving Credit Facilities was as follows:

(i) U.S. dollars at either
- (a) LIBOR plus 1.45% per annum; or
- (b) U.S. Base Rate plus 0.45% per annum; or
- (c) U.S. Prime Rate plus 0.45% per annum;

(ii) Canadian dollars at either
- (a) Bankers' Acceptance plus 1.45% per annum; or
- (b) Canadian Prime Rate plus 0.45% per annum

(iii) Euros at Euro LIBOR plus 1.45% per annum.

As at January 31, 2022, the commitment fees on the undrawn amount of the Revolving Credit Facilities were 0.25% per annum.

The Company is required to maintain, under certain conditions, a minimum fixed charge coverage ratio. Additionally, the total available borrowing under the Revolving Credit Facilities is subject to a borrowing base calculation representing 75% of the carrying amount of trade and other receivables plus 50% of the carrying amount of inventories.

As at January 31, 2022, the Company had no outstanding indebtedness under the Revolving Credit Facilities (nil as at January 31, 2021). The Company had issued letters of credit for an amount of $20.6 million as at January 31, 2022 ($5.9 million as at January 31, 2021) and, in addition, $4.5 million of letters of credit were outstanding under other bank agreements as at January 31, 2022 ($4.9 million as at January 31, 2021).

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

13. TRADE PAYABLES AND ACCRUALS

The Company's trade payables and accruals were as follows, as at:

	January 31, 2022	January 31, 2021
Trade payables	**$965.3**	$814.7
Wages and related employee accruals	**207.1**	195.0
Other accruals	**450.5**	286.8
Total trade payables and accruals	**$1,622.9**	$1,296.5

14. PROVISIONS

The Company's provisions were as follows, as at:

	January 31, 2022	January 31, 2021
Product-related	**$372.8**	$390.0
Restructuring	**3.2**	11.2
Other	**38.3**	27.2
Total provisions	**$414.3**	$428.4
Current	**328.1**	353.2
Non-current	**86.2**	75.2
Total provisions	**$414.3**	$428.4

Product-related provisions include provisions for regular warranty coverage on products sold, product liability provisions and provisions related to sales programs offered by the Company to its Customers in order to support the retail activity.

The non-current portion of provisions is mainly attributable to product-related provisions. As at January 31, 2022, the Company estimates that cash outflows related to those non-current provisions could occur from February 1, 2023 to January 31, 2027.

The changes in provisions were as follows:

	Product-related	Restructuring	Other	Total
Balance as at January 31, 2021	**$390.0**	**$11.2**	**$27.2**	**$428.4**
Expensed during the year	**457.3**	**—**	**24.7**	**482.0**
Paid during the year	**(455.2)**	**(7.5)**	**(12.9)**	**(475.6)**
Reversed during the year	**(10.9)**	**—**	**(0.3)**	**(11.2)**
Effect of foreign currency exchange rate changes	**(7.5)**	**(0.5)**	**(0.4)**	**(8.4)**
Unwinding of discount and effect of changes in discounting estimates	**(0.9)**	**—**	**—**	**(0.9)**
Balance as at January 31, 2022	**$372.8**	**$3.2**	**$38.3**	**$414.3**

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

15. OTHER FINANCIAL LIABILITIES

The Company's other financial liabilities were as follows, as at:

	January 31, 2022	January 31, 2021
Dealer holdback programs and customer deposits	**$83.4**	$102.4
Due to Bombardier Inc. (Note 29)	**22.1**	22.2
Derivative financial instruments	**10.3**	8.6
Due to a pension management company (Note 17)	**0.4**	0.7
Non-controlling interest liability [a]	**—**	21.0
Financial liability related to NCIB (Note 18)	**47.2**	200.0
Other	**22.9**	28.1
Total other financial liabilities	**$186.3**	$383.0
Current	**152.3**	348.6
Non-current [b]	**34.0**	34.4
Total other financial liabilities	**$186.3**	$383.0

[a] On September 1st, 2021, the Company completed the repurchase, at fair value, of the remaining 20% non-controlling interest in Telwater Pty Ltd for an amount of AUD 27.2 million ($24.9 million).

[b] The non-current portion is mainly comprised of the amount due to Bombardier Inc. in connection with indemnification related to income taxes.

16. LONG-TERM DEBT

As at January 31, 2022 and 2021, the maturity dates, interest rates, outstanding nominal amounts and carrying amounts of long-term debt were as follows:

					January 31, 2022
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility					
Term Loan B-1	May 2027	2.11%	2.14%	U.S. $1,492.4	**$1,891.1** [a]
Term Loans	Mar. 2022 to Dec. 2030	0.75% to 1.90%	0.88% to 4.67%	€110.5	**149.4**
Total long-term debt					**$2,040.5**
Current					**103.1**
Non-current					**1,937.4**
Total long-term debt					**$2,040.5**

[a] Net of unamortized transaction costs of $3.6 million.

					January 31, 2021
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility					
Term Loan B-1	May 2027	2.12%	2.12%	U.S. $1,207.6	**$1,543.0**
Term Loan B-2	May 2027	6.00%	6.77%	U.S. $597.0	**733.3** [a]
Term Loans	Dec. 2021 to Dec. 2030	0.75% to 1.60%	1.00% to 4.67%	€92.6	**133.4**
Total long-term debt					**$2,409.7**
Current					**25.3**
Non-current					**2,384.4**
Total long-term debt					**$2,409.7**

[a] Net of unamortized transaction costs of $29.5 million.

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

16. LONG-TERM DEBT [CONTINUED]

The following table explains the changes in long-term debt during the year ended January 31, 2022:

		Statements of cash flows		Non-cash changes		
	Carrying amount as at January 31, 2021	Issuance	Repayment	Effect of foreign currency exchange rate changes	Other	Carrying amount as at January 31, 2022
Term Facility	$2,276.3	$380.8	$(776.8)	$(14.8)	$25.6	$1,891.1
Term Loans	133.4	29.1	(2.6)	(12.0)	1.5	149.4
Total	$2,409.7	$409.9	$(779.4)	$(26.8)	$27.1	$2,040.5

The following table explains the changes in long-term debt during the year ended January 31, 2021:

		Statements of cash flows		Non-cash changes		
	Carrying amount as at January 31, 2020	Issuance	Repayment	Effect of foreign currency exchange rate changes	Other	Carrying amount as at January 31, 2021
Term Facility	$1,606.7	$835.0	$(20.2)	$(118.9)	$(26.3)	$2,276.3
Term Loans	38.7	129.3	(32.6)	2.8	(4.8)	133.4
Total	$1,645.4	$964.3	$(52.8)	$(116.1)	$(31.1)	$2,409.7

Under security arrangements, amounts borrowed under the Revolving Credit Facilities and the term facility (the “Credit Facilities”) are secured by substantially all the assets of the Company.

a) Term Facility

On February 4, 2020, the Company amended its Term Facility to consolidate it into a single tranche which reduces the cost of borrowing by 0.50% for the previous U.S. $335.0 million tranche and extends the maturity from May 2025 to May 2027 (the “Term Loan B-1”). The Company incurred transaction costs of $6.7 million, which have been recorded in financing costs. In addition, the unamortized transaction costs of $6.0 million were derecognized and recorded in financing costs.

On May 8, 2020, the Company entered into an incremental U.S. $600.0 million tranche under its Term Facility (the “Term Loan B-2”). This new tranche matures in May 2027 and, consistent with the Term Loan B-1, is exempt of financial covenants. The Company incurred transaction costs of $35.2 million, which have been incorporated in the carrying amount of the Term Loan B-2 and are amortized over its expected life using the effective interest rate method.

On February 16, 2021, the Company fully repaid the outstanding U.S. $597.0 million Term Loan B-2. The Company incurred a prepayment premium of $15.1 million, which has been recorded in financing costs. In addition, the unamortized transaction costs of $29.2 million were derecognized and recorded in financing costs. On the same date, the Company increased the amount outstanding under its Term Loan B-1 by U.S. $300.0 million to U.S. $1,507.6 million. This incremental of U.S. $300.0 million has the same terms and conditions and maturity date as the original Term Loan B-1. The Company incurred transaction costs of $4.0 million, which have been incorporated in the carrying amount of the Term Loan B-1 and are amortized over its expected life using the effective interest rate method.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

16. LONG-TERM DEBT [CONTINUED]

a) Term Facility [continued]

As at January 31, 2022, the cost of borrowing under the Term Loan B-1 was as follows:

(i) LIBOR plus 2.00% per annum, with a LIBOR floor of 0.00%; or
(ii) U.S. Base Rate plus 1.00%; or
(iii) U.S. Prime Rate plus 1.00%

As at January 31, 2021, the cost of borrowing under the Term Loan B-2 was as follows:

(i) LIBOR plus 5.00% per annum, with a LIBOR floor of 1.00%; or
(ii) U.S. Base Rate plus 4.00%; or
(iii) U.S. Prime Rate plus 4.00%

Under the Term Facility, the cost of borrowing in U.S. Base Rate or U.S. Prime Rate cannot be lower than the cost of borrowing in LIBOR.

The Company is required to repay a minimum of 0.25% of the nominal amount each quarter. Consequently, the Company repaid an amount of U.S. $15.2 million ($19.3 million) during the year ended January 31, 2022. Also, the Company may be required to repay a portion of the Term Facility in the event that it has an excess cash position at the end of the fiscal year and its leverage ratio is above a certain threshold level. As at January 31, 2022 and 2021, the Company was not required to repay any portion of the Term Facility under this requirement.

b) Term Loans

During the year ended January 31, 2021, the Company entered into an unsecured loan agreement at favourable interest rates under an Austrian government COVID-19 program. Under this program, the Austrian government is partly guaranteeing the loan. The loan had a total nominal value of €75.0 million ($116.2 million), interest rates at 1.45% for the first year, 1.90% for the second and third years and 2.80% for the fourth and fifth years and matures in December 2024. The Company recognized a grant of €4.9 million ($7.6 million) representing the difference between the fair value of the term loans at inception and the cash received. The grant will be recorded as a reduction of expenses over the course of the loan. The Company incurred transaction costs of €0.2 million ($0.3 million). The Company may be required to repay a portion of the loan in the event that it has an excess cash position. Consequently, the Company repaid an amount of €20.0 million ($30.9 million) during the year ended January 31, 2021 and expects to fully repay the loan in the year ending January 31, 2023.

During the year ended January 31, 2022, the Company entered into term loan agreements at favourable interest rates under Austrian government programs. These programs support research and development projects based on the Company's incurred expenses in Austria. The term loans have a nominal amount of €19.7 million ($29.1 million) with an interest rate varying between 0.88% and 0.93% with a maturity date in December 2029. The Company recognized a grant of €2 million ($2.9 million) as a reduction of research and development expenses representing the difference between the fair value of the term loan at inception and the cash received.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

16. LONG-TERM DEBT [CONTINUED]

b) Term Loans [continued]

During the year ended January 31, 2021, the Company entered into term loan agreements at favourable interest rates under Austrian government programs. These programs support research and development projects based on the Company's incurred expenses in Austria. The term loans have a total nominal amount of €8.9 million ($13.1 million), interest rates between 0.80% and 1.12% and maturities between December 2024 and December 2030. The Company recognized a grant of €1.0 million ($1.5 million) as a reduction of research and development expenses representing the difference between the fair value of the term loans at inception and the cash received.

17. EMPLOYEE BENEFITS

Employee benefits expenses, which represent the expenses related to all forms of consideration provided by the Company in exchange for services rendered by its employees, were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current remuneration	**$1,021.8**	$836.9
Post-employment defined benefit plans	**10.1**	12.2
Post-employment defined contribution plans	**39.4**	32.4
Termination benefits	**1.2**	19.4
Stock-based compensation (Note 19)	**17.7**	14.2
Other long-term benefits	**1.7**	2.4
Total	**$1,091.9**	$917.5

a) Post-employment benefits

The Company sponsors defined contribution retirement plans and non-contributory defined benefit plans that provide for pensions and other post-retirement benefits to a majority of its employees.

Canadianemployees

The Company sponsors defined benefit pension plans and other post-retirement benefit plans for its Canadian executive employees and defined contribution plans for executive and non-executive employees. Additionally, the Company retained defined benefit obligations with certain active and former employees for services rendered prior to 2005.

The Company's other post-retirement benefit plans provide during retirement non-contributory life insurance benefits and healthcare benefits to eligible employees that are funded on a pay-as-you-go basis. The healthcare benefits are payable from retirement to age 65.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

17. EMPLOYEE BENEFITS [CONTINUED]

a) Post employment benefits [continued]

Canadian employees [continued]

The defined benefit plans are registered with the governments and follow their applicable laws. The plans are governed by a retirement committee composed of representatives from the employer and the employees. The retirement committee delegated its responsibilities to the investment committee, which is responsible for the investment policy with regard to the assets of the fund. This committee is composed of representatives from the employer. The plans have a strategy to decrease the risk level by increasing progressively, when the solvency of the plans will improve, the part of the plan assets in long-term fixed income securities. The Company contributes to the plans the minimum funding obligations required under the current regulations. The weighted average duration of the defined benefit obligations is approximately 16 years. As at January 31, 2022, the Company expects that 50% of the future payments associated with its Canadian defined benefit obligations will be paid in the next 16 years.

In addition, the Company sponsors a defined benefit retirement plan to provide supplemental pension benefits to its executives (“SERP”).

United States employees

In the United States, the Company offers a defined contribution plan to its employees as well as a defined benefit final average earnings non-registered supplementary executive retirement plan for its executive employees (“SERP”).

European employees

The Company’s sponsors defined contribution plans to its employees in most of its European entities. In addition, the Company maintains an unfunded defined benefit plan and sponsors a lump sum retirement indemnity plan in Austria. Under the defined benefit plan, the benefits are based on such employees’ length of service, applicable pension accrual rates and compensation at retirement. Under the lump sum retirement indemnity plan, the benefits are based on the length of service and compensation at retirement. These plans are regulated by the applicable Austrian laws. The weighted average duration of the defined benefit obligation is approximately 14 years. As at January 31, 2022, the Company expects that 50% of the future payments associated with its Austrian defined benefit obligations will be paid in the next 15 years.

As at January 31, 2022, the remaining liabilities of $0.4 million related to the termination of the defined benefit plan coverage for some of the Austrian employees and presented in other financial liabilities (Note 15) will be settled over the next two fiscal years.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

17. EMPLOYEE BENEFITS [CONTINUED]

b) Defined benefit plans

Actuarial risks

The significant actuarial risks to which the plans expose the Company are as follows:

Market related risks

Investment risk

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to high quality corporate fixed income investments. If the return on plan assets is below this rate, it will increase the plan liability. Currently, the funded plans have investments in equity securities and fixed income securities. Due to the long-term nature of the plan liabilities, the Company considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities and income securities to leverage the return generated by the fund.

Interest risk

A decrease in the fixed income investments interest rate will increase the plans' liabilities. However, for funded plans, this will be partially offset by an increase in the fair value of the plans' fixed income securities.

Employee related risks

Longevity risk

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plans' liabilities.

Salary risk

The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plans' liabilities.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

17. EMPLOYEE BENEFITS [CONTINUED]

b) Defined benefit plans [continued]

Actuarial assumptions

The weighted average of the significant actuarial assumptions adopted to determine the defined benefit cost and the defined benefit obligation were as follows:

	Years ended			
	January 31, 2022		January 31, 2021	
	Canada	**Foreign**	**Canada**	**Foreign**
Benefit cost actuarial assumptions [a]				
Discount rates used to determine:				
Current service cost	**2.95%**	**0.71%**	2.90%	0.79%
Net interest cost	**2.80%**	**0.64%**	2.80%	0.69%
Expected rate of compensation increase	**3.00%**	**3.00%**	3.00%	3.00%
Mortality table	CPM 2014 Private	**AVOE 2018**	CPM 2014 Private	AVOE 2018
Defined benefit obligation actuarial assumptions [b]				
Discount rate	**3.50%**	**1.21%**	2.80%	0.64%
Rate of compensation increase	**3.00%**	**3.00%**	3.00%	3.00%
Mortality table	CPM 2014 Private	**AVOE 2018**	CPM 2014 Private	AVOE 2018

[a] Determined as at beginning of the reporting periods

[b] Determined as at end of the reporting periods

The discount rate represents the market rate for high quality corporate fixed income investments consistent with the currency and the estimated term of the defined benefit plan obligation. The expected rate of compensation increase is determined considering the current salary structure, historical and anticipated wage increases.

Health care cost trend

The health care cost is assumed to increase to a rate of 4.93% in fiscal year 2023 and to a rate that will gradually decline over the next 12 years to reach 3.33% in fiscal year 2034. After this date, the rate is assumed to remain at 3.33%. An increase of 1% of the health care cost trend rate would not have a significant impact on the defined benefit cost and on the defined benefit obligations for the years ended January 31, 2022 and 2021.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

17. EMPLOYEE BENEFITS [CONTINUED]

b) Defined benefit plans [continued]

Employee future benefit liabilities

The amounts arising from the Company's obligations under defined benefit obligations were as follows, as at:

	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Defined benefit obligation of funded plans	**$(364.2)**	**$(1.9)**	$(405.4)	$(2.4)
Fair value of plans assets	**291.6**	**1.3**	284.5	1.5
	(72.6)	**(0.6)**	(120.9)	(0.9)
Defined benefit obligation of unfunded plans	**(17.4)**	**(129.6)**	(25.3)	(150.7)
Employee future benefit liabilities	**$(90.0)**	**$(130.2)**	$(146.2)	$(151.6)

The following table provides a reconciliation of the changes in the pension plans' defined benefit obligations (funded and unfunded) as at the consolidated statement of financial position dates:

	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Defined benefit obligation at beginning of year	**$(430.7)**	**$(153.1)**	$(433.2)	$(147.1)
Current service cost	**(3.0)**	**(2.7)**	(3.4)	(3.0)
Interest cost	**(11.9)**	**(0.9)**	(12.1)	(1.1)
Past service gain	**0.8**	**—**	—	—
Actuarial gains (losses) from changes in financial assumptions	**41.8**	**11.2**	(0.1)	(1.1)
Actuarial gains (losses) from experience adjustments	**5.4**	**(2.8)**	1.9	1.2
Benefits paid	**16.0**	**5.2**	16.2	5.8
Effect of foreign currency exchange rate changes	**—**	**11.6**	—	(7.8)
Defined benefit obligation at end of year	**$(381.6)**	**$(131.5)**	$(430.7)	$(153.1)

The following table provides a reconciliation of the changes in the pension plans' fair value of assets as at consolidated statement of financial position dates:

	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Assets fair value at beginning of year	**$284.5**	**$1.5**	$277.7	$1.4
Interest income	**7.9**	**—**	7.7	—
Administration costs	**(0.3)**	**—**	(0.3)	—
Actuarial gains from return on plan assets	**8.2**	**—**	6.3	—
Employer contributions	**7.3**	**5.1**	9.3	5.8
Benefit paid	**(16.0)**	**(5.2)**	(16.2)	(5.8)
Effect of foreign currency exchange rate changes	**—**	**(0.1)**	—	0.1
Assets fair value at end of year	**$291.6**	**$1.3**	$284.5	$1.5

In accordance with the minimum funding obligations required under the current regulations, the Company expects to contribute $12.8 million to all defined benefit pension plans for the year ending January 31, 2023.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

17. EMPLOYEE BENEFITS [CONTINUED]

b) Defined benefit plans [continued]

Employee future benefit liabilities [continued]

The actual return on plan assets was as follows:

	Years ended			
	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Actual return on plan assets	**$15.8**	**$—**	$13.7	$—

The fair value of the plan assets for each category was as follows, as at:

	January 31, 2022	January 31, 2021
Publicly traded Canadian equity securities	**$58.2**	$64.1
Publicly traded foreign equity securities	**94.7**	85.3
Publicly traded fixed income securities	**76.8**	80.0
Other	**63.2**	56.6
Total	**$292.9**	$286.0

The fair values of the above equity and fixed income securities were determined based on quoted market prices in active markets.

Defined benefit costs

Components of the total defined benefit costs recognized in the consolidated statement of net income were as follows:

	Years ended			
	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Current service cost	**$3.0**	**$2.7**	$3.4	$3.0
Net interest on the future employee benefit liabilities	**4.0**	**0.9**	4.4	1.1
Administration costs	**0.3**	**—**	0.3	—
Past service gain	**(0.8)**	**—**	—	—
Defined benefit costs	**$6.5**	**$3.6**	$8.1	$4.1

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

17. EMPLOYEE BENEFITS [CONTINUED]

b) Defined benefit plans [continued]

Sensitivity analysis

Actuarial assumptions that influence significantly the determination of the defined benefit obligations of the Company are the discount rate, the expected rate of compensation increase and the participants' longevity. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on employee future benefit liabilities would be the following as at January 31, 2022:

	Increase (Decrease) of the liabilities
Discount rate	
Impact of a 0.5% increase	**$(34.1)**
Impact of a 0.5% decrease	**38.1**
Expected rate of compensation increase	
Impact of a 0.5% increase	**7.8**
Impact of a 0.5% decrease	**(7.3)**
Participant longevity	
Impact of a 1 year increase	**10.5**
Impact of a 1 year decrease	**(10.7)**

The sensitivity analysis presented above may not be representative of the potential change in the employee future benefit liabilities as it is unlikely that the change in assumptions would occur in isolation from one another as some of the assumptions may be correlated.

18. CAPITAL STOCK

The authorized capital stock of the Company is comprised of an unlimited number of multiple voting shares carrying six votes per share with no par value, an unlimited number of subordinate voting shares carrying one vote per share with no par value, and an unlimited number of non-voting preferred shares issuable in series with no par value.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

18. CAPITAL STOCK [CONTINUED]

The changes in capital stock issued and outstanding were as follows:

	Number of shares	Carrying Amount
Subordinate voting shares		
Balance as at February 1, 2020	**42,410,974**	**$186.9**
Issued upon exercise of stock options	718,232	31.3
Issued in exchange of multiple voting shares	2,000,000	0.1
Repurchased under the NCIB	(2,476,300)	(11.5)
Balance as at January 31, 2021	**42,652,906**	**206.8**
Issued upon exercise of stock options	1,668,032	86.1
Issued in exchange of multiple voting shares	936,692	0.1
Repurchased under the SIB	(3,381,641)	(18.7)
Repurchased under the NCIB	(3,332,228)	(17.2)
Balance as at January 31, 2022	**38,543,761**	**$257.1**
Multiple voting shares		
Balance as at February 1, 2020	**45,891,671**	**$3.7**
Exchanged for subordinate voting shares	(2,000,000)	(0.1)
Balance as at January 31, 2021	**43,891,671**	**$3.6**
Exchanged for subordinate voting shares	(936,692)	(0.1)
Balance as at January 31, 2022	**42,954,979**	**$3.5**
Total outstanding as at January 31, 2022	**81,498,740**	**$260.6**

a) Normal course issuer bid program (“NCIB”)

On December 1, 2021, the Company announced the renewal of its NCIB to repurchase for cancellation up to 3,787,945 of its outstanding subordinate voting shares over a twelve-month period commencing on December 3, 2021 and ending no later than December 2, 2022 (the “Current NCIB”). During the year ended January 31, 2022, the Company repurchased for cancellation 525,200 subordinate voting shares for a total consideration of $52.8 million under the Current NCIB. In addition, during the same period, the Company repurchased for cancellation 2,807,028 subordinate voting shares for a total consideration of $278.2 million under a previous NCIB.

As at January 31, 2022, a $47.2 million ($200.0 million as at January 31, 2021) financial liability, with a corresponding amount in equity, was recorded in the consolidated statements of financial position in relation with the current NCIB. This liability represented the value of subordinate voting shares expected to be repurchased by a designated broker under an automatic share purchase plan from February 1st to March 28, 2022. This automatic share purchase plan allows for the purchase of subordinate voting shares under pre-set conditions at times when the Company would ordinarily not be permitted due to regulatory restrictions or self-imposed blackout periods. These subordinate voting shares are included in the outstanding subordinate voting shares as at January 31, 2022. During the year ended January 31, 2022, the Company recognized a loss of $21.3 million in financing costs related to an automatic share purchase plan. The loss represents the difference between the share price used to establish the financial liability at the end of each quarter and the amount actually paid to repurchase shares during the regulatory restrictions or self-imposed blackout periods.

For the year ended January 31, 2022, of the total consideration of $331.0 million, $17.2 million represents the carrying amount of the shares repurchased, $292.6 million represents the amount charged to retained losses and $21.3 million represents the loss recognized in net income.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

18. CAPITAL STOCK [CONTINUED]

a) Normal course issuer bid program (“NCIB”) [continued]

On November 27, 2020, the Company announced the renewal of its NCIB to repurchase for cancellation up to 4,278,028 of its outstanding subordinate voting shares. During the year ended January 31, 2021, the Company repurchased for cancellation 1,471,000 subordinate voting shares for a total consideration of $122.5 million.

For the year ended January 31, 2021, of the total consideration of $178.1 million, $11.5 million represents the carrying amount of the shares repurchased and $178.8 million represents the amount charged to retained losses and $12.2 million represents the gain recognized in net income.

b) Substantial issuer bid offer (“SIB”)

On July 27, 2021, the Company repurchased for cancellation 3,381,641 subordinate voting shares following the completion of its SIB for a total consideration of $350.0 million, of which $17.9 million represent the carrying amount of the shares repurchased and $332.1 million representing the amount charged to retained losses. Prior to the completion of the SIB, Beaudier group converted 936,692 of multiple voting shares into an equivalent number of subordinate voting shares. These converted shares were repurchased and cancelled in the SIB. The Company incurred $0.8 million of fees and expenses relating to the SIB, which were recorded in capital stock.

c) Secondary offering

On October 21, 2020, Bain Capital completed a secondary offering of 2,000,000 subordinate voting shares of the Company through an underwriter. Prior to such transaction, Bain Capital converted 2,000,000 multiple voting shares into an equivalent number of subordinate voting shares. The Company did not receive any of the proceeds of the secondary offering. In accordance with the terms of the registration rights agreement entered into in connection with the initial public offering of the Company’s subordinate voting shares, the Company incurred approximately $0.6 million of fees and expenses related to this secondary offering.

d) Dividend

During the year ended January 31, 2022, the Company declared four quarterly dividends of $0.13 per share for holders of its multiple voting shares and subordinate voting shares. The dividends were paid on April 19, 2021, July 16, 2021, October 14, 2021 and January 14, 2022 for a total consideration of $43.1 million to shareholders.

During the year ended January 31, 2021, the Company declared one quarterly dividend of $0.11 per share for holders of its multiple voting shares and subordinate voting shares. The dividend was paid on January 14, 2021 for a total consideration of $9.6 million to shareholders.

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[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

19. STOCK OPTION PLAN

A reserve of 10,814,828 subordinate voting shares are available to be granted in stock options to officers and employees under the Company's stock option plan. Such stock options are time vesting and 25% of the options will vest on each of the first, second, third and fourth anniversary of the grant. The stock options have a ten-year term at the end of which the options expire.

Under the stock option plan existing prior to the initial public offering of the Company's subordinate voting shares, the options vested or were eligible to vest in equal annual instalments on each of the five anniversary dates of the date of grant and were exercisable for a period of up to ten years from the grant date.

The following table summarizes the weighted-average fair value of options granted and the main assumptions that were used to calculate the fair value during the years ended January 31, 2022 and 2021:

	January 31, 2022	**January 31, 2021**
Weighted-average fair value at grant date	**$43.14**	$9.12
Weighted average assumptions used in the fair value models		
Share price	**$109.67**	$25.83
Risk-free interest rate	**1.39%**	0.84%
Expected life	**6.33 years**	6.25 years
Expected volatility	**40.45%**	36.24%
Expected annual dividend per share	**0.47%**	0.00%

The Company uses the Black-Scholes option-pricing model to estimate the fair value of options granted. The expected volatility used in option pricing models is calculated based on historical volatility of similar listed entities.

The number of stock options varied as follows:

	Number of options	**Weighted average exercise price**
Balance as at February 1, 2020	**3,790,104**	**$42.32**
Granted	1,658,100	26.89
Forfeited/Cancelled	(226,850)	44.42
Exercised [a]	(718,232)	26.03
Balance as at January 31, 2021	**4,503,122**	**38.28**
Granted	513,300	109.88
Forfeited/Cancelled	(38,350)	50.14
Exercised [b]	(1,668,032)	38.96
Balance as at January 31, 2022	**3,310,040**	**$48.90**

[a] The weighted average stock price on these exercised stock options was $70.66.

[b] The weighted average stock price on these exercised stock options was $117.09.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

19. STOCK OPTION PLAN [CONTINUED]

The following table summarizes information about stock options outstanding and exercisable, as at January 31, 2022:

	Outstanding			Exercisable	
Exercise price range	**Number of options**	**Weighted-average exercise price**	**Weighted-average remaining life (years)**	**Number of options**	**Weighted-average exercise price**
$20 to $24	**48,150**	**$20.39**	**4.3**	**48,150**	**$20.39**
$24 to $28	**1,399,426**	**26.67**	**8.0**	**216,226**	**26.74**
$36 to $40	**162,600**	**39.45**	**5.4**	**162,600**	**39.45**
$40 to $44	**49,575**	**40.42**	**6.5**	**38,100**	**40.49**
$44 to $48	**749,190**	**46.15**	**7.4**	**214,992**	**46.16**
$60 to $64	**350,374**	**62.69**	**6.4**	**190,986**	**62.69**
$64 to $68	**34,125**	**64.15**	**7.9**	**14,975**	**64.15**
$68 to $72	**9,000**	**69.50**	**8.6**	**2,250**	**69.50**
$108 to $112	**499,400**	**109.66**	**9.2**	**—**	**—**
$120 to $124	**8,200**	**123.03**	**9.6**	**—**	**—**
Balance as at January 31, 2022	**3,310,040**	**$48.90**	**7.7**	**888,279**	**$42.48**

The following table summarizes information about stock options outstanding and exercisable, as at January 31, 2021:

	Outstanding			Exercisable	
Exercise price range	**Number of options**	**Weighted-average exercise price**	**Weighted-average remaining life (years)**	**Number of options**	**Weighted-average exercise price**
$16 to $20	700	$16.34	5.0	700	$16.34
$20 to $24	324,450	20.37	5.4	324,450	20.37
$24 to $28	1,710,050	26.69	8.9	112,250	27.10
$36 to $40	703,975	39.45	6.4	475,750	39.45
$40 to $44	59,975	40.44	7.5	29,450	40.54
$44 to $48	1,030,425	46.16	8.4	219,678	46.19
$60 to $64	623,847	62.69	7.4	297,221	62.69
$64 to $68	40,700	64.15	8.9	9,875	64.15
$68 to $72	9,000	69.50	9.6	—	—
Balance as at January 31, 2021	4,503,122	$38.28	7.9	1,469,374	$40.18

Share based compensation expense of $17.7 million for the year ended January 31, 2022 ($14.2 million for the year ended January 31, 2021) has been recorded in general and administrative expenses in the consolidated statements of net income.

As at January 31, 2022, the total unrecognized compensation cost related to unvested share-based payments totalled $18.6 million ($15.2 million as at January 31, 2021).

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

20. SEGMENTED INFORMATION

Details of segment information were as follows:

For the year ended January 31, 2022	**Powersports segment**	**Marine segment**	**Inter-segment eliminations**	**Total**
Revenues	**$7,135.6**	**$531.5**	**$(19.2)**	**$7,647.9**
Cost of sales	**5,082.6**	**452.3**	**(19.2)**	**5,515.7**
Gross profit	**2,053.0**	**79.2**	**—**	**2,132.2**
Total operating expenses				**945.2**
Operating income				**1,187.0**
Financing costs				**128.9**
Financing income				**(3.8)**
Foreign exchange gain on long-term debt				**(14.8)**
Income before income taxes				**1,076.7**
Income tax expense				**282.1**
Net income				**$794.6**

For the year ended January 31, 2021	**Powersports segment**	**Marine segment**	**Inter-segment eliminations**	**Total**
Revenues	$5,532.8	$430.7	$(10.6)	$5,952.9
Cost of sales	4,049.1	442.1	(10.6)	4,480.6
Gross profit (loss)	1,483.7	(11.4)	—	1,472.3
Total operating expenses				1,006.7 [a]
Operating income				465.6
Financing costs				120.0
Financing income				(19.8)
Foreign exchange gain on long-term debt				(118.9)
Income before income taxes				484.3
Income tax expense				121.4
Net income				$362.9

[a] Including an impairment charge of $177.1 million related to the Marine segment.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

20. SEGMENTED INFORMATION [CONTINUED]

The following table provides geographic information on Company's revenues, property, plant and equipment, intangible assets and right-of-use assets. The attribution of revenues was based on customer locations.

	Revenues		Property, plant and equipment, intangible assets and right-of-use assets	
	Years ended		As at	
	January 31, 2022	January 31, 2021	January 31, 2022	January 31, 2021
United States	**$4,185.2**	$3,306.5	**$277.1**	$277.7
Canada	**1,321.2**	923.4	**736.4**	645.4
Europe	**1,230.1**	987.2	**90.4**	89.1
Asia Pacific	**567.2**	463.3	**109.9**	110.4
Mexico	**120.1**	99.6	**621.8**	396.0
Austria	**16.6**	13.9	**231.3**	223.2
Other	**207.5**	159.0	**2.6**	1.8
	$7,647.9	$5,952.9	**$2,069.5**	$1,743.6

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

21. EARNINGS PER SHARE

a) Basic earnings per share

Details of basic earnings per share were as follows:

	Years ended January 31, 2022	Years ended January 31, 2021
Net income attributable to shareholders	**$793.9**	$363.4
Weighted average number of shares	**82,973,284**	87,519,856
Earnings per share - basic	**$9.57**	$4.15

b) Diluted earnings per share

Details of diluted earnings per share were as follows:

	Years ended January 31, 2022	Years ended January 31, 2021
Net income attributable to shareholders	**$793.9**	$363.4
Weighted average number of shares	**82,973,284**	87,519,856
Dilutive effect of stock options	**2,286,236**	1,085,128
Weighted average number of diluted shares	**85,259,520**	88,604,984
Earnings per share - diluted	**$9.31**	$4.10

The average market value of the Company’s shares for purposes of calculating the dilutive effect of stock options was based on share value on the Toronto Stock Exchange for the period during which the options were outstanding.

[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

22. REVENUES

Details of revenues were as follows:

	Years ended January 31, 2022	Years ended January 31, 2021
Powersports		
Year-Round Products	**$3,467.5**	$2,824.2
Seasonal Products	**2,524.1**	1,825.0
Powersports PA&A and OEM Engines	**1,143.5**	882.8
Marine	**512.8**	420.9
Total	**$7,647.9**	$5,952.9

23. COST OF SALES

Cost of sales comprise costs of inventories sold, production overheads unallocated to inventories, warranty and distribution costs, costs related to sales programs that involve a free product or service delivered to clients, write-down of inventories, reversal of write-down of inventories, depreciation of property, plant and equipment, intangible assets and right-of-use assets used to manufacture and distribute products.

During the year ended January 31, 2022, the Company recorded $4,930.5 million of inventories in cost of sales ($3,975.6 million for the year ended January 31, 2021).

24. GOVERNMENT ASSISTANCE

The Company's government assistance, including tax credits, was as follows:

	Years ended January 31, 2022	Years ended January 31, 2021
Recorded against research and development expense	**$32.7**	$24.8
Recorded against other elements of operating income	**3.3**	2.8
	$36.0	$27.6
Recorded against the cost of property, plant and equipment	**$3.0**	$0.6
Recorded against the cost of intangibles	**$6.5**	$—

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

25. IMPAIRMENT CHARGE

During the three-month period ended April 30, 2020, the Company determined that some of its cash-generating units ("CGU") were impaired and recorded an impairment charge of $30.5 million related to intangible assets of Alumacraft Boat Co. CGU, $33.3 million related to Triton Industries, Inc. CGU, and $60.7 million related to Telwater Pty Ltd CGU. The charges were determined by comparing the carrying amount of each CGU to its recoverable amount, which is the higher of the fair value less costs of disposal or the value in use. The recoverable amount for the impaired CGUs was based on a fair value less costs to sell ("FVLCTS") calculation using market-based measurement rather than an entity-specific measurement. The Company has determined that the discounted cash flow ("DCF") technique provided the best assessment of what each impaired CGU could be exchanged for in an arm's length transaction. Fair value is represented by the present value of expected future cash flows of the business together with the residual value of the business at the end of the forecast period.

On May 27, 2020, the Board of Directors of the Company announced it was realigning its marine business by focusing on the growth of its boat brands and the wind-down of the Evinrude outboard engines production. Its facility located in Sturtevant, WI will be repurposed for new projects. All Alumacraft operations were transferred to St Peter, MN and the plant in Arkadelphia, AR was permanently closed. The Company completed the wind down activities during the year ended January 31, 2022.

In addition, as a consequence of the wind-down of the Evinrude outboard engines production, an impairment charge of $52.6 million of which $30.5 million was allocated to property, plant and equipment and $22.1 million to intangible assets was recorded during the three-month period ended April 30, 2020.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

26. OTHER OPERATING (INCOME) EXPENSES

Details of other operating expenses (income) were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Gain on lease termination (Note 11)	**$(8.7)**	$—
Foreign exchange (gain) loss on working capital elements	**(6.2)**	0.6
Loss (gain) on forward exchange contracts	**5.9**	(0.7)
Net loss (gain) on disposal of property, plant and equipment	**1.0**	(12.6)
Gain on litigation	**—**	(4.0)
Restructuring costs	**—**	37.3
Other	**(1.5)**	3.7
Total	**$(9.5)**	$24.3

In the past years, the Company was involved in multiple lawsuits with one of its competitors whereby each party was claiming damages for the alleged infringement of some of its patents. On November 2, 2020, the Company and the competitor reached a global settlement of their disputes under which the court cases that were still active between the parties in the United States and in Canada were dismissed. Following this settlement, the Company reversed, during the year ended January 31, 2021, $4.0 million of provisions recorded in previous fiscal years.

During the year ended January 31, 2021, as a result of the decision to wind-down the production of Evinrude outboard engines, the Company announced the reduction of its global workforce by approximately 650 employees and incurred costs for terminating contracts. An amount of $29.8 million was recorded as restructuring costs related to this initiative.

During the year ended January 31, 2021, as a response to COVID-19 pandemic, the Company announced cost reduction initiatives which included the reduction of its global workforce and other temporary layoffs. An amount of $7.5 million was recorded as restructuring costs related to this initiative.

During the year ended January 31, 2021, the Company recognized a $12.7 million gain related to the disposal of a property located in the United States.

27. FINANCING COSTS AND INCOME

Details of financing costs and financing income were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Interest on long-term debt	**$46.3**	$82.4
Transaction costs on long-term debt	**44.1**	12.7
Interest on lease liabilities	**7.2**	9.3
Net interest on employee future benefit liabilities	**4.9**	5.5
Interest and commitment fees on revolving credit facilities	**3.4**	6.2
Other	**23.0**	3.9
Financing costs	**128.9**	120.0
Financing income	**(3.8)**	(19.8)
Total	**$125.1**	$100.2

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

28. INCOME TAXES

a) Income tax expense

Details of income tax expense were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current income tax expense		
Related to current year	**$284.6**	$151.9
Related to prior years	**(2.9)**	(3.3)
	281.7	148.6
Deferred income tax expense (recovery)		
Temporary differences	**3.6**	(11.1)
Effect of income tax rate changes on deferred income taxes	**(0.7)**	—
Decrease in valuation allowance	**(2.5)**	(16.1)
	0.4	(27.2)
Income tax expense	**$282.1**	$121.4

The reconciliation of income taxes computed at the Canadian statutory rates to income tax expense recorded was as follows:

	Years ended			
	January 31, 2022		**January 31, 2021**	
Income taxes calculated at statutory rates	**$285.3**	**26.5%**	$128.3	26.5%
Increase (decrease) resulting from:				
Income tax rate differential of foreign subsidiaries	**(5.9)**		(5.5)	
Effect of income tax rate changes on deferred income taxes	**(0.7)**		—	
Decrease in valuation allowance	**(2.5)**		(16.1)	
Recognition of income taxes on foreign currency translation	**1.8**		1.1	
Permanent differences [a]	**1.2**		13.1	
Other	**2.9**		0.5	
Income tax expense	**$282.1**		$121.4	

[a] For the period ended January 31, 2021, the permanent differences result mainly from the impairment charge on goodwill, partially offset by the foreign exchange gain on the long-term debt denominated in U.S. dollars.

The income tax statutory rate is 26.5% for the year ended January 31, 2022 and 2021. The income tax statutory rate is the Bombardier Recreational Products Inc. combined rate applicable in jurisdictions in which it operates.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

28. INCOME TAXES [CONTINUED]

b) Deferred income taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred income tax assets (liabilities) were as follows, as at:

	January 31, 2022	January 31, 2021
Related to current assets and liabilities		
Inventories	**$44.9**	$40.6
Investment tax credits receivable	**(2.5)**	(2.2)
Other current assets	**(27.9)**	(1.3)
Trade payables and accruals	**18.8**	12.1
Provisions	**62.6**	66.0
Other financial liabilities	**6.2**	8.4
Lease liabilities	**7.3**	8.6
Deferred revenues	**55.7**	17.7
Other	**(1.9)**	(4.1)
	163.2	145.8
Related to non-current assets and liabilities		
Property, plant and equipment	**(62.2)**	(52.3)
Intangible assets	**(65.3)**	(61.2)
Right-of-use assets	**(33.5)**	(56.8)
Provisions	**19.0**	19.0
Long-term debt	**1.2**	(14.7)
Lease liabilities	**29.8**	54.9
Deferred revenues	**25.1**	26.7
Employee future benefit liabilities	**42.6**	58.4
Other non-current liabilities	**(1.7)**	3.5
Other	**(2.0)**	3.6
	(47.0)	(18.9)
Related to non-capital losses carried forward	**74.9**	71.0
Related to capital losses carried forward	**23.9**	33.6
	215.0	231.5
Unrecognized tax benefits	**(24.6)**	(20.8)
Total	**$190.4**	$210.7

As at January 31, 2022, the Company had non-capital losses and capital losses available to reduce future taxable income.

As at January 31, 2022, non-capital losses amounted to $296.7 million ($280.2 million as at January 31, 2021), of which $294.9 million ($268.8 million as at January 31, 2021) is available to reduce future federal taxable income in the United States and $1.8 million ($11.4 million as at January 31, 2021) is available to reduce future taxable income in other tax jurisdictions.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

28. INCOME TAXES [CONTINUED]

b) Deferred income taxes [continued]

As at January 31, 2022, the balance of deductible capital losses amounted to $90.3 million ($126.7 million as at January 31, 2021) and are available to offset future taxable capital gains in Canada for an unlimited period of time.

As at January 31, 2022, the Company has $45.4 million in investment tax credits receivable, of which $35.7 million is refundable and $9.7 million is available to reduce income taxes in future periods (respectively $32.5 million, $24.1 million and $8.4 million as at January 31, 2021). The $9.7 million ($8.4 million as at January 31, 2021) is available to reduce future income taxes in the United States.

As at January 31, 2022 and 2021, deferred income taxes assets have been entirely recognized except for certain elements, consisting mainly of deductible capital losses carried forward, as the Canadian and Quebec taxation laws required those losses to be offset with available capital gains in order to be deductible.

In addition, deferred income taxes have not been provided for the undistributed earnings of foreign subsidiaries since either income taxes would not be applicable upon distribution of earnings or the Company determined that such earnings will be indefinitely reinvested. However, distribution in the form of dividends or otherwise from countries where earnings are indefinitely reinvested may be subject to income taxes.

29. RELATED PARTY TRANSACTIONS

The Company had related party transactions during the years ended January 31, 2022 and 2021. The most significant ones are described below and were made on an arm's length basis, unless otherwise indicated.

a) Transactions with key management personnel

Key management personnel of the Company, defined as employees with authority and responsibility for planning, directing and controlling the activities of the Company, are considered related parties to the Company. The key management personnel of the Company are its directors and the executive officers.

The Company incurred the following benefit expenses in relation with key management personnel:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current remuneration	**$25.1**	$20.1
Post-employment benefits	**1.5**	1.3
Termination benefits	**—**	0.5
Stock-based compensation expense	**9.3**	8.4
Total	**$35.9**	$30.3

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

29. RELATED PARTY TRANSACTIONS [CONTINUED]

b) Due to Bombardier Inc., a company related to Beaudier group

Pursuant to the purchase agreement entered into in 2003 in connection with the acquisition of the recreational product business of Bombardier Inc., the Company is committed to reimburse to Bombardier Inc. income taxes amounting to $22.1 million as at January 31, 2022 ($22.2 million as at January 31, 2021). The payments will begin when Bombardier Inc. starts making income tax payments in Canada and/or in the United States.

c) Secondary offering

During the year ended January 31, 2021, Bain Capital completed a secondary offering for a total of 2,000,000 subordinate voting shares of the Company through an underwriter and the Company incurred approximately $0.6 million of fees and expenses related to this secondary offering (see Note 18).

30. FINANCIAL INSTRUMENTS

a) Fair value

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of the Company’s financial instruments take into account the credit risk embedded in the instrument. For financial assets, the credit risk of the counterparty is considered whereas for financial liabilities, the Company’s credit risk is considered.

In order to determine the fair value of its financial instruments, the Company uses, when active markets exist, quoted prices from these markets (“Level 1” fair value). When public quotations are not available in the market, fair values are determined using valuation techniques. When inputs used in the valuation techniques are only inputs directly and indirectly observable in the marketplace, fair value is presented as “Level 2” fair value. If fair value is assessed using inputs that require considerable judgment from the Company in interpreting market data and developing estimates, fair value is presented as “Level 3” fair value. For Level 3 fair value, the use of different assumptions and/or estimation methodologies may have a material effect on the estimated fair values.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

30. FINANCIAL INSTRUMENTS [CONTINUED]

a) Fair value [continued]

The fair value, fair value level and valuations techniques and inputs of restricted investments, derivative financial instruments and long-term debt were as follows:

		As at January 31, 2022		As at January 31, 2021		
	Fair value level	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**	**Valuation techniques and inputs**
Restricted investments (Note 6)	Level 2	**$14.3**	**$14.3**	$15.7	$15.7	Discounted cash flows at a discount rate that reflects the current market rate for this type of investments at the end of the reporting period
Non-controlling interest liability (Note 15)	Level 3	**$—**	**$—**	$(21.0)	$(21.0)	Discounted cash flows. Future cash flows are estimated based on Telwater performance and a predetermined purchase price formula, discounted at a rate that reflects the credit risk of the Company
Derivative financial instruments						Discounted cash flows. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company
Forward exchange contracts						
Favourable	Level 2	**$10.0**	**$10.0**	$19.9	$19.9	
(Unfavourable)	Level 2	**(9.6)**	**(9.6)**	(7.2)	(7.2)	
Interest rate cap	Level 2	**28.0**	**28.0**	6.0	6.0	Discounted cash flows. Future cash flows, which correspond to series of caplets, are estimated using the Normal valuation model and discounted at a rate that reflects credit market conditions
Inflation rate swap	Level 2	**(0.7)**	**(0.7)**	(1.4)	(1.4)	Discounted cash flows. Future cash flows are estimated based on forward inflation rates (from observable yield curves at the end of the reporting period) and contract inflation rates, discounted at a rate that reflects the credit risk of the Company
Total derivative financial instruments	Level 2	**$27.7**	**$27.7**	$17.3	$17.3	
Term Facility (Note 16)	Level 1	**$(1,891.1)**	**$(1,875.8)**	$(2,276.3)	$(2,312.7)	Quoted bid prices in an active market
Term Loans (Note 16)	Level 2	**$(149.4)**	**$(156.1)**	$(133.4)	$(142.4)	Discounted cash flows. Cash flows used for valuation are those contractually due and are discounted at a rate that reflects the credit risk of the Company

[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

30. FINANCIAL INSTRUMENTS [CONTINUED]

a) Fair value [continued]

For cash and cash equivalents, trade and other receivables, Revolving Credit Facilities, trade payables and accruals, dealer holdback programs and customer deposits, the carrying amounts reported on the consolidated statements of financial position or in the notes approximate the fair values of these items due to their short-term nature.

During the years ended January 31, 2022 and 2021, no changes in fair value level classifications occurred.

b) Foreign exchange risk

The foreign exchange risk associated with financial instruments is defined by the risk that the future cash flows of a recorded financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk associated with financial instruments arises from financial instruments denominated in a currency other than the functional currency of the Company.

The Company's significant foreign exchange risk exposure associated with financial instruments are with Credit Facilities, trade and other receivables, trade payables and accruals, lease liabilities and derivative financial instruments.

The table below presents the impact on consolidated net income and consolidated other comprehensive income of a variation of foreign exchange rates on financial instruments subject to foreign exchange risks as at January 31, 2022 and 2021:

	As at January 31, 2022			As at January 31, 2021		
Increase (Decrease)	**Percentage of Variation [a]**	**Impact on Net income**	**Impact on Other comprehensive income**	**Percentage of Variation [a]**	**Impact on Net income**	**Impact on Other comprehensive income**
USD / CAD	**5%**	**$208.6 [b]**	**$55.2**	5%	$(116.6) [b]	$(31.8)
Euro / CAD	**5%**	**$1.7**	**$—**	5%	$(0.6)	$—
Other	**3%**	**$4.7**	**$(0.4)**	8%	$9.8	$26.3

[a] Based on variations that might exist at the closing dates.

[b] Mainly from the long-term debt denominated in U.S. dollars.

The Company uses foreign exchange contracts to manage its foreign currency risks mainly on trade payables and certain other financial liabilities denominated in U.S. dollars and the Company uses short-term foreign exchange contracts to manage its daily cash position.

For currencies over which the Company cannot achieve an offset through its recurring business transactions, mainly the U.S. dollar, the Australian dollar, the Swedish krona, the Norwegian krone and the British pound, the Company uses foreign exchange contracts according to the Company's hedging strategy. Management periodically reviews the relevant hedging position and may hedge at any level within the authorized parameters of the policy, up to the maximum percentage allowed.

As at January 31, 2022, the maximum length of time over which the Company is hedging its exposure to variability in future cash flow from anticipated sales is 24 months. All foreign exchange contracts used to hedge highly probable anticipated sales are recorded under the cash flow hedge model. The Company does not trade in derivative financial instruments for speculative purposes.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

30. FINANCIAL INSTRUMENTS [CONTINUED]

b) Foreign exchange risk [continued]

The following tables set out the notional amounts outstanding under hedging foreign exchange contracts, the carrying amount, the average contractual exchange rates and the settlement periods of these contracts:

	As at January 31, 2022							
							Carrying amount	
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]	Other financial assets	Other financial liabilities
Less than 12 months								
	AUD	**CAD**	**0.9220**	**AUD**	**104.5**	**$93.7**	**$2.4**	**$—**
	GBP	**Euro**	**1.1757**	**GBP**	**26.3**	**44.8**	**—**	**0.6**
	NOK	**Euro**	**0.0992**	**NOK**	**623.9**	**88.9**	**0.1**	**—**
	SEK	**Euro**	**0.0994**	**SEK**	**806.6**	**109.7**	**4.7**	**—**
	USD	**CAD**	**1.2696**	**USD**	**817.5**	**1,037.8**	**2.0**	**—**
Between 12 and 24 months								
	USD	CAD	**1.2812**	**USD**	**55.9**	**71.0**	**0.4**	**8.6**

[a] Exchange rates as at January 31, 2022 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

	As at January 31, 2021							
							Carrying amount	
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]	Other financial assets	Other financial liabilities
Less than 12 months								
	AUD	CAD	0.9584	AUD	87.3	$85.4	$—	$1.9
	GBP	Euro	1.1171	GBP	19.8	34.8	—	0.3
	NOK	Euro	0.0943	NOK	541.8	81.0	—	1.4
	SEK	Euro	0.0969	SEK	879.1	134.8	—	2.4
	USD	CAD	1.3153	USD	502.2	641.7	19.8	0.9

[a] Exchange rates as at January 31, 2021 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

30. FINANCIAL INSTRUMENTS [CONTINUED]

b) Foreign exchange risk [continued]

The following tables set out the notional amounts outstanding under foreign exchange contracts, the average contractual exchange rates and the settlement periods of these contracts:

	As at January 31, 2022					
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]
Less than 12 months						
	AUD	**CAD**	**0.9220**	**AUD**	**104.5**	**$93.7**
	CAD	**AUD**	**0.9031**	**AUD**	**7.2**	**6.5**
	CAD	**Euro**	**1.4288**	**Euro**	**101.9**	**145.1**
	CAD	**JPY**	**0.0110**	**JPY**	**25.0**	**0.3**
	CAD	**MXN**	**0.0613**	**MXN**	**72.0**	**4.4**
	CAD	**USD**	**1.2699**	**USD**	**163.9**	**208.1**
	Euro	**CAD**	**1.4284**	**Euro**	**158.1**	**225.1**
	Euro	GBP	**1.2005**	**Euro**	**0.8**	**1.1**
	Euro	**NOK**	**0.0992**	**NOK**	**102.1**	**14.6**
	Euro	**SEK**	**0.0957**	**SEK**	**98.4**	**13.4**
	GBP	**Euro**	**1.1757**	**GBP**	**26.3**	**44.8**
	JPY	**CAD**	**0.0111**	**JPY**	**55.3**	**0.6**
	NOK	**Euro**	**0.0992**	**NOK**	**623.9**	**88.9**
	SEK	**Euro**	**0.0992**	**SEK**	**883.7**	**120.2**
	USD	**CAD**	**1.2625**	**USD**	**835.3**	**1,060.5**
Between 12 and 24 months						
	USD	CAD	**1.2812**	**USD**	**55.9**	**71.0**

[a] Exchange rates as at January 31, 2022 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

30. FINANCIAL INSTRUMENTS [CONTINUED]

b) Foreign exchange risk [continued]

	As at January 31, 2021					
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]
Less than 12 months						
	AUD	CAD	0.9596	AUD	92.6	$90.7
	BRL	USD	0.1819	BRL	51.1	12.0
	CAD	AUD	0.9780	AUD	6.0	5.9
	CAD	Euro	1.5535	Euro	9.6	14.9
	CAD	JPY	0.0122	JPY	43.0	0.5
	CAD	MXN	0.0631	MXN	30.0	1.9
	CAD	USD	1.2775	USD	161.1	205.8
	Euro	CAD	1.5471	Euro	28.2	43.8
	Euro	CHF	1.0774	CHF	0.5	0.7
	Euro	NOK	0.0965	NOK	53.8	8.0
	Euro	SEK	0.0990	SEK	62.6	9.6
	GBP	Euro	1.1171	GBP	19.8	34.8
	JPY	CAD	0.0122	JPY	96.0	1.2
	NOK	Euro	0.0943	NOK	561.1	83.9
	SEK	Euro	0.0971	SEK	982.2	150.6
	USD	CAD	1.3143	USD	516.8	660.3

[a] Exchange rates as at January 31, 2021 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

c) Liquidity risk

Liquidity risk is defined as the Company’s exposure to the risk of not being able to meet its financial obligations. The Company manages its liquidity risk by continuously monitoring its operating cash requirements and by the use of its funding sources to ensure its financial flexibility and mitigate its liquidity risk (see Note 31).

The following table summarizes the contractual maturities of the Company’s financial liabilities as at January 31, 2022:

	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total amount
Trade payables and accruals	$1,622.9	$—	$—	$—	$1,622.9
Long-term debt (including interest)	147.3	140.7	140.1	1,837.7	2,265.8
Lease liabilities (including interest)	33.0	50.5	30.7	49.4	163.6
Derivative financial instruments	9.6	0.7	—	—	10.3
Other financial liabilities	142.7	4.4	2.2	26.7	176.0
Total	**$1,955.5**	**$196.3**	**$173.0**	**$1,913.8**	**$4,238.6**

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

30. FINANCIAL INSTRUMENTS [CONTINUED]

d) Interest risk

The Company is exposed to the variation of interest rates on financial instruments mainly on its Credit Facilities. As at January 31, 2022, an increase of a 0.25 percentage base point would have resulted in an unfavourable impact of $4.8 million on consolidated net income and consolidated comprehensive income for the year ended January 31, 2022 (unfavorable $4.1 million as at January 31, 2021) while a decrease of a 0.25 percentage base point would have resulted in a favourable impact of $2.1 million (favourable $2.1 million as at January 31, 2021) on consolidated net income and consolidated comprehensive income for the year ended January 31, 2022. Percentages of variations of interest rates above are based on changes that might exist at the consolidated statement of financial position dates and have been applied on the Company's financial instruments subject to interest rate changes. To limit its exposure to interest rate increase, the Company entered into interest rate cap contracts.

e) Credit risk

The Company could be exposed, in the normal course of business, to the potential inability of dealers, distributors and other business partners to meet their contractual obligations on financial assets and on amounts guaranteed under dealer and distributor financing agreements.

The Company considers that its credit risk associated with its trade receivables and its limited responsibilities under dealer and distributor financing agreements does not represent a significant concentration of risk and loss due to the large number of dealers, distributors and other business partners and their dispersion across many geographic areas. Moreover, the Company mitigates such risk by doing business through its own distribution channels and by monitoring independent dealers' and distributor credit.

The following table provides further details on receivables for which the Company considers to be exposed to credit risk as at January 31, 2022 and 2021:

	January 31, 2022	**January 31, 2021**
Trade and other receivables	**$465.7**	$311.5
Sales tax and other government receivables	**(118.0)**	(56.4)
Total exposed to credit risk	**$347.7**	$255.1
Not past due	**$339.6**	$246.3
Past due		
Under 60 days	**5.0**	7.8
From 60 to 90 days	**0.7**	1.5
Over 90 days	**6.8**	3.7
Allowance for doubtful accounts	**(4.4)**	(4.2)
Total exposed to credit risk	**$347.7**	$255.1

The counterparties to the derivative financial instruments and restricted investments are all investment grade financial institutions, which the Company anticipates will satisfy their obligations under these contracts. Over the past years, the Company has not incurred significant losses related to credit risk on its financial assets.

As described in Note 32 a), the Company has provided financial guarantees to third party financing companies in case of dealers' inability to meet their obligations under their financing agreements with the financing companies.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

31. CAPITAL MANAGEMENT

The Company's primary uses of capital are for capital investments and working capital. Based on the current level of operations, management believes that cash on hand, cash flows from operations and available borrowings under the Credit Facilities will enable the Company to meet its working capital, capital expenditure, debt service and other funding requirements.

The Company's capital is composed of long-term debt and shareholders' equity. The Company's aim is to maintain a level of capital that is adequate to meet several objectives, including an acceptable Leverage ratio in order to provide access to adequate funding sources to support current operations, pursue its internal growth strategy and maintain capital flexibility. The Company may repurchase subordinate voting shares for cancellation pursuant to a NCIB or SIB, issue capital stock, or vary the amount of dividends paid to shareholders.

The Company's objective is to maintain a Leverage ratio of 3.5 or less, which was continuously achieved during the years ended January 31, 2022 and 2021.

32. COMMITMENTS AND CONTINGENCIES

In addition to the commitments and contingencies described elsewhere in these consolidated financial statements, the Company is subject to the following (all amounts presented are undiscounted):

a) Dealer and distributor financing arrangements

The Company, most of its independent dealers and some of its independent distributors are parties to agreements with third-party financing service providers. These agreements provide financing to facilitate the purchase of the Company's products and improve the Company's working capital by allowing an earlier collection of accounts receivable from dealers and distributors.

The outstanding financing between the Company's independent dealers and distributors and third-party finance companies amounted to $1,319.4 million and $985.0 million as at January 31, 2022 and 2021, respectively. The breakdown of outstanding amounts by country and local currency between the Company's independent dealers and distributors with third-party finance companies were as follows:

	Currency	January 31, 2022	January 31, 2021
Total outstanding as at	CAD	**$1,319.4**	$985.0
United States	USD	**$736.8**	$528.6
Canada	CAD	**$266.3**	$192.5
Europe	Euro	**€ 31.8**	€ 30.7
Australia and New Zealand	AUD	**$80.7**	$70.4
Latin America	USD	**$—**	$0.6

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

32. COMMITMENTS AND CONTINGENCIES [CONTINUED]

a) Dealer and distributor financing arrangements [continued]

Under the dealer and distributor financing agreements, in the event of default, the Company may be required to purchase, from the finance companies, repossessed new and unused products at the total unpaid principal balance of the dealer or distributor to the finance companies. During the three-month period ended July 31, 2021, the Company renegotiated and regrouped some of its repurchase obligations for obligations that were held with the same third-party financing providers. Henceforth, the obligations are generally within a range of U.S. $14.0 million ($17.8 million) or 15% of the calendar year twelve-month average amount of financing outstanding under the financing agreements and U.S. $25.0 million ($31.7 million) or 10% of the last twelve-month average amount of financing outstanding under the financing agreements ($83.9 million as at January 31, 2022).

The maximum amount subject to the Company's obligation to purchase repossessed new and unused products from the finance companies was $102 million as at January 31, 2022 and $175 million as at January 31, 2021.

For the year ended January 31, 2022, the Company has recorded a recovery related to repossessed units amounting to $0.5 million (loss of $0.9 million for the year ended January 31, 2021).

Substantially completed units financing

During the year ended January 31, 2022, the Company amended one of its dealer and distributor financing agreement in order to allow for the financing of the substantially completed units shipped at the Company's dealers ("Substantially Completed Units"). The financing of those Substantially Completed Units are limited by certain financial thresholds. Under the amendment agreement, the Company's dealers are required to comply with thresholds regarding the Substantially Completed Units shipped at the Company's dealers ("Thresholds").

As at January 31, 2022, the total maximum outstanding obligations of all dealers could not exceed U.S. $500 million ($634.8 million). This limit is set to be gradually reduced to reach U.S. $300.0 million ($380.9 million) as of January 31, 2023 and nil as of April 30, 2023. The maximum outstanding obligations of any individual dealer at any time for Substantially Completed Units shall not exceed U.S. $15 million ($19.0 million). In addition, the maximum obligations by all dealers for seasonal products are limited to U.S. $50 million ($63.5 million) for snowmobiles as at April 30, 2022 and U.S. $50 million ($63.5 million) for personal watercraft as at September 30, 2022.

In the event one of the Thresholds is exceeded, the Company would be required to reduce the outstanding dealers' financing by assuming their financing until compliance with Thresholds. The Substantially Completed Units stop being considered within the Thresholds limits when all the missing components are installed by the dealers. The Company was in compliance with the Thresholds as at January 31, 2022.

For the years ended January 31, 2022 and 2021
[Tabular figures are in millions of Canadian dollars, unless otherwise indicated]

32. COMMITMENTS AND CONTINGENCIES [CONTINUED]

b) Guarantees under various agreements

In the normal course of business, the Company has entered into agreements that include indemnities in favour of third parties and which are customary in the industry, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, underwriting and agency agreements, information technology agreements, and service agreements. These indemnification agreements may require the Company to compensate counterparties for losses they incurred as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered as a consequence of the transaction.

The nature of these indemnification agreements prevents the Company from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability that stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Company has not made any significant payments under such or similar indemnification agreements.

The Company shall indemnify directors and officers of the Company for various losses including, but not limited to, all costs to settle suits or actions due to association with the Company, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to acts taking place during the period over which the indemnified party served as a trustee, director or officer of the Company. The maximum amount of any potential future payment cannot be reasonably estimated.

32. COMMITMENTS AND CONTINGENCIES [CONTINUED]

c) Litigation

The Company intends to vigorously defend its position in litigation matters to which it is a party. Management believes the Company has recorded adequate provisions to cover potential losses in relation to pending legal actions. Additionally, the Company has a general liability insurance coverage for claims relating to injuries or damages incurred with the Company's products. This insurance coverage limits the potential losses associated with legal claims related to product usage.

While the final outcome with respect to actions pending as at January 31, 2022 cannot be predicted with certainty, it is the management's opinion that their resolution will not have material effects on the Company's future results of operations or cash flows.

d) Contingent asset

The Company has filed a claim to its insurers for damages caused by fire sustained at one of its Mexican facilities. The Company has received partial payments for inventory and fixed assets impaired by the fire. As at January 31, 2022, the Company's insurers' analysis remains ongoing. The outcome is expected to materialize in the year ending January 31, 2023. However, the contingent asset has not been recognised as a receivable as at January 31, 2022 as receipt of the amount is dependant on the Company's insurers' analysis.

33. SUBSEQUENT EVENTS

Revolving Credit Facilities

On February 16, 2022, the Company amended its $800.0 million Revolving Credit Facilities to increase the total availability to $1,100.0 million and replace LIBOR references by Secured Overnight Financing Rate ("SOFR") references. The pricing grid and other conditions remain unchanged.

Substantial Issuer Bid

On March 24, 2022, the Company's Board of Directors authorized a substantial issuer bid to repurchase its shares for cancellation for a maximum amount of $250.0 million (the "Offer"). The Company expects to launch and complete the Offer during the first quarter of the fiscal year ending January 31, 2023.

Exhibit 99.3

BRP INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE THREE- AND TWELVE-MONTH PERIODS ENDED JANUARY 31, 2022

The following management's discussion and analysis ("MD&A") provides information concerning financial condition and results of operations of BRP Inc. (the "Company" or "BRP") for the fourth quarter and the fiscal year ended January 31, 2022. This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended January 31, 2022. Some of the information contained in this discussion and analysis contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from underlying forward-looking statements as a result of various factors, including those described in the "Forward-Looking Statements" section of this MD&A. This MD&A reflects information available to the Company as at March 24, 2022.

Basis of Presentation

The audited consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). All amounts presented are in Canadian dollars unless otherwise indicated. All references in this MD&A to "Fiscal 2022" are to the Company's fiscal year ended January 31, 2022, to "Fiscal 2021" are to the Company's fiscal year ended January 31, 2021 and to "Fiscal 2020" are to the Company's fiscal year ended January 31, 2020.

This MD&A, approved by the Board of Directors on March 24, 2022, is based on the Company's audited consolidated financial statements and accompanying notes thereto for the years ended January 31, 2022 and 2021.

BRP and its subsidiaries (the "Company") design, develop, manufacture and sell powersports vehicles and marine products. The Company's Powersports segment comprises Year-Round Products, which consist of all-terrain vehicles (referred to as "ATVs"), side-by-side vehicles (referred to as "SSVs") and three-wheeled vehicles (referred to as "3WVs"); Seasonal Products, which consist of snowmobiles, personal watercraft (referred to as "PWCs") and the recently introduced "Switch" pontoon boats; and Powersports PA&A and OEM Engines which consist of parts, accessories and apparel (referred to as "PA&A"), engines for karts, motorcycles and recreational aircraft and other services. Additionally, the Company's Marine segment consists of boats, jet boat and outboard engines and related PA&A and other services. During the twelve-month period ended January 31, 2022, the Company introduced the "Switch" pontoon boats as a new product offering under the *Sea-Doo* brand, included in the Powersports segment.

Forward-Looking Statements

Certain statements in this MD&A about the Company's current and future plans, prospects, expectations, anticipations, estimates and intentions, results, levels of activity, performance, objectives, targets, goals or achievements, intention to undertake a substantial issuer bid (the "Offer") and the terms thereof (including the maximum dollar value of subordinate voting shares the Company may purchase and the timing for launch and completion of the Offer), priorities and strategies, financial position, market position, capabilities, competitive strengths, beliefs, the prospects and trends of the industries in which the Company operates, the expected growth in demand for products and services in the markets in which the Company competes, research and product development activities, including projected design, characteristics, capacity or performance of future products and their expected scheduled entry to market expected financial requirements and the availability of capital resources and liquidities or any other future events or developments and other statements that are not historical facts constitute forward-looking statements within the meaning of applicable securities laws. The words "may", "will", "would", "should", "could", "expects", "forecasts", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "outlook", "predicts", "projects", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

Forward-looking statements are presented for the purpose of assisting readers in understanding certain key elements of the Company's current objectives, goals, targets, strategic priorities, expectations and plans, and in obtaining a better understanding of the Company's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements contained herein. Forward-looking statements, by their very nature, involve inherent risks and uncertainties and are based on a number of assumptions, both general and specific. The Company cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the Company or the industry to be materially different from the outlook or any future results or performance implied by such statements. In addition, many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the risk factors described in the "Risk Factors" section of this MD&A.

Unless otherwise stated, the forward-looking statements contained in this MD&A are made as of the date of this MD&A, and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable securities regulations. In the event that the Company does update any forward-looking statements contained in this MD&A, no inference should be made that the Company will make additional updates with respect to that statement, related matters or any other forward-looking statement. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

The Company made a number of economic, market and operational assumptions in preparing and making certain forward-looking statements contained in this MD&A, including the following: reasonable industry growth ranging from slightly down to up high-single digits; market share that will remain constant or moderately increase; stable global and North American economic conditions and a limited impact from the military hostilities in Ukraine and the ongoing global health crisis; main currencies in which the Company operates will remain at near current levels; inflation is expected to remain elevated from strong demand, supply shortages and high energy prices, and is expected to gradually decline as central banks gradually increase interest rates; there will be no significant changes in tax laws or free trade arrangements or treaties applicable to the Company; the Company's current margins, will remain at current or improved levels; the supply base will remain able to support product development and planned production rates on commercially acceptable terms in a timely manner; no new trade barriers will be imposed amongst jurisdictions in which the Company carries operations; the absence of unusually adverse weather conditions, especially in peak seasons. BRP cautions that its assumptions may not materialize and that current economic conditions may render such assumptions, although believed reasonable at the time they were made, subject to greater uncertainty.

Non-IFRS Measures

This MD&A makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS measures including the following:

Non-IFRS measures	Definition	Reason for use
Normalized revenues	Revenues before normalized elements	To assist investors in determining the financial performance of the Company on a consistent basis by excluding elements such as wind-down costs which are considered not being reflective of the ongoing operational performance of the Company
Normalized gross profit	Gross profit before normalized elements	
Normalized EBITDA	Net income before financing costs, financing income, income tax expense (recovery), depreciation expense and normalized elements	To assist investors in determining the financial performance of the Company's operating activities on a consistent basis by excluding certain non-cash elements such as depreciation expense, impairment charge, foreign exchange gain or loss on the Company's long-term debt denominated in U.S. dollars and foreign exchange gain or loss on certain of the Company's lease liabilities. Other elements, such as restructuring and wind-down costs, gain or loss on litigation and acquisition-related costs, may also be excluded from net income in the determination of Normalized EBITDA as they are considered not being reflective of the operational performance of the Company
Normalized net income	Net income before normalized elements adjusted to reflect the tax effect on these elements	In addition to the financial performance of operating activities, these measures consider the impact of investing activities, financing activities and income taxes on the Company's financial results
Normalized income tax expense	Income tax expense adjusted to reflect the tax effect on normalized elements and to normalize specific tax elements	
Normalized effective tax rate	Based on Normalized net income before Normalized income tax expense	
Normalized earnings per share - basic & diluted	Calculated respectively by dividing the Normalized net income by the weighted average number of shares - basic and the weighted average number of shares - diluted	

The Company believes non-IFRS measures are important supplemental measures of financial performance because they eliminate items that have less bearing on the Company's financial performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of companies, many of which present similar metrics when reporting their results. Management also uses the aforementioned non-IFRS measures in order to facilitate financial performance comparisons from period to period, prepare annual operating budgets, assess the Company's ability to meet its future debt service, capital expenditure and working capital requirements and also as a component in the determination of the short-term incentive compensation for the Company's employees. Because other companies may calculate these non-IFRS measures differently than the Company does, these metrics are not comparable to similarly titled measures reported by other companies.

The Company refers the reader to the "Selected Consolidated Financial Information" section of this MD&A for the reconciliations of Normalized EBITDA and Normalized net income presented by the Company to the most directly comparable IFRS measure.

Overview

BRP is a global leader in the design, development, manufacturing, distribution and marketing of powersports vehicles and marine products. The Company is a diversified manufacturer of powersports vehicles and marine products, providing enthusiasts with a variety of exhilarating, stylish and powerful products for year-round use on a variety of terrains. The Company's diversified portfolio of brands and products includes for Powersports: *Can-Am* ATVs, SSVs and 3WVs, *Ski-Doo* and *Lynx* snowmobiles, *Sea-Doo* PWCs and pontoon boats as well as *Rotax* engines for karts, motorcycles and recreational aircraft. For Marine, the portfolio of brands and products includes *Alumacraft*, *Manitou*, *Quintrex*, *Stacer* and *Savage* boats and *Rotax* engines for jet boats. Additionally, the Company supports its line of products with a dedicated PA&A business.

The Company employs close to 20,000 people mainly in manufacturing and distribution sites in Mexico, Canada, Austria, the United States, Finland and Australia. The Company sells its products in over 120 countries. The products are sold directly through a network of approximately 2,800 dealers in 21 countries, as well as through approximately 170 distributors serving approximately 460 additional dealers.

Highlights of the three-month period ended January 31, 2022

For the three-month period ended January 31, 2022, the Company's financial performance was as follows in comparison to the three-month period ended January 31, 2021:

- Revenues of $2,347.5 million, an increase of $532.4 million or 29.3%;
- Gross profit of $609.5 million representing 26.0% of revenues, an increase of $107.6 million;
- Net income of $209.6 million, a decrease of $54.6 million, which resulted in a diluted earnings per share of $2.50, a decrease of $0.45 per share;
- Normalized net income [1] of $251.3 million, an increase of $88.5 million, which resulted in a normalized diluted earnings per share [1] of $3.00, an increase of $1.18 per share or 64.8%;
- Normalized EBITDA [1] of $416.4 million representing 17.7% of revenues, an increase of $103.3 million or 33.0%.

Highlights of the year ended January 31, 2022

For the year ended January 31, 2022, the Company's financial performance was the following when compared to the year ended January 31, 2021:

- Revenues of $7,647.9 million, an increase of $1,695.0 million or 28.5%;
- Gross profit of $2,132.2 million representing 27.9% of revenues, an increase of $659.9 million;
- Net income of $794.6 million, an increase of $431.7 million, which resulted in a diluted earnings per share of $9.31, an increase of $5.21 per share or 127.1%;
- Normalized net income [1] of $846.5 million, an increase of $369.5 million, which resulted in a normalized diluted earnings per share [1] of $9.92, an increase of $4.53 per share or 84.0%.
- Normalized EBITDA [1] of $1,462.1 million representing 19.1% of revenues, an increase of $463.1 million or 46.4%.

[1] See "Non-IFRS Measures" section.

In addition, during the year:

- On August 11, 2021, the Company introduced the Sea-Doo Switch, an all-new pontoon boat powered by the Rotax jet propulsion system and unique, Sea-Doo inspired handlebar steering system.
- On December 8, 2021, the Company acquired its two leased production facilities in Mexico for an amount of U.S. $108 million ($134 million) before fees.
- The Company repurchased for cancellation approximately 6.7 million of shares for a total consideration of $682.7 million through the completion of its normal course issuer bid program ("NCIB") and Substantial issuer bid offer ("SIB").
- The Company started production at its third facility located in Juarez, Mexico, thereby increasing its SSV production capacity.

Recent events

Revolving Credit Facilities

On February 16, 2022, the Company amended its $800.0 million Revolving Credit Facilities to increase total availability to $1,100.0 million and replace LIBOR references by Secured Overnight Financing Rate (' 'SOFR' ') references. The pricing grid and other conditions remain unchanged.

Substantial Issuer Bid

On March 24, 2022, the Company' s Board of Directors authorized a substantial issuer bid to repurchase its shares for cancellation for a maximum amount of $250.0 million. The Company expects to launch and complete the Offer during the first quarter of the fiscal year ending January 31, 2023.

Business in Russia

In light of the heightened trade complexities caused by the multiple international economic sanctions imposed on Russia following the military conflict in Ukraine, the Company is pausing its exports to Russia until further notice. For the year ended January 31, 2022, the revenues from Russia represented less than 5% of the Company' s total revenue. The Company will continue to closely monitor the situation and may decide to adjust its approach based on future developments.

Revenues and Sales Program Costs

The Company's revenues are primarily derived from the wholesale activities to dealers and distributors of the Company's manufactured vehicles, including Year-Round Products, Seasonal Products, Powersports PA&A and OEM Engines as well as Marine products. Revenue recognition normally occurs when products are shipped to dealers or distributors from the Company's facilities.

In order to support the wholesale activities of the Company and the retail activities of dealers and distributors, the Company may provide support in the form of various sales programs consisting of cash and non-cash incentives. The cash incentives consist mainly of rebates given to dealers, distributors and consumers, volume discounts to dealers and distributors, free or extended coverage period under dealer and distributor inventory financing programs, and retail financing programs. The cost of these cash incentives is recorded as a reduction of revenues. The non-cash incentives mainly consist of extended warranty coverage or free PA&A. When an extended warranty coverage is given with the purchase of a product, a portion of the revenue recognized upon the sale of that product is deferred and recognized during the extended warranty coverage period. The cost of the free PA&A is recorded in cost of sales.

The support provided to dealers, distributors and consumers tends to increase when general economic conditions are difficult, when changing market conditions require the launch of new or more competitive programs, or when dealer and distributor inventory is above appropriate levels.

Under dealer and distributor inventory financing arrangements, the Company could be required to purchase repossessed new and unused products in certain cases of default by dealers or distributors. The cost of repossession tends to increase when dealers or distributors are facing challenging and prolonged difficult retail conditions and when their non-current inventory level is high. During the current fiscal year and previous fiscal year, the Company did not experience significant repossessions under its dealer and distributor inventory financing arrangements. Refer to the "Off-Balance Sheet Arrangements" section of this MD&A for more information on dealer and distributor inventory financing arrangements.

Commodity Costs

Approximately 75% of the Company's cost of sales consists of material used in the manufacturing process. Therefore, the Company is exposed to the fluctuation of prices of certain raw materials such as aluminum, steel, plastic, resins, stainless steel, copper, rubber and certain rare earth metals. Additionally, the Company is exposed to fuel price fluctuations related to its procurement and distribution activities. The Company does not hedge its long-term exposure to such price fluctuations. Therefore, an increase in commodity prices could negatively impact the Company's operating results if it is not able to transfer these cost increases to dealers, distributors or consumers.

Warranty Costs

The Company's regular warranty generally covers periods ranging from six months to five years for most products. In certain circumstances, the Company provides extended warranty coverage as a result of sales programs, under certain commercial accounts, or as required by local regulations. During the warranty period, the Company reimburses dealers and distributors the entire cost of repair or replacement performed on the products (mainly composed of parts or accessories provided by the Company and labour costs incurred by dealers or distributors). In addition, the Company sells in the normal course of business and provides under certain sales programs extended product warranties.

During its product development process, the Company ensures that high quality standards are maintained at each development stage of a new product. This includes the development of detailed product specifications, the evaluation of the quality of the supply chain and the manufacturing methods and detailed testing requirements over the development stage of the products. Additionally, product quality is ensured by quality inspections during and after the manufacturing process.

The Company records a regular warranty provision when products are sold. Management believes that, based on available information, the Company has adequate provisions to cover any future warranty claims on products sold. However, future claim amounts can differ significantly from provisions that are recorded in the consolidated statements of financial position. For extended warranty, the claims are recorded in cost of sales as incurred.

Foreign Exchange

The Company's revenues are reported in Canadian dollars but are mostly generated in U.S. dollars, Canadian dollars and euros. The Company's revenues reported in Canadian dollars are to a lesser extent exposed to foreign exchange fluctuations with the Australian dollar, the Brazilian real, the Swedish krona, the Norwegian krone, the British pound, the New Zealand dollar, Mexican pesos and the Russian ruble. The costs incurred by the Company are mainly denominated in Canadian dollars, U.S. dollars and euros and to a lesser extent in Mexican pesos. Therefore, recorded revenues, gross profit and operating income in Canadian dollars are exposed to foreign exchange fluctuations. The Company's facilities are located in different countries, which helps mitigate some of its foreign currency exposure.

As of January 31, 2022, the Company had an outstanding balance of U.S. $1,492.4 million ($1,894.7 million) under its U.S. $1,535.0 million ($1,948.8 million) term facility agreement (the "Term Facility"), which results in a gain or loss in net income when the U.S. dollar/Canadian dollar exchange rate at the end of the period varies from the opening period rate. Additionally, the Company's interest expense on the Term Facility is exposed to U.S. dollar/Canadian dollar exchange rate fluctuations. The Company does not currently hedge the U.S. dollar/Canadian dollar exchange rate fluctuation exposures related to its Term Facility, and therefore, an increase in the value of the U.S. dollar against the Canadian dollar could negatively impact the Company's net income.

For further detail relating to the Company's exposure to foreign currency fluctuations, see "Financial Instruments – Foreign Exchange Risk" section of this MD&A.

Net Financing Costs (Financing Costs less Financing Income)

Net financing costs are incurred principally on long-term debt, defined benefit pension plan liabilities and revolving credit facilities. As at January 31, 2022, the Company's long-term debt of $2,040.5 million was mainly comprised of the Term Facility, which bear interest at LIBOR plus 2.00%. The Company entered into interest rate cap contracts, which limit its exposure to interest rate increase.

Income Taxes

The Company is subject to federal, state and provincial income taxes in jurisdictions in which it conducts business. The Canadian income tax statutory rate was 26.5% for the three- and twelve-month periods ended January 31, 2022. However, the Company's effective consolidated tax rate is influenced by various factors, including the mix of accounting profits or losses before income tax among tax jurisdictions in which it operates and the foreign exchange gain or loss on the Term Facility. The Company expects to pay cash taxes in all tax jurisdictions for the fiscal year ending January 31, 2023, except in the United States where the Company plans to utilize its tax attributes to offset taxable income or income tax payable.

Seasonality

The Company's revenues and operating income experience substantial fluctuations from quarter to quarter. In general, wholesale sales of the Company's products are highest in the period immediately preceding their respective season and during the said season of use. However, the mix of product sales may vary considerably, from time to time, as a result of changes in seasonal and geographic demand, the introduction of new products and models, and production scheduling for particular types of products. As a result, the Company's financial results are likely to fluctuate significantly from period to period.

Selected Consolidated Financial Information

The selected consolidated financial information set out below for the twelve-month period ended January 31, 2022, and January 31, 2021, has been determined based on the audited consolidated financial statements and related notes issued on March 24, 2022. The selected consolidated financial information set out below for the twelve-month period ended January 31, 2020, has been determined based on the audited consolidated financial statements and related notes issued on March 24, 2021. The selected quarterly consolidated financial information set out below has been determined based on the annual audited consolidated financial statements and related notes issued on March 24, 2022 and from the third-quarter unaudited consolidated financial statements and related notes issued on November 30, 2021. All of these documents are available on SEDAR at www.sedar.com.

Net Income data

	Three-month periods ended		Twelve-month periods ended		
(in millions of Canadian dollars)	**January 31, 2022**	**January 31, 2021**	**January 31, 2022**	**January 31, 2021**	**January 31, 2020**
Revenues by category					
Powersports					
Year-Round Products	**$853.1**	$759.7	**$3,467.5**	$2,824.2	$2,791.7
Seasonal Products	**1,048.9**	671.4	**2,524.1**	1,825.0	1,901.4
Powersports PA&A and OEM Engines	**310.6**	256.8	**1,143.5**	882.8	799.8
Marine	**134.9**	127.2	**512.8**	420.9	559.8
Total Revenues	**2,347.5**	1,815.1	**7,647.9**	5,952.9	6,052.7
Cost of sales	**1,738.0**	1,313.2	**5,515.7**	4,480.6	4,598.7
Gross profit	**609.5**	501.9	**2,132.2**	1,472.3	1,454.0
As a percentage of revenues	***26.0 %***	*27.7 %*	***27.9 %***	*24.7 %*	*24.0 %*
Operating expenses					
Selling and marketing	**100.6**	102.2	**393.9**	332.5	382.5
Research and development	**85.1**	78.9	**289.8**	242.3	238.4
General and administrative	**83.6**	71.2	**271.0**	230.5	256.9
Other operating(income) expenses	**(6.4)**	0.5	**(9.5)**	24.3	(28.1)
Impairment charge	**–**	–	**–**	177.1	–
Total operating expenses	**262.9**	252.8	**945.2**	1,006.7	849.7
Operating income	**346.6**	249.1	**1,187.0**	465.6	604.3
Net financing costs	**13.7**	23.5	**125.1**	100.2	88.7
Foreign exchange loss (gain) on long-term debt	**44.1**	(99.3)	**(14.8)**	(118.9)	9.9
Income before income taxes	**288.8**	324.9	**1,076.7**	484.3	505.7
Income tax expense	**79.2**	60.7	**282.1**	121.4	135.1
Net income	**$209.6**	$264.2	**$794.6**	$362.9	$370.6
Attributable to shareholders	**$209.4**	$264.3	**$793.9**	$363.4	$371.4
Attributable to non-controlling interest	**$0.2**	$(0.1)	**$0.7**	$(0.5)	$(0.8)
Normalized EBITDA [1]	**$416.4**	$313.1	**$1,462.1**	$999.0	$804.4
Normalized net income [1]	**$251.3**	$162.8	**$846.5**	$477.0	$358.4

[1] See "Non-IFRS Measures" section.

Financial Position data

As at (in millions of Canadian dollars)	January 31, 2022	January 31, 2021	January 31, 2020
Cash and cash equivalents	**$265.8**	$1,325.7	$42.5
Working capital	**48.7**	669.8	(211.9)
Property, plant and equipment	**1,441.9**	1,064.3	1,027.4
Total assets	**5,030.9**	4,885.9	3,767.1
Total non-current financial liabilities	**2,088.9**	2,625.1	1,883.8
Total liabilities	**5,163.7**	5,360.8	4,356.8
Shareholders deficit	**(132.8)**	(474.9)	(589.7)

Other Financial data

	Three-month periods ended		Twelve-month periods ended		
(in millions of Canadian dollars, except per share data)	January 31, 2022	January 31, 2021	January 31, 2022	January 31, 2021	January 31, 2020
Revenues by geography					
United States	**$1,203.3**	$944.6	**$4,185.2**	$3,306.5	$3,321.2
Canada	**456.4**	296.9	**1,321.2**	923.4	951.8
International [1]	**687.8**	573.6	**2,141.5**	1,723.0	1,779.7
	$2,347.5	$1,815.1	**$7,647.9**	$5,952.9	$6,052.7
Declared dividends per share	**$0.13**	$0.11	**$0.52**	$0.11	$0.40
Weighted average number of shares - basic	**81,965,577**	87,440,713	**82,973,284**	87,519,856	92,760,943
Weighted average number of shares - diluted	**83,691,775**	89,508,263	**85,259,520**	88,604,984	93,813,815
Earnings per share - basic	**$2.55**	$3.02	**$9.57**	$4.15	$4.00
Earnings per share - diluted	**2.50**	2.95	**9.31**	4.10	3.96
Normalized earnings per share - basic [2]	**3.06**	1.86	**10.19**	5.46	3.87
Normalized earnings per share - diluted [2]	**3.00**	1.82	**9.92**	5.39	3.83

[1] International is defined as all jurisdictions except the United States and Canada.

[2] See "Non-IFRS Measures" section.

Reconciliation Tables

The following table presents the reconciliation of Net income to Normalized net income [1] and Normalized EBITDA [1].

(in millions of Canadian dollars)	Three-month periods ended January 31, 2022	Three-month periods ended January 31, 2021	Twelve-month periods ended January 31, 2022	Twelve-month periods ended January 31, 2021	Twelve-month periods ended January 31, 2020
Net income	**$209.6**	$264.2	**$794.6**	$362.9	$370.6
Normalized elements					
Foreign exchange (gain) loss on long-term debt and lease liabilities	**48.4**	(103.0)	**(13.3)**	(121.8)	10.4
Transaction costs on long-term debt [2]	–	–	**44.3**	12.7	–
Transaction costs and other related expenses [3]	–	0.2	**5.8**	1.5	2.9
(Gain) loss on NCIB	–	–	**21.3**	(12.2)	–
Evinrude outboard engine wind-down [4]	**(1.3)**	2.0	**0.4**	96.1	–
Depreciation of intangible assets related to business combinations	**1.0**	1.1	**4.1**	4.4	3.6
Restructuring and related costs [5]	–	–	**(0.1)**	7.5	1.7
Gain on lease termination [6]	**(8.7)**	–	**(8.7)**	–	–
Gain on disposal of property, plant and equipment	–	–	–	(12.7)	–
Gain on litigation	–	–	–	(4.0)	(40.0)
COVID-19 pandemic impact [7]	–	(1.7)	–	10.6	–
Impairment charge [8]	–	–	–	177.1	–
Other elements	**1.1**	–	**3.9**	0.6	0.9
Income tax adjustment[9]	**1.2**	–	**(5.8)**	(45.7)	8.3
Normalized net income [1]	**251.3**	162.8	**846.5**	477.0	358.4
Normalized income tax expense [1]	**77.9**	60.7	**287.9**	167.1	126.8
Financing costs adjusted [1] [10]	**14.0**	26.2	**63.4**	107.3	90.9
Financing income adjusted [1] [10]	**(0.3)**	(2.7)	**(3.8)**	(7.6)	(2.2)
Depreciation expense adjusted [1] [11]	**73.5**	66.1	**268.1**	255.2	230.5
Normalized EBITDA [1]	**$416.4**	$313.1	**$1,462.1**	$999.0	$804.4

[1] See "Non-IFRS Measures" section.

[2] During Fiscal 2022, the Company incurred a prepayment premium of $15.1 million and derecognized unamortized transaction costs of $29.2 million related to the full repayment of its outstanding U.S. $597.0 million Term Loan B-2.

[3] Costs related to business combinations.

[4] The Company incurred costs related to the wind-down of the outboard engine production such as, but not limited to, idle costs and other exit costs.

[5] The Company is involved, from time to time, in restructuring and reorganization activities in order to gain flexibility and improve efficiency. The costs related to these activities are mainly composed of severance costs and retention salaries.

[6] During Fiscal 2022, the Company acquired its two leased facilities in Mexico. The derecognition of related right-of-use assets and corresponding lease liabilities generated a $8.7 million gain on lease termination.

[7] Incremental costs associated with the COVID-19 pandemic such as, but not limited to, labour cost related to furloughs.

[8] During the twelve-month period ended January 31, 2021, the Company recorded an impairment charge of $177.1 million related to its Marine segment.

[9] Income tax adjustment is related to income tax on Normalized elements subject to tax and for which income tax has been recognized, offset by unrecognized tax benefits related to Evinrude outboard engine wind-down

[10] Adjusted for transaction costs on long-term debt and normal course issuer bid program ("NCIB") gains and losses in net income.

[11] Adjusted for depreciation of intangible assets acquired through business combinations.

The following table presents the reconciliation of Revenues to Normalized revenues [1] and Gross profit to Normalized gross profit [1].

	Three-month periods ended		Twelve-month periods ended		
(in millions of Canadian dollars)	**January 31, 2022**	**January 31, 2021**	**January 31, 2022**	**January 31, 2021**	**January 31, 2020**
Revenues	**$2,347.5**	$1,815.1	**$7,647.9**	$5,952.9	$6,052.7
Evinrude outboard engine wind-down [2]	**(1.8)**	(9.6)	**(7.5)**	31.9	–
Normalized revenues [1]	**$2,345.7**	$1,805.5	**$7,640.4**	$5,984.8	$6,052.7
Gross profit	**$609.5**	$501.9	**$2,132.2**	$1,472.3	$1,454.0
As a percentage of revenues	***26.0 %***	*27.7 %*	***27.9 %***	*24.7 %*	*24.0 %*
Evinrude outboard engine wind-down [2]	**0.5**	2.1	**7.9**	66.3	–
COVID-19 pandemic impact [3]	–	(1.7)	–	10.6	–
Normalized gross profit [1]	**$610.0**	$502.3	**$2,140.1**	$1,549.2	**$1,454.0**
As a percentage of Normalized revenues	***26.0 %***	*27.8 %*	***28.0 %***	*25.9 %*	*24.0 %*

[1] See "Non-IFRS Measures" section.

[2] The Company incurred costs related to the wind-down of the outboard engine production such as, but not limited to, idle costs and other exit costs.

[3] Incremental costs associated with the COVID-19 pandemic such as, but not limited to, labour cost related to furloughs.

Results of operations

Analysis of Results for the fourth quarter of Fiscal 2022

The following section provides an overview of the financial performance of the Company for the three-month period ended January 31, 2022 compared to the same period ended January 31, 2021.

In March 2020, the World Health Organization declared coronavirus ("COVID-19") a global pandemic. This outbreak resulted in governments worldwide enacting emergency measures to combat the spread of the virus. In April and May 2020, most of the Company's manufacturing operations were suspended following government measures adopted in response to COVID-19. These temporary suspensions limited the Company's ability to manufacture and wholesale units during the first half of Fiscal 2021 ("COVID-19 impact"). However, beginning in the second quarter of Fiscal 2021, retail demand started to recover and remained strong throughout Fiscal 2022 as the Company's products provide an attractive outdoor and social-distancing solution for new entrants and existing powersports consumers.

In the fourth quarter of Fiscal 2022, the Company experienced a continuing level of supply chain related disruptions and inefficiencies in an increasingly inflationary environment when compared to the first nine months of Fiscal 2022 and the fourth quarter of Fiscal 2021. As a result, it limited the Company's ability to satisfy consumer demand and replenish dealer inventories and in turn further limited product availability in the network. Such supply chain related disruptions, which are expected to last through 2023, also resulted in an increased level of substantially completed units awaiting missing components throughout the second half of Fiscal 2022. Despite these challenges, the Company optimized the shipment of missing components through its dealer network resulting in a high conversion rate of substantially completed units available for retail, revised its production planning to favor the manufacturing of products less affected by supply chain related disruptions, took strategic pricing initiatives and thereby achieved record high revenues during the fourth quarter of Fiscal 2022.

Revenues

Revenues increased by $532.4 million, or 29.3%, to $2,347.5 million for the three-month period ended January 31, 2022, compared to the $1,815.1 million for the corresponding period ended January 31, 2021. The revenue increase was primarily due to a higher wholesale volume across all product lines due to strong retail demand and favourable pricing mostly due to supply chain related surcharges. The increase was partially offset by an unfavourable product mix in Year-Round Products. The increase includes an unfavourable foreign exchange rate variation of $42 million.

The Company's North American retail sales for Powersports vehicles decreased by 7% for the three-month period ended January 31, 2022 compared to the three-month period ended January 31, 2021. The decrease was mainly driven by limited product availability. The Company's North American boat retail sales decreased by 20% compared to the three-month period ended January 31, 2021 also as a result of lower product availability.

As at January 31, 2022, North American dealer inventories for Powersports vehicles increased by 21% compared to January 31, 2021. Despite supply chain constraints, the Company was able to ship more units in the back end of the fourth quarter to its dealer network, mostly Off-Road vehicles, snowmobiles and PWCs.

North American dealer inventories for Powersports vehicles as at January 31, 2022 were down 60% compared to January 31, 2020, which further highlights the low level of inventory in the Company's dealer network despite the slight increase observed when comparing Fiscal 2022 and Fiscal 2021 levels.

Gross Profit

Gross profit increased by $107.6 million, or 21.4%, to $609.5 million for the three-month period ended January 31, 2022, compared to the $501.9 million for the corresponding period ended January 31, 2021. The increase was primarily due to favourable volume and pricing. Gross profit margin percentage decreased by 170 basis points to 26.0% from 27.7% for the three-month period ended January 31, 2021. The decrease was attributable to higher logistics, commodities and labour costs due to inefficiencies related to supply chain disruptions, partially offset by higher volume.

Operating Expenses

Operating expenses increased by $10.1 million, or 4.0%, to $262.9 million for the three-month period ended January 31, 2022, compared to the $252.8 million for the three-month period ended January 31, 2021. This increase was mainly attributable to lower expenses in Fiscal 2021 following cost reduction initiatives to mitigate the impact of COVID-19.

Normalized EBITDA [1]

Normalized EBITDA [1] increased by $103.3 million, or 33.0%, to $416.4 million for the three-month period ended January 31, 2022, compared to the $313.1 million for the three-month period ended January 31, 2021. The increase was primarily due to higher gross profit, partially offset by higher operating expenses.

[1] See "Non-IFRS Measures" section.

Net Financing Costs

Net financing costs decreased by $9.8 million, or 41.7%, to $13.7 million for the three-month period ended January 31, 2022, compared to the $23.5 million for the three-month period ended January 31, 2021. The decrease primarily resulted from lower interest expense on the Term Facility due to a lower outstanding nominal amount and a lower average interest rate on the Term Facility.

Foreign Exchange

The key average exchange rates used to translate foreign-denominated revenues and expenses, excluding any effect of the Company' s hedging program, were as follows for the three-month periods ended January 31, 2022 and 2021:

	January 31, 2022		January 31, 2021	
U.S. dollars	1.2659	CA$/ US$	1.2866	CA$/ US$
Euro	1.4360	CA$/	1.5509	CA$/

When comparing the operating income and the income before income tax for the three-month period ended January 31, 2022 to the corresponding period ended January 31, 2021, the foreign exchange fluctuations impact was as follows:

	Foreign exchange (gain) loss	
(in millions of Canadian dollars)	**Three-month period**	
Revenues	$42.4	
Cost of sales	(42.7	)
Impact of foreign exchange fluctuations on gross profit	**(0.3**	**)**
Operating expenses	2.4	
Impact of foreign exchange fluctuations on operating income	**2.1**	
Long-term debt	143.4	
Net financing costs	(0.2	)
Impact of foreign exchange fluctuations on income before income taxes	**$145.3**	

Income Taxes

Income tax expense increased by $18.5 million to $79.2 million for the three-month period ended January 31, 2022, compared to the $60.7 million for the three-month period ended January 31, 2021. The increase was primarily due to higher operating income. The effective income tax rate amounted to 27.4% for the three-month period ended January 31, 2022 compared to the 18.7% for the three-month period ended January 31, 2021. The increase resulted primarily from the tax and accounting treatment of the foreign exchange (gain) loss on the Term Facility.

Net Income

Net income decreased by $54.6 million to $209.6 million for the three-month period ended January 31, 2022, compared to the $264.2 million for the three-month period ended January 31, 2021. The decrease was primarily due to an unfavourable foreign exchange rate variation impact on the U.S. denominated long-term debt, partially offset by higher operating income.

Analysis of Segment Results for the fourth quarter of Fiscal 2022

The following section provides an overview of the financial performance of the Company' s segments for the three-month period ended January 31, 2022 compared to the same period ended January 31, 2021. The inter-segment transactions are included in the analysis.

Powersports

Revenues

Year-Round Products

Revenues from Year-Round Products increased by $93.4 million, or 12.3%, to $853.1 million for the three-month period ended January 31, 2022, compared to the $759.7 million for the corresponding period ended January 31, 2021. The increase was primarily attributable to a higher volume of ATV and SSV sold and favourable pricing on all products. The increase was partially offset by an unfavourable product mix of SSV. The increase includes an unfavourable foreign exchange rate variation of $8 million.

North American Year-Round Products retail sales decreased on a percentage basis in the high-twenties range compared to the three-month period ended January 31, 2021.

Seasonal Products

Revenues from Seasonal Products increased by $377.5 million, or 56.2%, to $1,048.9 million for the three-month period ended January 31, 2022, compared to the $671.4 million for the corresponding period ended January 31, 2021. The increase was primarily attributable to a higher volume of snowmobiles and PWC, combined with a favourable mix of snowmobiles sold and with a favourable pricing of PWC. The increase was partially offset by an unfavourable foreign exchange rate variation of $25 million.

North American Seasonal Products retail sales increased on a percentage basis in the high single-digits compared to the three-month period ended January 31, 2021.

Powersports PA&A and OEM Engines

Revenues from Powersports PA&A and OEM Engines increased by $53.6 million, or 20.8%, to $310.7 million for the three-month period ended January 31, 2022, compared to the $257.1 million for the corresponding period ended January 31, 2021. The increase was mainly attributable to a higher volume of PA&A coming from strong unit retail sales and higher replacement parts revenue driven by an increased usage of products by consumers combined with a favourable pricing. The increase was partially offset by an unfavourable foreign exchange rate variation of $7 million.

Gross Profit

Gross profit increased by $97.4 million, or 19.9%, to $586.9 million for the three-month period ended January 31, 2022, compared to $489.5 million for the corresponding period ended January 31, 2021. The increase was primarily due to favourable volume and pricing. Gross profit margin percentage decreased by 250 basis points to 26.5% in comparison to 29.0% for the three-month period ended January 31, 2021. The decrease was due to higher logistics, commodities and labour costs caused by inefficiencies relating to supply chain disruptions, partially offset by higher volume.

Marine

Revenues

Revenues from the Marine segment increased by $9.8 million, or 7.6%, to $139.0 million for the three-month period ended January 31, 2022, compared to $129.2 million for the corresponding period ended January 31, 2021. The increase was primarily due to a favourable mix of boats sold, partially offset by an unfavourable foreign exchange rate variation of $2 million.

Gross Profit

Gross profit increased by $10.1 million, or 80.8%, to $22.6 million for the three-month period ended January 31, 2022, compared to $12.5 million for the corresponding period ended January 31, 2021. Gross profit margin percentage increased to 16.3% from 9.7% for the three-month period ended January 31, 2021. The increase in profit margin percentage was primarily due to a favourable product mix and pricing and a higher volume of boats sold.

Geographical Trends

Revenues

United States

Revenues from the United States increased by $258.7 million, or 27.4%, to $1,203.3 million for the three-month period ended January 31, 2022, compared to $944.6 million for the corresponding period ended January 31, 2021. The increase is mainly attributable to higher wholesale volume and pricing of Powersports products, partially offset by unfavourable product mix of SSV sold. The increase includes an unfavourable foreign exchange impact of $7 million. The United States represented 51.3% and 52.0% of revenues during the three-month periods ended January 31, 2022 and 2021, respectively.

Canada

Revenues from Canada increased by $159.5 million, or 53.7%, to $456.4 million for the three-month period ended January 31, 2022, compared to $296.9 million for the corresponding period ended January 31, 2021. The increase was mainly attributable to higher wholesale volume and favourable mix of Powersports products due to a strong retail environment. Canada represented 19.4% and 16.4% of revenues during the three-month periods ended January 31, 2022 and 2021, respectively.

International

Revenues from International increased by $114.2 million, or 19.9%, to $687.8 million for the three-month period ended January 31, 2022, compared to $573.6 million for the corresponding period ended January 31, 2021. The increase is mainly attributable to higher wholesale volume, favourable mix and pricing of Powersports products due to a strong retail environment. The increase was partially offset by an unfavourable foreign exchange impact of $35 million. International represented 29.3% and 31.6% of revenues during the three-month periods ended January 31, 2022 and 2021, respectively.

Analysis of Results for the twelve-month period ended January 31, 2022

The following section provides an overview of the Company's financial performance for the twelve-month period ended January 31, 2022 compared to the same period ended January 31, 2021. The inter-segment transactions are included in the analysis.

Revenues

Revenues increased by $1,695.0 million, or 28.5%, to $7,647.9 million for the twelve-month period ended January 31, 2022, compared to $5,952.9 million for the corresponding period ended January 31, 2021. The revenue increase was primarily due to a higher wholesale across all product lines due to COVID-19 impact last year, lower sales programs due to a strong retail environment and favourable pricing combined with favourable product mix of PWC, ATV and SSV. The increase was partially offset by an unfavourable foreign exchange rate variation of $287 million.

The Company's North American retail sales for Powersports vehicles decreased by 6% for the twelve-month period ended January 31, 2022 compared to the twelve-month period ended January 31, 2021, mainly due to limited product availability. North American boat retail sales decreased by 3% compared to the twelve-month period ended January 31, 2021 also as a result of lower product availability.

Gross Profit

Gross profit increased by $659.9 million, or 44.8%, to $2,132.2 million for the twelve-month period ended January 31, 2022, compared with $1,472.3 million for the corresponding period ended January 31, 2021. The gross profit increase includes an unfavourable foreign exchange rate variation of $99 million. Gross profit margin percentage increased to 27.9% from 24.7% for the twelve-month period ended January 31, 2021. The increase was the result of a higher volume of products sold, pricing and a favourable product mix combined with lower sales programs driven by the strong retail environment and limited product availability. The increase was partially offset by higher logistics, commodities and labour costs due to inefficiencies relating to supply chain disruptions and by an unfavourable foreign exchange rate variation.

Operating Expenses

Operating expenses decreased by $61.5 million, or 6.1%, to $945.2 million for the twelve-month period ended January 31, 2022, compared to $1,006.7 million for the twelve-month period ended January 31, 2021. The decrease was mainly attributable to the $177.1 million impairment charge recorded in Fiscal 2021 for the Marine segment, partially offset by lower expenses in Fiscal 2021 following cost reduction initiatives to mitigate the impact of COVID-19, as well as a favourable foreign exchange rate variation of $28 million.

Normalized EBITDA [1]

Normalized EBITDA [1] increased by $463.1 million, or 46.4%, to $1,462.1 million for the twelve-month period ended January 31, 2022, compared to $999.0 million for the twelve-month period ended January 31, 2021. The increase was primarily due to higher gross profit, partially offset by higher operating expenses, when excluding the impairment charge relating to the Marine segment recorded in Fiscal 2021.

Net Financing Costs

Net financing costs increased by $24.9 million, or 24.9%, to $125.1 million for the twelve-month period ended January 31, 2022, compared to $100.2 million for the twelve-month period ended January 31, 2021. The increase is primarily attributable to the transaction costs incurred on the Term Facility following the amendment completed during the first quarter of Fiscal 2022, as well as the $21.3 million loss on the NCIB in Fiscal 2022 compared to the $12.2 million gain in Fiscal 2021. The gains and losses on the NCIB represent the difference between the share price used to establish the financial liability and the amount actually paid to repurchase shares during the regulatory restrictions or self-imposed blackout periods. The increase was partly offset by a lower interest expense on the Term Facility due to a lower outstanding nominal amount, and lower average interest rate on the Term Facility.

Foreign Exchange

The key average exchange rates used to translate foreign-denominated revenues and expenses, excluding any effect of the Company' s hedging program, were as follows for the twelve-month periods ended January 31, 2022 and 2021:

	January 31, 2022		January 31, 2021	
U.S. dollars	1.2525	CA$/ US$	1.3384	CA$/ US$
Euro	1.4731	CA$/	1.5374	CA$/

The key period-end exchange rates used to translate foreign-denominated assets and liabilities were as follows:

	January 31, 2022		January 31, 2021	
U.S. dollars	1.2496	CA$/ US$	1.2777	CA$/ US$
Euro	1.4234	CA$/	1.5506	CA$/

When comparing the operating income and the income before income tax for the twelve-month period ended January 31, 2022 to the corresponding period ended January 31, 2021, the foreign exchange fluctuations impact was the following:

	Foreign exchange (gain) loss	
(in millions of Canadian dollars)	**Twelve-month period**	
Revenues	$287.0	
Cost of sales	(188.3	)
Impact of foreign exchange fluctuations on gross profit	**98.7**	
Operating expenses	(27.8	)
Impact of foreign exchange fluctuations on operating income	**70.9**	
Long-term debt	104.1	
Net financing costs	(2.9	)
Impact of foreign exchange fluctuations on income before income taxes	**$172.1**	

[1] See "Non-IFRS Measures" section.

Income Taxes

Income tax expense increased by $160.7 million to $282.1 million for the twelve-month period ended January 31, 2022, compared to $121.4 million for the twelve-month period ended January 31, 2021. The increase was primarily due to a higher operating income combined with the impairment charge recorded during the three-month period ended April 30, 2020. The effective income tax rate amounted to 26.2% for the twelve-month period ended January 31, 2022 compared to the 25.1% for the twelve-month period ended January 31, 2021. The increase resulted primarily from the tax and accounting treatment of the foreign exchange (gain) loss on the Term Facility and on the NCIB (gain) loss. The increase was partially offset by the tax and accounting treatment of the impairment charge recorded during the three-month period ended April 30, 2020.

Net Income

Net income increased by $431.7 million to $794.6 million for the twelve-month period ended January 31, 2022, compared to $362.9 million for the twelve-month period ended January 31, 2021. The increase was primarily due to higher operating income, partially offset by a higher income tax expense, higher net financing costs and the lower foreign exchange rate variation impact on the U.S. denominated long-term debt.

Analysis of Segment Results for the twelve-month period ended January 31, 2022

The following section provides an overview of the financial performance of the Company' s segments for the twelve-month period ended January 31, 2022 compared to the same period ended January 31, 2021. The inter-segment transactions are included in the analysis.

Powersports

Revenues

Year-Round Products

Revenues from Year-Round Products increased by $643.3 million, or 22.8%, to $3,467.5 million for the twelve-month period ended January 31, 2022, compared to $2,824.2 million for the corresponding period ended January 31, 2021. The increase was primarily attributable to a higher volume of products sold due to COVID-19 impact last year, lower sales programs and favourable pricing due to a strong retail environment combined with a favourable product mix of SSV and ATV sold. The increase was partially offset by an unfavourable foreign exchange rate variation of $144 million.

North American Year-Round Products retail sales decreased on a percentage basis in the mid-teens range compared to the twelve-month period ended January 31, 2021.

Seasonal Products

Revenues from Seasonal Products increased by $699.1 million, or 38.3%, to $2,524.1 million for the twelve-month period ended January 31, 2022, compared to $1,825.0 million for the corresponding period ended January 31, 2021. The increase resulted primarily from a higher wholesale volume due to COVID-19 impact last year, lower sales programs and favourable pricing due to a strong retail environment combined with a favourable product mix. The increase was partially offset by an unfavourable foreign exchange rate variation of $81 million.

North American Seasonal Products retail sales increased on a percentage basis by low single-digits compared to the twelve-month period ended January 31, 2021.

Powersports PA&A and OEM Engines

Revenues from Powersports PA&A and OEM Engines increased by $260.4 million, or 29.5%, to $1,144.0 million for the twelve-month period ended January 31, 2022, compared to $883.6 million for the corresponding period ended January 31, 2021. The increase was mainly attributable to a higher volume of PA&A, favourable pricing and lower sales programs due to the strong retail environment, increased usage of vehicles by consumers and the COVID-19 impact last year. The increase was partially offset by an unfavourable foreign exchange rate variation of $45 million.

Gross Profit

Gross profit increased by $569.3 million, or 38.4%, to $2,053.0 million for the twelve-month period ended January 31, 2022, compared to $1,483.7 million for the corresponding period ended January 31, 2021. The gross profit increase includes an unfavourable foreign exchange rate variation of $97 million. Gross profit margin percentage increased to 28.8% in comparison to 26.8% for the twelve-month period ended January 31, 2021. The increase was the result of a higher volume of products sold, favourable pricing and a favourable product mix combined to lower sales programs driven by the strong retail environment and the limited availability of products in the network. The increase was partially offset by higher logistics, commodities and labour costs due to inefficiencies relating to supply chain disruptions and an unfavourable foreign exchange rate variation of $97 million.

Marine

Revenues

Revenues from the Marine segment increased by $100.8 million, or 23.4%, to $531.5 million for the twelve-month period ended January 31, 2022, compared to $430.7 million for the corresponding period ended January 31, 2021. The increase was mainly due to higher volume and favourable product mix of boats sold as well as lower sales programs, partially offset by a lower volume of outboard engines sold following the wind-down of the *Evinrude* production and an unfavourable foreign exchange rate variation of $17 million.

Gross Profit (Loss)

Gross profit increased by $90.6 million, or 794.7%, to $79.2 million for the twelve-month period ended January 31, 2022, compared with a gross loss of $11.4 million for the corresponding period ended January 31, 2021. The increase was primarily due to the wind-down of the Evinrude outboard engines production resulting in non-recurring discounts in Fiscal 2021 and sales programs combined with higher volume of boats sold.

Geographical Trends

Revenues

<u>United States</u>

Revenues from the United States increased by $878.7 million, or 26.6%, to $4,185.2 million for the twelve-month period ended January 31, 2022, compared to $3,306.5 million for the corresponding period ended January 31, 2021. The increase is mainly attributable, in all product lines, to higher wholesale due to COVID-19 impact last year, as well as a favourable mix and lower sales programs due to a strong retail environment. The increase was partially offset by an unfavourable foreign exchange impact of $211 million. The United States represented 54.7% and 55.6% of revenues during the twelve-month periods ended January 31, 2022 and 2021, respectively.

<u>Canada</u>

Revenues from Canada increased by $397.8 million, or 43.1%, to $1,321.2 million for the twelve-month period ended January 31, 2022, compared to $923.4 million for the corresponding period ended January 31, 2021. The increase was mainly attributable to higher wholesale, favourable mix and pricing in all Powersport product lines due to COVID-19 impact last year combined with lower sales programs due to a strong retail environment. Canada represented 17.3% and 15.5% of revenues during the twelve-month periods ended January 31, 2022 and 2021, respectively.

<u>International</u>

Revenues from International increased by $418.5 million, or 24.3%, to $2,141.5 million for the twelve-month period ended January 31, 2022, compared to $1,723.0 million for the corresponding period ended January 31, 2021. The increase primarily resulted from higher wholesale, favourable mix and pricing in all Powersport product lines due to COVID-19 impact last year and lower sales programs due to a strong retail environment. The increase was partially offset by an unfavourable foreign exchange impact of $76 million. International represented 28.0% and 28.9% of revenues during the twelve-month periods ended January 31, 2022 and 2021, respectively.

Assessment of the Company's performance against its Fiscal 2022 guidance

On March 25, 2021, the Company issued its full annual guidance for the year ending January 31, 2022. The guidance was revised quarterly, with the Company's final guidance being issued on December 1, 2021, to adjust the revenues, the normalized EBITDA [1], the normalized earnings per share - diluted [1] and the net income. The following table provides a comparison of the Company's performance reported for the year ended January 31, 2022, against the issued and revised guidance for this year:

	Target for Fiscal 2022 (compared to Fiscal 2021)			
	As issued on March 25, 2021	**As revised on December 1, 2021**	**Results for Fiscal 2022 (compared to Fiscal 2021)**	
Revenues	Increase 25% to 30%	Increase 25% to 30%	Increase of 28%	As expected
Normalized EBITDA [1]	Increase 22% to 30%	Increase 38% to 47%	Increase of 46%	As expected
Normalized effective tax rate [1]	26.0% to 26.5%	26.0% to 26.5%	25.4%	Slightly below
Normalized earnings per share - diluted [1]	$7.25 to $8.00	$9.00 to $9.75	$9.92	Above due to the achievement of the high end of the Normalized EBITDA range and the lower normalized effective tax rate
Net income	$630 million to $695 million	$760 million to $825 million	$795 million	As expected

[1] See "Non-IFRS Measures" section.

Summary of Consolidated Quarterly Results

	Three-month periods ended							
	January 31, 2022	**October 31, 2021**	**July 31, 2021**	**April 30, 2021**	**January 31, 2021**	**October 31, 2020**	**July 31, 2020**	**April 30, 2020**
(millions of Canadian dollars, except per share data)	**Fiscal 2022**	**Fiscal 2022**	**Fiscal 2022**	**Fiscal 2022**	**Fiscal 2021**	**Fiscal 2021**	**Fiscal 2021**	**Fiscal 2021**
Revenues by category								
Powersports								
Year-Round Products	**$853.1**	$736.3	$955.6	$922.5	$759.7	$803.0	$621.2	$640.3
Seasonal Products	**1,048.9**	437.3	574.5	463.4	671.4	508.3	322.7	322.6
Powersports PA&A and OEM Engines	**310.6**	283.7	248.6	300.7	256.8	259.7	209.0	157.3
Marine	**134.9**	130.7	125.1	122.0	127.2	103.7	80.4	109.6
Total Revenues	**2,347.5**	1,588.0	1,903.8	1,808.6	1,815.1	1,674.7	1,233.3	1,229.8
Gross profit	**609.5**	410.6	570.1	542.0	501.9	486.9	248.4	235.1
As a percentage of revenues	**26.0 %**	*25.9 %*	*29.9 %*	*30.0 %*	*27.7 %*	*29.1 %*	*20.1 %*	*19.1 %*
Net income (loss)	**209.6**	127.7	212.9	244.4	264.2	198.7	126.1	(226.1)
Normalized EBITDA [1]	**416.4**	251.7	415.0	379.0	313.1	348.6	214.3	123.0
Normalized net income [1]	**251.3**	123.7	249.5	222.0	162.8	190.6	100.9	22.7
Basic earnings (loss) per share	**2.55**	1.57	2.54	2.87	3.02	2.27	1.45	(2.58)
Diluted earnings (loss) per share	**2.50**	1.53	2.46	2.79	2.95	2.22	1.43	(2.58)
Normalized basic earnings per share [1]	**3.06**	1.52	2.97	2.61	1.86	2.17	1.16	0.26
Normalized diluted earnings per share [1]	**$3.00**	$1.48	$2.89	$2.53	$1.82	$2.13	$1.14	$0.26

[1] See "Non-IFRS Measures" section.

Reconciliation Table for Consolidated Quarterly Results

(millions of Canadian dollars)	January 31, 2022 Fiscal 2022	October 31, 2021 Fiscal 2022	July 31, 2021 Fiscal 2022	April 30, 2021 Fiscal 2022	January 31, 2021 Fiscal 2021	October 31, 2020 Fiscal 2021	July 31, 2020 Fiscal 2021	April 30, 2020 Fiscal 2021
	Three-month periods ended							
Net income (loss)	**$209.6**	$127.7	$212.9	$244.4	$264.2	$198.7	$126.1	$(226.1)
Normalized elements								
Foreign exchange (gain) loss on long-term debt and lease liabilities	**48.4**	(10.4)	27.3	(78.6)	(103.0)	(9.8)	(97.8)	88.8
Transaction costs on long-term debt [1]	–	–	–	44.3	–	–	–	12.7
Transaction costs and other related expenses [2]	–	–	5.6	0.2	0.2	0.4	0.4	0.5
(Gain) loss on NCIB	–	–	–	21.3	–	–	–	(12.2)
Evinrude outboard engine wind-down [3]	**(1.3)**	(0.7)	1.6	0.7	2.0	13.5	80.6	–
Depreciation of intangible assets related to business combinations	**1.0**	1.0	1.0	1.1	1.1	1.2	1.0	1.1
Restructuring and related costs (reversal) [4]	–	–	–	(0.1)	–	–	1.8	5.7
Gain on lease termination [5]	**(8.7)**	–	–	–	–	–	–	–
Gain on disposal of property, plant and equipment	–	–	–	–	–	(12.7)	–	–
Gain on litigation [6]	–	–	–	–	–	(4.0)	–	–
COVID-19 pandemic impact [7]	–	–	–	–	(1.7)	2.7	5.4	4.2
Impairment charge [8]	–	–	–	–	–	–	5.7	171.4
Other elements	**1.1**	0.1	2.9	–	–	0.6	–	–
Income tax adjustment[9]	**1.2**	6.0	(1.8)	(11.3)	–	–	(22.3)	(23.4)
Normalized net income [10]	**251.3**	123.7	249.5	222.0	162.8	190.6	100.9	22.7
Normalized income tax expense [10]	**77.9**	45.9	87.1	77.0	60.7	69.0	22.4	15.0
Financing costs adjusted [10] [11]	**14.0**	16.4	15.8	17.1	26.2	28.0	28.8	24.3
Financing income adjusted [10] [11]	**(0.3)**	(0.7)	(1.6)	(1.2)	(2.7)	(2.0)	(1.1)	(1.8)
Depreciation expense adjusted [10] [12]	**73.5**	66.4	64.2	64.1	66.1	63.0	63.3	62.8
Normalized EBITDA [9]	**$416.4**	$251.7	$415.0	$379.0	$313.1	$348.6	$214.3	$123.0

[1] During Fiscal 2022, the Company incurred a prepayment premium of $15.1 million and derecognized unamortized transaction costs of $29.2 million related to the full repayment of its outstanding U.S. $597.0 million Term Loan B-2.
[2] Costs related to business combinations.
[3] The Company incurred costs related to the wind-down of the outboard engine production such as, but not limited to, idle costs and other exit costs.
[4] The Company is involved, from time to time, in restructuring and reorganization activities in order to gain flexibility and improve efficiency. The costs related to these activities are mainly composed of severance costs and retention salaries.
[5] During Fiscal 2022, the Company acquired its two leased facilities in Mexico. The derecognition of related right-of-use assets and corresponding lease liabilities generated a $8.7 million gain on lease termination.
[6] The Company was involved in patent infringement litigation cases with one of its competitors.
[7] Incremental costs associated with the COVID-19 pandemic such as, but not limited to, labour cost related to furloughs.
[8] During Fiscal 2021, the Company recorded an impairment charge of $177.1 million related to its Marine segment.
[9] Income tax adjustment is related to income tax on Normalized elements subject to tax and for which income tax has been recognized, offset by unrecognized tax benefits related to Evinrude outboard engine wind-down
[10]See "Non-IFRS Measures" section.
[11]Adjusted for transaction costs on long-term debt and NCIB gains and losses in net income.
[12]Adjusted for depreciation of intangible assets acquired through business combinations.

	Three-month periods ended							
	January 31, 2022	**October 31, 2021**	**July 31, 2021**	**April 30, 2021**	**January 31, 2021**	**October 31, 2020**	**July 31, 2020**	**April 30, 2020**
(millions of Canadian dollars)	**Fiscal 2022**	**Fiscal 2022**	**Fiscal 2022**	**Fiscal 2022**	**Fiscal 2021**	**Fiscal 2021**	**Fiscal 2021**	**Fiscal 2021**
Revenues	**$2,347.5**	$1,588.0	$1,903.8	$1,808.6	$1,815.1	$1,674.7	$1,233.3	$1,229.8
Evinrude outboard engine wind-down [2]	**(1.8)**	(5.6)	–	–	(9.6)	2.0	39.5	–
Normalized revenues [1]	**$2,345.7**	$1,582.4	$1,903.8	$1,808.6	$1,805.5	$1,676.7	$1,272.8	$1,229.8
Gross profit	**$609.5**	$410.6	$570.1	$542.0	$501.9	$486.9	$248.4	$235.1
As a percentage of revenues	**26.0%**	25.9%	29.9%	30.0%	27.7%	29.1%	20.1%	19.1%
Evinrude outboard engine wind-down [2]	**0.5**	4.9	1.6	0.8	2.1	5.4	58.8	–
COVID-19 pandemic impact [3]	–	–	–	–	(1.7)	2.7	5.4	4.2
Normalized gross profit [1]	**$610.0**	$415.5	$571.7	$542.8	$502.3	$495.0	$312.6	$239.3
As a percentage of Normalized revenues	26.0%	26.3%	30.0%	30.0%	27.8%	29.5%	24.6%	19.5%

[1] See "Non-IFRS Measures" section.

[2] The Company incurred costs related to the wind-down of the outboard engine production such as, but not limited to, idle costs and other exit costs.

[3] Incremental costs associated with the COVID-19 pandemic such as, but not limited to, labour cost related to furloughs.

Liquidity

The Company' s primary sources of cash consist of existing cash balances, operating activities and available borrowings under the Revolving Credit Facilities and Term Facility.

The Company' s primary use of cash is to fund operations, working capital requirements and capital expenditures in connection with product development and manufacturing infrastructure. The fluctuation of working capital requirements is primarily due to the seasonality of the Company' s production schedule and product shipments.

A summary of net cash flows by activity is presented below for the twelve-month periods ended January 31, 2022 and 2021:

	Twelve-month periods ended	
(millions of Canadian dollars)	**January 31, 2022**	**January 31, 2021**
Net cash flows generated from operating activities	**$770.0**	$954.2
Net cash flows used in investing activities	**(687.7)**	(260.3)
Net cash flows generated from (used in) financing activities	**(1,142.7)**	583.8
Effect of exchange rate changes on cash and cash equivalents	**0.5**	5.5
Net increase (decrease) in cash and cash equivalents	**(1,059.9)**	1,283.2
Cash and cash equivalents at beginning of period	**1,325.7**	42.5
Cash and cash equivalents at end of period	**$265.8**	$1,325.7

Net Cash Flows Generated from Operating Activities

Net cash flows generated from operating activities totalled $770.0 million for the twelve-month period ended January 31, 2022 compared to $954.2 million for the twelve-month period ended January 31, 2021. The $184.2 million decrease in net cash flows generated was mainly due to unfavourable changes in working capital of $722.5 million and to higher income taxes paid. The unfavourable changes in working capital were primarily driven by higher raw materials and work in progress inventory in Fiscal 2022 due to logistic and supply chain disruptions that prevented the conversion of substantially completed units into finished goods. The decrease was partially offset by higher operating income.

Net Cash Flows Used in Investing Activities

Net cash flows used in investing activities totalled $687.7 million for the twelve-month period ended January 31, 2022 compared to $260.3 million for the twelve-month period ended January 31, 2021. The $427.4 million increase was mainly attributable to investments to add production capacity, acquire previously leased production facilities, as well as investments to modernize the Company' s software infrastructure to support future growth.

Net Cash Flows Generated from (Used in) Financing Activities

Net cash flows used in financing activities totalled $1,142.7 million for the twelve-month period ended January 31, 2022 compared to net cash flows generated in the amount of $583.8 million for the twelve-month period ended January 31, 2021. The $1,726.5 million increase in net cash flows used was mainly attributable to a higher net repayment of debt, a higher amount invested to repurchase shares and dividends paid in Fiscal 2022, and were partially offset by higher proceeds from the issuance of subordinate voting shares from previously granted stock options.

Contractual Obligations

The following table summarizes the Company's significant contractual obligations as at January 31, 2022:

(millions of Canadian dollars)	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total amount
Trade payables and accruals	$1,622.9	$–	$–	$–	$1,622.9
Long-term debt (including interest)	147.3	140.7	140.1	1,837.7	2,265.8
Lease liabilities (including interest)	33.0	50.5	30.7	49.4	163.6
Derivative financial instruments	9.6	0.7	–	–	10.3
Other financial liabilities	142.7	4.4	2.2	26.7	176.0
Total	**$1,955.5**	**$196.3**	**$173.0**	**$1,913.8**	**$4,238.6**

The Company enters into purchasing agreements with suppliers related to material used in production. These agreements are usually entered into before production begins and may specify a fixed or variable quantity of material to be purchased. Due to the uncertainty as to the amount and pricing of material that may be purchased, the Company is not able to determine with precision its commitments in connection with these supply agreements.

Management believes that the Company's operating activities and available financing capacity will provide adequate sources of liquidity to meet its short-term and long-term needs.

Capital Resources

Revolving Credit Facilities

On May 4, 2021, the Company amended its $700.0 million revolving credit facilities to increase the availability to $800.0 million and to extend the maturity from May 2024 to May 2026 (the "Revolving Credit Facilities"). The pricing grid and other conditions remained unchanged. As at January 31, 2022, the Company had no outstanding indebtedness under the Revolving Credit Facilities. Subsequent to January 31, 2022, the Company amended its Revolving Credit Facilities to increase total availability to $1,100.0 million and replace LIBOR references by SOFR references. The pricing grid and other conditions remained unchanged.

The applicable interest rates vary depending on a leverage ratio. The leverage ratio is defined in the Revolving Credit Facilities agreement by the ratio of net debt to consolidated cash flows of the Company (the "Leverage ratio"). As at January 31, 2022, the applicable interest rates are as follows:

(i) U.S. dollars at either
  (a) LIBOR plus 1.45% to 3.00% per annum; or
  (b) U.S. Base Rate plus 0.45% to 2.00% per annum; or
  (c) U.S. Prime Rate plus 0.45% to 2.00% per annum;

(ii) Canadian dollars at either
  (a) Bankers' Acceptance plus 1.45% to 3.00% per annum; or
  (b) Canadian Prime Rate plus 0.45% to 2.00% per annum

(iii) Euros at Euro LIBOR plus 1.45% to 3.00% per annum.

In addition, the Company incurs commitment fees of 0.25% to 0.40% per annum on the undrawn amount of the Revolving Credit Facilities.

As at January 31, 2022, the cost of borrowing under the Revolving Credit Facilities was as follows:

(i) U.S. dollars at either
  (a) LIBOR plus 1.45% per annum; or
  (b) U.S. Base Rate plus 0.45% per annum; or
  (c) U.S. Prime Rate plus 0.45% per annum;

(ii) Canadian dollars at either
  (a) Bankers' Acceptance plus 1.45% per annum; or
  (b) Canadian Prime Rate plus 0.45% per annum

(iii) Euros at Euro LIBOR plus 1.45% per annum.

As at January 31, 2022, the commitment fees on the undrawn amount of the Revolving Credit Facilities were 0.25% per annum.

Under certain conditions, the Company is required to maintain a minimum fixed charge coverage ratio in order to have full access to its Revolving Credit Facilities. Additionally, the total available borrowing under the Revolving Credit Facilities is subject to a borrowing base calculation representing 75% of the carrying amount of trade and other receivables plus 50% of the carrying amount of inventories.

As at January 31, 2022 and 2021, the Company had issued letters of credit for an amount of $20.6 million as at January 31, 2022 ($5.9 million as at January 31, 2021) and, in addition, $4.5 million of letters of credit were outstanding under other bank agreements as at January 31, 2022 ($4.9 million as at January 31, 2021).

Term Facility

On February 16, 2021, the Company fully repaid the outstanding U.S. $597.0 million Term Loan B-2. The Company incurred a prepayment premium of $15.1 million and, in addition, unamortized transaction costs of $29.2 million were derecognized. On the same date, the Company increased the amount outstanding under its Term Loan B-1 by U.S. $300.0 million to U.S. $1,507.6 million. This incremental of U.S. $300.0 million has the same terms and conditions and maturity date as the original Term Loan B-1. The Company incurred transaction costs of $4.0 million for the increase.

As at January 31, 2022, the cost of borrowing under the Term Loan B-1 was as follows:

(i) LIBOR plus 2.00% per annum, with a LIBOR floor of 0.00%; or
(ii) U.S. Base Rate plus 1.00%; or
(iii) U.S. Prime Rate plus 1.00%

Under the Term Facility, the cost of borrowing in U.S. Base Rate or U.S. Prime Rate cannot be lower than the cost of borrowing in LIBOR.

The Company is required to repay a minimum of 0.25% of the nominal amount each quarter. Consequently, the Company repaid an amount of U.S. $15.2 million ($19.3 million) during the twelve-month period ended January 31, 2022. Also, the Company may be required to repay a portion of the Term Facility in the event that it has an excess cash position at the end of the fiscal year and its leverage ratio is above a certain threshold level. As at January 31, 2022, the Company was not required to repay any portion of the Term Facility under this requirement.

Austrian Term Loans

During the twelve-month period ended January 31, 2022, the Company entered into term loans agreements at favourable interest rates under an Austrian government program. This program supports research and development projects based on the Company' s incurred expenses in Austria. The term loans have a nominal amount of 19.7 million ($29.1 million) and a maturity date on December 2029.

As at January 31, 2022, the Company had 110.5 million ($157.3 million) outstanding under its Austrian term loans bearing interest at a range between 0.75% and 1.90% and maturing between March 2022 and December 2030.

Lease Liabilities

As at January 31, 2022, the contractual obligations in relation to assets acquired under lease agreements amounted to $163.6 million.

NCIB

On December 1, 2021, the Company announced the renewal of its NCIB to repurchase for cancellation up to 3,787,945 of its outstanding subordinate voting shares over a twelve-month period commencing on December 3, 2021 and ending no later than December 2, 2022 (the "Current NCIB"). During the twelve-month period ended January 31, 2022, the Company repurchased for cancellation 525,200 subordinate voting shares for a total consideration of $52.8 million under the Current NCIB. In addition, during the same period, the Company repurchased for cancellation 2,807,028 subordinate voting shares for a total consideration of $278.2 million under a previous NCIB.

As at January 31, 2022, a $47.2 million financial liability, with a corresponding amount in equity, was recorded in the consolidated statements of financial position in relation with the NCIB. This liability represented the value of subordinate voting shares expected to be repurchased by a designated broker under an automatic share purchase plan from February 1st to March 28, 2022. This automatic share purchase plan allows for the purchase of subordinate voting shares under pre-set conditions at times when the Company would ordinarily not be permitted due to regulatory restrictions or self-imposed blackout periods.

Substantial issuer bid offer ("SIB")

During the twelve-month period ended January 31, 2022, the Company repurchased for cancellation 3,381,641 subordinate voting shares following the completion of its SIB for a total consideration of $350.0 million. Prior to the completion of the SIB, 936,692 multiple voting shares were converted into an equivalent number of subordinate voting shares. These converted shares were repurchased in the SIB. The Company incurred $0.8 million of fees and expenses related to the SIB, which were recorded in capital stock.

Consolidated Financial Position

The following table reflects the main variances that have occurred in the Company's audited consolidated statements of financial position between January 31, 2022 and January 31, 2021, the impact of the fluctuation of exchange rates on such variances, the related net variance (excluding the impact of the fluctuation of exchange rates on such variances) as well as explanations for the net variance:

(millions of Canadian dollars)	January 31, 2022	January 31, 2021	Variance	Exchange Rate Impact	Net Variance	Explanation of Net Variance
Trade and other receivables	**$465.7**	$311.5	$154.2	$22.9	$177.1	Mostly explained by an increase of sales not financed by third-party financing service providers and higher taxes receivable related to higher purchases for upcoming production in Fiscal 2022
Inventories	**1,691.3**	1,087.3	604.0	64.1	668.1	Mostly explained by higher work in progress inventory due to supply chain disruptions and higher raw material inventory for upcoming production
Property, plant and equipment	**1,441.9**	1,064.3	377.6	31.9	409.5	Mostly explained by the construction of the new facility in Juárez, Mexico as well as the acquisition of two previously leased facilities in Mexico
Trade payables and accruals	**1,622.9**	1,296.5	326.4	38.0	364.4	Mostly explained by higher purchases for upcoming production and higher employee compensation accrual
Provisions	**414.3**	428.4	(14.1)	8.4	(5.7)	No significant variances
Deferred revenues	**355.2**	205.1	150.1	3.1	153.2	Mostly explained by the deferral of revenue related to substantially completed units awaiting missing components at dealers
Long-term debt, including current portion	**2,040.5**	2,409.7	(369.2)	26.8	(342.4)	Mostly explained by the full repayment of the U.S. $597.0 million Term Loan B-2, partially offset by the increase of the outstanding under Term Loan B-1 by U.S. $300.0 million
Employee future benefit liabilities	**220.2**	297.8	(77.6)	11.5	(66.1)	Mostly explained by the increase of the discount rate by approximately 70 basis points for the Canadian defined benefit obligations and 57 basis point for the foreign plans

Post-Employment Benefits

The Company sponsors defined contribution retirement plans to a majority of its employees and sponsors non-contributory defined benefit plans that provide for pensions and other post-retirement benefits to certain employees mainly located in Canada and Austria.

In Canada, the Company' s defined benefit pension plans coverage are mainly related to pension benefits for its executive employees and life insurance benefits and healthcare benefits to executive and certain eligible employees. Additionally, the Company retained defined benefit obligations with certain active and former Canadian employees for services rendered prior to 2005.

In Austria, the Company' s defined benefit pension plan coverage is related to a lump sum retirement indemnity plan and a defined benefit plan.

A summary of the carrying amounts of employee future benefit liabilities and the discount rates used to establish their carrying amounts for the last two fiscal years were as follows, as at:

	January 31, 2022			**January 31, 2021**		
(in millions of Canadian dollars)	**Canada**	**Foreign**	**Total**	**Canada**	**Foreign**	**Total**
Employee future benefit liabilities	**$90.0**	**$130.2**	**$220.2**	$146.2	$151.6	$297.8
Discount rate	**3.50 %**	**1.21 %**		2.80 %	0.64 %	
Compensation increase	**3.00 %**	**3.00 %**		3.00 %	3.00 %	

The Company' s liabilities related to defined benefit obligations are highly dependent on prevailing actual and future discount rates, future compensation increases and participant longevity. An increase or decrease of those factors could increase or decrease significantly the employee future benefit liabilities and future cash contributions. The following table presents the impact on the employee future benefit liabilities as at January 31, 2022 of reasonable possible changes of the respective assumptions, while holding all other assumptions constant:

	Increase (Decrease) of the employee future benefit liabilities
Discount rate	
Impact of a 0.5% increase	**$(34.1)**
Impact of a 0.5% decrease	**38.1**
Expected rate of compensation increase	
Impact of a 0.5% increase	**7.8**
Impact of a 0.5% decrease	**(7.3)**
Participant longevity	
Impact of a 1 year increase	**10.5**
Impact of a 1 year decrease	**(10.7)**

The sensitivity analysis presented above may not be representative of the potential change in the employee future benefit liabilities as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In accordance with the minimum funding obligations required under the current regulations, the Company expects to contribute $12.8 million to all defined benefit pension plans for the year ending January 31, 2023.

The pension expense incurred by the Company for its defined benefit and defined contribution pension plans was $49.5 million and $44.6 million for the years ended January 31, 2022 and January 31, 2021, respectively, of which 11.5% and 14.3% is related to current service costs under defined benefit plans.

Off-Balance Sheet Arrangements

Dealer and Distributor Financing Arrangements

The Company, most of its independent dealers and some of its independent distributors are parties to agreements with third-party financing service providers. These agreements provide financing to facilitate the purchase of the Company's products and improve the Company's working capital by allowing an earlier collection of accounts receivable from dealers and distributors. Approximately three-quarters of the Company's sales are made under such agreements. The parties listed above have agreements with TCF Inventory Finance Inc., TCF Commercial Finance Canada Inc., TCF Commercial Finance LLC and TCF Commercial Finance New Zealand Ltd (collectively, "TCF"), to provide financing facilities in North America, Australia and New Zealand, and with Wells Fargo Commercial Distribution Finance, Wells Fargo Bank International and Wells Fargo International Finance LLC (collectively "Wells Fargo") for financing facilities in North America, Europe and Australia. The agreement between the Company and TCF will expire on January 31, 2023. For most of the contracts with Wells Fargo, the maximum commitment period is up to March 23, 2023.

The total amount of financing provided to the Company's independent dealers and distributors totalled $2,023.2 million and $6,131.3 million for the three- and twelve-month periods ended January 31, 2022, compared to $1,342.0 million and $4,484.3 million for the three- and twelve-month periods ended January 31, 2021. The outstanding financing between the Company's independent dealers and distributors and third-party finance companies amounted to $1,319.4 million and $985.0 million as at January 31, 2022, and January 31, 2021, respectively.

The breakdown of outstanding amounts by country and local currency between the Company's independent dealers and distributors with third-party finance companies were as follows, as at:

(in millions)	Currency	January 31, 2022	January 31, 2021
Total outstanding	**CAD**	**$1,319**	**$985**
United States	USD	$737	$529
Canada	CAD	$266	$193
Europe	EUR	32	31
Australia and New Zealand	AUD	$81	$70
Latin America	USD	$–	$1

The costs incurred (credit earned) by the Company under the dealers' and distributors' financing agreements totalled $9.3 million and $26.9 million for the three- and twelve-month periods ended January 31, 2022 compared to $(3.1) million and $33.2 million for the three- and twelve-month periods ended January 31, 2021.

Under the dealer and distributor financing agreements, in the event of default, the Company may be required to purchase, from the finance companies, repossessed new and unused products at the total unpaid principal balance of the dealer or distributor to the finance companies. During the three-month period ended July 31, 2021, the Company renegotiated and regrouped some of its repurchase obligations for obligations that were held with the same third-party financing providers. Henceforth, the obligations are generally within a range of U.S. $14.0 million ($17.8 million) or 15% of the calendar year twelve-month average amount of financing outstanding under the financing agreements and U.S. $25.0 million ($31.7 million) or 10% of the last twelve-month average amount of financing outstanding under the financing agreements ($83.9 million as at January 31, 2022).

The maximum amount subject to the Company's obligation to purchase repossessed new and unused products from the finance companies was $102 million as at January 31, 2022 and $175 million as at January 31, 2021.

The Company did not incur significant losses related to new and unused products repossessed by the finance companies for the three- and twelve-month periods ended January 31, 2022 and 2021.

Substantially completed units financing

During the year ended January 31, 2022, the Company amended one of its dealer and distributor financing agreement in order to allow for the financing of the substantially completed units shipped at the Company' s dealers ("Substantially Completed Units"). The financing of those Substantially Completed Units is limited by certain financial thresholds. Under the amended agreement, the Company' s dealers are required to respect certain thresholds regarding the Substantially Completed Units shipped to them ("Thresholds").

As at January 31, 2022, the total maximum outstanding obligations of all dealers could not exceed U.S. $500 million ($634.8 million). This limit is set to be gradually reduced to reach U.S. $300.0 million ($380.9 million) as of January 31, 2023 and nil as of April 30, 2023. The maximum outstanding obligations of any individual dealer at any time for Substantially Completed Units cannot exceed U.S. $15 million ($19.0 million). In addition, the maximum obligations by all dealers for seasonal products are limited to U.S. $50 million ($63.5 million) for snowmobiles as at April 30, 2022 and U.S. $50 million ($63.5 million) for personal watercraft as at September 30, 2022.

In the event one of the Thresholds is exceeded, the Company would be required to reduce the outstanding dealers' financing by assuming such financing until compliance with Thresholds. The Substantially Completed Units stop being considered within the Thresholds limits when all the missing components are installed by the dealers. The Company was in compliance with the Thresholds as at January 31, 2022.

Consumer Financing Arrangements

The Company has contractual relationships with third-party financing companies in order to facilitate consumer credit for the purchase of its products in North America. The agreements generally allow the Company to offer a subsidized interest rate to consumers for a certain limited period under certain sales programs. In Canada, the Company has agreements with TD Financing Services and the Fédération des caisses Desjardins du Québec for such purposes. In the United States, the Company has agreements with Sheffield Financial, Citi Retail Services and Roadrunner Financial. Under these contracts, the Company' s financial obligations are related to the commitments made under certain sales programs.

Transactions Between Related Parties

Transactions with Key Management Personnel

Key management personnel of the Company, defined as employees with authority and responsibility for planning, directing and controlling the activities of the Company, are considered related parties to the Company. The key management personnel of the Company are the directors and the executive officers listed in the Annual Information Form of the Company dated March 24, 2022, and available on SEDAR at www.sedar.com.

The Company incurred the following benefit expenses in relation with key management personnel:

	Twelve-month periods ended	
(in millions of Canadian dollars)	**January 31, 2022**	**January 31, 2021**
Current remuneration	**$25.1**	$20.1
Post-employment benefits	**1.5**	1.3
Termination benefits	–	0.5
Stock-based compensation expense	**9.3**	8.4
Total	**$35.9**	$30.3

Transactions with a Principal Shareholder

On October 21, 2020, Bain Capital completed a secondary offering of 2,000,000 subordinate voting shares of the Company through an underwriter. Prior to such transaction, Bain Capital converted 2,000,000 multiple voting shares into an equivalent number of subordinate voting shares. The Company did not receive any of the proceeds of the secondary offering. In accordance with the terms of the registration rights agreement entered into in connection with the initial public offering of the Company's subordinate voting shares, the Company incurred approximately $0.6 million of fees and expenses related to this secondary offering.

Transactions with Bombardier Inc., a Company Related to Beaudier Group

Pursuant to the purchase agreement entered into in 2003 in connection with the acquisition of the recreational product business of Bombardier Inc., the Company committed to reimburse to Bombardier Inc. income taxes amounting to $22.1 million as at January 31, 2022 and $22.2 million as at January 31, 2021, respectively. The payments will begin when Bombardier Inc. starts making income tax payments in Canada and/or in the United States. The Company does not expect to make any payments to Bombardier Inc. in relation with that obligation for the year ending January 31, 2023.

Financial Instruments

The Company' s financial instruments, divided into financial assets and financial liabilities, are measured at the end of each period at fair value or amortized costs using the effective interest method depending on their classification determined by IFRS. By nature, financial assets are exposed to credit risk whereas financial liabilities are exposed to liquidity risk. Additionally, the Company' s financial instruments and transactions could be denominated in foreign currency creating a foreign exchange exposure that could be mitigated by the use of derivative financial instruments. The Company is to a lesser extent exposed to interest risk associated to its Revolving Credit Facilities, Term Facility and Austrian term loans.

Foreign Exchange Risk

The elements reported in the consolidated statements of net income, in the consolidated statements of financial position and in the consolidated statements of cash flows presented in the Company' s audited consolidated financial statements in Canadian dollars are significantly exposed to the fluctuation of exchange rates, mainly the Canadian dollar/U.S. dollar rate and the Canadian dollar/euro rate.

The Company' s cash inflows and outflows are mainly comprised of Canadian dollars, U.S. dollars and euros. The Company intends to maintain, as a result of its business transactions, a certain offset position on U.S. dollar and euro denominated cash inflows and outflows.

For some currencies over which the Company cannot achieve an offset through its recurring business transactions, mainly the U.S. dollar, the Australian dollar, the Swedish krona, the Norwegian krone and the British pound, the Company uses foreign exchange contracts according to the Company' s hedging strategy. Management periodically reviews the relevant hedging position and may hedge at any level within the authorized parameters of the policy, up to the maximum percentage allowed. Those contracts are accounted for under the cash flow hedge model covering highly probable forecasted sales in these currencies, and the gains or losses on those derivatives are recorded in net income only when the forecasted sales occur.

Finally, the Company reduces the exposure on its net income arising from the revaluation at period-end of monetary items denominated in a different functional currency by using foreign exchange contracts. Those contracts are recorded in net income at each period end in order to mitigate the gains or losses resulting from the revaluation at spot rate of these foreign-denominated liabilities.

While the Company' s operating income is protected, to a certain extent, from significant fluctuations of foreign exchange rates resulting from the application of the Company' s hedging strategy, the net income is significantly exposed to Canadian dollar/U.S. dollar rate fluctuations due to the U.S. dollar-denominated long-term debt. However, there is a monetary impact for the Company only to the extent the Term Facility is repaid.

Liquidity Risk

The Company is exposed to the risk of encountering difficulty in meeting obligations related to its financial liabilities. In order to manage its liquidity risk accurately, the Company continuously monitors its operating cash requirements taking into account the seasonality of the Company' s working capital needs, revenues and expenses. The Company believes the cash flows generated from operations combined with its cash on hand and the availability of funds under its credit facilities ensures its financial flexibility and mitigates its liquidity risk.

Credit Risk

The Company could be exposed, in the normal course of business, to the potential inability of dealers, distributors and other business partners to meet their contractual obligations on financial assets and on amounts guaranteed under dealer and distributor financing arrangements with TCF and Wells Fargo.

The Company considers that its credit risk associated with its trade receivables and its limited responsibilities under the dealer and distributor financing agreements with TCF and Wells Fargo does not represent a significant concentration of risk and loss due to the large number of dealers, distributors and other business partners and their dispersion across many geographic areas. Moreover, the Company mitigates such risk by doing business through its own distribution channels and by monitoring the creditworthiness of the dealers and distributors in the different geographic areas.

Interest Rate Risk

The Company is exposed to the variation of interest rates mainly resulting from the LIBOR on its Term Facility. However, the Company entered into interest rate cap contracts, which limit its exposure to interest rate increase.

Critical Accounting Estimates

Significant Estimates and Judgments

The preparation of the audited consolidated financial statements in accordance with the Company's accounting policies requires management to make estimates and judgments that can affect the reported amounts of assets and liabilities, related amounts of revenues and expenses, other comprehensive income and disclosures made.

The Company's best estimates are based on the information, facts and circumstances available at the time estimates are made. Management uses historical experience and information, general economic conditions and trends, as well as assumptions regarding probable future outcomes as the basis for determining estimates. Estimates and their underlying assumptions are reviewed periodically and the effects of any changes are recognized immediately. Actual results could differ from the estimates used and such differences could be significant.

The Company's annual operating budget and operating budget revisions performed during the year (collectively "Budget") and the Company's strategic plan comprise fundamental information used as a basis for some significant estimates necessary to prepare the audited consolidated financial statements. Management prepares the annual operating budget and strategic plan each year using a process whereby a detailed one-year budget and three-year strategic plan are prepared by each entity and then consolidated.

Cash flows and profitability included in the Budget are based on the existing and future expected sales orders, general market conditions, current cost structures, anticipated cost variations and current agreements with third parties. Management uses the annual operating budget information as well as additional projections or assumptions to derive the expected results for the strategic plan and periods thereafter.

The Budget and the strategic plan are approved by management and the Board of Directors. Management then tracks performance as compared to the Budget. Significant variances in actual performance are a key trigger to assess whether certain estimates used in the preparation of financial information must be revised.

Management needs to rely on estimates in order to apply the Company's accounting policies and considers that the most critical ones are the following:

Estimating the Net Realizable Value of Inventory

The net realizable value of materials and work in progress is determined by comparing inventory components and value with production needs, current and future product features, expected production costs to be incurred and the expected profitability of finished products. The net realizable value of finished products and parts and accessories is determined by comparing inventory components and value with expected sales prices, sales programs and new product features.

Estimating the Useful Life of Tooling

Tooling useful life is estimated by product line based on their expected physical life and on the expected life of the product platform to which they are related.

Estimating Impairment on Property, Plant and Equipment, Intangible Assets and Right-of-Use Assets

Management assesses the value in use of property, plant and equipment, intangible assets and right-of-use assets mainly at groups of CGU level using a discounted cash flow approach by product line based on annual budget and strategic plan process. When the Company acquired the recreational products business from Bombardier Inc. in 2003, trademarks and goodwill were recorded as part of the business acquisition. As at January 31, 2022, $122.6 million of trademarks and $114.7 million of goodwill were related to this transaction. In addition, trademarks of $74.6 million and goodwill of $1.2 million were recorded following various business combinations that occurred after 2003.

Trademarks and Goodwill Impairment Test

For the purpose of impairment testing, trademarks are allocated to their respective CGU. The carrying amount of trademarks amounting to $197.2 million related to *Ski-Doo*, *Sea-Doo*, *Alumacraft*, *Manitou*, *Quintrex* and *Stacer* is $63.5 million, $59.1 million, $19.2 million, $36.9 million, $14.1 million and $4.4 million respectively.

Following the creation of the Powersports and Marine segments during Fiscal 2019, the Company has fully allocated the goodwill of $114.7 million created in 2003 to the Powersports segment.

<u>Recoverable Amount</u>

The recoverable amount for the group of CGU is based on a value-in-use calculation using cash flow projections, which takes into account the Company' s one-year budget and three-year strategic plan, with a terminal value calculated by discounting the final year in perpetuity. The figures used as the basis for the key assumptions in the value-in-use calculation includes sales volume, sales price, production costs, distribution costs and operating expenses as well as discount rates. This information represents the best available information as at the date of impairment testing. The estimated future cash flows are discounted to their present value. In addition, a market approach was performed to assess the reasonability of the conclusions reached.

Estimating Recoverability of Deferred Tax Assets

Deferred tax assets are recognized only if management believes it is probable that they will be realized based on annual budget, strategic plan and additional projections to derive the expected results for the periods thereafter.

Estimating Provisions for Regular Product Warranty, Product Liability, Sales Program and Restructuring

The regular warranty cost is established by product line and recorded at the time of sale based on management' s best estimate, using historical cost rates and trends. Adjustments to the regular warranty provision are made when the Company identifies a significant and recurring issue on products sold or when costs and trend differences are identified in the analysis of regular warranty claims.

The product liability provision at period end is based on management' s best estimate of the amounts necessary to resolve existing claims. In addition, the product liability provision at the end of the reporting period includes incurred, but not reported claims, based on average historical cost information.

Sales program provision is estimated based on current program features, historical data and expected retail sales for each product line.

Restructuring provision is initially estimated based on restructuring plan estimated costs in relation to the plan elements approved by management. Restructuring provision is reviewed at each period end in order to take into account updated information related to the realization of the plan. If necessary, the provision is adjusted accordingly.

Estimating the Discount Rates Used in Assessing Defined Benefit Plan Expenses and Liability

In order to select the discount rates used to determine defined benefit plan expenses and liabilities, management consults with external actuarial firms to provide commonly used and applicable discount rates that are based on the yield of high quality corporate fixed income investments with cash flows that match expected benefit payments for each defined benefit plan. Management uses its knowledge and comprehension of general economic factors in order to conclude on the accuracy of the discount rates used.

Estimating the incremental borrowing rate used in measuring lease liability

Management makes estimates in the determination of the incremental borrowing rate used to measure the lease liability for each lease contract when the interest rate implicit in the lease is not readily available. The incremental borrowing rate should reflect the interest rate the Company would have to pay to borrow the same asset at a similar term and with a similar security.

Estimating the lease term

On commencement date, when determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options or periods subject to termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. This assessment is reviewed if a significant change in circumstances occurs within the Company's control.

Significant Judgments in Applying the Company's Accounting Policies

Management needs to make certain judgments in order to apply the Company's accounting policies and the most significant ones are the following:

Impairment of Property, Plant and Equipment, Intangible Assets and Right-of-Use Assets

The Company operates using a high level of integration and interdependency between design, development, manufacturing and distribution operations. The cash inflows generated by each product line require the use of various assets of the Company, limiting the impairment testing to be done for a single asset. Therefore, management performs impairment testing by grouping assets into CGUs.

Functional Currency

The Company operates worldwide but its design, development, manufacturing and distribution operations are highly integrated, which require significant judgments from management in order to determine the functional currency of each entity using factors provided by *IAS 21 "The Effects of Changes in Foreign Exchange Rates"*. Management established the functional currency of each entity as its local currency unless the assessment of the criteria established by IAS 21 to assess the functional currency leads to the determination of another currency. IAS 21 criteria are reviewed annually for each entity and are based on transactions with third-parties only.

Future Accounting Changes

Deferred Tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)

In May 2021, the International Accounting Standards Board ("IASB") issued targeted amendments to *IAS 12 - Income Taxes* to specify how companies account for deferred tax on transactions such as leases and decommissioning obligations. In specific circumstances, companies were dispensed from recognizing deferred tax upon the initial recognition of assets or liabilities. Prior to the amendments, uncertainties persisted about applying the exemption to transactions such as leases, which entails both an asset and a liability. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

The amendments will become effective for the Company fiscal year beginning on February 1, 2023. The Company is assessing the potential impact of these amendments.

Improving accounting policy disclosures and clarifying distinction between accounting policies and accounting estimates (Amendments to IAS 1 and IAS 8)

In February 2021, the IASB issued amendments to *IAS 1 - Presentation of Financial Statements* ("IAS 1"), *IFRS Practice Statement 2 - Making Materiality* Judgments ("IFRS Practice Statement 2") and *IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors* ("IAS 8").

The amendments to IAS 1 require companies to disclose its material accounting policy information instead of its significant accounting policies. The amendments to IFRS Practice Statement 2 provide additional guidance and examples to support the amendments to IAS 1.

The amendments to IAS 8 seek to help companies distinguish between accounting policies and accounting estimates. Clarifying this distinction is important since changes in accounting estimates are applied prospectively but changes in accounting policies are generally also applied retrospectively.

The amendments will become effective for the Company fiscal year beginning on February 1, 2023. The Company is assessing the potential impact of these amendments.

Other standards or amendments

The IASB has issued other standards or amendments to existing standards that are not expected to have a significant impact on the Company' s consolidated financial statements.

Controls and Procedures

The Company's President and Chief Executive Officer and the Chief Financial Officer are responsible for establishing and maintaining the Company's disclosure controls and procedures as well as its internal control over financial reporting, as those terms are defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* of the Canadian securities regulatory authorities and Rule 13a-15(e) and Rule 15d-15(e) under the U.S. Securities *Exchange Act of 1934*, as amended.

Disclosure controls and procedures

The President and Chief Executive Officer and the Chief Financial Officer have designed, or caused to be designed under their supervision, disclosure controls and procedures in order to provide reasonable assurance that:

- material information relating to the Company has been made known to them; and
- information required to be disclosed in the Company's filings is recorded, processed, summarized and reported within the time periods specified in securities legislation.

An evaluation of the design and effectiveness of the Company's disclosure controls and procedures was carried out under the supervision of the President and Chief Executive Officer and the Chief Financial Officer. Based on this evaluation, the President and Chief Executive Officer and the Chief Financial Officer concluded, as of January 31, 2022, that the Company's disclosure controls and procedures were effective.

Management's report on internal control over financial reporting

The President and Chief Executive Officer and the Chief Financial Officer have designed, or caused to be designed under their supervision, such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Management's projections of any evaluation of the effectiveness of internal control over financial reporting as to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

An evaluation of the design and effectiveness of the Company's internal controls over financial reporting was carried out under the supervision of the President and Chief Executive Officer and the Chief Financial Officer. In making this evaluation, the President and Chief Executive Officer and the Chief Financial Officer used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control – Integrated Framework (2013). Based on this evaluation, the President and Chief Executive Officer and the Chief Financial Officer concluded, as of January 31, 2022, that the Company's internal control over financial reporting was effective.

Deloitte LLP, our independent registered public accounting firm, has audited the effectiveness of our internal control over financial reporting as of January 31, 2022.

Remediation of Previously-Reported Material Weakness

As previously disclosed in its MD&A for the year ended January 31, 2021, in connection with its assessment for the fiscal year ended January 31, 2021, the Company' s management identified the following deficiencies in its internal control over financial reporting that existed as of January 31, 2021. Management had determined that it did not design and maintain effective information technology general controls (ITGCs) in the areas of user access security, system change management and job processing for certain information technology (IT) systems that support the Company' s financial reporting processes. Management concluded these deficiencies in aggregate resulted in a material weakness. As a result, automated controls and manual controls that were dependent on the completeness and accuracy of information derived from the affected IT systems were ineffective because they could have been adversely impacted.

To address the previously reported material weakness related to ITGCs, and as previously disclosed throughout the fiscal year ended January 31, 2021, management designed and implemented certain remedial measures throughout Fiscal 2021 and 2022 including the design, review and appropriate modification of access in the affected systems, in addition to the implementation of monitoring controls to prevent and detect inappropriate or unauthorized access or activities. In addition, various aspects of the logical access process were automated to reduce the possibility of manual error. Management also worked with control owners to improve the quality of evidence retained to support the operation of change management controls.

The President and Chief Executive Officer and the Chief Financial Officer do not expect that disclosure controls and procedures or internal control over financial reporting will prevent all misstatements. The design of a system of internal controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that the design will succeed in achieving the stated goals under all potential future conditions. Nevertheless, management has designed and implemented controls to mitigate this risk to the extent practicable.

During the fourth quarter of fiscal 2022 and prior to the filing of our audited consolidated financial statements for the year ended January 31, 2022, management completed its testing of the newly designed controls. In light of the foregoing remediation activities and testing of controls, management determined that the Company' s internal control over financial reporting was effective as of January 31, 2022.

Changes in internal control over financial reporting

Except for the changes in connection with our implementation of the remediation plan discussed above, there were no changes in the Company' s internal control over financial reporting during the three- and twelve-month period ended January 31, 2022, that have materially affected, or are reasonably likely to materially affect the Company' s internal control over financial reporting.

Dividend

On March 24, 2022, the Company' s Board of Directors declared a quarterly dividend of $0.16 per share for holders of its multiple voting shares and subordinate voting shares. The dividend will be paid on April 18, 2022 to shareholders of record at the close of business on April 4, 2022.

The Board of Directors has determined that this quarterly dividend is appropriate based on several relevant factors, including, without limitation, the Company' s results of operations, current and anticipated cash requirements and surplus, financial condition, contractual restrictions and financing agreement covenants (including restrictions in the Term Facility and the Revolving Credit Facilities or other material agreements) and solvency tests imposed by corporate law.

The payment of each quarterly dividend remains subject to the declaration of that dividend by the Board of Directors. The actual amount, the declaration date, the record date and the payment date of each quarterly dividend are subject to the discretion of the Board of Directors.

The risks and uncertainties described in this Annual Information Form are those the Company currently believes to be material, but they are not the only ones it faces. If any of the following risks, or any other risks and uncertainties that the Company has not yet identified or that it currently considers not to be material, actually occur or become material, the Company's business, guidance, prospects, financial condition, results of operations and cash flows and consequently the price of the Subordinate Voting Shares could be materially and adversely affected.

Economic conditions that impact consumer spending may have a material adverse effect on the Company's business, results of operations or financial condition

The Company's business is cyclical in nature, and the Company's products compete with a variety of other recreational products and activities for consumers' discretionary income and leisure time. The Company's results of operations are sensitive to changes in overall economic conditions, primarily in North America and Europe, that impact consumer spending and particularly discretionary spending. Fluctuations in economic conditions may negatively affect disposable consumer income such as personal income levels, the availability of consumer credit, employment levels, consumer confidence, business conditions, changes in housing market conditions, capital markets, inflation, tax rates, savings rates, interest rates, exchange rates, fuel and energy costs, tariffs. Natural disasters, acts of terrorism, epidemic or pandemic outbreaks, or other similar events, could also reduce consumer spending generally or discretionary spending in particular. Such reductions could materially adversely affect the Company's business, results of operations or financial condition. Changes in economic conditions could also result in a deterioration or increased volatility in the credit and lending markets, which could adversely impact the consumers who purchase the Company's products from dealers and rely upon financing for such purchases as well as the availability of financing arrangements for dealers and distributors to finance their inventory. If financing is not available to consumers or dealers and distributors on satisfactory terms, the Company's business, results of operations or financial condition could be materially adversely affected. Further, volatility in the capital markets has been heightened during recent months and such volatility may continue, which may cause declines in the price of the Subordinate Voting Shares or result in shareholder grievance or activism.

The continued spread of the COVID-19 virus around the globe, including the emergence of new variants, and the responses of governmental authorities and corporate entities, including through mandated or voluntary shutdowns, have led to temporary disruptions and slowdowns to our workforce and facilities, our consumers, our sales and operations and our supply chain. The situation is dynamic and changing day-to-day, such that the Company will continue to monitor it closely as it develops and will take appropriate measures to mitigate any impact on the Company.

Any decline in the social acceptability of the Company or of the Company's products or any increased restrictions on the access or the use of the Company's products in certain locations could materially adversely affect its business, results of operations or financial condition

Demand for the Company's products depends in part on their social acceptability. Public concerns about the environmental impact of the Company's products or their perceived safety could result in diminished social acceptance. Circumstances outside the Company's control, such as social action to reduce the use of fossil fuels, could also negatively impact consumers' perceptions of the Company's products. Any decline in the social acceptability of the Company's products could negatively impact their sales or lead to changes in laws, rules and regulations that prevent their access to certain locations, including trails and lakes, or restrict their use or manner of use in certain areas or during certain times. Additionally, while the Company has implemented various initiatives to address these risks, including the improvement of the environmental footprint and safety of its products, there can be no assurance that the perceptions of the Company's customers will not change. Consumers' attitudes towards the Company's products and the activities in which they are used also affect demand. Any failure by the Company to maintain the social acceptability of its products could impact its ability to retain existing customers or attract new ones which, in turn, could have a material adverse effect on its business, results of operations or financial condition.

Similarly, in the last several years, the importance of environmental, social and governance ("ESG") performance requirements, standards and reporting has increased significantly across all stakeholder groups. While the Company has in place programs and commitments with respect to ESG, there is no assurance that it will be able to adequately address all ESG pressures and potential requirements to maintain stakeholder confidence. Further, the Company' s ability to implement its programs and commitments with respect to ESG is likely to be compared against its peers. The failure to achieve its ESG targets, or a perception among key stakeholders that its ESG targets are insufficient, could adversely affect the Company' s reputation and its ability to attract capital from financial institutions and investors incorporating sustainability and ESG considerations as a part of their portfolios or adopting restrictive decarbonization policies.

Fluctuations in foreign currency exchange rates could result in declines in reported sales and net earnings

The Company reports its financial results in Canadian dollars and the majority of its sales and operating costs are realized in currencies other than the Canadian dollar. In Fiscal 2022, 54.7% of the Company' s revenues were realized in the United States. The Company is also exposed to other currencies such as the Australian dollar, the Brazilian real, the Euro, the Mexican peso, the Norwegian krone, the Swedish krona and the Russian rubble. If the value of any currencies in which sales are realized depreciates relative to the Canadian dollar, the Company' s foreign currency revenue will decrease when translated to Canadian dollars for reporting purposes. In addition, any depreciation in foreign currencies could result in higher local prices, which may negatively impact local demand and have a material adverse effect on the Company' s business, results of operations or financial condition. Alternatively, if the value of any of the currencies in which operating costs are realized appreciates relative to the Canadian dollar, the Company' s operating costs will increase when translated to Canadian dollars for reporting purposes. Although these risks may sometimes be naturally hedged by a match in the Company' s sales and operating costs denominated in the same currency, fluctuations in foreign currency exchange rates could create discrepancies between the Company' s sales and its operating costs in a given currency that could have a material adverse effect on its business, results of operations or financial condition. Fluctuations in foreign currency exchange rates could also have a material adverse effect on the relative competitive position of the Company' s products in markets where they face competition from manufacturers who are less affected by such fluctuations in exchange rates.

In addition, the Company' s indebtedness under its Term Facility and a portion of the Revolving Credit Facilities are denominated in U.S. dollars. As a result, any strengthening of the U.S. dollar versus the Canadian dollar or any revaluation of the denomination of the Term Facility into Canadian dollars at the end of each reporting period can result in significant fluctuations of net income, which could have a material adverse effect on the Company' s business, results of operations or financial condition.

While the Company actively manages its exposure to foreign-exchange rate fluctuations and enters into hedging contracts from time to time, such contracts hedge foreign-currency denominated transactions and any change in the fair value of the contracts could be offset by changes in the underlying value of the transactions being hedged. Furthermore, the Company does not have foreign exchange hedging contracts in place for some currencies in which it does business. As a result, there can be no assurance that the Company' s approach to managing its exposure to foreign-exchange rate fluctuations will be effective in the future or that the Company will be able to enter into foreign-exchange hedging contracts as deemed necessary on satisfactory terms.

The Company has, and is expected to continue to have and incur, indebtedness and there can be no assurance that it will be able to pay its indebtedness as it becomes due

The Company has, and is expected to continue to have and incur, a significant amount of indebtedness, including obligations under the Revolving Credit Facilities as well as substantial obligations under the Term Facility. In addition, the Company may incur greater levels of indebtedness as a result of challenging economic or other conditions affecting the Company, including as a result of the seasonality of its business or due to supply chain related disruptions increasing its working capital needs. The amount of indebtedness that the Company has from time to time may, among other things, limit the Company' s ability to obtain additional financing, require the Company to dedicate a substantial portion of its cash flow generated from operations to payments on its indebtedness or fixed costs (thereby reducing the funds available for other purposes), make the Company more vulnerable to economic downturns, or limit the Company' s flexibility in planning for, or reacting to, competitive pressures or changes in its business environment, any of which could, in turn, have a material adverse effect on its business, results of operations or financial condition.

The ability of the Company to make scheduled payments under its indebtedness will depend on, among other things, its future operating performance and its ability to refinance its indebtedness, if necessary. In addition, as the Company incurs indebtedness that bears interest at fluctuating interest rates and is mainly denominated in U.S. dollars, to the extent that interest rates increase or the U.S. dollar appreciates relative to the Canadian dollar, its interest expense will increase. Each of these factors is, to a large extent, subject to economic, financial, competitive, regulatory, operational and other factors, many of which are beyond the Company' s control. Any failure by the Company to generate sufficient cash from its operations to pay its debt and other financial obligations could have a material adverse effect on its business, results of operations and financial condition.

The Company uses cash generated from its operating activities to fund its business and execute its growth strategy and may require additional capital that may not be available to the Company

The Company relies on net cash generated from its operating activities as its primary source of liquidity. To support the Company' s business and execute its growth strategy as planned, the Company will need to continue to generate significant amounts of cash from operations, including funds to pay personnel, invest further in its infrastructure and facilities and invest in research and development. In case of decreasing capacity of the Company to generate cash from operations, the eventual recovery of the Company may be delayed due to factors such as the cyclical nature of the Company' s business, the seasonality of certain of its products, and the inventory levels of the Company, and that of its distributors and dealers. If the Company' s business does not generate cash flow from operating activities sufficient to fund these activities, and if sufficient funds are not otherwise available from its credit facilities, the Company may need to seek additional capital, through debt or equity financings, to fund its business or execute its growth strategy. Conditions in the credit markets (such as availability of financing, fluctuations in interest rates and deterioration of the global economic condition, including as experienced in connection with the ongoing COVID-19 health crisis) may make it difficult for the Company to obtain such financing on attractive terms, or even at all. Additional debt financing that the Company may undertake may be expensive and might impose on it covenants that restrict the Company' s operations and strategic initiatives, including limitations on its ability to incur liens or additional debt, pay dividends, repurchase its capital shares, make investments or engage in merger, consolidation and asset sale transactions. Any equity financing may also be on terms that are dilutive to the Company' s shareholders, and the prices at which new investors would be willing to purchase equity securities may be lower than the price per share of the Company' s Subordinate Voting Shares, especially in light of the heightened volatility in the capital markets experienced globally during recent months. If new sources of financing are required, but are unattractive insufficient, or unavailable, then the Company could be required to modify its business plans or growth strategy based on available funding, if any, which, in turn, could have a material adverse effect on the Company' s business, results of operations or financial condition.

Supply problems, termination or interruption of supply arrangements or increases in the cost of materials could have a material adverse effect on the Company's business, results of operations or financial condition

The primary raw materials used in manufacturing the Company's products are aluminum, steel, plastic, resins, stainless steel, copper, rubber and certain rare earth metals. Certain suppliers provide the Company with certain product parts and components. In some instances, the Company also purchases systems, components, raw materials and parts that are derived from a single source and which may represent an increased risk of supply disruptions. The Company cannot be certain that it will not experience supply problems, such as the untimely delivery of, or defects or variations in, raw materials, parts or components. Shortages of key components, such as semiconductors, can disrupt the Company's production. For example, the powersports vehicles and marine products industry have faced in recent months, and continue to face, a significant shortage of semiconductors, which has a complex supply chain with long lead times required to increase production and capacity. Such supply chain related disruptions can result in larger than usual production of substantially completed units awaiting missing components. Also, at present, there is still a risk of production stoppages and slowdowns in several jurisdictions where the Company operates, which could lead to further supply disruptions and delivery delays for the Company. Given this context, the Company has been forced to, and expects to continue to, take additional measures to secure its supply chain and maintain its production, including the use of expedited freight or air freight, resulting in additional costs for the Company. Additionally, various sources of supply-chain risk, including strikes or shutdowns at delivery ports, disruptions or shutdowns caused by health crisis such as the COVID-19 pandemic, or loss of or damage to goods while they are in transit or storage, could limit the supply of these raw materials and components. Any prolonged disruption in the supply chain could have a material adverse effect on the Company's operations or profitability and the insolvency, bankruptcy, financial restructuring or force majeure event of any critical suppliers could result in the Company incurring unrecoverable costs related to the financial work-out or resourcing costs of such suppliers and/or increased exposure for product liability, warranty or recall costs relating to the components supplied by such suppliers to the extent such supplier is not able to assume responsibility for such amounts.

As well, the Company obtains certain of the raw materials, parts and components it uses from either sole suppliers or a limited number of suppliers. If these supply arrangements were terminated or interrupted for reasons such as supplied goods not meeting the Company's quality or safety standards or the suppliers' operations being disrupted as a result of a variety of internal or external risks, including a deterioration in general economic conditions, which may be the case as a result of the ongoing COVID-19 health crisis, the Company could have difficulty establishing substitute supply arrangements on satisfactory terms. Problems with the Company's supplies could have a material adverse effect on the Company's business, results of operations or financial condition.

Moreover, the Company's profitability is affected by significant fluctuations in the prices of the raw materials, parts and components it uses, including as recently experienced as a result of the inflationary environment driven by high demand and supply chain disruptions. Further, higher energy costs and fuel increase can adversely affect the pricing and availability of petroleum-based raw materials such as resins and rubber used in many of the Company's products. The Company may not be able to pass along price increases in raw materials, parts or components to its customers. As a result, an increase in the cost of raw materials, parts and components used in the manufacturing of the Company's products could reduce its profitability and have a material adverse effect on its business, results of operations or financial condition.

If the Company loses the services of members of its management team or employees who possess specialized market knowledge and technical skills, the Company's ability to compete, to manage its operations effectively, or to develop new products could be materially adversely affected

Many members of the Company's management team have extensive experience in the Company's industry and with its business, products and customers. The loss of the technical, management and operational knowledge and expertise of one or more members of the management team could result in a diversion of management resources, as the remaining members of management would need to cover the duties of any senior executive who leaves the Company and would need to spend time usually reserved for managing the Company' s business to search for, hire and train new members of management. The loss of some or all of the members of Company' s management team, particularly if combined with difficulties in finding qualified substitutes, could negatively affect the Company' s ability to develop and pursue its business strategy, which could materially adversely affect the Company' s business, results of operations or financial condition.

In addition, the Company' s success depends to a large extent upon its ability to retain and attract skilled employees. There is intense competition for qualified and skilled employees in the labour markets in which we operate. We must attract, train, and retain many qualified employees while controlling related labour costs. Tighter labour markets, such as those experienced presently, may make it even more difficult for us to hire and retain qualified employees and control labour costs. Our ability to attract qualified employees and control labor costs is subject to numerous external factors, including prevailing wage rates, employee preferences, employment law and regulation, labour relations and immigration policy. The continued existence of a remote working environment may negatively impact the Company' s ability to hire, retain and motivate talent. The Company' s failure to recruit, train and retain such employees could have a material adverse effect on its business, results of operations or financial condition.

To implement and manage the Company' s business and operating strategies effectively, the Company must maintain a high level of efficiency, performance and content quality, continue to enhance its operational and management systems and continue to effectively attract, train, motivate and manage its employees. If the Company is not successful in doing so, it may have a material adverse effect on its business, results of operations or financial condition.

The risks to the Company of a pandemic, epidemic or other public health crisis, such as the ongoing COVID-19 pandemic, include risks to employee health and safety, prolonged restrictive measures put in place in order to control the outbreak and limitations on travel, which may result in temporary shortages of staff or unavailability of certain employees or consultants with key expertise or knowledge of the Company, impact on workforce productivity and increased medical costs/insurance premiums.

Unfavourable weather conditions, and climate change more generally, may reduce demand and negatively impact sales and production of certain of the Company' s products

The sales of the Company' s products are affected by unfavourable weather conditions. Unfavourable weather in any particular geographic region may have a material adverse effect on sales of the Company' s products in that region. In particular, lack of snowfall during winter may materially adversely affect snowmobile sales, while excessive rain before and during spring and summer may materially adversely affect sales of off-road vehicles, three-wheeled vehicles, PWCs, boats and marine propulsion systems. To the extent that unfavourable weather conditions are exacerbated by global climate change or otherwise, the Company' s sales may be affected to a greater degree than previously experienced. There is no assurance that unfavourable weather conditions could not affect the Company' s sales for any of its products, which, in turn, could have a material adverse effect on the Company' s business, results of operations or financial condition.

Furthermore, any of the Company' s manufacturing facility may be vulnerable to the adverse effects of climate change. Changing market dynamics, global policy developments, and the increasing frequency and impact of extreme weather events on critical infrastructure in Canada, the U.S., Mexico and elsewhere have the potential to disrupt the Company' s business and the business of its third-party suppliers, and may cause the Company to experience higher attrition, losses and additional costs to maintain or resume operations.

The failure of the Company's information technology systems or a security breach could materially adversely affect the Company's business, results of operations or financial condition

The Company's global business operations are managed through a variety of information technology systems. These systems govern all aspects of the Company's operations around the world. The Company is dependent on these systems for all commercial transactions, financial reporting, dealership and distributorship interactions, and supply chain and inventory management. Certain of the Company's key IT systems are dated and require, or are in the process of, modernization. The Company's information technology systems may also be vulnerable to damage or interruption from circumstances beyond the Company's control, including fire, flood, natural disasters, systems failures, network or communications failures, power outages, public health emergencies, security breaches, cyber-attacks and terrorism. If one of the Company's key IT systems were to suffer a failure, no assurance can be given that the Company's backup systems or contingency plans will sustain critical aspects of the Company's operations, and the Company's business, results of operations or financial condition could be materially adversely affected. Further, the Company relies on large outsourcing contracts for IT services with major third-party service providers, and if such service providers were to fail or the relationships with the Company were to end, and the Company were unable to find suitable replacements in a timely manner, the Company's business, results of operations or financial condition could be materially adversely affected. The Company also depends on security measures that these third-party service providers are taking to protect their own systems and infrastructure. If such third-party service providers do not maintain adequate security measures in accordance with contractual requirements, the Company may experience operational difficulties and increased costs. The Company is continually modifying and enhancing its IT systems and technologies to increase productivity and efficiency. As new systems and technologies are implemented, the Company could experience unanticipated difficulties resulting in unexpected costs and adverse impacts to its financial reporting and manufacturing and other business processes. When implemented, the systems and technologies may not provide the benefits anticipated and could add costs and complications to ongoing operations, which may have a material adverse effect on the Company's business, results of operations or financial condition.

The Company and its dealers and distributors receive and store personal information in connection with their human resources operations, credit operations, warranty management, marketing efforts and other aspects of their businesses. Additionally, the Company maintains financial information in its IT system and exchanges electronically information with a large number of trading partners across all aspects of its commercial operations. The Company makes significant investments in research and development each year and data from such activities is maintained in the Company's IT systems. Any security breach of the Company's IT systems could result in disruptions to its operations, erroneous transactions or reporting, loss of data from research and development activities, the devaluation of intellectual property. The Company has security measures and controls in place to protect personal and business information, and on an ongoing basis, continues to make investments to reinforce secure access to our information technology network. In addition, despite the Company's preventive efforts to address cybersecurity threats, these threats are increasingly complex and can change frequently such that the Company may be unable to proactively address those threats or implement adequate preventive measures. With the increased use of technologies such as the internet to conduct business, the Company is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Further, the work-from-home measures implemented in response to the COVID-19 crisis present cybersecurity challenges, as the Company's security and control measures might fail to adapt to a remote environment. While the Company has deployed additional protective measures including advanced threat hunting, real time response and Operational Technology (OT) surveillance services, it is not completely immune from these increasing cybersecurity threats. To the extent that a cybersecurity breach results in a loss or damage to the Company's data, or in inappropriate disclosure of confidential or personal information, it could cause significant damage to the Company's reputation, affect its relationships with its customers, lead to violations of applicable privacy and other laws, regulatory fines, penalties, additional compliance costs, claims against the Company and ultimately materially adversely affect its business, results of operations or financial condition.

The Company's international sales and operations subject it to additional risks, which risks may differ in each country in which the Company operates

The Company manufactures its products in Australia, Austria, Canada, Finland, Mexico and the United States. The Company maintains sales and administration facilities in approximately 20 countries. The Company's primary distribution facilities distribute the Company's products to its North American dealers and the Company relies on various other locations around the world, including in Australia, Belgium, Finland and Russia, that distribute its products to its international dealers and distributors. The Company's total sales outside Canada and the United States represented 28.0% of the Company's total sales for Fiscal 2022 and the Company intends to continue to expand its international operations by investing in developing its dealer network and promoting the Company's brands and products in international markets. International markets have been and are expected to continue generating sales growth. Several factors, including weakened international economic conditions, the introduction of new trade restrictions, increased protectionism or changes in free-trade arrangements, tariffs, negative geo-political events or an outbreak of infectious disease, a pandemic or a similar public health threat, such as the ongoing COVID-19 health crisis, could adversely affect such growth. With its global spread, COVID-19 was declared a pandemic by the World Health Organization on March 11, 2020, which caused various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions and caused the Company to take temporary measures to suspend or reduce operations at its manufacturing plants and distribution facilities. Despite the lifting of most of these measures, new variants of the virus have led to the temporary re-imposition of restrictive measures across North America and in other jurisdictions where the Company operates. Although the Company did not take additional measures in Fiscal 2022 to suspend or reduce operations at its manufacturing plants and distribution facilities as a result of such new variants, the continued spread of the virus in jurisdictions where the Company operates, and any further resurgences of the pandemic, may cause the reintroduction of previously loosened or eliminated restrictions or impositions of new restrictions that could potentially be more onerous. As such, the duration of the business disruptions internationally and related financial or operational impacts on the Company will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope and additional subsequent waves of the COVID-19 outbreak and the actions and measures that will be taken in each jurisdiction to contain or treat the COVID-19 outbreak as well as their effectiveness.

Additionally, the expansion of the Company's existing international operations and entry into additional international markets require significant management attention and financial resources. The risks inherent in having sales or operations in foreign countries include:

- increased costs of adapting products for foreign countries' laws, rules and regulations and cultural preference; lack of acceptability of the Company's products;
- difficulties in managing and staffing international operations and increased infrastructure and operational costs;
- different employee/employer relationships and labor regulations including the existence of work councils and labor unions and statutory equity requirements and other challenges caused by distance, language, and cultural differences, making it harder to do business in certain jurisdictions;
- restricted access to and/or lower levels of use of the internet, or limitations on technology infrastructure, both of which could limit the Company's ability to migrate international operations to its existing systems, which could result in increased costs;

- risk of travel advisories or travel restrictions related to the outbreak of contagious illnesses, such as the COVID-19 health crisis that continues to impact several geographic locations, which could impact the Company' s ability to operate in certain markets and/or manage our operations in those markets;
- the imposition of additional Canadian or foreign governmental controls or regulations; new or enhanced trade restrictions and restrictions on the activities of foreign agents, representatives, and distributors; the imposition of increased costs or delays, or the introduction of new import and export licensing and other compliance requirements, customs duties or tariffs, or other non-tariff barriers to trade;
- breaches or violation of any anti-corruption laws, rules or regulations by any of the Company' s employees, consultants, dealers or distributors;
- the imposition of Canadian and/or international sanctions against a country, company, person, or entity with whom the Company does business which restricts or prohibits the Company' s continued business with the sanctioned country, company, person, or entity (including the recent restrictions imposed by foreign governments towards Russia);
- new and different sources of competition;
- international pricing pressures;
- disruptions in international logistics;
- laws and business practices favouring local companies;
- governmental expropriation;
- the imposition of any trade restrictions, or other similar restrictions impacting commercial activities among countries;
- adverse currency exchange rate fluctuations;
- longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems; and
- difficulties and inconsistencies relating to the enforcement of laws, rules, and regulations, including rules relating to environmental, health, safety and intellectual property matters.

The Company has four operating manufacturing facilities in Mexico, two of which are under expansion, which could be impacted by changes in economic, regulatory, social or political conditions affecting such country. In the past, Mexico has been subject to political instability, changes and uncertainties and there can be no assurance that similar events will not occur again in the future. In addition, the impact of any changes in economic, regulatory, social and political conditions affecting Mexico would be beyond the Company' s control, and there can be no assurance that any mitigating actions by the Company would be effective. As a result, the Company' s business, results of operations or financial condition could be materially adversely affected by any significant change in economic, regulatory, social and political conditions affecting Mexico. Moreover, goods produced in Mexico and Canada and sold to the United States benefit from the *Canada-United States-Mexico Agreement* (CUSMA), which has been signed and ratified by all three countries and implemented on July 1, 2020. Disputes between the three countries in relation to the interpretation of certain provisions contained in CUSMA have already taken place, and there can be no assurance that the Company' s operations will not be impacted by other such disputes in the future.

The global snowmobile market is highly concentrated in North America, Russia and Scandinavia, and the Company has an office in Russia. On February 24, 2022, a military conflict started between Russia and Ukraine, which has resulted in heightened tensions between Russia, the United States, Canada and a number of European states. A continuation, or any further deterioration, of the situation could have significant geopolitical implications, including economic, social and political repercussions on a number of regions that may impact the Company and its customers. Additionally, government sanctions imposed in connection with this crisis are impacting the Company' s ability to offer services in the region, and additional sanctions could be imposed in the future. These sanctions and export controls, as well as any responses from Russia, could adversely affect the Company and/or its supply chain, business partners or customers. While these factors and their impact are difficult to predict, any one or more of them could have a material adverse effect on the Company' s competitive position, results of operations, financial condition or liquidity. Further instability or tension in Russia, Ukraine, and the surrounding region could also cause the Company to adjust its operating model, which could increase its costs of operations. The conflict in Ukraine could also lead to volatility in the global markets, increase inflation and further disrupt supply chains, all of which could reduce the Company profitability and have a material adverse effect on its business, results of operations or financial condition.

The Company' s results of operations fluctuate from quarter to quarter and from year to year as they are affected, among other things, by the seasonal nature of its business

The Company' s results of operations experience substantial fluctuations from quarter to quarter and year to year. In general, retail sales of the Company' s products are highest in their particular season of use and in the immediately preceding period. For example, retail sales for snowmobiles will be highest in fall and winter, retail sales for PWCs will be highest in spring and summer and retail sales for boats will be highest in winter and spring. Revenues in the first half of the fiscal year have generally been lower than those in the second half. However, the mix of product sales may vary considerably from time to time as a result of changes in seasonal and geographic demand, the introduction of new products and models and production scheduling for particular types of products. Any negative economic conditions that occur during the months of traditionally higher sales of a given product could have a disproportionate effect on the Company' s results of operations for the entire fiscal year. In addition, the Company' s dealers and distributors may modify orders, change delivery schedules or change the mix of products ordered. The Company may also make strategic decisions to deliver and invoice products at certain dates in order to lower costs or improve supply chain efficiencies or may be forced to do so because of supply chain issues or disruption. As a result, the Company' s results of operations are likely to fluctuate significantly from period to period such that any historical results should not be considered indicative of the results to be expected for any future period. In addition, the Company incurs significant additional expenses in the periods leading up to the introduction of new products which may also result in fluctuations in the Company' s results of operations. The Company' s annual and quarterly gross profit margins are also sensitive to a number of factors, many of which are beyond its control, including shifts in product sales mix, geographic sales trends, and currency exchange rate fluctuations, all of which the Company expects will continue. This seasonality in revenues, expenses and margins, along with other factors that are beyond the Company' s control, including general economic conditions, changes in consumer preferences, weather conditions, tariffs, free-trade arrangements, geopolitical uncertainty, the cost or availability of raw materials or labour, discretionary spending habits and currency exchange rate fluctuations, could materially adversely affect the Company' s business, results of operations or financial condition.

The Company is subject to laws, rules and regulations regarding product safety, health, environmental and noise pollution and other issues that could cause the Company to incur fines or penalties or increase its capital or operating costs

The Company is subject to federal, provincial/state and local/municipal laws, rules and regulations in Canada, the United States, Europe and other countries regarding product safety, health, environmental and noise pollution and other issues that could cause the Company to incur fines or penalties or increase the Company' s capital or operating costs, all of which could have a material adverse effect on the Company' s business, results of operations or financial condition. A failure to comply with, or compliance with, any such requirements or any new requirements could result in increased expenses to modify the

Company's products, or harm to its reputation, which could have a material adverse effect on the Company's business, results of operations or financial condition. Certain jurisdictions require or are considering requiring a license to operate the Company's products. While such licensing requirements are not expected to be unduly restrictive, they may deter potential customers, thereby reducing the Company's sales. The Company's products are also subject to laws, rules and regulations imposing environmental, noise emission, zoning and permitting restrictions, which laws, rules and regulations are subject to change and may limit the locations where the Company's products may be sold or used or restrict their use during certain times or on certain conditions. Since the beginning of the COVID-19 pandemic, the Company also has had to adapt its health and safety measures throughout its facilities to comply with changing local regulations in connection with the COVID-19 health crisis, resulting in incremental costs to the Company. Additional costs and investments might be required in the future if new regulations or restrictions are put in place.

Climate change is receiving increasing attention worldwide. A perceived consensus among scientists, legislators and others regarding the impact of increased levels of greenhouse gases, including carbon dioxide, on climate change has led to significant legislative and regulatory efforts to limit greenhouse gas emissions. Greenhouse gas regulations could require the Company to purchase allowances to offset the Company's own emissions or result in an overall increase in costs of raw materials or operating expenses, any of which could reduce competitiveness in a global economy or otherwise have a material adverse effect on the Company's business, results of operations or financial condition. Many of the Company's suppliers face similar circumstances. Moreover, the Company may face greater regulatory or customer pressure to develop products that generate less emissions. This may require the Company to spend additional funds on research and development and implementation and subject the Company to the risk that the Company's competitors may respond to these pressures in a manner that gives them a competitive advantage. The development of such products may also present challenges in maintaining the look, sound and feel of the Company's products. While additional regulations of emissions in the future appear likely, it is too early to predict whether such regulation could ultimately have a material adverse effect on the Company's business, results of operations or financial condition.

The Company is also subject to environmental laws, rules and regulations pursuant to which, among other things, current or previous owners or occupants of property may become liable for the contamination of such property and, as a result, may be liable for the costs of investigating, removing and monitoring any hazardous substances found on the property. Given the nature of the Company's manufacturing activities and the fact that certain of its facilities have been in operation for many years, the Company and the prior owners or occupants of its property may have generated and disposed of materials that are or may be considered hazardous. The Company is aware of certain current environmental liabilities in relation to certain of its property and it is possible that additional environmental liabilities may arise in the future as a result of any prior or future generation or disposal of hazardous materials. The Company may therefore incur material costs and obligations related to environmental compliance and remediation matters in the future. Any failure to comply with, or the compliance with, any applicable environmental laws, rules or regulations, could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company has a relatively large fixed cost base that can affect its profitability in a declining sales environment

The fixed costs involved in owning and operating the Company's facilities can reduce the Company's gross profit margins when sales and production decline, such as could be the case as a result of the inflationary environment driven by high demand and supply chain disruptions. The Company's profitability is dependent, in part, on its ability to spread fixed costs over an increasing number of products sold and shipped, and if the Company is required to reduce its rate of production, gross profit margins could be negatively affected. Consequently, decreased demand can lower the Company's ability to absorb fixed costs, which could have a material adverse effect on its business, results of operations or financial condition.

The inability of the Company's dealers and distributors to secure adequate access to capital could materially adversely affect the Company's business, results of operations or financial condition

The Company's dealers and distributors require adequate liquidity to finance their operations and to purchase the Company's products. Dealers and distributors are subject to numerous risks and uncertainties that could unfavourably affect their liquidity positions, including, among other things, continued access to adequate financing sources on a timely basis and on reasonable terms. The Company currently has agreements in place with large financing companies to provide inventory financing to its dealers and distributors to facilitate their purchase of the Company's products. Also, the Company obtains financing for substantially completed units shipped to the Company's dealers that is conditional on meeting certain financial thresholds, which, if not met, may force the Company to finance these units directly, thereby diminishing its available cash. These sources of financing are instrumental to the Company's ability to sell products through the Company's distribution network, as a significant percentage of the Company's sales are done under such arrangements. The Company's business, results of operations or financial condition could be materially adversely affected if a decline in financing availability to the Company's dealers and distributors occurs, or if financing terms change unfavourably. This could require the Company to find alternative sources of financing, including the Company potentially providing financing directly to dealers and distributors, which could require additional capital to fund the associated receivables. In the event of a dealer or distributor default, the Company may be required to purchase new and unused products at the total unpaid principal balance to the finance company from financing companies providing inventory financing to the Company's dealers and distributors, subject to certain caps as described under "Business of the Company – Distribution, Sales and Marketing". Any requirement of the Company to purchase the inventory of several of its dealers or distributors could result in a material adverse effect on the Company's business, results of operations or financial condition.

The Company faces intense competition in all product lines and any failure to compete effectively against competitors or any failure to meet consumers' evolving expectations could materially adversely impact the Company's business, results of operations or financial condition

The powersports industry is highly competitive. Competition in such industry is based upon a number of factors, including price, quality, reliability, styling, product features, warranties and overall consumer experience. At the dealer and distributor level, factors impacting competition include sales and marketing support programs such as retail sales promotions, dealer and distributor performance bonuses, and dealer and distributor inventory financing. Some of the Company's competitors are more diversified and have financial and marketing resources that are substantially greater than the Company's, which allow these competitors to invest more heavily in intellectual property, product development, sales and marketing support and innovative consumer offers. The Company is also subject to competitive pricing. Such pricing pressure may limit the Company's ability to maintain prices or to increase prices for its products in response to raw material, component and other cost increases, and therefore negatively affect the Company's profit margins.

In addition, the industries in which the Company does business may experience significant change in the coming years. Participants are disrupting, and could continue to disrupt, the historic business model of such industries through the introduction of new technologies, products or services as well as by establishing alternative sales channels. The Company expects to face increased pressure in the future to develop new products and services, including products and services that could be viewed as falling outside its historical core business such as electric vehicles and digital services. With the demand for digital capabilities further enhanced by the COVID-19 crisis, a failure to keep pace with customer demands or to react to or anticipate changing trends in a timely and cost-efficient manner could affect the Company's customer base and limit our ability to attract new customers. Although the Company accelerated its digital transformation in response to the COVID-19 crisis and increased customer demands, its competitors may adapt their customer experience more rapidly or in a more cost-efficient manner, which could adversely affect the Company's business, results of operations or financial condition, reputation and brand value.

The process of designing and developing new technologies, products and services is complex, costly and uncertain, requires extensive capital investment and is dependent upon the ability to recruit and retain talent. There can be no assurance that future innovation is achievable or will occur in a timely manner, or that competitors of the Company will not be able to develop new technologies, products and services before the Company does or that it will acquire technologies on an exclusive basis or at a significant price advantage. If the Company is not able to compete with new products, product features, models or product prices of its competitors, to attract new dealers and distributors and retain existing ones, or to adapt to changing consumer habits or disruption in historical business models, the Company's business, results of operations or financial condition could be materially adversely affected.

The Company may be unable to successfully execute its growth strategy

The Company's strategic plan established by management includes an organic growth strategy, which is focused mainly on the development of new products and features, and may involve from time-to-time growth through strategic acquisitions, investments, alliances, joint ventures and similar transactions.

While the Company makes significant investments in research and development and emerging product lines, there can be no assurance that it will be able to continue to successfully enhance its existing products, develop new innovative products and distinguish its products from its competitors' products through innovation and design. Product improvements and new product introductions also require significant planning, design, development and testing at the technological, product and manufacturing process levels and the Company may not be able to develop product improvements or new products in a timely manner, notably in light of temporary slowdowns or suspensions of production lines that have happened and could continue to happen as a result of the ongoing COVID-19 health crisis. The new products of the Company's competitors may access the market more rapidly, be more effective with better features and/or less expensive than the Company's products, obtain better market acceptance, or render the Company's products obsolete. The Company may therefore not be able to satisfy the needs and preferences of customers and compete effectively with its competitors. Product development requires significant financial, technological and other resources. The Company expended approximately $289.8 million in research and development in Fiscal 2022. There can be no assurance that the Company will be able to sustain this level of investment or that this level of investment in research and development will be sufficient to successfully maintain the Company's competitive advantages in product innovation and design in the future. Further, the sales of any new products are expected to decline over such new products' life cycle, with sales being higher early in the life cycle of the new products and sales decreasing over time as the new products age. The Company cannot predict the length of the life cycle for any new product. Any failure by the Company to continue to enhance existing products and develop and market new products that respond to customer needs and preferences and achieve market acceptance could have a material adverse effect on the Company's business, results of operations or financial condition. In addition, even if the Company is able to successfully develop improvements to existing products and develop new products, there is no guarantee that the markets for the Company's existing products and new products will evolve as anticipated. If any of the markets in which the Company's existing products compete do not develop as expected, the Company's business, results of operations or financial condition could be materially adversely affected.

The Company is exposed to increased competition in attracting, recruiting, and retaining the key talent and skills that it needs for its development and growth. Despite making significant efforts, the Company may be unable to recruit and retain the key talent and skills it needs, which could impair its ability to develop, innovate and could as a result cause a slowdown in its growth.

The Company has completed acquisitions in the past years, and it may also consider pursuing acquisitions, investments, alliances, joint ventures or similar transactions in the future. Any such transactions would involve a number of risks, including:

- difficulties in integrating the operations of any acquired or new businesses with the Company' s existing operations and the failure by management to accomplish such integration successfully;
- the necessity to raise additional capital, through debt or equity, or use cash that would otherwise have been available to support the Company' s existing business operations and research and development activities to finance the transaction (see "Risk Factors – The Company uses cash generated from its operating activities to fund its business and execute its growth strategy and may require additional capital that may not be available to the Company");
- the diversion of management' s attention;
- difficulties in realizing projected efficiencies, cost savings and synergies;
- the potential loss of key employees or customers of an acquired business or adverse effects on existing business relationships with suppliers and customers;
- unforeseen costs and liabilities, including litigation or other claims arising in connection with the acquired company or investment;
- difficulties in the implementation of the Company' s disclosure controls and procedures, internal controls over financial reporting as well as procedures relating to cybersecurity and compliance with applicable regulations, or deficiencies in connection thereto, which could affect the Company' s compliance with its obligations under applicable laws, regulations, rules and listing standards or may require the Company to avail itself of scope limitations with respect to certifications required thereunder;
- a negative impact on overall profitability if any acquired or new businesses do not achieve the financial results projected in the Company' s valuation models;
- dilution to existing shareholders if securities of the Company are issued as part of transaction consideration or to fund the transaction consideration; and
- the inability to direct the management and policies of any acquired business, joint venture, strategic alliance, or partnership, particularly in circumstances where other participants may be able to take action contrary to the Company' s instructions or requests and against its policies and objectives.

The Company' s ability to grow through strategic acquisitions, investments, alliances, joint ventures or other similar transactions will depend, among other things, on the availability of such strategic opportunities, their cost, their terms and conditions, the Company' s ability to compete effectively for such strategic opportunities and the availability to the Company of required capital and personnel. The Company may also be precluded from pursuing such transactions as a result of financial or other covenants in agreements to which it is a party. The Company' s inability to take advantage of future strategic opportunities, or its failure to successfully address the risks associated with any strategic opportunities that is completed, could have a material adverse effect on the Company' s business, results of operations or financial condition.

If the Company fails to maintain an effective system of internal control over financial reporting, the Company may not be able to produce accurate and timely financial statements

Ensuring that the Company has adequate internal financial and accounting controls and procedures in place so that it can produce accurate financial statements on a timely basis is a costly and time-consuming effort that needs to be evaluated frequently. In connection with the audit of the Company' s consolidated financial statements for the fiscal year ended January 31, 2022. If the Company fails to correct any material weakness in its internal controls, or having corrected such material weakness, thereafter, fails to maintain the adequacy of its internal controls, the Company may be unable to report its financial results accurately, which could increase operating costs and harm its business, including investors' perception of its business and the price of its Subordinate Voting Shares. Any continued or future failure to maintain adequate internal controls over financial reporting could materially adversely affect the Company's business, results of operations or financial condition.

The Company's success depends upon the continued strength of its reputation and brands

The Company's well-established brands include *Can-Am* off-road vehicles (ATVs and SSVs) and *Can-Am* three-wheel vehicles (*Spyder* and *Ryker* vehicles), *Ski-Doo* and *Lynx* snowmobiles, *Sea-Doo* PWCs and pontoons *Alumacraft, Manitou*, *Quintrex*, *Stacer* and *Savage* boats, and *Rotax* engines. The Company believes that its reputation and brands are significant contributors to the success of its business. Any negative publicity about the Company's products could diminish customer trust, do significant damage to the Company's reputation and brands and negatively impact sales. As the Company expands into new geographical markets, maintaining and enhancing its brands may become increasingly difficult and expensive, as consumers in these markets may not accept its brand image. Failure to maintain and enhance the Company's brands in any of its markets may materially adversely affect the Company's business, results of operations or financial condition.

The Company's brands and branded products could also be adversely affected by incidents that reflect negatively on the Company. Moreover, the negative impact of these events may be aggravated due to their coverage in the media and on social media, over which the Company has no control. The increasing use of social media has heightened the need for reputational risk management. Any actions the Company takes that cause negative public opinion have the potential to negatively impact the Company's reputation, which may materially adversely affect its business, results of operations or financial condition.

An adverse determination in any significant product liability claim against the Company could materially adversely affect its business, results of operations or financial condition

The development, manufacturing, sale and usage of the Company's products expose the Company to significant risks associated with product liability claims. If the Company's products are defective, malfunction or are used incorrectly by its consumers, it may result in bodily injury, property damage or other injury, including death, which could give rise to product liability claims against the Company. Changes to the Company's manufacturing processes and the production of new products could result in product quality issues, thereby increasing the risk of litigation and potential liability. Any losses that the Company may suffer from any liability claims and the effect that any product liability litigation may have upon the brand image, reputation and marketability of the Company's products could have a material adverse impact on its business, results of operations or financial condition.

The Company does not believe the outcome of any pending product liability claim could have a material adverse effect on its business, results of operations or financial condition, and the Company has insurance with respect to future claims in amounts it believes to be appropriate. However, no assurance can be given that the Company's historical claims record will not change, that material product liability claims will not be made in the future against the Company, or that claims will not arise in the future in excess or outside the coverage of the Company's indemnities and insurance. The Company records provisions for known potential liabilities, but there is the possibility that actual losses may exceed these provisions and therefore negatively impact earnings. Also, the Company may not be able in the future to obtain adequate product liability insurance or the cost of doing so may be prohibitive. Adverse determinations of material product liability claims made against the Company could also harm the Company's reputation and cause it to lose customers and could have a material adverse effect on its business, results of operations or financial condition.

Significant product repair and/or replacement due to product warranty claims or product recalls could have a material adverse impact on the Company's business, results of operations or financial condition

The Company provides a limited warranty against defects for all of its products for a period generally varying from six months to five years. The Company may provide extended warranty coverage related to certain promotional programs, as well as extended warranty coverage in certain geographical markets as determined by local laws, rules or regulations and market conditions. The Company also provides a limited emissions warranty for certain emissions related parts in its products as required by the United States Environmental Protection Agency and the California Air Resources Board. Although the Company employs quality control procedures, it happens that a product manufactured by the Company needs repair or replacement or be recalled. The Company's standard warranties require that dealers repair or replace defective products during such warranty periods at no cost to the consumer. The Company records provisions based on an estimate of product warranty claims, but there is the possibility that actual claims may exceed these provisions and therefore negatively impact earnings. The Company could make major product recalls or could be held liable in the event that some of its products do not meet safety standards or statutory requirements on product safety or consumer protection. In addition, the risks associated with product recalls may be aggravated if production volumes increase significantly, as it has been the case in the last years; or if supplied goods do not meet the Company's standards, or the Company fails to perform its risk analysis systematically or product-related decisions are not fully documented. Historically, product recalls have been administered through the Company's dealers and distributors. The repair and replacement costs that the Company could incur in connection with a recall could have a material adverse effect on the Company's business, results of operations or financial condition. Product recalls could also harm the Company's reputation and cause it to lose customers, particularly if recalls cause consumers to question the safety or reliability of the Company's products, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company relies on a network of independent dealers and distributors to manage the retail distribution of its products and failure to establish or maintain the appropriate level of dealers and distributors may negatively impact its business

The Company depends on the capability of its independent dealers and distributors to develop and implement effective retail sales plans to create demand among retail purchasers for its products. If the Company's independent dealers and distributors are not successful in these endeavours, the Company will be unable to maintain or grow its sales. The measures taken by governmental authorities from time to time in connection with the ongoing COVID-19 health crisis, including with respect to labour stoppages, business interruptions and restrictions or temporary shutdowns may impact the ability of our independent dealers and distributors to carry out their retail sales plans for a certain period of time.

Further, independent dealers and distributors may experience difficulty in funding their day-to-day cash flow needs and paying their obligations resulting from adverse business conditions, including weakened consumer spending or tightened credit. Inability to fund operations can force dealers and distributors to cease business, and the Company may not be able to obtain alternate distribution in the vacated market, which could negatively impact the Company's sales through reduced market presence or inadequate market coverage. In the event of a dealer or distributor default under any financing arrangement, the Company may also be required to repurchase such dealer's or distributor's inventory from the financing company. See "Risk Factors – The inability of the Company's dealers and distributors to secure adequate access to capital could materially adversely affect the Company's business, results of operations or financial condition". Additionally, weak demand for the Company's products may cause dealers and distributors to voluntarily or involuntarily reduce of terminate their business with the Company. In addition to dealers or distributors ceasing business, in some cases, the Company may seek to terminate relationships with some dealers or distributors leading to a reduction in the number of its dealers or distributors. Being forced to liquidate a former dealer's or distributor's inventory of the Company's products could add downward pressure on such products' prices. Ultimately, if the Company fails to establish or maintain an appropriate level of dealers and distributors for each of its products, the Company may not obtain adequate market coverage for the desired level of retail sales of its products.

Further, the unplanned loss of any of the Company's independent dealers or distributors may create negative impressions of the Company with its retail customers and have a material adverse impact on the Company's ability to collect wholesale receivables that are associated with that dealer or distributor. Also, if the Company's dealer and distributor base were to consolidate, competition for the business of fewer dealers and distributors would intensify. If the Company does not provide product offerings and pricing that meet the needs of its dealers and distributors, or if the Company loses a substantial amount of its dealer and distributor base or is not able to expand in certain key regions, its business, results of operations or financial condition could be materially adversely affected.

The Company sells a majority of its products through dealer and distributor agreements. In general, distributors are contractually obligated to offer the Company's products on an exclusive basis. However, many of the dealers through which the Company sells its products also carry competing product offerings and most dealers who sell the Company's products exclusively are not contractually obligated to continue to do so and may choose to sell competing products at any time. If certain dealers or distributors decide to emphasize products from the Company's competitors or to otherwise reduce their purchase of the Company's products, it may lower the Company's sales. The Company also relies on its dealers and distributors to service and repair its products. The addition of several new technologies in the Company's products increases their complexity which in turn requires additional skills and knowledge from its dealers and distributors to service and repair these products. There can be no assurance that the Company's dealers and distributors will provide high quality repair services to the Company's customers. If dealers or distributors fail to provide quality service during either trial, delivery or after-sales service to the Company's customers, the Company's brand identity and reputation may be damaged, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company depends upon the successful management of the inventory levels, both at the Company's and the dealers' and distributors' levels, and any failure to successfully manage inventory levels could have a material adverse effect on the Company's business, results of operations or financial condition

The Company must maintain sufficient inventory levels to operate its business successfully. However, the Company must also guard against accumulating excess inventory as it seeks to minimize lost sales. The nature of the Company's product lines requires the Company to purchase supplies and manufacture products well in advance of the time these products are offered for sale. As a result, the Company may experience difficulty in responding to a changing retail environment, such as the one caused by the ongoing COVID-19 health crisis, which may lead to excess inventory or to inventory shortages if supply does not meet demand.

Sales for certain product lines are managed through longer term purchase commitments, and the Company plans annual production levels and long-term product development and introduction based on anticipated demand, as determined by the Company in reliance on its own market assessment and regular communication with its dealers, distributors and other customers. If the Company does not accurately anticipate the future demand for a particular product or the time it will take to adjust inventory, its inventory levels will not be appropriate and its results of operations may be negatively impacted, including through lower gross profit margins due to greater than anticipated discounts and markdowns that might be necessary to reduce inventory levels. On the other hand, the sales of certain other product lines are managed through shorter-term purchase commitments, and the Company has introduced a flexible order management system for some of its products. Any failure by the Company to maintain adequate inventory levels for such products, which the Company has experienced as a result of shortages of key components, supply chain disruptions, labour shortages and other aspects of the COVID-19 health crisis, have resulted, and could continue to result in undesirable delivery delays for its customers or result in the loss of certain sales, which could, in turn, have a material adverse effect on the Company's business, results of operations or financial condition.

Additionally, the Company's dealers and distributors could decide to reduce the number of units of the Company's products they hold. Such a decision would likely require the Company to reduce its production levels, thus resulting in lower rates of absorption of fixed costs in the Company's manufacturing facilities and lower gross profit margins. If the Company's dealers and distributors then placed additional orders for the Company's products, this could impair the Company's ability to respond rapidly to these demands and adequately manage its inventory levels, which could materially adversely affect its business, results of operations or financial condition.

The Company may be unable to protect its intellectual property, or it may incur substantial costs as a result of litigation or other proceedings relating to protection of its intellectual property

The Company' s success depends in part on its ability to protect its patents, trademarks, copyrights and trade secrets from unauthorized use by others. If substantial unauthorized use of the Company' s intellectual property rights occurs, the Company may incur significant costs in enforcing such rights by prosecuting actions for infringement of its rights, particularly taking into account that policing unauthorized use of the Company' s intellectual property may be more difficult outside North America and Europe and that the laws in those jurisdictions may not protect intellectual property rights to the same extent as the laws in North America and Europe. Such unauthorized use could also result in the diversion of engineering and management resources to these matters at the expense of other tasks related to the business. Others may also initiate litigation to challenge the validity of the Company' s patents, trademarks, copyrights and trade secrets, or allege that the Company infringes their patents, trademarks, copyrights or trade secrets. If the Company' s competitors initiate litigation to challenge the validity of the Company' s patents, trademarks, copyrights and trade secrets, or allege that the Company infringes theirs, the Company may incur substantial costs to defend its rights. If the outcome of any such litigation is unfavourable to the Company, its business, results of operations or financial condition could be materially adversely affected. The Company also cannot be sure that the patents it has obtained, or other protections such as confidentiality and trade secrets, will be adequate to prevent imitation of its products and technology by others. If the Company is unable to protect its technology through the enforcement of intellectual property rights, its ability to compete based on technological advantages may be harmed. If the Company fails to prevent substantial unauthorized use of its trade secrets, it risks the loss of certain competitive advantages, which could have a material adverse effect on its business, results of operations or financial condition.

Some of the Company' s direct and indirect competitors may have significantly more resources to direct toward developing and patenting new technologies. It is possible that the Company' s competitors will develop and patent equivalent or superior engine and motor technologies and other products that compete with the Company' s products. They may assert these patents against the Company and the Company may be required to license these patents on unfavourable terms or cease using the technology covered by these patents, either of which could harm the Company' s competitive position and may materially adversely affect its business, results of operation or financial condition. Also, because of the rapid pace of technological change in the Company' s industry, aspects of its business and products rely on technologies developed or licensed by third parties, and the Company may not be able to obtain or continue to obtain licenses and technologies from these third parties on reasonable terms or at all.

Additionally, the Company has been and could in the future be a defendant in patent proceedings or similar actions and if it is unsuccessful in its defense of any of these actions, there could be material adverse consequences including payment of monetary damages, licensing of patents on unfavourable terms, limitations on its ability to use certain technology and removal of desirable features from the Company' s products. Even if the Company was able to defeat such claims, the allegation that it is infringing on others' intellectual property rights could harm its reputation and cause it to incur significant costs in connection with its defense of these actions. Also, from time to time, third parties have challenged, and may in the future try to challenge, the Company' s trademark rights and branding practices. The Company may be required to institute or defend litigation to enforce its trademark rights, which, regardless of the outcome, could result in substantial costs and diversion of resources and could have a material adverse effect on the Company' s business, results of operations or financial condition. If the Company loses the use of a product name, its efforts spent building that brand will be lost and it will have to rebuild a brand for that product, which it may or may not be able to do.

The Company may not be able to successfully execute its manufacturing strategy or to meet customer demand as a result of manufacturing capacity constraints

One of the priorities of the strategic plan established by management consists of sustained efforts in the areas of cost reduction and operational efficiencies. This priority aims in part at leveraging the strength of the Company's established manufacturing centers. In addition, in order to help the Company respond to ongoing changes in the marketplace and reduce inventory across the supply chain, the Company's cost reduction and operational efficiencies efforts focus on further implementing model mix production on its assembly lines, which allows the Company to produce a greater range of models on a weekly and daily basis, without expensive set-up costs or production downtime. The Company believes that flexible manufacturing is the key element to enable improvements in the Company's ability to respond to customers in a cost-effective manner. The success of the Company in implementing this priority of its strategic plan is dependent on the involvement of management, production employees and suppliers. Any failure to achieve this cost reduction and operational efficiencies priority (including the anticipated levels of productivity and operational efficiencies) in the Company's manufacturing facilities, could materially adversely impact the Company's business, results of operations or financial condition and its ability to deliver the right product at the right time to the customer.

An unforeseen increase in demand for its products, the development of new products or the enhancement of existing products or models could require the construction, improvement, re-configuration, relocation or expansion of the Company's existing production facilities, such as those presently on-going in Mexico at Juárez 3 and Querétaro. Any such development of new manufacturing operations inherently involves a number of risks and uncertainties, including ongoing compliance with regulatory requirements, procurement and maintenance of construction, procurement of building materials and equipment, environmental and operational licenses and approvals for additional expansion, potential supply chain constraints, hiring, training and retaining qualified employees and related delays in operating facilities at a maximum production level while manufacturing high-quality units at scale. There can be no assurance that the Company's current or future manufacturing capabilities will be sufficient to meet customer demand in the future or that the Company will be able to successfully expand its manufacturing capabilities, or do so in a timely manner, to meet demand, which could result in loss of revenue and market share.

Increased freight and shipping costs or disruptions in transportation and shipping infrastructure could adversely impact the Company's business, results of operations or financial condition

The Company uses external freight shipping and transportation services to transport and deliver products and raw materials. Adverse fluctuations in freight costs, limitations on shipping and receiving capacity, and other disruptions in the transportation and shipping infrastructure at important geographic points of exit and entry for the Company's products and raw materials could adversely affect its business and results of operations. For example, delivery delays or increases in transportation costs (including through increased fuel costs, increased carrier rates or driver wages as a result of driver shortages, a decrease in transportation capacity for overseas shipments, or work stoppages or slowdowns) could significantly decrease the Company's ability to make sales and earn profits. Labour shortages or work stoppages in the transportation industry or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries or which would necessitate the Company securing alternative shipping suppliers could also increase its costs or otherwise negatively affect its business, results of operations or financial condition. The Company's inbound shipping costs are also impacted by changing dynamics in the ocean shipping industry, most notably by the wave of market consolidation observed in container shipping in recent years. In the last year, the Company has experienced, and may in the future continue to experience, an increase in freight costs, which could have a further impact on the Company's results of operations. Disruptions in the movement of freight caused by the COVID-19 crisis are also impacting the Company's freight costs and ultimately its revenues, notably by forcing the Company to resort to expedited freight or air freight in order to secure its supply to maintain production and mitigate delays.

Covenants contained in agreements to which the Company is a party affect and, in some cases, significantly limit or prohibit the manner in which the Company operates its business

Some of the financing and other major agreements to which the Company is a party, including the Term Facility and the Revolving Credit Facilities, contain certain covenants that affect and, in some cases, significantly limit, among other things, the activities in which the Company may engage, the ability of the Company to incur debt, grant liens over its assets, engage in lines of business different from its own, consummate asset sales, pay dividends or make other distributions, redeem or otherwise retire shares or make other restricted payments, make loans, advances and other investments, and merge consolidate or amalgamate with another person. Under the Revolving Credit Facilities, the Company is bound by a fixed charge coverage ratio applicable if excess availability under its Revolving Credit Facilities is less than $100.0 million for seven consecutive business days (until such time as such excess availability exceeds $100.0 million for seven consecutive business days). These covenants may prevent the Company from pursuing certain business opportunities or taking certain actions that may be in the best interest of the business, which could materially adversely affect its business and financial results.

A failure by the Company to comply with such contractual obligations or to pay amounts due under financing and other major agreements could result in an acceleration of the debt incurred under such agreements, a termination of the commitments made thereunder, as well as an exercise of remedies provided therein by the creditors of the Company (including foreclosure over substantially all of the assets of the Company). In such a situation, the Company may not be able to repay the accelerated indebtedness, fulfill its obligations under certain contracts or otherwise cover its fixed costs, which could result in a material adverse effect on the Company's business, results of operations or financial condition.

Tax matters and changes in tax laws could materially adversely affect the Company's business, results of operations or financial condition

The Company, as an international company conducting operations through subsidiaries in multiple jurisdictions, is subject to income taxes in Canada, the United States and numerous other foreign jurisdictions. The Company's effective income tax rate in the future could be adversely affected as a result of a number of factors, including acquisitions, changes in the mix of earnings in countries with different statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in tax laws and the outcome of income tax audits in various jurisdictions around the world. The Company regularly assesses all of these matters to determine the adequacy of its tax liabilities. If any of the Company's assessments turn out to be incorrect, the Company's business, results of operations or financial condition could be materially adversely affected.

The Company's Canadian and foreign subsidiaries undertake certain operations with other currently existing or new subsidiaries in different jurisdictions, including Canada, the United States, Mexico, Finland, Austria and Switzerland. The tax laws of these jurisdictions, including Canada, have detailed transfer pricing rules that require that all transactions with non-resident related parties be priced using arm's length pricing principles. Although the Company believes that its transfer pricing policies have been reasonably determined in accordance with arm's length principles, the taxation authorities in the jurisdictions where the Company carries on business could challenge its arm's length related party transfer pricing policies. International transfer pricing is a subjective area of taxation and generally involves a significant degree of judgment. If any of these taxation authorities were to successfully challenge the Company's transfer pricing policies, its income tax expense may be adversely affected and the Company could also be subjected to interest and penalties. Any such increase in the Company's income tax expense and related interest and penalties could have a material adverse effect on its business, results of operations or financial condition.

Additionally, there is uncertainty with respect to tax and trade policies, tariffs and government regulations affecting trade between countries. Major developments in tax policy or trade relations, such as the Canada-United States-Mexico Agreement (the "CUSMA") which came into effect on July 1, 2020 (replacing the North American Free Trade Agreement), the disallowance of tax deductions for imported merchandise or the imposition of unilateral tariffs on imported products, could have a material adverse effect on the Company's growth opportunities, business and results of operations. The impact of the continued implementation of the CUSMA on our business and operations is still uncertain.

The Company's Canadian and foreign entities are entitled to claim certain expenses, deductions, and tax credits, including research and development expenses and Scientific Research and Experimental Development tax credits. Although the Company believes that its claims or deductions have been reasonably determined, there can be no assurance that the Canadian (federal or provincial) or the relevant foreign taxation authorities will agree. If a taxation authority were to successfully challenge the correctness of such expenses, deductions, or tax credits claimed, or if a taxation authority were to reduce any tax credit either by reducing the rate of the grant or the eligibility of some research and development expenses in the future, the Company's business, results of operations or financial condition could be materially adversely affected.

An impairment in the carrying value of goodwill and intangibles could negatively impact the Company's consolidated results of operations and net worth

Goodwill and intangible assets, such as the Company's trademarks, are recorded at fair value at the time of acquisition and are not amortized but are reviewed for impairment annually or more frequently if impairment indicators arise. The determination of whether goodwill impairment has occurred is based on a comparison of each of the Company's reporting units' fair market value with its carrying value. Significant and unanticipated changes in circumstances, such as significant and long-term adverse changes in business climate, unanticipated competition, changes in technology or markets, and/or acquisitions not yielding expected returns could require a provision for impairment in a future period that could negatively impact the Company's business, results of operations or financial condition, and reduce the Company's consolidated net worth and shareholders' equity.

Deterioration in relationships with the Company's non-unionized and unionized employees could have a material adverse effect on the business, results of operations or financial condition

A majority of the Company's employees are non-unionized, including in all facilities in Canada and the United States. The maintenance of a productive and efficient labour environment and, in the event of unionization of these employees, the successful negotiation of a collective bargaining agreement, cannot be assured. A deterioration in relationships with employees or in the labour environment could result in work interruptions or other disruptions, or cause management to divert time and resources from other aspects of the Company's business, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company is party to some national collective arrangements in Austria, Finland and Mexico that expire at various times in the future. As the Company is dependent on national unions to renew these agreements on terms that are satisfactory as they become subject to renegotiation from time to time, the outcome of these labour negotiations could have a material adverse effect on the Company's business, results of operations or financial condition. Such could be the case if current or future labour negotiations or contracts were to further restrict its ability to maximize the efficiency of its operations. In addition, the Company's ability to make short-term adjustments to control compensation and benefit costs is limited by the terms of its national collective arrangements.

The Company cannot predict the outcome of any current or future negotiations relating to labour disputes, union representation or the renewal of its national collective arrangements, nor can the Company assure that it will not experience work stoppages, strikes, property damage or other forms of labour protests pending the outcome of any current or future negotiations. If its unionized workers engage in a strike or any other form of work stoppage, of if non-unionized employees wish to unionize, the Company could experience a significant disruption to its operations, damage to its property and/or interruption to its services, which could have a material adverse effect on the Company's business, results of operations or financial condition.

Pension plan liability may have a material adverse effect on the Company

Economic cycles can have a negative impact on the funding of the Company' s remaining defined benefit pension obligations and related expenditures. In particular, a portion of the Company' s pension plan assets are invested in equity securities, which can experience significant declines if financial markets weaken. The Company' s latest actuarial valuation reports show that the defined benefit components of the Company' s registered pension plans present a combined deficit and, as a result of such deficit combined with the application of the stabilization provisions of the law, the Company is required to make additional contributions to fund that deficit. There is no guarantee that the expenditures and contributions required to fund these defined benefit pension obligations will not increase in the future and therefore negatively impact the Company' s operating results, liquidity and financial position. Risks related to the funding of defined benefit pension plans may materialize if total obligations with respect to such a pension plan exceed the total value of the plan fund' s assets. Shortfalls may arise due to lower-than-expected returns on investments, changes in the discount rate used to assess the pension plan' s obligations, and actuarial losses, as well as changes to existing federal pension laws and regulations. Any of these risks could result in a material adverse effect on the Company' s business, results of operations or financial condition.

Natural disasters, unusually adverse weather, epidemic or pandemic outbreaks, boycotts and geo-political events could materially adversely affect the Company' s business, results of operations or financial condition

The occurrence of one or more natural disasters, such as hurricanes and earthquakes, unusually adverse weather, epidemic or pandemic outbreaks, such as the ongoing COVID-19 outbreak, boycotts and geo-political events, such as the military conflict between Russia and Ukraine, or civil unrest and acts of terrorism, or similar disruptions could materially adversely affect the Company' s business, results of operations or financial condition. These events could result in physical damage to one or more of the Company' s properties, increases in fuel or other energy prices, temporary or permanent closure of one or more of the Company' s facilities, temporary lack of an adequate workforce in a market, temporary or long-term disruption in the supply of raw materials, product parts and components, temporary disruption in transport to and from overseas, disruption in the Company' s distribution network and disruption to the Company' s information systems. The Company may incur expenses or delays relating to such events outside of its control, which could have a material adverse impact on its business, operating results and financial condition.

Failure to carry adequate insurance coverage may have a material adverse effect on the Company

The Company maintains liability insurance, property and business interruption insurance, cyber liability insurance, cargo insurance, workers' compensation coverage in the United States to the required statutory limits, automotive liability insurance, aviation insurance and directors and officers insurance, and its insurance coverage reflects deductibles, self-insured retentions, limits of liability and similar provisions. However, there is no guarantee that the Company' s insurance coverage will be sufficient, or that insurance proceeds will be paid to it in a timely manner. Any uninsured loss or claim (including a loss that is less than the applicable deductible or that is not covered by insurance, such as, in certain cases, losses due to acts of war and certain natural disasters), or a loss or claim in excess of insured limits, in full or in part, may result in significant expenditures by the Company. Moreover, the Company may not be able to maintain insurance policies in the future at reasonable costs, on acceptable terms or at all, which may adversely affect its business, financial condition and results of operations. The successful assertion of one or more large claims against the Company that exceed available insurance coverage, or the occurrence of changes in the Company' s insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could adversely affect its business, financial condition and results of operations.

Among other factors, national security concerns, acts of war, certain natural disasters, pandemics such as the COVID-19 pandemic, or any changes in any applicable statutory requirement binding insurance carriers to offer certain types of coverage could also adversely affect available insurance coverage and result in, among other things, increased premiums on available coverage (which may cause the Company to elect to reduce its policy limits or not renew its coverage) and additional exclusions from coverage. As cyber incidents and threats continue to evolve, the Company may also be required to expend additional, perhaps significant, resources to continue to update, modify or enhance its protective measures or to investigate and remediate any vulnerability to cyber incidents.

Volatility in the market price of the Subordinate Voting Shares

The market price of the Company' s Subordinate Voting Shares has fluctuated in the past it is reasonable to expect it to fluctuate in the future. In addition to the other risks described herein, the market price of the Subordinate Voting Shares may be influenced by many factors, many of which are beyond the Company' s control, including:

- actual or anticipated fluctuations in the Company' s quarterly results of operations;
- changes in estimates of the Company' s future results of operations by the Company or changes in accounting policies;
- changes in forecasts, estimates or recommendations of securities research analysts regarding the Company' s future results of operations or financial performance, or publication of research reports or news stories about the Company, its competitors or its industry;
- changes in the economic performance or market valuations of other companies that investors deem comparable to the Company;
- changes in overall economic conditions, primarily in North America and Europe, including changes that impact consumer spending and discretionary spending;
- additions or departures of the Company' s board members, senior management team or other key employees;
- sales or perceived sales of additional Subordinate Voting Shares, and short-sales, hedging and other derivative transactions in the Subordinate Voting Shares;
- litigation or regulatory action against the Company;
- breaches of security or privacy incidents, and the costs associated with any such breaches and remediation;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and
- news reports relating to trends, concerns or competitive developments, regulatory changes and other related issues in the Company' s industry or target markets.

Financial markets have in the past experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies, including during the first months of the COVID-19 crisis. Such fluctuations have also, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Subordinate Voting Shares may decline even if the Company' s operating results, financial condition or prospects have not changed. As well, certain institutional investors may base their investment decisions on consideration of the Company' s environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Subordinate Voting Shares by those institutions, which could materially adversely affect the trading price of the Subordinate Voting Shares. If such increased levels of volatility and market turmoil resume, the Company' s business, results of operations or financial condition could be materially adversely impacted and the trading price of the Subordinate Voting Shares could be materially adversely affected. Unstable market conditions have in the past caused, and may cause in the future, and the resurgence or continued spread of the COVID-19 pandemic in many regions may once again cause, a slowdown in the global economy as well as volatility in global financial markets and may adversely affect the market price of the Subordinate Voting Shares.

BRP Inc. is a holding company and its financial performance and results are dependent on the earnings of its subsidiaries and the distribution of those earnings to BRP Inc.

BRP Inc. is a holding company and a substantial portion of its assets consists in the shares of its direct and indirect subsidiaries. As a result, BRP Inc. is subject to the risks attributable to its subsidiaries. As a holding company, BRP Inc. conducts substantially all of its business through its subsidiaries, which generate substantially all of its revenues. Consequently, BRP Inc.' s cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its subsidiaries and the distribution of those earnings to BRP Inc. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations that require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing their debt. In the event of a bankruptcy, liquidation or reorganization of any of its subsidiaries, holders of indebtedness and trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to BRP Inc. As at January 31, 2022, the Shares were effectively junior to approximately $5,958.5 million of indebtedness of BRP Inc.' s subsidiaries.

Beaudier Group and Bain Capital have significant influence with respect to matters put before the shareholders, which may have a negative impact on the trading price of the Subordinate Voting Shares

As at March 23, 2022, Beaudier Group and Bain Capital owned 22,345,536 and 15,796,615 Multiple Voting Shares, respectively, which represented approximately 45.3% and 32.0%, respectively, of the combined voting power of the Company' s outstanding Shares. Accordingly, Beaudier Group and Bain Capital have significant influence with respect to all matters submitted to the Company' s shareholders for approval, including without limitation the election and removal of directors, amendments to the articles of incorporation and by-laws of the Company and the approval of certain business combinations. Holders of Subordinate Voting Shares have a limited role in the Company' s affairs. This concentration of voting power may impact the market price of the Subordinate Voting Shares, delay or prevent any acquisition or delay or discourage take-over attempts that shareholders may consider to be favourable, or make it more difficult or impossible for a third party to acquire control of the Company or effect a change in the Company' s Board of Directors and management. Any delay or prevention of a change of control transaction could deter potential acquirors or prevent the completion of a transaction in which the Company' s shareholders could receive a substantial premium over the then current market price for their Subordinate Voting Shares.

In addition, Beaudier Group' s and Bain Capital' s interests may not in all cases be aligned with interests of the other shareholders of the Company. Beaudier Group and Bain Capital may have an interest in pursuing acquisitions, divestitures and other transactions that, in the judgment of their management, could enhance their equity investment, even though such transactions might involve risks to the shareholders of the Company and may ultimately affect the market price of the Subordinate Voting Shares.

Future sales of Subordinate Voting Shares by Beaudier Group, Bain Capital or the Company' s directors and officers

As at March 23, 2022, Beaudier Group owned 22,345,536 Multiple Voting Shares, which in the aggregate represented approximately 52.0% of the issued and outstanding Multiple Voting Shares of the Company, and Bain Capital owned 15,796,615 Multiple Voting Shares, which in the aggregate represented approximately 36.8% of the issued and outstanding Multiple Voting Shares of the Company.

Each outstanding Multiple Voting Share may at any time, at the option of the holder, be converted into one Subordinate Voting Share.

Subject to compliance with applicable securities laws, Beaudier Group, Bain Capital or the Company's directors and officers may sell some or all of their Subordinate Voting Shares in the future. No prediction can be made as to the effect, if any, such future sales of Subordinate Voting Shares will have on the market price of the Subordinate Voting Shares prevailing from time to time. However, the future sale of a substantial number of Subordinate Voting Shares by Beaudier Group, Bain Capital or the Company's directors and officers or the perception that such sales could occur, could materially adversely affect prevailing market prices for the Subordinate Voting Shares.

Pursuant to the Registration Rights Agreement, each of Beaudier Group and Bain Capital is granted certain registration rights.

Disclosure of Outstanding Shares

As at March 23, 2022, the Company had the following issued and outstanding shares and stock options:

- 42,954,979 multiple voting shares with no par value.
- 38,080,486 subordinate voting shares with no par value.
- 3,291,265 stock options to acquire subordinate voting shares.

Additional Information

Additional information relating to BRP Inc. is available on SEDAR at www.sedar.com.

Exhibit 23.1

Deloitte.

Deloitte LLP
La Tour Deloitte
1190 Avenue des Canadiens-de-Montréal
Suite 500
Montreal QC H3B 0M7
Canada

Tel: 514-393-7115
Fax: 514-390-4111
www.deloitte.ca

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-249027 on Form F-10 and to the use of our reports dated March 24, 2022, relating to the financial statements of BRP Inc. (the "Company") and the effectiveness of the Company's internal control over financial reporting, appearing in this Annual Report on Form 40-F for the year ended January 31, 2022.

/s/ Deloitte LLP

Chartered Professional Accountants
Montréal, Canada
March 24, 2022

Exhibit 31.1

CERTIFICATIONS

I, José Boisjoli, certify that:

1. I have reviewed this annual report on Form 40-F of BRP Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer' s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the issuer' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the issuer' s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer' s internal control over financial reporting; and

5. The issuer' s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer' s auditors and the audit committee of the issuer' s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer' s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer' s internal control over financial reporting.

Date: March 25, 2022

/s/ José Boisjoli
Name: José Boisjoli
Title: President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Sébastien Martel, certify that:

1. I have reviewed this annual report on Form 40-F of BRP Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer' s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the issuer' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the issuer' s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer' s internal control over financial reporting; and

5. The issuer' s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer' s auditors and the audit committee of the issuer' s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer' s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer' s internal control over financial reporting.

Date: March 25, 2022

/s/ Sébastien Martel
Name: Sébastien Martel
Title: Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of BRP Inc. (the "Company") on Form 40-F for the fiscal year ended January 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, José Boisjoli, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 25, 2022

/s/ José Boisjoli
Name: José Boisjoli
Title: President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of BRP Inc. (the "Company") on Form 40-F for the fiscal year ended January 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sébastien Martel, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 25, 2022

/s/ Sébastien Martel
Name: Sébastien Martel
Title: Chief Financial Officer

Cover Page	12 Months Ended Jan. 31, 2022 shares
Document Information [Line Items]	
Document Type	40-F
Amendment Flag	false
Document Period End Date	Jan. 31, 2022
Document Fiscal Year Focus	2022
Document Fiscal Period Focus	FY
Document Registration Statement	false
Document Annual Report	true
Entity File Number	001-38648
Trading Symbol	DOOO
Entity Registrant Name	BRP Inc.
Entity Central Index Key	0001748797
Current Fiscal Year End Date	--01-31
Entity Current Reporting Status	Yes
Entity Emerging Growth Company	false
Entity Interactive Data Current	Yes
Title of 12(b) Security	Subordinate Voting Shares
Security Exchange Name	NASDAQ
ICFR Auditor Attestation Flag	true
Entity Incorporation, State or Country Code	A8
Entity Address, Address Line One	726 Saint-Joseph Street
Entity Address, City or Town	Valcourt
Entity Address, State or Province	QC
Entity Address, Country	CA
Entity Address, Postal Zip Code	J0E 2L0
City Area Code	450
Local Phone Number	532-6154
Annual Information Form	true
Audited Annual Financial Statements	true
Auditor Name	Deloitte LLP
Auditor Firm ID	1208
Auditor Location	Montreal, Canada
Business Contact [Member]	
Document Information [Line Items]	
Contact Personnel Name	BRP US Inc.
Entity Address, Address Line One	10101 Science Drive
Entity Address, City or Town	Sturtevant
Entity Address, State or Province	WI
Entity Address, Postal Zip Code	53177
City Area Code	262

Local Phone Number	884-5000
Subordinate voting shares [member]	
Document Information [Line Items]	
Entity Common Stock, Shares Outstanding	38,080,486
Multiple voting shares [member]	
Document Information [Line Items]	
Entity Common Stock, Shares Outstanding	42,954,979

Consolidated Statements of Net Income - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Profit or loss [abstract]		
Revenues	$ 7,647.9	$ 5,952.9
Cost of sales	5,515.7	4,480.6
Gross profit	2,132.2	1,472.3
Operating expenses		
Selling and marketing	393.9	332.5
Research and development	289.8	242.3
General and administrative	271.0	230.5
Other operating (income) expenses	(9.5)	24.3
Impairment charge	0.0	177.1
Total operating expenses	945.2	1,006.7
Operating income	1,187.0	465.6
Financing costs	128.9	120.0
Financing income	(3.8)	(19.8)
Foreign exchange gain on long-term debt	(14.8)	(118.9)
Income before income taxes	1,076.7	484.3
Income tax expense	282.1	121.4
Net income	794.6	362.9
Attributable to shareholders	793.9	363.4
Attributable to non-controlling interest	$ 0.7	$ (0.5)
Basic earnings per share	$ 9.57	$ 4.15
Diluted earnings per share	$ 9.31	$ 4.10

Consolidated Statements of Comprehensive Income - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Statement of comprehensive income [abstract]		
Net income	$ 794.6	$ 362.9
Items that will be reclassified subsequently to net income		
Net changes in fair value of derivatives designated as cash flow hedges	11.5	7.3
Net changes in unrealized (loss) gain on translation of foreign operations	(38.7)	30.8
Income tax expense	(2.6)	(2.3)
Other comprehensive income,will be reclassified subsequently to net income	(29.8)	35.8
Items that will not be reclassified subsequently to net income		
Actuarial gains on defined benefit pension plans	63.8	8.2
(Loss) gain on fair value of restricted investments	(0.2)	0.1
Income tax expense	(18.1)	(2.2)
Other comprehensive income,will not be reclassified subsequently to net income	45.5	6.1
Total other comprehensive income	15.7	41.9
Total comprehensive income	810.3	404.8
Attributable to shareholders	809.9	405.1
Attributable to non-controlling interest	$ 0.4	$ (0.3)

Consolidated Statements of Financial Position - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Statement of financial position [abstract]		
Cash and cash equivalents	$ 265.8	$ 1,325.7
Trade and other receivables	465.7	311.5
Income taxes and investment tax credits receivable	31.6	28.4
Other financial assets	73.6	76.5
Inventories	1,691.3	1,087.3
Other current assets	140.1	32.9
Total current assets	2,668.1	2,862.3
Investment tax credits receivable	24.4	18.8
Other financial assets	53.2	31.6
Property, plant and equipment	1,441.9	1,064.3
Intangible assets	494.9	465.1
Right-of-use assets	132.7	214.2
Deferred income taxes	212.8	227.1
Other non-current assets	2.9	2.5
Total non-current assets	2,362.8	2,023.6
Total assets	5,030.9	4,885.9
Trade payables and accruals	1,622.9	1,296.5
Provisions	328.1	353.2
Other financial liabilities	152.3	348.6
Income tax payable	135.7	63.0
Deferred revenues	247.9	72.4
Current portion of long-term debt	103.1	25.3
Current portion of lease liabilities	29.4	33.5
Total current liabilities	2,619.4	2,192.5
Long-term debt	1,937.4	2,384.4
Lease liabilities	117.5	206.3
Provisions	86.2	75.2
Other financial liabilities	34.0	34.4
Deferred revenues	107.3	132.7
Employee future benefit liabilities	220.2	297.8
Deferred income taxes	22.4	16.4
Other non-current liabilities	19.3	21.1
Total non-current liabilities	2,544.3	3,168.3
Total liabilities	5,163.7	5,360.8
Deficit	(132.8)	(474.9)
Total liabilities and deficit	$ 5,030.9	$ 4,885.9

Consolidated Statements of Changes in Equity - CAD ($) $ in Millions	Total	Capital stock [member]	Contributed surplus [member]	Retained earnings [member]	Foreign currency translation [member]	Cash flow hedges [member]	Equity attributable to owners of parent [member]	Non-controlling interests [member]
Equity Beginning Balance at Jan. 31, 2020	$ (589.7)	$ 190.6	$ (32.6)	$ (757.0)	$ 4.9	$ 0.3	$ (593.8)	$ 4.1
Statement [LineItems]								
Net income (loss)	362.9			363.4			363.4	(0.5)
Other comprehensive income (loss)	41.9			6.1	30.6	5.0	41.7	0.2
Total comprehensive income (loss)	404.8			369.5	30.6	5.0	405.1	(0.3)
Dividends	(9.6)			(9.6)			(9.6)	
Issuance of subordinate shares	22.5	31.3	(8.8)				22.5	
Repurchase of subordinate shares	(320.0)	(11.5)	(129.7)	(178.8)			(320.0)	
Stock-based compensation	17.1		17.1				17.1	
Equity ending balance at Jan. 31, 2021	(474.9)	210.4	(154.0)	(575.9)	35.5	5.3	(478.7)	3.8
Statement [LineItems]								
Net income (loss)	794.6	0.0	0.0	793.9	0.0	0.0	793.9	0.7
Other comprehensive income (loss)	15.7	0.0	0.0	45.5	(38.4)	8.9	16.0	(0.3)
Total comprehensive income (loss)	810.3	0.0	0.0	839.4	(38.4)	8.9	809.9	0.4
Dividends	(43.1)	0.0	0.0	(43.1)	0.0	0.0	(43.1)	0.0
Issuance of subordinate shares	65.0	86.1	(21.1)	0.0	0.0	0.0	65.0	0.0
Repurchase of subordinate shares	(507.8)	(35.9)	152.8	(624.7)	0.0	0.0	(507.8)	0.0
Stock-based compensation	19.1	0.0	19.1	0.0	0.0	0.0	19.1	0.0
Other	(1.4)	0.0	0.0	0.0	0.0	0.0	0.0	(1.4)
Equity ending balance at Jan. 31, 2022	$ (132.8)	$ 260.6	$ (3.2)	$ (404.3)	$ (2.9)	$ 14.2	$ (135.6)	$ 2.8

Consolidated Statements of Changes in Equity (Parenthetical) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Statement of changes in equity [abstract]		
Income tax expense (recovery)	$ 1.4	$ 2.9

Consolidated Statements of Cash Flows - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
OPERATING ACTIVITIES		
Net income	$ 794.6	$ 362.9
Non-cash and non-operating items:		
Depreciation expense	273.6	260.8
Income tax expense	282.1	121.4
Foreign exchange gain on long-term debt	(14.8)	(118.9)
Interest expense and transaction costs	101.0	110.6
Net loss (gain) on disposal of property, plant and equipment	1.0	(12.6)
Impairment charge	0.0	177.1
Other	30.0	(0.9)
Cash flows generated from operations before changes in working capital	1,467.5	900.4
Changes in working capital:		
(Increase) decrease in trade and other receivables	(168.9)	90.3
(Increase) decrease in inventories	(647.8)	101.2
Increase in other assets	(157.5)	(77.5)
Increase in trade payables and accruals	355.9	199.0
(Decrease) increase in other financial liabilities	151.5	(14.1)
Decrease in provisions	(4.4)	(110.5)
Cash flows generated from operations	949.2	1,104.6
Income taxes paid, net of refunds	(179.2)	(150.4)
Net cash flows generated from operating activities	770.0	954.2
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(628.9)	(253.3)
Additions to intangible assets	(68.8)	(26.6)
Proceeds on disposal of property, plant and equipment	0.4	19.3
Other	9.6	0.3
Net cash flows used in investing activities	(687.7)	(260.3)
FINANCING ACTIVITIES		
Increase (decrease) in revolving credit facilities and bank overdraft	(47.1)	15.8
Issuance of long-term debt	409.9	964.3
Long-term debt amendment fees	(19.8)	(42.2)
Repayment of long-term debt	(779.4)	(52.8)
Repayment of lease liabilities	(35.3)	(33.8)
Interest paid	(53.2)	(92.1)
Issuance of subordinate voting shares	65.0	22.5
Repurchase of subordinate voting shares	(682.7)	(172.1)
Dividends paid	(43.1)	(9.6)
Other	(4.1)	(0.4)
Net cash flows (used in) generated from financing activities	(1,142.7)	583.8
Effect of exchange rate changes on cash and cash equivalents	0.5	5.5

Net (decrease) increase in cash and cash equivalents	(1,059.9)	1,283.2
Cash and cash equivalents at the beginning of year	1,325.7	42.5
Cash and cash equivalents at the end of year	$ 265.8	$ 1,325.7

Nature of Operations	12 Months Ended Jan. 31, 2022

Text block [abstract]

Nature of Operations

1. NATURE OF OPERATIONS

BRP Inc. (“BRP”) is incorporated under the laws of Canada. BRP’s multiple voting shares are owned by Beaudier Inc. and 4338618 Canada Inc. (collectively, “Beaudier Group”), Bain Capital Integral Investors II, L.P. (“Bain Capital”) and La Caisse de dépôt et placement du Québec (“CDPQ”), (collectively, the “Principal Shareholders”). BRP’s subordinate voting shares are listed in Canada on the Toronto Stock Exchange under the symbol DOO and in the United States on the Nasdaq Global Select Market under the symbol DOOO.

BRP and its subsidiaries (the “Company”) design, develop, manufacture and sell powersports vehicles and marine products. The Company’s Powersports segment comprises “Year-Round Products” which consists of all-terrain vehicles, side-by-side vehicles and three-wheeled vehicles; “Seasonal Products” which consists of snowmobiles, personal watercraft and the recently introduced “Switch” pontoon boats; and “Powersports PA&A and OEM Engines” which consists of parts, accessories and apparel (“PA&A”), engines for karts, motorcycles and recreational aircraft and other services. Additionally, the Company’s “Marine” segment consists of boats, jet boat and outboard engines and related PA&A and other services. During the year ended January 31, 2022, the Company introduced the “Switch” pontoon boats as a new product offering under the *Sea-Doo* brand of products, included in the Powersports segment.

The Company’s products are sold mainly through a network of independent dealers, independent distributors and to original equipment manufacturers (the “Customers”). The Company distributes its products worldwide and manufactures them in Mexico, Canada, Austria, the United States, Finland and Australia.

The Company’s headquarters is located at 726 Saint-Joseph Street, Valcourt, Québec, J0E 2L0.

Significant Accounting Policies	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Significant Accounting Policies	

2. **SIGNIFICANT ACCOUNTING POLICIES**

a) Basis of presentation

These consolidated financial statements for the years ended January 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

These consolidated financial statements have been prepared on a historical cost basis except for certain transactions that are measured using a different basis as explained below in the significant accounting policies section.

On March 24, 2022, the Board of Directors of the Company approved these consolidated financial statements for the years ended January 31, 2022 and 2021.

b) Basis of consolidation

These consolidated financial statements include the financial statements of BRP and its subsidiaries. BRP controls all of its subsidiaries that are wholly owned through voting equity interests, except for Regionales Innovations Centrum GmbH in Austria for which a non-controlling interest of 25% is recorded upon consolidation and BRP Commerce & Trade Co. Ltd in China for which a non-controlling interest of 20% is recorded upon consolidation. BRP is also part of a joint venture located in Austria.

The most significant subsidiaries of BRP included in these consolidated financial statements are as follows:

- Bombardier Recreational Products Inc., located in Canada;
- BRP US Inc., located in the United States;
- BRP-Rotax GmbH & Co. KG, located in Austria;
- BRP European Distribution SA, located in Switzerland, and
- BRP Finland Oy, located in Finland.

All inter-company transactions and balances have been eliminated upon consolidation.

c) Foreign currencies

The consolidated financial statements of the Company are presented in Canadian dollars, the currency of the primary economic environment ("functional currency") in which it operates. The functional currency of foreign operations is their local currency, corresponding to the currency in which the majority of their third-party transactions are denominated.

Transactions in foreign currency

For the purpose of preparing consolidated financial statements, the Company applies the following procedures on transactions and balances in currencies other than their functional currency. Monetary items are translated using exchange rates in effect at the consolidated statement of financial position date and non-monetary items are translated using exchange rates prevailing at the transaction date. Revenues and expenses (other than depreciation, which is translated at the same exchange rates as the related assets) are translated using exchange rates in effect on the transaction dates or at the average exchange rates of the period. Translation gains or losses are recorded in the consolidated statement of net income.

Consolidation of foreign operations

All assets and liabilities of foreign operations are translated into Canadian dollars at exchange rates in effect at the consolidated statement of financial position date. Revenues and expenses are translated at the average exchange rates for the period. The Company's gains and losses on translation of foreign operations are recognized in other comprehensive income and accumulated in equity until the Company no longer controls the foreign operation. At that time, gains or losses on translation accumulated in equity are entirely reclassified to net income.

d) Inventory valuation

Materials and work in progress, finished products and parts, accessories and apparel are valued at the lower of weighted average cost or net realizable value. The cost of work in progress and finished products manufactured by the Company includes the cost of materials, direct labour and directly attributable manufacturing overhead. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to complete the sale.

Inventories are written down to net realizable value when the cost of inventories is determined to be not fully recoverable. When the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of write-down is reversed.

e) Property, plant and equipment

Property, plant and equipment includes land, building, equipment and tooling held for use in the development, production and distribution activities or for administrative purposes. They are stated at cost less accumulated depreciation and accumulated impairment charges.

The cost of an item of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating, which also includes the borrowing costs incurred during the construction.

Property, plant and equipment is depreciated, with the exception of land, using the straight-line method over their estimated useful lives. If an item of property, plant and equipment is composed of significant components having different estimated useful lives, depreciation is calculated on a component basis using the straight-line method over their respective useful lives. The Company's estimated useful lives per category are the following:

Tooling	3 to 7 years
Equipment	3 to 20 years
Building	10 to 60 years

Depreciation of assets under development begins when they are ready for their intended use.

The estimated useful lives, residual values and depreciation methods are reviewed at each year-end, with the effect of any changes in estimates accounted for on a prospective basis.

Fully depreciated building, equipment and tooling are retained in the cost and accumulated depreciation accounts until such assets are removed from service. In the case of disposals, cost and related accumulated depreciation amounts are removed from the consolidated statement of financial position, and the net amounts, less proceeds from disposal, is recorded in the consolidated statement of net income.

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment in order to determine if there is any indication that those assets may be impaired. If any such indication exists, an impairment test is performed as described below in paragraph h).

f) Intangible assets

Goodwill represents the excess of the purchase price of businesses acquired over the fair value of the net assets acquired. Goodwill is systematically tested for impairment as at January 31 or more frequently if events or circumstances indicate that it might be impaired. Goodwill is tested for impairment at the cash generating unit ("CGU") level representing the lowest level at which management monitors it.

Trademarks are carried at cost and are not depreciated due to their indefinite expected useful lives for the Company. The assessment of indefinite expected useful lives is reviewed at each year-end. Trademarks are systematically tested for impairment as at January 31 or more frequently if events or circumstances indicate that they might be impaired. Trademarks are tested for impairment with the CGU to which they relate.

Software and licences, patents, dealer networks and customer relationships are carried at cost and are depreciated on a straight-line basis over their estimated useful lives, which are as follows:

Software and licences	3 to 5 years
Patents	10 years
Dealer networks	5 to 20 years
Customer relationships	10 to 15 years

At the end of each reporting period, the Company reviews the carrying amounts of its software and licences, dealer networks and customer relationships in order to determine if there is any indication that those assets may be impaired. If any such indication exists, an impairment test is performed as described below in paragraph h).

Expenditures related to research and development activities are recognized as expense in the period in which they are incurred, except for development activities if specific criteria for capitalization as intangible assets are met.

g) Leases

At inception, the Company assesses whether the contract is or contains a lease. Leases are recognized as right-of-use assets and lease liabilities at the lease commencement date. Payments associated with short-term leases and leases of low-value assets are recognized as an expense.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Company's incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Lease liabilities include the net present value of the following lease payments (when applicable):

- Fixed payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable under residual value guarantees;
- Exercise price of purchase options if the Company is reasonably certain to exercise that option; and
- Penalties for early termination of a lease, except if the Company is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The lease liability is remeasured, and a corresponding adjustment is made to the carrying amount of the right-of-use assets, when there is a change in future lease payments arising from a change in an index or rate, from a change in the estimation of a residual value guarantee or from a change in the assumption of purchase, extension or termination option. The lease liability is also remeasured when the underlying lease contract is amended.

The Company accounts for each lease component and any associated non-lease components as a single lease component.

The right-of-use asset is initially measured at cost, which includes the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less any incentives received. The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. In addition, the right-of-use asset is reduced by impairment losses resulting from impairment tests as described below in paragraph h), if any, and adjusted for certain remeasurements of the lease liability.

h) Impairment of property, plant and equipment, intangible assets and right-of-use assets

An asset is impaired when its carrying amount is above its recoverable amount. The recoverable amount is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In that case, the asset is assessed for impairment within a CGU, representing the lowest level of assets for which there are separately identifiable cash inflows. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Value in use is determined using a discounted future net cash flows approach. Fair value less costs to sell reflects the amount the Company could obtain from the asset's disposal in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. If there is no active market for the asset, the fair value is assessed by using appropriate valuations models dependent on the nature of the asset or CGU, such as discounted cash flow models. The impairment charge recorded in the consolidated statement of net income is the difference between the carrying amount and the recoverable amount.

At the end of each reporting period, the Company reviews the carrying amount of assets (excluding goodwill) or CGU impaired in previous periods in order to determine if there is any indication that its recoverable amount has increased. If any such indication exists, an impairment test is performed and the impairment recovery is recorded in the consolidated statement of net income up to the carrying amount that would have existed had the impairment charge never been recorded in prior years.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one party and a financial liability or equity for another party. Financial instruments are initially recorded at fair value when the Company becomes a party to the transaction and are subsequently revalued at fair value or amortized cost at the end of each reporting period depending on their classification.

When the Company acquires or issues a financial instrument that is not recorded at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance are incorporated in the carrying amount and amortized in the consolidated statement of net income using the effective interest rate method. When the Company acquires or issues a financial instrument measured at fair value through profit or loss, all transaction costs are expensed as incurred.

A modification of financial liabilities that includes a prepayment option at par with no break costs is equivalent to an extinguishment. When a modification is accounted for as an extinguishment, the original financial instrument is derecognized, including any unamortized transaction costs and any costs or fees incurred related to the modification, and the new instrument arising from the modification is recognized at fair value.

Financial assets and financial liabilities other than derivatives

At the end of each reporting period, financial assets and financial liabilities that are not derivatives are measured at fair value or amortized cost using the effective interest method depending on the following classification:

- Restricted investments are measured at fair value through other comprehensive income at the end of each reporting period.
- Cash and cash equivalents and trade and other receivables are measured at amortized cost at the end of each reporting period.
- Non-controlling interest liability is measured at fair value through net income at the end of each reporting period.
- Revolving credit facilities, trade payables and accruals, other financial liabilities, long-term debt and lease liabilities are measured at amortized cost at the end of each reporting period.

Derivative financial instruments

Derivative financial instruments are financial assets or financial liabilities recorded at fair value through profit or loss. They are measured at fair value at the end of each reporting period including those derivatives that are embedded in financial and non-financial contracts that are not closely related to the host contract.

In the consolidated statement of net income, changes in fair value of derivatives used to manage foreign exchange exposure on working capital elements are recorded in other operating expenses (income).

Derivative financial instruments under cash flow hedge accounting

The Company applies cash flow hedge accounting when forecasted cash flows are highly probable to occur and all other cash flow hedge criteria are met. The effective portion of the change of fair value of derivative financial instruments designated as hedging items under the cash flow hedge model is recorded in other comprehensive income and accumulated in equity until the hedged transaction is recognized in the consolidated statement of net income. The ineffective portion is recognized in the consolidated statement of net income at each period end. The Company makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, whether the hedging instruments are expected to be effective in offsetting the cash flows of the respective hedged items during the period for which the hedge is designated.

If a derivative financial instrument accounted for using the cash flow hedge model has been settled prior to maturity or the hedge relationship is no longer meeting cash flow hedge criteria, accumulated gains or losses associated with the derivative financial instrument remain in equity as long as the underlying hedged transaction is expected to occur and are recognized in the consolidated statement of net income in the period in which the underlying hedged transaction is recognized in the consolidated statement of net income. In the event that the underlying hedged transaction is settled prior to maturity or is not expected to occur anymore, gains or losses accumulated in equity at this date are immediately reclassified in the consolidated statement of net income. Gains or losses related to derivative financial instruments accounted for using the cash flow hedge model are recorded in the same category as the hedged item in the consolidated statement of net income.

j) Derecognition of receivables

Receivables are derecognized from the consolidated statement of financial position only when the Company's contractual rights to the cash flows expire or when the Company has transferred to a third party substantially all the risks and rewards on receivables sold.

k) Dealer holdback programs

The Company provides dealer incentive programs whereby at the time of shipment, the Company invoices an amount to the dealer that is reimbursable upon ultimate sale and warranty registration of the product. The Company presents the amounts due to dealers in other current financial liabilities in the consolidated statement of financial position.

l) Provisions

Provisions represent liabilities for which the amount or timing of payment is uncertain. Provisions are recorded in the consolidated statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation. Additionally, provisions are recorded for contracts under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received.

Provisions are measured at each period end at the best estimate of the expenditure required to settle the obligation. To account for the effect of the time value of money, provisions are measured at the present value of the outflows required to settle the obligation using a risk free rate adjusted to the specific risk of the obligation. They are re-measured at each consolidated statement of financial position date using interest rates prevailing at this date and an interest expense is recorded to reflect the passage of time.

The main provisions of the Company are described in more detail below:

Products related provisions

When the products are sold, the Company records a provision related to limited product warranties generally covering periods from six months to five years.

The Company records a provision for product liability claims or possible claims incurred but not reported at the end of each reporting period.

The Company provides for estimated sales promotions at time of revenue recognition. Examples of these costs include product rebates given to clients, volume discounts and retail financing programs. In the consolidated statement of net income, cash sales promotions are recorded as a reduction of revenues whereas non-cash sales promotions, such as delivery of free products, are included in cost of sales.

Restructuring provision

The Company provides for estimated direct restructuring costs to be incurred in a restructuring plan in the period the Company has a detailed formal plan describing the restructuring activity and has communicated the main features of the plan to those affected by it.

m) Employee benefits

Current benefits

The Company records an expense in the consolidated statement of net income for wages, salaries, bonuses, share based compensations and social security contributions of employees in the period the services are rendered. Current benefit associated with manufacturing employees is included in the cost of inventory produced as described above in paragraph d).

Future benefits

The Company sponsors several Canadian and foreign funded and unfunded defined benefit and defined contribution pension plans covering most of its employees. The Company also provides other post-retirement benefit plans to certain employees.

Defined benefit plans and other post-retirement benefit plans

Annual costs of defined benefit pension plans and other post-retirement benefit plans, which include current service costs, net interest costs and past service costs, is actuarially determined using the projected unit credit method based on management's best estimate of discount rates, salary escalation, retirement ages of employees, life expectancy, inflation and health care costs.

Current service costs are recorded in the consolidated statement of net income when employees are rendering the services to the Company. For manufacturing employees, current service costs are included in the cost of inventory produced as described above in paragraph d).

Net interest costs are recorded in the consolidated statement of net income at each period following the passage of time.

Past service costs (gains) arising from the change in the present value of the defined benefit obligation resulting from a plan amendment or a curtailment are recorded in the consolidated statement of net income when the plan amendment or the curtailment occurs. A curtailment arises from a transaction that significantly reduces the number of employees covered by a plan.

In the consolidated statement of net income, costs related to defined benefit pension plans and other post-retirement benefit plans are classified separately depending on their nature. Current service costs and past service costs (gains) are presented within operating income whereas the net interest expense on the employee future benefit liability is presented in financing costs.

The liability recognized in the consolidated statement of financial position is the present value of the plan obligations less the fair value of the plan assets at that date. Plan obligations are determined based on expected future benefit payments discounted using market interest rates prevailing as at January 31 and plan assets are stated at their fair value at that date. Actuarial gains and losses that arise in calculating the present value of plan obligations and the fair value of plan assets are recorded in other comprehensive income and accumulated directly in retained earnings (losses).

Defined contribution plans

Defined contribution plan expenses are recorded in the consolidated statement of net income when employees are rendering the services to the Company. Expenses associated with manufacturing employees are included in the cost of inventory produced as described above in paragraph d). Defined contribution plan expenses are entirely presented within operating income.

n) Revenue recognition

The Company's revenues are derived primarily from the sale of products and related parts and accessories. Each sale is considered as a single performance obligation and revenues are recognized when products are shipped, which corresponds to the point in time when the Customers have obtained control of the asset and the Company has satisfied its performance obligation. Revenues are measured at an amount equal to the consideration to which the Company expects to be entitled, which takes into account sales promotions and expected returns to occur after the shipment date. A deferred revenue is recognized if the Company receives consideration, or has an unconditional right to receive consideration, prior to the completion of its performance obligation.

When, in addition to the regular warranty coverage, an extended warranty coverage is given with the purchase of the product, a portion of the revenue representing the value of the extended warranty is deferred. The value deferred is based on the stand-alone selling price of both the unit sold and the extended warranty given. The deferred revenue is then recognized over the extended warranty coverage period.

o) Government assistance

Government assistance, including research and development tax credits, is recorded when the Company is complying with the assistance program requirements and the recovery is reasonably assured. Government assistance received but contingently repayable is recorded in the consolidated statement of net income as long as it is probable that the conditions for repayment will not be met. Government assistance granted to compensate expenses are presented in the consolidated statement of net income as a reduction of the expense they relate to, whereas assistance granted for the acquisition of property, plant and equipment and intangibles is deducted from the cost of the related asset.

p) Stock-based compensation

The Company grants stock options to officers and employees that are settled by the issuance of common shares. The Company establishes compensation expense for those grants based on the fair value of each tranche of option at the grant date. The compensation expense is recognized in the consolidated statement of net income over the vesting period of each tranche based on the number of options that are ultimately expected to vest. The Company estimates stock option forfeitures at time of grant and revises those estimates in subsequent periods if actual forfeitures differ from those estimates. The corresponding amount is recorded in contributed surplus within equity.

q) Income taxes

The Company's income tax expense represents the sum of the taxes currently payable based on taxable income of the year and deferred taxes. Deferred income tax assets and liabilities are determined based on the differences between the carrying amounts and tax bases of assets and liabilities using enacted or substantively enacted tax rates and laws expected to be in effect when the differences reverse. Current and deferred income taxes are recognized in the consolidated statement of net income except to the extent it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income or in equity.

r) Earnings per share

Basic earnings per share is calculated by dividing the net income attributable to equity holders of the Company by the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares from stock option plans. For the stock options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock options.

s) Business combinations

Business combinations are recorded by using the acquisition method. Under this method, the purchase consideration is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities ("Net assets") based on the fair value at the acquisition date, with the excess of the purchase consideration amount allocated to goodwill. Provisional fair values allocated at a reporting date are finalized as soon as the relevant information is available, which period shall not exceed twelve months from the acquisition date and are adjusted to reflect the transaction as of the acquisition date.

The results of the acquired businesses are included in the consolidated financial statements from the date of the acquisition. Acquisition costs are expensed as incurred.

Intangible assets and goodwill arising from business combinations are accounted for by applying the acquisition method of accounting to these transactions. In measuring the fair value of the assets acquired and the liabilities assumed and estimating their useful lives, the Company uses significant estimates and assumptions regarding cash flow projections, economic risk, and weighted average cost of capital. These estimates and assumptions determine the amount allocated to intangible assets and goodwill, as well as the amortization period for intangible assets with finite lives.

t) Segmented information

Operating segments are components of an entity that engage in business activities from which they earn revenues and incur expenses (including revenues and expenses related to transactions with the other components of the entity). The related operations can be clearly distinguished and the revenues and gross profit are regularly reviewed by a chief operating decision-maker to make resource allocation decisions and to assess performance.

The Company has two operating and reportable segments: Powersports and Marine. The Powersports segment includes Year-Round Products, Seasonal Products and Powersports PA&A and OEM Engines. The Marine segment includes boats, jet boat and outboard engines and related PA&A and other services.

Significant Estimates And Judgments	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Significant Estimates And Judgments	

3. SIGNIFICANT ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements in accordance with the Company's accounting policies requires management to make estimates and judgments that can affect the reported amounts of assets and liabilities, related amounts of revenues and expenses, other comprehensive income and disclosures made.

a) Significant estimates in applying the Company's accounting policies

The Company's best estimates are based on the information, facts and circumstances available at the time estimates are made. Management uses historical experience and information, general economic conditions and trends, as well as assumptions regarding probable future outcomes as the basis for determining estimates. Estimates and their underlying assumptions are reviewed periodically and the effects of any changes are recognized immediately. Actual results could differ from the estimates used and such differences could be significant.

The Company's annual operating budget and operating budget revisions performed during the year (collectively "Budget") and the Company's strategic plan comprise fundamental information used as a basis for some significant estimates necessary to prepare these consolidated financial statements. Management prepares the annual operating budget and strategic plan each year using a process whereby a detailed one-year budget and three-year strategic plan are prepared by each entity and then consolidated.

Cash flows and profitability included in the Budget are based on the existing and future expected sales orders, general market conditions, current cost structures, anticipated cost variations and current agreements with third parties. Management uses the annual operating budget information as well as additional projections or assumptions to derive the expected results for the strategic plan and periods thereafter.

The Budget and the strategic plan are approved by management and the Board of Directors. Management then tracks performance as compared to the Budget. Significant variances in actual performance are a key trigger to assess whether certain estimates used in the preparation of financial information must be revised.

Management needs to rely on estimates in order to apply the Company's accounting policies and considers that the most critical ones are the following:

Estimating the net realizable value of inventory

The net realizable value of materials and work in progress is determined by comparing inventory components and value with production needs, current and future product features, expected production costs to be incurred and the expected profitability of finished products. The net realizable value of finished products and parts, accessories and apparel is determined by comparing inventory components and value with expected sales prices, sales programs and new product features.

Estimating the useful life of tooling

Tooling useful life is estimated by product line based on their expected physical life and on the expected life of the product platform to which they are related.

Estimating impairment on property, plant and equipment, intangible assets and right-of-use assets

Management assesses the value in use of property, plant and equipment, intangible assets and right-of-use assets mainly at groups of CGU level using a discounted cash flow approach by product line based on annual budget and strategic plan process. When the Company acquired the recreational products business from Bombardier Inc. in 2003, trademarks and goodwill were recorded as part of the business acquisition. Trademarks of $122.6 million and goodwill of $114.7 million were related to this transaction as at January 31, 2022 ($122.6 million and $114.7 million respectively as at January 31, 2021). In addition, trademarks of $74.6 million and goodwill of $1.2 million were recorded as at January 31, 2022 following various business combinations that occurred after 2003 ($76.7 million and $1.3 million respectively as at January 31, 2021).

Trademarks and goodwill impairment test

For the purpose of impairment testing, trademarks are allocated to their respective CGU. As at January 31, 2022, the carrying amount of trademarks amounting to $197.2 million is related to *Ski-Doo*, *Sea-Doo*, *Alumacraft*, *Manitou, Quintrex* and *Stacer* for $63.5 million, $59.1 million, $19.2 million, $36.9 million, $14.1 million and $4.4 million respectively. As at January 31, 2021, the carrying amount of trademarks amounting to $199.3 million was related to *Ski-Doo*, *Sea-Doo*, *Alumacraft, Manitou, Quintrex and Stacer* for $63.5 million, $59.1 million, $19.2 million, $37.2 million, $15.4 million and $4.9 million respectively.

Following the creation of the Powersports and Marine segments during the year ended January 31, 2019, the Company has fully allocated the goodwill of $114.7 million created in 2003 to the Powersports segment.

Recoverable amount (see Note 25 for more details on impairment testing)

The recoverable amount for the group of CGU is based on a value-in-use calculation using cash flow projections, which takes into account the Company's one-year budget and three-year strategic plan, with a terminal value calculated by discounting the final year in perpetuity. The figures used as the basis for the key assumptions in the value-in-use calculation includes sales volume, sales price, production costs, distribution costs and operating expenses as well as discount rates. This information represents the best available information as at the date of impairment testing. The estimated future cash flows are discounted to their present value using a pre-tax discount rate of 9.0% to 12.6%. These discount rates were calculated by adding to the Company's weighted average cost of capital the risk factor associated with the product line tested. In assessing value in use, growth rates between -0.7% and 2.0% were used to calculate the terminal value. In addition, a market approach was performed to assess the reasonability of the conclusions reached.

Sensitivity analysis

The Company performs sensitivity analysis on the cash flows and discount rates in order to confirm that the trademarks and goodwill are not impaired. The analyses are presented in isolation from one another and all the other estimates are unchanged. The result is that a 5% decrease on the estimated cash flows or an increase of 100 basis points in the discount rates used would not have resulted in an impairment charge as at January 31, 2022.

Estimating recoverability of deferred tax assets

Deferred tax assets are recognized only if management believes it is probable that they will be realized based on annual budget, strategic plan and additional projections to derive the expected results for the periods thereafter.

Estimating provisions for product regular warranty, product liability, sales program and restructuring

The regular warranty cost is established by product line and recorded at the time of sale based on management's best estimate, using historical cost rates and trends. Adjustments to the regular warranty provision are made when the Company identifies a significant and recurring issue on products sold or when costs and trend differences are identified in the analysis of warranty claims.

The product liability provision at period end is based on management's best estimate of the amounts necessary to resolve existing claims. In addition, the product liability provision at the end of the reporting period includes incurred, but not reported claims based on average historical cost information.

Sales program provision is estimated based on current program features, historical data and expected retail sales for each product line.

Restructuring provision is initially estimated based on estimated restructuring costs in relation with the plan features approved by management. Restructuring provision is reviewed at each period end in order to take into account updated information in relation with the realization of the plan. If necessary, the provision is adjusted accordingly.

Estimating the discount rates used in assessing defined benefit plan expenses and liability

In order to select the discount rates used to determine defined benefit plan expenses and liabilities, management consults with external actuarial firms to provide commonly used and applicable discount rates that are based on the yield of high quality corporate fixed income investments with cash flows that match expected benefit payments for each defined benefit plan. Management uses its knowledge and comprehension of general economic factors in order to conclude on the accuracy of the discount rates used.

Estimating the incremental borrowing rate used in measuring lease liability

Management makes estimates in the determination of the incremental borrowing rate used to measure the lease liability for each lease contract when the interest rate implicit in the lease is not readily available. The incremental borrowing rate should reflect the interest rate the Company would have to pay to borrow the same asset at a similar term and with a similar security.

Estimating the lease term

On commencement date, when determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options or periods subject to termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. This assessment is reviewed if a significant change in circumstances occurs within the Company's control.

b) Significant judgments in applying the Company's accounting policies

Management needs to make certain judgments in order to apply the Company's accounting policies and the most significant ones are the following:

Impairment of property, plant and equipment, intangible assets and right-of-use assets

The Company operates using a high level of integration and interdependency between design, development, manufacturing and distribution operations. The cash inflows generated by each product line require the use of various assets of the Company, limiting the impairment testing to be done for a single asset. Therefore, management performs impairment testing by grouping assets into CGUs.

Functional currency

The Company operates worldwide, but its design, development, manufacturing and distribution operations are highly integrated, which require significant judgements from management in order to determine the functional currency of each entity using factors provided by *IAS 21 "The Effects of Changes in Foreign Exchange Rates"*. Management established the functional currency of each entity as its local currency unless the assessment of the criteria established by IAS 21 to assess the functional currency leads to the determination of another currency. IAS 21 criteria are reviewed annually for each entity.

Future Accounting Changes	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Future Accounting Changes	**4. FUTURE ACCOUNTING CHANGES**

Deferred Tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)

In May 2021, the International Accounting Standards Board ("IASB") issued targeted amendments to *IAS 12 – Income Taxes* to specify how companies account for deferred tax on transactions such as leases and decommissioning obligations. In specific circumstances, companies were dispensed from recognizing deferred tax upon the initial recognition of assets or liabilities. Prior to the amendments, uncertainties persisted about applying the exemption to transactions such as leases, which entails both an asset and a liability. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

The amendments will become effective for the Company fiscal year beginning on February 1, 2023. The Company is assessing the potential impact of these amendments.

Improving accounting policy disclosures and clarifying distinction between accounting policies and accounting estimates (Amendments to IAS 1 and IAS 8)

In February 2021, the IASB issued amendments to *IAS 1 – Presentation of Financial Statements* ("IAS 1"), *IFRS Practice Statement 2 – Making Materiality* Judgments ("IFRS Practice Statement 2") and *IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors* ("IAS 8").

The amendments to IAS 1 require companies to disclose its material accounting policy information instead of its significant accounting policies. The amendments to IFRS Practice Statement 2 provide additional guidance and examples to support the amendments to IAS 1.

The amendments to IAS 8 seek to help companies distinguish between accounting policies and accounting estimates. Clarifying this distinction is important since changes in accounting estimates are applied prospectively but changes in accounting policies are generally also applied retrospectively.

The amendments will become effective for the Company fiscal year beginning on February 1, 2023. The Company is assessing the potential impact of these amendments.

Other standards or amendments

The IASB has issued other standards or amendments to existing standards that are not expected to have a significant impact on the Company's consolidated financial statements.

Trade and Other Receivables	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Trade and Other Receivables	**5. TRADE AND OTHER RECEIVABLES** The Company's trade and other receivables were as follows, as at:

	January 31, 2022	January 31, 2021
Trade receivables	**$340.5**	$253.5
Allowance for doubtful accounts	**(4.4)**	(4.2)
	336.1	249.3
Sales tax and other government receivables	**118.0**	56.4
Other	**11.6**	5.8
Total trade and other receivables	**$465.7**	$311.5

Other Financial Assets	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Other Financial Assets	

6. OTHER FINANCIAL ASSETS

The Company's other financial assets were as follows, as at:

	January 31, 2022	January 31, 2021
Restricted investments [a]	**$14.3**	$15.7
Derivative financial instruments	**38.0**	25.9
Advances to suppliers related to property, plant and equipment	**50.4**	47.8
Other	**24.1**	18.7
Total other financial assets	**$126.8**	$108.1
Current	**73.6**	76.5
Non-current	**53.2**	31.6
Total other financial assets	**$126.8**	$108.1

[a] The restricted investments are publicly traded bonds that can only be used for severance payments and pension costs associated with Austrian pension plans, and are not available for general corporate use.

The non-current portion is mainly attributable to the restricted investments and derivative financial instruments.

Inventories	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Inventories	

7. INVENTORIES

The Company's inventories were as follows, as at:

	January 31, 2022	January 31, 2021
Materials and work in progress	**$1,193.6**	$540.7
Finished products	**176.9**	305.0
Parts, accessories and apparel	**320.8**	241.6
Total inventories	**$1,691.3**	$1,087.3

The Company recognized in the consolidated statements of net income during the year ended January 31, 2022, a write-down on inventories of $20.6 million ($43.5 million for the year ended January 31, 2021) and reversed previously recorded write-downs of $11.2 million ($6.2 million for the year ended January 31, 2021). For the year ended January 31, 2021, the write-down on inventories includes an amount of $20.4 million related to the wind-down of the Evinrude outboard engines production.

Other Assets	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Other Assets	**8. OTHER ASSETS** The Company's other assets were as follows, as at:

	January 31, 2022	January 31, 2021
Prepaids	**$36.1**	$26.0
Deferred financing cost	**4.1**	3.6
Other [a]	**102.8**	5.8
Total other assets	**$143.0**	$35.4
Current	**140.1**	32.9
Non-current	**2.9**	2.5
Total other assets	**$143.0**	$35.4

[a] The balance is mainly attributable to the substantially completed units awaiting installation of missing components at dealers for which the legal property title has been transferred while not qualifying for revenue recognition as at January 31, 2022 (refer to note 2n)). The Company was either compensated for substantially completed units through its amended financing agreement with its third-party financing provider (refer to note 32) or has an unconditional right to be compensated, which ultimately resulted in the deferral of revenue recognition. The revenue will be recognized upon completion of its performance obligation, concurrently with the aforementioned other asset that will be recognized as Cost of sales.

Property, Plant and Equipment	12 Months Ended Jan. 31, 2022

Text block [abstract]

Property, Plant and Equipment

9. PROPERTY, PLANT AND EQUIPMENT

The Company’s property, plant and equipment were as follows, as at:

	January 31, 2022			January 31, 2021		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Tooling	**$1,023.6**	**$663.6**	**$360.0**	$924.5	$632.0	$292.5
Equipment	**1,029.8**	**516.5**	**513.3**	896.6	471.6	425.0
Building	**604.6**	**185.9**	**418.7**	422.7	168.1	254.6
Land	**149.9**	**—**	**149.9**	92.2	—	92.2
Total	**$2,807.9**	**$1,366.0**	**$1,441.9**	$2,336.0	$1,271.7	$1,064.3

As at January 31, 2022 and 2021, assets under development amounted to $140.9 million and $103.5 million respectively and were included in the cost of property, plant and equipment.

The following table explains the changes in property, plant and equipment during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Additions [a]	Disposals	Depreciation	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2022
Tooling	**$292.5**	**$172.5**	**$(0.1)**	**$(95.8)**	**$(9.1)**	**$360.0**
Equipment	**425.0**	**195.7**	**(1.1)**	**(92.8)**	**(13.5)**	**513.3**
Building	**254.6**	**197.3**	**(0.3)**	**(22.0)**	**(10.9)**	**418.7**
Land	**92.2**	**60.4**	**—**	**—**	**(2.7)**	**149.9**
Total	**$1,064.3**	**$625.9**	**$(1.5)**	**$(210.6)**	**$(36.2)**	**$1,441.9**

[a] Government assistance of $3.0 million has been recorded against the additions.

The following table explains the changes in property, plant and equipment during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Additions [b]	Disposals	Depreciation	Impairment (Note 25)	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2021
Tooling	$313.5	$90.8	$(0.1)	$(95.4)	$(21.7)	$5.4	$292.5
Equipment	403.6	105.3	(0.9)	(82.5)	(8.8)	8.3	425.0
Building	247.4	23.7	(0.3)	(19.3)	—	3.1	254.6
Land	62.9	32.9	(5.4)	—	—	1.8	92.2
Total	$1,027.4	$252.7	$(6.7)	$(197.2)	$(30.5)	$18.6	$1,064.3

[b] Government assistance of $0.6 million has been recorded against the additions.

Intangible Assets	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Intangible Assets	

10. INTANGIBLE ASSETS

The Company's intangible assets were as follows, as at:

	January 31, 2022			January 31, 2021		
	Cost	**Accumulated depreciation**	**Carrying amount**	**Cost**	**Accumulated depreciation**	**Carrying amount**
Goodwill	**$115.9**	**$—**	**$115.9**	$116.0	$—	$116.0
Trademarks	**197.2**	**—**	**197.2**	199.3	—	199.3
Software and licences	**249.2**	**125.4**	**123.8**	189.8	111.3	78.5
Patents	**5.1**	**1.9**	**3.2**	5.3	1.4	3.9
Dealer networks	**131.0**	**76.5**	**54.5**	134.1	68.6	65.5
Customer relationships	**22.9**	**22.6**	**0.3**	25.0	23.1	1.9
Total	**$721.3**	**$226.4**	**$494.9**	$669.5	$204.4	$465.1

The Company completed the required annual impairment test of goodwill and indefinite useful life trademarks as at the consolidated statement of financial position dates and concluded that no impairment had occurred during the year ended January 31, 2022. The Company concluded that an impairment had occurred during the year ended January 31, 2021 (see Note 25).

The following table explains the changes in Company's intangible assets during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	**Additions [a]**	**Depreciation**	**Effect of foreign currency exchange rate changes**	**Carrying amount as at January 31, 2022**
Goodwill	**$116.0**	**$—**	**$—**	**$(0.1)**	**$115.9**
Trademarks	**199.3**	**—**	**—**	**(2.1)**	**197.2**
Software and licences	**78.5**	**62.3**	**(16.4)**	**(0.6)**	**123.8**
Patents	**3.9**	**—**	**(0.5)**	**(0.2)**	**3.2**
Dealer networks	**65.5**	**—**	**(8.5)**	**(2.5)**	**54.5**
Customer relationships	**1.9**	**—**	**(1.4)**	**(0.2)**	**0.3**
Total	**$465.1**	**$62.3**	**$(26.8)**	**$(5.7)**	**$494.9**

[a] Government assistance of $6.5 million has been recorded against the additions.

The following table explains the changes in Company's intangible assets during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	**Additions**	**Depreciation**	**Impairment (Note 25)**	**Effect of foreign currency exchange rate changes**	**Carrying amount as at January 31, 2021**
Goodwill	$230.2	$—	$—	$(114.3)	$0.1	$116.0
Trademarks	219.2	—	—	(20.2)	0.3	199.3
Software and licences	76.6	26.6	(16.3)	(8.9)	0.5	78.5
Patents	4.4	—	(0.5)	—	—	3.9
Dealer networks	76.2	—	(9.2)	(3.2)	1.7	65.5
Customer relationships	3.5	—	(1.8)	—	0.2	1.9
Total	$610.1	$26.6	$(27.8)	$(146.6)	$2.8	$465.1

Leases	12 Months Ended Jan. 31, 2022
Leases [Abstract]	
Leases	

11. LEASES

The main leasing activities of the Company are attributable to the Company's manufacturing facility located in Finland, to offices located in Canada and to warehouses used for the distribution of parts, accessories and apparel.

The following table explains the changes in right-of-use assets during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Additions	Depreciation	Effect of foreign currency exchange rate changes	Termination, remeasurement and other [a]	Carrying amount as at January 31, 2022
Building & land	**$198.0**	**$17.1**	**$(29.9)**	**$(3.1)**	**$(64.4)**	**$117.7**
Equipment	**16.1**	**5.8**	**(6.3)**	**(0.3)**	**(0.4)**	**14.9**
Other	**0.1**	**0.1**	**—**	**(0.1)**	**—**	**0.1**
Total	**$214.2**	**$23.0**	**$(36.2)**	**$(3.5)**	**$(64.8)**	**$132.7**

[a] During the year ended January 31, 2022, the Company acquired two of its leased production facilities in Mexico. Consequently, the leases related to this transaction were terminated and reclassified as property, plant and equipment.

The following table explains the changes in right-of-use assets during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Additions	Depreciation	Effect of foreign currency exchange rate changes	Remeasurement and other	Carrying amount as at January 31, 2021
Building & land	$198.2	$11.8	$(28.8)	$1.3	$15.5	$198.0
Equipment	16.3	7.9	(6.9)	(0.1)	(1.1)	16.1
Other	0.2	—	(0.1)	(0.1)	0.1	0.1
Total	$214.7	$19.7	$(35.8)	$1.1	$14.5	$214.2

The following table explains the changes in lease liabilities during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Issuance	Interest	Repayment [a]	Effect of foreign currency exchange rate changes	Termination, remeasurement and other	Carrying amount as at January 31, 2022
Lease liabilities	**$239.8**	**$23.4**	**$7.2**	**$(42.5)**	**$(2.1)**	**$(78.9)**	**$146.9**

[a] Includes $(7.2) million of interest paid.

The following table explains the changes in lease liabilities during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Issuance	Interest	Repayment [a]	Effect of foreign currency exchange rate changes	Remeasurement and other	Carrying amount as at January 31, 2021
Lease liabilities	$240.9	$19.7	$9.3	$(43.1)	$(1.5)	$14.5	$239.8

[a] Includes $(9.3) million of interest paid.

Revolving Credit Facilities

12 Months Ended
Jan. 31, 2022

Text block [abstract]

Revolving Credit Facilities

12. REVOLVING CREDIT FACILITIES

On May 4, 2021, the Company amended its $700.0 million revolving credit facilities to increase the availability to $800.0 million and extend the maturity from May 2024 to May 2026 (the “Revolving Credit Facilities”). The pricing grid and other conditions remained unchanged. Subsequent to January 31, 2022, the Company amended its Revolving Credit Facilities to increase total availability to $1,100.0 million (refer to note 33).

The applicable interest rates vary depending on a leverage ratio. The leverage ratio is defined in the Revolving Credit Facilities agreement by the ratio of net debt to consolidated cash flows of the Company (the “Leverage ratio”). As at January 31, 2022, the applicable interest rates are as follows:

(i) U.S. dollars at either
- (a) LIBOR plus 1.45% to 3.00% per annum; or
- (b) U.S. Base Rate plus 0.45% to 2.00% per annum; or
- (c) U.S. Prime Rate plus 0.45% to 2.00% per annum;

(ii) Canadian dollars at either
- (a) Bankers’ Acceptance plus 1.45% to 3.00% per annum; or
- (b) Canadian Prime Rate plus 0.45% to 2.00% per annum

(iii) Euros at Euro LIBOR plus 1.45% to 3.00% per annum.

In addition, the Company incurs commitment fees of 0.25% to 0.40% per annum on the undrawn amount of the Revolving Credit Facilities.

As at January 31, 2022, the cost of borrowing under the Revolving Credit Facilities was as follows:

(i) U.S. dollars at either
- (a) LIBOR plus 1.45% per annum; or
- (b) U.S. Base Rate plus 0.45% per annum; or
- (c) U.S. Prime Rate plus 0.45% per annum;

(ii) Canadian dollars at either
- (a) Bankers’ Acceptance plus 1.45% per annum; or
- (b) Canadian Prime Rate plus 0.45% per annum

(iii) Euros at Euro LIBOR plus 1.45% per annum.

As at January 31, 2022, the commitment fees on the undrawn amount of the Revolving Credit Facilities were 0.25% per annum.

The Company is required to maintain, under certain conditions, a minimum fixed charge coverage ratio. Additionally, the total available borrowing under the Revolving Credit Facilities is subject to a borrowing base calculation representing 75% of the carrying amount of trade and other receivables plus 50% of the carrying amount of inventories.

As at January 31, 2022, the Company had no outstanding indebtedness under the Revolving Credit Facilities (nil as at January 31, 2021). The Company had issued letters of credit for an amount of $20.6 million as at January 31, 2022 ($5.9 million as at January 31, 2021) and, in addition, $4.5 million of letters of credit were outstanding under other bank agreements as at January 31, 2022 ($4.9 million as at January 31, 2021).

Trade Payables and Accruals	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Trade Payables and Accruals	**13.TRADE PAYABLES AND ACCRUALS** The Company’s trade payables and accruals were as follows, as at:

	January 31, 2022	January 31, 2021
Trade payables	**$965.3**	$814.7
Wages and related employee accruals	**207.1**	195.0
Other accruals	**450.5**	286.8
Total trade payables and accruals	**$1,622.9**	$1,296.5

Provisions	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Provisions	

14. PROVISIONS

The Company's provisions were as follows, as at:

	January 31, 2022	January 31, 2021
Product-related	**$372.8**	$390.0
Restructuring	**3.2**	11.2
Other	**38.3**	27.2
Total provisions	**$414.3**	$428.4
Current	**328.1**	353.2
Non-current	**86.2**	75.2
Total provisions	**$414.3**	$428.4

Product-related provisions include provisions for regular warranty coverage on products sold, product liability provisions and provisions related to sales programs offered by the Company to its Customers in order to support the retail activity.

The non-current portion of provisions is mainly attributable to product-related provisions. As at January 31, 2022, the Company estimates that cash outflows related to those non-current provisions could occur from February 1, 2023 to January 31, 2027.

The changes in provisions were as follows:

	Product-related	Restructuring	Other	Total
Balance as at January 31, 2021	**$390.0**	**$11.2**	**$27.2**	**$428.4**
Expensed during the year	**457.3**	**—**	**24.7**	**482.0**
Paid during the year	**(455.2)**	**(7.5)**	**(12.9)**	**(475.6)**
Reversed during the year	**(10.9)**	**—**	**(0.3)**	**(11.2)**
Effect of foreign currency exchange rate changes	**(7.5)**	**(0.5)**	**(0.4)**	**(8.4)**
Unwinding of discount and effect of changes in discounting estimates	**(0.9)**	**—**	**—**	**(0.9)**
Balance as at January 31, 2022	**$372.8**	**$3.2**	**$38.3**	**$414.3**

Other Financial Liabilities	12 Months Ended Jan. 31, 2022

Text block [abstract]

Other Financial Liabilities

15. OTHER FINANCIAL LIABILITIES

The Company's other financial liabilities were as follows, as at:

	January 31, 2022	January 31, 2021
Dealer holdback programs and customer deposits	**$83.4**	$102.4
Due to Bombardier Inc. (Note 29)	**22.1**	22.2
Derivative financial instruments	**10.3**	8.6
Due to a pension management company (Note 17)	**0.4**	0.7
Non-controlling interest liability [a]	**—**	21.0
Financial liability related to NCIB (Note 18)	**47.2**	200.0
Other	**22.9**	28.1
Total other financial liabilities	**$186.3**	$383.0
Current	**152.3**	348.6
Non-current [b]	**34.0**	34.4
Total other financial liabilities	**$186.3**	$383.0

[a] On September 1st, 2021, the Company completed the repurchase, at fair value, of the remaining 20% non-controlling interest in Telwater Pty Ltd for an amount of AUD 27.2 million ($24.9 million).

[b] The non-current portion is mainly comprised of the amount due to Bombardier Inc. in connection with indemnification related to income taxes.

Long-Term Debt	12 Months Ended Jan. 31, 2022

Text block [abstract]

Long-Term Debt

16. LONG-TERM DEBT

As at January 31, 2022 and 2021, the maturity dates, interest rates, outstanding nominal amounts and carrying amounts of long-term debt were as follows:

					January 31, 2022
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility					
Term Loan B-1	May 2027	2.11%	2.14%	U.S. $1,492.4	**$1,891.1** [a]
Term Loans	Mar. 2022 to Dec. 2030	0.75% to 1.90%	0.88% to 4.67%	€110.5	**149.4**
Total long-term debt					**$2,040.5**
Current					**103.1**
Non-current					**1,937.4**
Total long-term debt					**$2,040.5**

[a] Net of unamortized transaction costs of $3.6 million.

					January 31, 2021
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility					
Term Loan B-1	May 2027	2.12%	2.12%	U.S. $1,207.6	**$1,543.0**
Term Loan B-2	May 2027	6.00%	6.77%	U.S. $597.0	**733.3** [a]
Term Loans	Dec. 2021 to Dec. 2030	0.75% to 1.60%	1.00% to 4.67%	€92.6	**133.4**
Total long-term debt					**$2,409.7**
Current					**25.3**
Non-current					**2,384.4**
Total long-term debt					**$2,409.7**

[a] Net of unamortized transaction costs of $29.5 million.

The following table explains the changes in long-term debt during the year ended January 31, 2022:

		Statements of cash flows		Non-cash changes		
	Carrying amount as at January 31, 2021	Issuance	Repayment	Effect of foreign currency exchange rate changes	Other	Carrying amount as at January 31, 2022
Term Facility	**$2,276.3**	**$380.8**	**$(776.8)**	**$(14.8)**	**$25.6**	**$1,891.1**
Term Loans	**133.4**	**29.1**	**(2.6)**	**(12.0)**	**1.5**	**149.4**
Total	**$2,409.7**	**$409.9**	**$(779.4)**	**$(26.8)**	**$27.1**	**$2,040.5**

The following table explains the changes in long-term debt during the year ended January 31, 2021:

		Statements of cash flows		Non-cash changes		
	Carrying amount as at January 31, 2020	Issuance	Repayment	Effect of foreign currency exchange rate changes	Other	Carrying amount as at January 31, 2021
Term Facility	**$1,606.7**	**$835.0**	**$(20.2)**	**$(118.9)**	**$(26.3)**	**$2,276.3**
Term Loans	**38.7**	**129.3**	**(32.6)**	**2.8**	**(4.8)**	**133.4**

Total	**$1,645.4**	**$964.3**	**$(52.8)**	**$(116.1)**	**$(31.1)**	**$2,409.7**

Under security arrangements, amounts borrowed under the Revolving Credit Facilities and the term facility (the “Credit Facilities”) are secured by substantially all the assets of the Company.

a) Term Facility

On February 4, 2020, the Company amended its Term Facility to consolidate it into a single tranche which reduces the cost of borrowing by 0.50% for the previous U.S. $335.0 million tranche and extends the maturity from May 2025 to May 2027 (the “Term Loan B-1”). The Company incurred transaction costs of $6.7 million, which have been recorded in financing costs. In addition, the unamortized transaction costs of $6.0 million were derecognized and recorded in financing costs.

On May 8, 2020, the Company entered into an incremental U.S. $600.0 million tranche under its Term Facility (the “Term Loan B-2”). This new tranche matures in May 2027 and, consistent with the Term Loan B-1, is exempt of financial covenants. The Company incurred transaction costs of $35.2 million, which have been incorporated in the carrying amount of the Term Loan B-2 and are amortized over its expected life using the effective interest rate method.

On February 16, 2021, the Company fully repaid the outstanding U.S. $597.0 million Term Loan B-2. The Company incurred a prepayment premium of $15.1 million, which has been recorded in financing costs. In addition, the unamortized transaction costs of $29.2 million were derecognized and recorded in financing costs. On the same date, the Company increased the amount outstanding under its Term Loan B-1 by U.S. $300.0 million to U.S. $1,507.6 million. This incremental of U.S. $300.0 million has the same terms and conditions and maturity date as the original Term Loan B-1. The Company incurred transaction costs of $4.0 million, which have been incorporated in the carrying amount of the Term Loan B-1 and are amortized over its expected life using the effective interest rate method.

As at January 31, 2022, the cost of borrowing under the Term Loan B-1 was as follows:

(i) LIBOR plus 2.00% per annum, with a LIBOR floor of 0.00%; or
(ii) U.S. Base Rate plus 1.00%; or
(iii) U.S. Prime Rate plus 1.00%

As at January 31, 2021, the cost of borrowing under the Term Loan B-2 was as follows:

(i) LIBOR plus 5.00% per annum, with a LIBOR floor of 1.00%; or
(ii) U.S. Base Rate plus 4.00%; or
(iii) U.S. Prime Rate plus 4.00%

Under the Term Facility, the cost of borrowing in U.S. Base Rate or U.S. Prime Rate cannot be lower than the cost of borrowing in LIBOR.

The Company is required to repay a minimum of 0.25% of the nominal amount each quarter. Consequently, the Company repaid an amount of U.S. $15.2 million ($19.3 million) during the year ended January 31, 2022. Also, the Company may be required to repay a portion of the Term Facility in the event that it has an excess cash position at the end of the fiscal year and its leverage ratio is above a certain threshold level. As at January 31, 2022 and 2021, the Company was not required to repay any portion of the Term Facility under this requirement.

b) Term Loans

During the year ended January 31, 2021, the Company entered into an unsecured loan agreement at favourable interest rates under an Austrian government COVID-19 program. Under this program, the Austrian government is partly guaranteeing the loan. The loan had a total nominal value of €75.0 million ($116.2 million), interest rates at 1.45% for the first year, 1.90% for the second and third years and 2.80% for the fourth and fifth years and matures in December 2024. The Company recognized a grant of €4.9 million ($7.6 million) representing the difference between the fair value of the term loans at inception and the cash received. The grant will be recorded as a reduction of expenses over the course of the loan. The Company incurred transaction costs of €0.2 million ($0.3 million). The Company may be required to repay a portion of the loan in the event that it has an excess cash position. Consequently, the Company repaid an amount of €20.0 million ($30.9 million) during the year ended January 31, 2021 and expects to fully repay the loan in the year ending January 31, 2023.

During the year ended January 31, 2022, the Company entered into term loan agreements at favourable interest rates under Austrian government programs. These programs support research and development projects based on the Company's incurred expenses in Austria. The term loans have a nominal amount of €19.7 million ($29.1 million) with an interest rate varying between 0.88% and 0.93% with a maturity date in December 2029. The Company recognized a grant of €2 million ($2.9 million) as a reduction of research and development expenses representing the difference between the fair value of the term loan at inception and the cash received.

During the year ended January 31, 2021, the Company entered into term loan agreements at favourable interest rates under Austrian government programs. These programs support research and development projects based on the Company's incurred expenses in Austria. The term loans have a total nominal amount of €8.9 million ($13.1 million), interest rates between 0.80% and 1.12% and maturities between December 2024 and December 2030. The Company recognized a grant of €1.0 million ($1.5 million) as a reduction of research and development expenses representing the difference between the fair value of the term loans at inception and the cash received.

Employee Benefits	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Employee Benefits	

17. EMPLOYEE BENEFITS

Employee benefits expenses, which represent the expenses related to all forms of consideration provided by the Company in exchange for services rendered by its employees, were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current remuneration	**$1,021.8**	$836.9
Post-employment defined benefit plans	**10.1**	12.2
Post-employment defined contribution plans	**39.4**	32.4
Termination benefits	**1.2**	19.4
Stock-based compensation (Note 19)	**17.7**	14.2
Other long-term benefits	**1.7**	2.4
Total	**$1,091.9**	$917.5

a) Post-employment benefits

The Company sponsors defined contribution retirement plans and non-contributory defined benefit plans that provide for pensions and other post-retirement benefits to a majority of its employees.

Canadianemployees

The Company sponsors defined benefit pension plans and other post-retirement benefit plans for its Canadian executive employees and defined contribution plans for executive and non-executive employees. Additionally, the Company retained defined benefit obligations with certain active and former employees for services rendered prior to 2005.

The Company's other post-retirement benefit plans provide during retirement non-contributory life insurance benefits and healthcare benefits to eligible employees that are funded on a pay-as-you-go basis. The healthcare benefits are payable from retirement to age 65.

The defined benefit plans are registered with the governments and follow their applicable laws. The plans are governed by a retirement committee composed of representatives from the employer and the employees. The retirement committee delegated its responsibilities to the investment committee, which is responsible for the investment policy with regard to the assets of the fund. This committee is composed of representatives from the employer. The plans have a strategy to decrease the risk level by increasing progressively, when the solvency of the plans will improve, the part of the plan assets in long-term fixed income securities. The Company contributes to the plans the minimum funding obligations required under the current regulations. The weighted average duration of the defined benefit obligations is approximately 16 years. As at January 31, 2022, the Company expects that 50% of the future payments associated with its Canadian defined benefit obligations will be paid in the next 16 years.

In addition, the Company sponsors a defined benefit retirement plan to provide supplemental pension benefits to its executives ("SERP").

UnitedStates employees

In the United States, the Company offers a defined contribution plan to its employees as well as a defined benefit final average earnings non-registered supplementary executive retirement plan for its executive employees ("SERP").

European employees

The Company's sponsors defined contribution plans to its employees in most of its European entities. In addition, the Company maintains an unfunded defined benefit plan and sponsors a lump sum retirement indemnity plan in Austria. Under the defined benefit plan, the benefits are based on such employees' length of service, applicable pension accrual rates and compensation at retirement. Under the lump sum retirement indemnity plan, the benefits are based on the length of service and compensation at retirement. These plans are regulated by the applicable Austrian laws. The weighted average duration of the defined benefit obligation is approximately 14 years. As at January 31, 2022, the Company expects that 50% of the future payments associated with its Austrian defined benefit obligations will be paid in the next 15 years.

As at January 31, 2022, the remaining liabilities of $0.4 million related to the termination of the defined benefit plan coverage for some of the Austrian employees and presented in other financial liabilities (Note 15) will be settled over the next two fiscal years.

b) Defined benefit plans

Actuarial risks

The significant actuarial risks to which the plans expose the Company are as follows:

Market related risks

Investment risk

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to high quality corporate fixed income investments. If the return on plan assets is below this rate, it will increase the plan liability. Currently, the funded plans have investments in equity securities and fixed income securities. Due to the long-term nature of the plan liabilities, the Company considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities and income securities to leverage the return generated by the fund.

Interest risk

A decrease in the fixed income investments interest rate will increase the plans' liabilities. However, for funded plans, this will be partially offset by an increase in the fair value of the plans' fixed income securities.

Employee related risks

Longevity risk

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plans' liabilities.

Salary risk

The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plans' liabilities.

Actuarial assumptions

The weighted average of the significant actuarial assumptions adopted to determine the defined benefit cost and the defined benefit obligation were as follows:

	Years ended			
	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign

Benefit cost actuarial assumptions [a]				
Discount rates used to determine:				
Current service cost	**2.95%**	**0.71%**	2.90%	0.79%
Net interest cost	**2.80%**	**0.64%**	2.80%	0.69%
Expected rate of compensation increase	**3.00%**	**3.00%**	3.00%	3.00%
Mortality table	CPM 2014 Private	**AVOE 2018**	CPM 2014 Private	AVOE 2018
Defined benefit obligation actuarial assumptions [b]				
Discount rate	**3.50%**	**1.21%**	2.80%	0.64%
Rate of compensation increase	**3.00%**	**3.00%**	3.00%	3.00%
Mortality table	CPM 2014 Private	**AVOE 2018**	CPM 2014 Private	AVOE 2018

[a] Determined as at beginning of the reporting periods

[b] Determined as at end of the reporting periods

The discount rate represents the market rate for high quality corporate fixed income investments consistent with the currency and the estimated term of the defined benefit plan obligation. The expected rate of compensation increase is determined considering the current salary structure, historical and anticipated wage increases.

Health care cost trend

The health care cost is assumed to increase to a rate of 4.93% in fiscal year 2023 and to a rate that will gradually decline over the next 12 years to reach 3.33% in fiscal year 2034. After this date, the rate is assumed to remain at 3.33%. An increase of 1% of the health care cost trend rate would not have a significant impact on the defined benefit cost and on the defined benefit obligations for the years ended January 31, 2022 and 2021.

Employee future benefit liabilities

The amounts arising from the Company's obligations under defined benefit obligations were as follows, as at:

	January 31, 2022		**January 31, 2021**	
	Canada	**Foreign**	**Canada**	**Foreign**
Defined benefit obligation of funded plans	**$(364.2)**	**$(1.9)**	$(405.4)	$(2.4)
Fair value of plans assets	**291.6**	**1.3**	284.5	1.5
	(72.6)	**(0.6)**	(120.9)	(0.9)
Defined benefit obligation of unfunded plans	**(17.4)**	**(129.6)**	(25.3)	(150.7)
Employee future benefit liabilities	**$(90.0)**	**$(130.2)**	$(146.2)	$(151.6)

The following table provides a reconciliation of the changes in the pension plans' defined benefit obligations (funded and unfunded) as at the consolidated statement of financial position dates:

	January 31, 2022		**January 31, 2021**	
	Canada	**Foreign**	**Canada**	**Foreign**
Defined benefit obligation at beginning of year	**$(430.7)**	**$(153.1)**	$(433.2)	$(147.1)
Current service cost	**(3.0)**	**(2.7)**	(3.4)	(3.0)
Interest cost	**(11.9)**	**(0.9)**	(12.1)	(1.1)
Past service gain	**0.8**	**—**	—	—
Actuarial gains (losses) from changes in financial assumptions	**41.8**	**11.2**	(0.1)	(1.1)
Actuarial gains (losses) from experience adjustments	**5.4**	**(2.8)**	1.9	1.2
Benefits paid	**16.0**	**5.2**	16.2	5.8

Effect of foreign currency exchange rate changes	**—**	**11.6**	—	(7.8)
Defined benefit obligation at end of year	**$(381.6)**	**$(131.5)**	$(430.7)	$(153.1)

The following table provides a reconciliation of the changes in the pension plans' fair value of assets as at consolidated statement of financial position dates:

	January 31, 2022		**January 31, 2021**	
	Canada	**Foreign**	**Canada**	**Foreign**
Assets fair value at beginning of year	**$284.5**	**$1.5**	$277.7	$1.4
Interest income	**7.9**	**—**	7.7	—
Administration costs	**(0.3)**	**—**	(0.3)	—
Actuarial gains from return on plan assets	**8.2**	**—**	6.3	—
Employer contributions	**7.3**	**5.1**	9.3	5.8
Benefit paid	**(16.0)**	**(5.2)**	(16.2)	(5.8)
Effect of foreign currency exchange rate changes	**—**	**(0.1)**	—	0.1
Assets fair value at end of year	**$291.6**	**$1.3**	$284.5	$1.5

In accordance with the minimum funding obligations required under the current regulations, the Company expects to contribute $12.8 million to all defined benefit pension plans for the year ending January 31, 2023.

The actual return on plan assets was as follows:

	Years ended			
	January 31, 2022		**January 31, 2021**	
	Canada	**Foreign**	**Canada**	**Foreign**
Actual return on plan assets	**$15.8**	**$—**	$13.7	$—

The fair value of the plan assets for each category was as follows, as at:

	January 31, 2022	**January 31, 2021**
Publicly traded Canadian equity securities	**$58.2**	$64.1
Publicly traded foreign equity securities	**94.7**	85.3
Publicly traded fixed income securities	**76.8**	80.0
Other	**63.2**	56.6
Total	**$292.9**	$286.0

The fair values of the above equity and fixed income securities were determined based on quoted market prices in active markets.

Defined benefit costs

Components of the total defined benefit costs recognized in the consolidated statement of net income were as follows:

	Years ended			
	January 31, 2022		**January 31, 2021**	
	Canada	**Foreign**	**Canada**	**Foreign**
Current service cost	**$3.0**	**$2.7**	$3.4	$3.0
Net interest on the future employee benefit liabilities	**4.0**	**0.9**	4.4	1.1
Administration costs	**0.3**	**—**	0.3	—
Past service gain	**(0.8)**	**—**	—	—
Defined benefit costs	**$6.5**	**$3.6**	$8.1	$4.1

Sensitivity analysis

Actuarial assumptions that influence significantly the determination of the defined benefit obligations of the Company are the discount rate, the expected rate of compensation increase and the participants' longevity. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on employee future benefit liabilities would be the following as at January 31, 2022:

	Increase (Decrease) of the liabilities
Discount rate	
Impact of a 0.5% increase	**$(34.1)**
Impact of a 0.5% decrease	**38.1**
Expected rate of compensation increase	
Impact of a 0.5% increase	**7.8**
Impact of a 0.5% decrease	**(7.3)**
Participant longevity	
Impact of a 1 year increase	**10.5**
Impact of a 1 year decrease	**(10.7)**

The sensitivity analysis presented above may not be representative of the potential change in the employee future benefit liabilities as it is unlikely that the change in assumptions would occur in isolation from one another as some of the assumptions may be correlated.

Capital Stock	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Capital Stock	

18. CAPITAL STOCK

The authorized capital stock of the Company is comprised of an unlimited number of multiple voting shares carrying six votes per share with no par value, an unlimited number of subordinate voting shares carrying one vote per share with no par value, and an unlimited number of non-voting preferred shares issuable in series with no par value.

The changes in capital stock issued and outstanding were as follows:

	Number of shares	Carrying Amount
Subordinate voting shares		
Balance as at February 1, 2020	**42,410,974**	**$186.9**
Issued upon exercise of stock options	718,232	31.3
Issued in exchange of multiple voting shares	2,000,000	0.1
Repurchased under the NCIB	(2,476,300)	(11.5)
Balance as at January 31, 2021	**42,652,906**	**206.8**
Issued upon exercise of stock options	1,668,032	86.1
Issued in exchange of multiple voting shares	936,692	0.1
Repurchased under the SIB	(3,381,641)	(18.7)
Repurchased under the NCIB	(3,332,228)	(17.2)
Balance as at January 31, 2022	**38,543,761**	**$257.1**

Multiple voting shares		
Balance as at February 1, 2020	**45,891,671**	**$3.7**
Exchanged for subordinate voting shares	(2,000,000)	(0.1)
Balance as at January 31, 2021	**43,891,671**	**$3.6**
Exchanged for subordinate voting shares	(936,692)	(0.1)
Balance as at January 31, 2022	**42,954,979**	**$3.5**

Total outstanding as at January 31, 2022	**81,498,740**	**$260.6**

a) Normal course issuer bid program ("NCIB")

On December 1, 2021, the Company announced the renewal of its NCIB to repurchase for cancellation up to 3,787,945 of its outstanding subordinate voting shares over a twelve-month period commencing on December 3, 2021 and ending no later than December 2, 2022 (the "Current NCIB"). During the year ended January 31, 2022, the Company repurchased for cancellation 525,200 subordinate voting shares for a total consideration of $52.8 million under the Current NCIB. In addition, during the same period, the Company repurchased for cancellation 2,807,028 subordinate voting shares for a total consideration of $278.2 million under a previous NCIB.

As at January 31, 2022, a $47.2 million ($200.0 million as at January 31, 2021) financial liability, with a corresponding amount in equity, was recorded in the consolidated statements of financial position in relation with the current NCIB. This liability represented the value of subordinate voting shares expected to be repurchased by a designated broker under an automatic share purchase plan from February 1st to March 28, 2022. This automatic share purchase plan allows for the purchase of subordinate voting shares under pre-set conditions at times when the Company would ordinarily not be permitted due to regulatory restrictions or self-imposed blackout periods. These subordinate voting shares are included in the outstanding subordinate voting shares as at January 31, 2022. During the year ended January 31, 2022, the Company recognized a loss of $21.3 million in financing costs related to an automatic share purchase plan. The loss represents the difference between the share price used to establish the financial liability at the end of each quarter and the amount actually paid to repurchase shares during the regulatory restrictions or self-imposed blackout periods.

For the year ended January 31, 2022, of the total consideration of $331.0 million, $17.2 million represents the carrying amount of the shares repurchased, $292.6 million represents the amount charged to retained losses and $21.3 million represents the loss recognized in net income.

On November 27, 2020, the Company announced the renewal of its NCIB to repurchase for cancellation up to 4,278,028 of its outstanding subordinate voting shares. During the year ended January 31, 2021, the Company repurchased for cancellation 1,471,000 subordinate voting shares for a total consideration of $122.5 million.

For the year ended January 31, 2021, of the total consideration of $178.1 million, $11.5 million represents the carrying amount of the shares repurchased and $178.8 million represents the amount charged to retained losses and $12.2 million represents the gain recognized in net income.

b) Substantial issuer bid offer ("SIB")

On July 27, 2021, the Company repurchased for cancellation 3,381,641 subordinate voting shares following the completion of its SIB for a total consideration of $350.0 million, of which $17.9 million represent the carrying amount of the shares repurchased and $332.1 million representing the amount charged to retained losses. Prior to the completion of the SIB, Beaudier group converted 936,692 of multiple voting shares into an equivalent number of subordinate voting shares. These converted shares were repurchased and cancelled in the SIB. The Company incurred $0.8 million of fees and expenses relating to the SIB, which were recorded in capital stock.

c) Secondary offering

On October 21, 2020, Bain Capital completed a secondary offering of 2,000,000 subordinate voting shares of the Company through an underwriter. Prior to such transaction, Bain Capital converted 2,000,000 multiple voting shares into an equivalent number of subordinate voting shares. The Company did not receive any of the proceeds of the secondary offering. In accordance with the terms of the registration rights agreement entered into in connection with the initial public offering of the Company's subordinate voting shares, the Company incurred approximately $0.6 million of fees and expenses related to this secondary offering.

d) Dividend

During the year ended January 31, 2022, the Company declared four quarterly dividends of $0.13 per share for holders of its multiple voting shares and subordinate voting shares. The dividends were paid on April 19, 2021, July 16, 2021, October 14, 2021 and January 14, 2022 for a total consideration of $43.1 million to shareholders.

During the year ended January 31, 2021, the Company declared one quarterly dividend of $0.11 per share for holders of its multiple voting shares and subordinate voting shares. The dividend was paid on January 14, 2021 for a total consideration of $9.6 million to shareholders.

Stock Option Plan	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Stock Option Plan	

19. STOCK OPTION PLAN

A reserve of 10,814,828 subordinate voting shares are available to be granted in stock options to officers and employees under the Company's stock option plan. Such stock options are time vesting and 25% of the options will vest on each of the first, second, third and fourth anniversary of the grant. The stock options have a ten-year term at the end of which the options expire.

Under the stock option plan existing prior to the initial public offering of the Company's subordinate voting shares, the options vested or were eligible to vest in equal annual instalments on each of the five anniversary dates of the date of grant and were exercisable for a period of up to ten years from the grant date.

The following table summarizes the weighted-average fair value of options granted and the main assumptions that were used to calculate the fair value during the years ended January 31, 2022 and 2021:

	January 31, 2022	January 31, 2021
Weighted-average fair value at grant date	**$43.14**	$9.12
Weighted average assumptions used in the fair value models		
Share price	**$109.67**	$25.83
Risk-free interest rate	**1.39%**	0.84%
Expected life	**6.33 years**	6.25 years
Expected volatility	**40.45%**	36.24%
Expected annual dividend per share	**0.47%**	0.00%

The Company uses the Black-Scholes option-pricing model to estimate the fair value of options granted. The expected volatility used in option pricing models is calculated based on historical volatility of similar listed entities.

The number of stock options varied as follows:

	Number of options	Weighted average exercise price
Balance as at February 1, 2020	**3,790,104**	**$42.32**
Granted	1,658,100	26.89
Forfeited/Cancelled	(226,850)	44.42
Exercised [a]	(718,232)	26.03
Balance as at January 31, 2021	**4,503,122**	**38.28**
Granted	513,300	109.88
Forfeited/Cancelled	(38,350)	50.14
Exercised [b]	(1,668,032)	38.96
Balance as at January 31, 2022	**3,310,040**	**$48.90**

[a] The weighted average stock price on these exercised stock options was $70.66.

[b] The weighted average stock price on these exercised stock options was $117.09.

The following table summarizes information about stock options outstanding and exercisable, as at January 31, 2022:

	Outstanding			Exercisable	
Exercise price range	Number of options	Weighted-average exercise price	Weighted-average remaining life (years)	Number of options	Weighted-average exercise price
$20 to $24	**48,150**	**$20.39**	**4.3**	**48,150**	**$20.39**
$24 to $28	**1,399,426**	**26.67**	**8.0**	**216,226**	**26.74**

$36 to $40	**162,600**	**39.45**	**5.4**	**162,600**	**39.45**
$40 to $44	**49,575**	**40.42**	**6.5**	**38,100**	**40.49**
$44 to $48	**749,190**	**46.15**	**7.4**	**214,992**	**46.16**
$60 to $64	**350,374**	**62.69**	**6.4**	**190,986**	**62.69**
$64 to $68	**34,125**	**64.15**	**7.9**	**14,975**	**64.15**
$68 to $72	**9,000**	**69.50**	**8.6**	**2,250**	**69.50**
$108 to $112	**499,400**	**109.66**	**9.2**	**—**	**—**
$120 to $124	**8,200**	**123.03**	**9.6**	**—**	**—**
Balance as at January 31, 2022	**3,310,040**	**$48.90**	**7.7**	**888,279**	**$42.48**

The following table summarizes information about stock options outstanding and exercisable, as at January 31, 2021:

	Outstanding			Exercisable	
Exercise price range	**Number of options**	**Weighted-average exercise price**	**Weighted-average remaining life (years)**	**Number of options**	**Weighted-average exercise price**
$16 to $20	700	$16.34	5.0	700	$16.34
$20 to $24	324,450	20.37	5.4	324,450	20.37
$24 to $28	1,710,050	26.69	8.9	112,250	27.10
$36 to $40	703,975	39.45	6.4	475,750	39.45
$40 to $44	59,975	40.44	7.5	29,450	40.54
$44 to $48	1,030,425	46.16	8.4	219,678	46.19
$60 to $64	623,847	62.69	7.4	297,221	62.69
$64 to $68	40,700	64.15	8.9	9,875	64.15
$68 to $72	9,000	69.50	9.6	—	—
Balance as at January 31, 2021	4,503,122	$38.28	7.9	1,469,374	$40.18

Share based compensation expense of $17.7 million for the year ended January 31, 2022 ($14.2 million for the year ended January 31, 2021) has been recorded in general and administrative expenses in the consolidated statements of net income.

As at January 31, 2022, the total unrecognized compensation cost related to unvested share-based payments totalled $18.6 million ($15.2 million as at January 31, 2021).

Segmented Information

Segmented Information	12 Months Ended Jan. 31, 2022

Text block [abstract]

Segmented Information

20. SEGMENTED INFORMATION

Details of segment information were as follows:

For the year ended January 31, 2022	Powersports segment	Marine segment	Inter-segment eliminations	Total
Revenues	**$7,135.6**	**$531.5**	**$(19.2)**	**$7,647.9**
Cost of sales	**5,082.6**	**452.3**	**(19.2)**	**5,515.7**
Gross profit	**2,053.0**	**79.2**	**—**	**2,132.2**
Total operating expenses				**945.2**
Operating income				**1,187.0**
Financing costs				**128.9**
Financing income				**(3.8)**
Foreign exchange gain on long-term debt				**(14.8)**
Income before income taxes				**1,076.7**
Income tax expense				**282.1**
Net income				**$794.6**

For the year ended January 31, 2021	Powersports segment	Marine segment	Inter-segment eliminations	Total
Revenues	$5,532.8	$430.7	$(10.6)	$5,952.9
Cost of sales	4,049.1	442.1	(10.6)	4,480.6
Gross profit (loss)	1,483.7	(11.4)	—	1,472.3
Total operating expenses				1,006.7 [a]
Operating income				465.6
Financing costs				120.0
Financing income				(19.8)
Foreign exchange gain on long-term debt				(118.9)
Income before income taxes				484.3
Income tax expense				121.4
Net income				$362.9

[a] Including an impairment charge of $177.1 million related to the Marine segment.

The following table provides geographic information on Company's revenues, property, plant and equipment, intangible assets and right-of-use assets. The attribution of revenues was based on customer locations.

	Revenues Years ended		Property, plant and equipment, intangible assets and right-of-use assets As at	
	January 31, 2022	January 31, 2021	January 31, 2022	January 31, 2021
United States	**$4,185.2**	$3,306.5	**$277.1**	$277.7
Canada	**1,321.2**	923.4	**736.4**	645.4
Europe	**1,230.1**	987.2	**90.4**	89.1
Asia Pacific	**567.2**	463.3	**109.9**	110.4

Mexico	**120.1**	99.6	**621.8**	396.0
Austria	**16.6**	13.9	**231.3**	223.2
Other	**207.5**	159.0	**2.6**	1.8
	$7,647.9	$5,952.9	**$2,069.5**	$1,743.6

Earnings Per Share	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Earnings Per Share	

21. EARNINGS PER SHARE

a) Basic earnings per share

Details of basic earnings per share were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Net income attributable to shareholders	**$793.9**	$363.4
Weighted average number of shares	**82,973,284**	87,519,856
Earnings per share - basic	**$9.57**	$4.15

b) Diluted earnings per share

Details of diluted earnings per share were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Net income attributable to shareholders	**$793.9**	$363.4
Weighted average number of shares	**82,973,284**	87,519,856
Dilutive effect of stock options	**2,286,236**	1,085,128
Weighted average number of diluted shares	**85,259,520**	88,604,984
Earnings per share - diluted	**$9.31**	$4.10

The average market value of the Company’s shares for purposes of calculating the dilutive effect of stock options was based on share value on the Toronto Stock Exchange for the period during which the options were outstanding.

Revenues	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Revenues	**22.REVENUES** Details of revenues were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Powersports		
Year-Round Products	**$3,467.5**	$2,824.2
Seasonal Products	**2,524.1**	1,825.0
Powersports PA&A and OEM Engines	**1,143.5**	882.8
Marine	**512.8**	420.9
Total	**$7,647.9**	$5,952.9

Cost of sales	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Cost of sales	23. COST OF SALES

23. COST OF SALES

Cost of sales comprise costs of inventories sold, production overheads unallocated to inventories, warranty and distribution costs, costs related to sales programs that involve a free product or service delivered to clients, write-down of inventories, reversal of write-down of inventories, depreciation of property, plant and equipment, intangible assets and right-of-use assets used to manufacture and distribute products.

During the year ended January 31, 2022, the Company recorded $4,930.5 million of inventories in cost of sales ($3,975.6 million for the year ended January 31, 2021).

Government assistance	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Government assistance	**24. GOVERNMENT ASSISTANCE** The Company’s government assistance, including tax credits, was as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Recorded against research and development expense	**$32.7**	$24.8
Recorded against other elements of operating income	**3.3**	2.8
	$36.0	$27.6
Recorded against the cost of property, plant and equipment	**$3.0**	$0.6
Recorded against the cost of intangibles	**$6.5**	$—

Impairment Charge	12 Months Ended Jan. 31, 2022
Disclosure of impairment loss and reversal of impairment loss [abstract]	
Impairment Charge	**25. IMPAIRMENT CHARGE** During the three-month period ended April 30, 2020, the Company determined that some of its cash-generating units (“CGU”) were impaired and recorded an impairment charge of $30.5 million related to intangible assets of Alumacraft Boat Co. CGU, $33.3 million related to Triton Industries, Inc. CGU, and $60.7 million related to Telwater Pty Ltd CGU. The charges were determined by comparing the carrying amount of each CGU to its recoverable amount, which is the higher of the fair value less costs of disposal or the value in use. The recoverable amount for the impaired CGUs was based on a fair value less costs to sell (“FVLCTS”) calculation using market-based measurement rather than an entity-specific measurement. The Company has determined that the discounted cash flow (“DCF”) technique provided the best assessment of what each impaired CGU could be exchanged for in an arm’s length transaction. Fair value is represented by the present value of expected future cash flows of the business together with the residual value of the business at the end of the forecast period. On May 27, 2020, the Board of Directors of the Company announced it was realigning its marine business by focusing on the growth of its boat brands and the wind-down of the Evinrude outboard engines production. Its facility located in Sturtevant, WI will be repurposed for new projects. All Alumacraft operations were transferred to St Peter, MN and the plant in Arkadelphia, AR was permanently closed. The Company completed the wind down activities during the year ended January 31, 2022. In addition, as a consequence of the wind-down of the Evinrude outboard engines production, an impairment charge of $52.6 million of which $30.5 million was allocated to property, plant and equipment and $22.1 million to intangible assets was recorded during the three-month period ended April 30, 2020.

Other Operating (Income) Expenses	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Other Operating (Income) Expenses	

26. OTHER OPERATING (INCOME) EXPENSES

Details of other operating expenses (income) were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Gain on lease termination (Note 11)	**$(8.7)**	$—
Foreign exchange (gain) loss on working capital elements	**(6.2)**	0.6
Loss (gain) on forward exchange contracts	**5.9**	(0.7)
Net loss (gain) on disposal of property, plant and equipment	**1.0**	(12.6)
Gain on litigation	**—**	(4.0)
Restructuring costs	**—**	37.3
Other	**(1.5)**	3.7
Total	**$(9.5)**	$24.3

In the past years, the Company was involved in multiple lawsuits with one of its competitors whereby each party was claiming damages for the alleged infringement of some of its patents. On November 2, 2020, the Company and the competitor reached a global settlement of their disputes under which the court cases that were still active between the parties in the United States and in Canada were dismissed. Following this settlement, the Company reversed, during the year ended January 31, 2021, $4.0 million of provisions recorded in previous fiscal years.

During the year ended January 31, 2021, as a result of the decision to wind-down the production of Evinrude outboard engines, the Company announced the reduction of its global workforce by approximately 650 employees and incurred costs for terminating contracts. An amount of $29.8 million was recorded as restructuring costs related to this initiative.

During the year ended January 31, 2021, as a response to COVID-19 pandemic, the Company announced cost reduction initiatives which included the reduction of its global workforce and other temporary layoffs. An amount of $7.5 million was recorded as restructuring costs related to this initiative.

During the year ended January 31, 2021, the Company recognized a $12.7 million gain related to the disposal of a property located in the United States.

Financing Costs And Income	12 Months Ended Jan. 31, 2022

Text block [abstract]

Financing Costs And Income

27. FINANCING COSTS AND INCOME

Details of financing costs and financing income were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Interest on long-term debt	**$46.3**	$82.4
Transaction costs on long-term debt	**44.1**	12.7
Interest on lease liabilities	**7.2**	9.3
Net interest on employee future benefit liabilities	**4.9**	5.5
Interest and commitment fees on revolving credit facilities	**3.4**	6.2
Other	**23.0**	3.9
Financing costs	**128.9**	120.0
Financing income	**(3.8)**	(19.8)
Total	**$125.1**	$100.2

Income Taxes

12 Months Ended
Jan. 31, 2022

Text block [abstract]

Income Taxes

28. INCOME TAXES

a) Income tax expense

Details of income tax expense were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current income tax expense		
Related to current year	**$284.6**	$151.9
Related to prior years	**(2.9)**	(3.3)
	281.7	148.6
Deferred income tax expense (recovery)		
Temporary differences	**3.6**	(11.1)
Effect of income tax rate changes on deferred income taxes	**(0.7)**	—
Decrease in valuation allowance	**(2.5)**	(16.1)
	0.4	(27.2)
Income tax expense	**$282.1**	$121.4

The reconciliation of income taxes computed at the Canadian statutory rates to income tax expense recorded was as follows:

	Years ended			
	January 31, 2022		**January 31, 2021**	
Income taxes calculated at statutory rates	**$285.3**	**26.5%**	$128.3	26.5%
Increase (decrease) resulting from:				
Income tax rate differential of foreign subsidiaries	**(5.9)**		(5.5)	
Effect of income tax rate changes on deferred income taxes	**(0.7)**		—	
Decrease in valuation allowance	**(2.5)**		(16.1)	
Recognition of income taxes on foreign currency translation	**1.8**		1.1	
Permanent differences [a]	**1.2**		13.1	
Other	**2.9**		0.5	
Income tax expense	**$282.1**		$121.4	

[a] For the period ended January 31, 2021, the permanent differences result mainly from the impairment charge on goodwill, partially offset by the foreign exchange gain on the long-term debt denominated in U.S. dollars.

The income tax statutory rate is 26.5% for the year ended January 31, 2022 and 2021. The income tax statutory rate is the Bombardier Recreational Products Inc. combined rate applicable in jurisdictions in which it operates.

b) Deferred income taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company’s deferred income tax assets (liabilities) were as follows, as at:

	January 31, 2022	**January 31, 2021**
Related to current assets and liabilities		
Inventories	**$44.9**	$40.6

Investment tax credits receivable	**(2.5)**	(2.2)
Other current assets	**(27.9)**	(1.3)
Trade payables and accruals	**18.8**	12.1
Provisions	**62.6**	66.0
Other financial liabilities	**6.2**	8.4
Lease liabilities	**7.3**	8.6
Deferred revenues	**55.7**	17.7
Other	**(1.9)**	(4.1)
	163.2	145.8
Related to non-current assets and liabilities		
Property, plant and equipment	**(62.2)**	(52.3)
Intangible assets	**(65.3)**	(61.2)
Right-of-use assets	**(33.5)**	(56.8)
Provisions	**19.0**	19.0
Long-term debt	**1.2**	(14.7)
Lease liabilities	**29.8**	54.9
Deferred revenues	**25.1**	26.7
Employee future benefit liabilities	**42.6**	58.4
Other non-current liabilities	**(1.7)**	3.5
Other	**(2.0)**	3.6
	(47.0)	(18.9)
Related to non-capital losses carried forward	**74.9**	71.0
Related to capital losses carried forward	**23.9**	33.6
	215.0	231.5
Unrecognized tax benefits	**(24.6)**	(20.8)
Total	**$190.4**	$210.7

As at January 31, 2022, the Company had non-capital losses and capital losses available to reduce future taxable income.

As at January 31, 2022, non-capital losses amounted to $296.7 million ($280.2 million as at January 31, 2021), of which $294.9 million ($268.8 million as at January 31, 2021) is available to reduce future federal taxable income in the United States and $1.8 million ($11.4 million as at January 31, 2021) is available to reduce future taxable income in other tax jurisdictions.

As at January 31, 2022, the balance of deductible capital losses amounted to $90.3 million ($126.7 million as at January 31, 2021) and are available to offset future taxable capital gains in Canada for an unlimited period of time.

As at January 31, 2022, the Company has $45.4 million in investment tax credits receivable, of which $35.7 million is refundable and $9.7 million is available to reduce income taxes in future periods (respectively $32.5 million, $24.1 million and $8.4 million as at January 31, 2021). The $9.7 million ($8.4 million as at January 31, 2021) is available to reduce future income taxes in the United States.

As at January 31, 2022 and 2021, deferred income taxes assets have been entirely recognized except for certain elements, consisting mainly of deductible capital losses carried forward, as the Canadian and Quebec taxation laws required those losses to be offset with available capital gains in order to be deductible.

In addition, deferred income taxes have not been provided for the undistributed earnings of foreign subsidiaries since either income taxes would not be applicable upon distribution of earnings or the Company determined that such earnings will be indefinitely reinvested. However, distribution in the form of dividends or otherwise from countries where earnings are indefinitely reinvested may be subject to income taxes.

Related Party Transactions	12 Months Ended Jan. 31, 2022

Text block [abstract]

Related Party Transactions

29. RELATED PARTY TRANSACTIONS

The Company had related party transactions during the years ended January 31, 2022 and 2021. The most significant ones are described below and were made on an arm’s length basis, unless otherwise indicated.

a) Transactions with key management personnel

Key management personnel of the Company, defined as employees with authority and responsibility for planning, directing and controlling the activities of the Company, are considered related parties to the Company. The key management personnel of the Company are its directors and the executive officers.

The Company incurred the following benefit expenses in relation with key management personnel:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current remuneration	**$25.1**	$20.1
Post-employment benefits	**1.5**	1.3
Termination benefits	**—**	0.5
Stock-based compensation expense	**9.3**	8.4
Total	**$35.9**	$30.3

b) Due to Bombardier Inc., a company related to Beaudier group

Pursuant to the purchase agreement entered into in 2003 in connection with the acquisition of the recreational product business of Bombardier Inc., the Company is committed to reimburse to Bombardier Inc. income taxes amounting to $22.1 million as at January 31, 2022 ($22.2 million as at January 31, 2021). The payments will begin when Bombardier Inc. starts making income tax payments in Canada and/or in the United States.

c) Secondary offering

During the year ended January 31, 2021, Bain Capital completed a secondary offering for a total of 2,000,000 subordinate voting shares of the Company through an underwriter and the Company incurred approximately $0.6 million of fees and expenses related to this secondary offering (see Note 18).

Financial Instruments	12 Months Ended Jan. 31, 2022

Text block [abstract]

Financial Instruments

30. FINANCIAL INSTRUMENTS

a) Fair value

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of the Company's financial instruments take into account the credit risk embedded in the instrument. For financial assets, the credit risk of the counterparty is considered whereas for financial liabilities, the Company's credit risk is considered.

In order to determine the fair value of its financial instruments, the Company uses, when active markets exist, quoted prices from these markets ("Level 1" fair value). When public quotations are not available in the market, fair values are determined using valuation techniques. When inputs used in the valuation techniques are only inputs directly and indirectly observable in the marketplace, fair value is presented as "Level 2" fair value. If fair value is assessed using inputs that require considerable judgment from the Company in interpreting market data and developing estimates, fair value is presented as "Level 3" fair value. For Level 3 fair value, the use of different assumptions and/or estimation methodologies may have a material effect on the estimated fair values.

The fair value, fair value level and valuations techniques and inputs of restricted investments, derivative financial instruments and long-term debt were as follows:

		As at January 31, 2022		As at January 31, 2021		
	Fair value level	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**	**Valuation techniques and inputs**
Restricted investments (Note 6)	Level 2	**$14.3**	**$14.3**	$15.7	$15.7	Discounted cash flows at a discount rate that reflects the current market rate for this type of investments at the end of the reporting period
Non-controlling interest liability (Note 15)	Level 3	**$—**	**$—**	$(21.0)	$(21.0)	Discounted cash flows. Future cash flows are estimated based on Telwater performance and a predetermined purchase price formula, discounted at a rate that reflects the credit risk of the Company
Derivative financial instruments Forward exchange contracts Favourable (Unfavourable)	Level 2 Level 2	**$10.0** **(9.6)**	**$10.0** **(9.6)**	$19.9 (7.2)	$19.9 (7.2)	Discounted cash flows. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company
Interest rate cap	Level 2	**28.0**	**28.0**	6.0	6.0	Discounted cash flows. Future cash flows, which correspond to series of caplets, are estimated using the Normal valuation model and discounted at a rate that reflects credit market conditions

Inflation rate swap	Level 2	**(0.7)**	**(0.7)**	(1.4)	(1.4)	Discounted cash flows. Future cash flows are estimated based on forward inflation rates (from observable yield curves at the end of the reporting period) and contract inflation rates, discounted at a rate that reflects the credit risk of the Company
Total derivative financial instruments	Level 2	**$27.7**	**$27.7**	$17.3	$17.3	
Term Facility (Note 16)	Level 1	**$(1,891.1)**	**$(1,875.8)**	$(2,276.3)	$(2,312.7)	Quoted bid prices in an active market
Term Loans (Note 16)	Level 2	**$(149.4)**	**$(156.1)**	$(133.4)	$(142.4)	Discounted cash flows. Cash flows used for valuation are those contractually due and are discounted at a rate that reflects the credit risk of the Company

For cash and cash equivalents, trade and other receivables, Revolving Credit Facilities, trade payables and accruals, dealer holdback programs and customer deposits, the carrying amounts reported on the consolidated statements of financial position or in the notes approximate the fair values of these items due to their short-term nature.

During the years ended January 31, 2022 and 2021, no changes in fair value level classifications occurred.

b) Foreign exchange risk

The foreign exchange risk associated with financial instruments is defined by the risk that the future cash flows of a recorded financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk associated with financial instruments arises from financial instruments denominated in a currency other than the functional currency of the Company.

The Company's significant foreign exchange risk exposure associated with financial instruments are with Credit Facilities, trade and other receivables, trade payables and accruals, lease liabilities and derivative financial instruments.

The table below presents the impact on consolidated net income and consolidated other comprehensive income of a variation of foreign exchange rates on financial instruments subject to foreign exchange risks as at January 31, 2022 and 2021:

	As at January 31, 2022			**As at January 31, 2021**		
Increase (Decrease)	**Percentage of Variation [a]**	**Impact on Net income**	**Impact on Other comprehensive income**	**Percentage of Variation [a]**	**Impact on Net income**	**Impact on Other comprehensive income**
USD / CAD	**5%**	**$208.6 [b]**	**$55.2**	5%	$(116.6) [b]	$(31.8)
Euro / CAD	**5%**	**$1.7**	**$—**	5%	$(0.6)	$—
Other	**3%**	**$4.7**	**$(0.4)**	8%	$9.8	$26.3

[a] Based on variations that might exist at the closing dates.

[b] Mainly from the long-term debt denominated in U.S. dollars.

The Company uses foreign exchange contracts to manage its foreign currency risks mainly on trade payables and certain other financial liabilities denominated in U.S. dollars and the Company uses short-term foreign exchange contracts to manage its daily cash position.

For currencies over which the Company cannot achieve an offset through its recurring business transactions, mainly the U.S. dollar, the Australian dollar, the Swedish krona, the Norwegian krone and the British pound, the Company uses foreign exchange contracts according to the Company's hedging strategy. Management periodically reviews the relevant hedging position and may hedge at any level within the authorized parameters of the policy, up to the maximum percentage allowed.

As at January 31, 2022, the maximum length of time over which the Company is hedging its exposure to variability in future cash flow from anticipated sales is 24 months. All foreign exchange contracts used to hedge highly probable anticipated sales are recorded under the cash flow hedge model. The Company does not trade in derivative financial instruments for speculative purposes.

The following tables set out the notional amounts outstanding under hedging foreign exchange contracts, the carrying amount, the average contractual exchange rates and the settlement periods of these contracts:

	As at January 31, 2022							
							Carrying amount	
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]	Other financial assets	Other financial liabilities
Less than 12 months								
	AUD	**CAD**	**0.9220**	**AUD**	**104.5**	**$93.7**	**$2.4**	**$—**
	GBP	**Euro**	**1.1757**	**GBP**	**26.3**	**44.8**	**—**	**0.6**
	NOK	**Euro**	**0.0992**	**NOK**	**623.9**	**88.9**	**0.1**	**—**
	SEK	**Euro**	**0.0994**	**SEK**	**806.6**	**109.7**	**4.7**	**—**
	USD	**CAD**	**1.2696**	**USD**	**817.5**	**1,037.8**	**2.0**	**—**
Between 12 and 24 months								
	USD	CAD	**1.2812**	**USD**	**55.9**	**71.0**	**0.4**	**8.6**

[a] Exchange rates as at January 31, 2022 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

	As at January 31, 2021							
							Carrying amount	
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]	Other financial assets	Other financial liabilities
Less than 12 months								
	AUD	CAD	0.9584	AUD	87.3	$85.4	$—	$1.9
	GBP	Euro	1.1171	GBP	19.8	34.8	—	0.3
	NOK	Euro	0.0943	NOK	541.8	81.0	—	1.4
	SEK	Euro	0.0969	SEK	879.1	134.8	—	2.4
	USD	CAD	1.3153	USD	502.2	641.7	19.8	0.9

[a] Exchange rates as at January 31, 2021 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

The following tables set out the notional amounts outstanding under foreign exchange contracts, the average contractual exchange rates and the settlement periods of these contracts:

	As at January 31, 2022					
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]
Less than 12 months						
	AUD	**CAD**	**0.9220**	**AUD**	**104.5**	**$93.7**
	CAD	**AUD**	**0.9031**	**AUD**	**7.2**	**6.5**
	CAD	**Euro**	**1.4288**	**Euro**	**101.9**	**145.1**
	CAD	**JPY**	**0.0110**	**JPY**	**25.0**	**0.3**
	CAD	**MXN**	**0.0613**	**MXN**	**72.0**	**4.4**
	CAD	**USD**	**1.2699**	**USD**	**163.9**	**208.1**
	Euro	**CAD**	**1.4284**	**Euro**	**158.1**	**225.1**
	Euro	GBP	**1.2005**	**Euro**	**0.8**	**1.1**
	Euro	**NOK**	**0.0992**	**NOK**	**102.1**	**14.6**
	Euro	**SEK**	**0.0957**	**SEK**	**98.4**	**13.4**
	GBP	**Euro**	**1.1757**	**GBP**	**26.3**	**44.8**
	JPY	**CAD**	**0.0111**	**JPY**	**55.3**	**0.6**
	NOK	**Euro**	**0.0992**	**NOK**	**623.9**	**88.9**
	SEK	**Euro**	**0.0992**	**SEK**	**883.7**	**120.2**
	USD	**CAD**	**1.2625**	**USD**	**835.3**	**1,060.5**
Between 12 and 24 months						
	USD	CAD	**1.2812**	**USD**	**55.9**	**71.0**

[a] Exchange rates as at January 31, 2022 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

	As at January 31, 2021				
	Sell currency	Buy currency	Average rate	Notional amount	Canadian equivalent notional amount [a]
Less than 12 months					

AUD	CAD	0.9596	AUD	92.6	$90.7
BRL	USD	0.1819	BRL	51.1	12.0
CAD	AUD	0.9780	AUD	6.0	5.9
CAD	Euro	1.5535	Euro	9.6	14.9
CAD	JPY	0.0122	JPY	43.0	0.5
CAD	MXN	0.0631	MXN	30.0	1.9
CAD	USD	1.2775	USD	161.1	205.8
Euro	CAD	1.5471	Euro	28.2	43.8
Euro	CHF	1.0774	CHF	0.5	0.7
Euro	NOK	0.0965	NOK	53.8	8.0
Euro	SEK	0.0990	SEK	62.6	9.6
GBP	Euro	1.1171	GBP	19.8	34.8
JPY	CAD	0.0122	JPY	96.0	1.2
NOK	Euro	0.0943	NOK	561.1	83.9
SEK	Euro	0.0971	SEK	982.2	150.6
USD	CAD	1.3143	USD	516.8	660.3

[a] Exchange rates as at January 31, 2021 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

c) Liquidity risk

Liquidity risk is defined as the Company's exposure to the risk of not being able to meet its financial obligations. The Company manages its liquidity risk by continuously monitoring its operating cash requirements and by the use of its funding sources to ensure its financial flexibility and mitigate its liquidity risk (see Note 31).

The following table summarizes the contractual maturities of the Company's financial liabilities as at January 31, 2022:

	Less than 1 year	**1-3 years**	**4-5 years**	**More than 5 years**	**Total amount**
Trade payables and accruals	$1,622.9	$—	$—	$—	$1,622.9
Long-term debt (including interest)	147.3	140.7	140.1	1,837.7	2,265.8
Lease liabilities (including interest)	33.0	50.5	30.7	49.4	163.6
Derivative financial instruments	9.6	0.7	—	—	10.3
Other financial liabilities	142.7	4.4	2.2	26.7	176.0
Total	**$1,955.5**	**$196.3**	**$173.0**	**$1,913.8**	**$4,238.6**

d) Interest risk

The Company is exposed to the variation of interest rates on financial instruments mainly on its Credit Facilities. As at January 31, 2022, an increase of a 0.25 percentage base point would have resulted in an unfavourable impact of $4.8 million on consolidated net income and consolidated comprehensive income for the year ended January 31, 2022 (unfavorable $4.1 million as at January 31, 2021) while a decrease of a 0.25 percentage base point would have resulted in a favourable impact of $2.1 million (favourable $2.1 million as at January 31, 2021) on consolidated net income and consolidated comprehensive income for the year ended January 31, 2022. Percentages of variations of interest rates above are based on changes that might exist at the consolidated statement of financial position dates and have been applied on the Company's financial instruments subject to interest rate changes. To limit its exposure to interest rate increase, the Company entered into interest rate cap contracts.

e) Credit risk

The Company could be exposed, in the normal course of business, to the potential inability of dealers, distributors and other business partners to meet their contractual obligations on financial assets and on amounts guaranteed under dealer and distributor financing agreements.

The Company considers that its credit risk associated with its trade receivables and its limited responsibilities under dealer and distributor financing agreements does not represent a significant concentration of risk and loss due to the large number of dealers, distributors and other business partners and their dispersion across many geographic areas. Moreover, the Company mitigates such risk by doing business through its own distribution channels and by monitoring independent dealers' and distributor credit.

The following table provides further details on receivables for which the Company considers to be exposed to credit risk as at January 31, 2022 and 2021:

	January 31, 2022	**January 31, 2021**
Trade and other receivables	**$465.7**	$311.5

Sales tax and other government receivables	**(118.0)**	(56.4)
Total exposed to credit risk	**$347.7**	$255.1
Not past due	**$339.6**	$246.3
Past due		
Under 60 days	**5.0**	7.8
From 60 to 90 days	**0.7**	1.5
Over 90 days	**6.8**	3.7
Allowance for doubtful accounts	**(4.4)**	(4.2)
Total exposed to credit risk	**$347.7**	$255.1

The counterparties to the derivative financial instruments and restricted investments are all investment grade financial institutions, which the Company anticipates will satisfy their obligations under these contracts. Over the past years, the Company has not incurred significant losses related to credit risk on its financial assets.

As described in Note 32 a), the Company has provided financial guarantees to third party financing companies in case of dealers' inability to meet their obligations under their financing agreements with the financing companies.

Capital Management	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Capital Management	**31. CAPITAL MANAGEMENT** The Company’s primary uses of capital are for capital investments and working capital. Based on the current level of operations, management believes that cash on hand, cash flows from operations and available borrowings under the Credit Facilities will enable the Company to meet its working capital, capital expenditure, debt service and other funding requirements. The Company’s capital is composed of long-term debt and shareholders’ equity. The Company’s aim is to maintain a level of capital that is adequate to meet several objectives, including an acceptable Leverage ratio in order to provide access to adequate funding sources to support current operations, pursue its internal growth strategy and maintain capital flexibility. The Company may repurchase subordinate voting shares for cancellation pursuant to a NCIB or SIB, issue capital stock, or vary the amount of dividends paid to shareholders. The Company’s objective is to maintain a Leverage ratio of 3.5 or less, which was continuously achieved during the years ended January 31, 2022 and 2021.

Commitments and Contingencies	12 Months Ended
	Jan. 31, 2022
Text block [abstract]	
Commitments and Contingencies	

32. COMMITMENTS AND CONTINGENCIES

In addition to the commitments and contingencies described elsewhere in these consolidated financial statements, the Company is subject to the following (all amounts presented are undiscounted):

a) Dealer and distributor financing arrangements

The Company, most of its independent dealers and some of its independent distributors are parties to agreements with third-party financing service providers. These agreements provide financing to facilitate the purchase of the Company's products and improve the Company's working capital by allowing an earlier collection of accounts receivable from dealers and distributors.

The outstanding financing between the Company's independent dealers and distributors and third-party finance companies amounted to $1,319.4 million and $985.0 million as at January 31, 2022 and 2021, respectively. The breakdown of outstanding amounts by country and local currency between the Company's independent dealers and distributors with third-party finance companies were as follows:

	Currency	January 31, 2022	January 31, 2021
Total outstanding as at	CAD	**$1,319.4**	$985.0
United States	USD	**$736.8**	$528.6
Canada	CAD	**$266.3**	$192.5
Europe	Euro	**€ 31.8**	€ 30.7
Australia and New Zealand	AUD	**$80.7**	$70.4
Latin America	USD	**$—**	$0.6

Under the dealer and distributor financing agreements, in the event of default, the Company may be required to purchase, from the finance companies, repossessed new and unused products at the total unpaid principal balance of the dealer or distributor to the finance companies. During the three-month period ended July 31, 2021, the Company renegotiated and regrouped some of its repurchase obligations for obligations that were held with the same third-party financing providers. Henceforth, the obligations are generally within a range of U.S. $14.0 million ($17.8 million) or 15% of the calendar year twelve-month average amount of financing outstanding under the financing agreements and U.S. $25.0 million ($31.7 million) or 10% of the last twelve-month average amount of financing outstanding under the financing agreements ($83.9 million as at January 31, 2022).

The maximum amount subject to the Company's obligation to purchase repossessed new and unused products from the finance companies was $102 million as at January 31, 2022 and $175 million as at January 31, 2021.

For the year ended January 31, 2022, the Company has recorded a recovery related to repossessed units amounting to $0.5 million (loss of $0.9 million for the year ended January 31, 2021).

Substantially completed units financing

During the year ended January 31, 2022, the Company amended one of its dealer and distributor financing agreement in order to allow for the financing of the substantially completed units shipped at the Company's dealers ("Substantially Completed Units"). The financing of those Substantially Completed Units are limited by certain financial thresholds. Under the amendment agreement, the Company's dealers are required to comply with thresholds regarding the Substantially Completed Units shipped at the Company's dealers ("Thresholds").

As at January 31, 2022, the total maximum outstanding obligations of all dealers could not exceed U.S. $500 million ($634.8 million). This limit is set to be gradually reduced to reach U.S. $300.0 million ($380.9 million) as of January 31, 2023 and nil as of April 30, 2023. The maximum outstanding obligations of any individual dealer at any time for Substantially Completed Units shall not exceed U.S. $15 million ($19.0 million). In addition, the maximum obligations by all dealers for seasonal products are limited to U.S. $50 million ($63.5 million) for snowmobiles as at April 30, 2022 and U.S. $50 million ($63.5 million) for personal watercraft as at September 30, 2022.

In the event one of the Thresholds is exceeded, the Company would be required to reduce the outstanding dealers' financing by assuming their financing until compliance with Thresholds. The Substantially Completed Units stop being considered within the Thresholds limits when all the missing components are installed by the dealers. The Company was in compliance with the Thresholds as at January 31, 2022.

b) Guarantees under various agreements

In the normal course of business, the Company has entered into agreements that include indemnities in favour of third parties and which are customary in the industry, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, underwriting and agency agreements, information technology agreements, and service agreements. These indemnification agreements may require the Company to compensate counterparties for losses they incurred as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered as a consequence of the transaction.

The nature of these indemnification agreements prevents the Company from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability that stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Company has not made any significant payments under such or similar indemnification agreements.

The Company shall indemnify directors and officers of the Company for various losses including, but not limited to, all costs to settle suits or actions due to association with the Company, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to acts taking place during the period over which the indemnified party served as a trustee, director or officer of the Company. The maximum amount of any potential future payment cannot be reasonably estimated.

c) Litigation

The Company intends to vigorously defend its position in litigation matters to which it is a party. Management believes the Company has recorded adequate provisions to cover potential losses in relation to pending legal actions. Additionally, the Company has a general liability insurance coverage for claims relating to injuries or damages incurred with the Company's products. This insurance coverage limits the potential losses associated with legal claims related to product usage.

While the final outcome with respect to actions pending as at January 31, 2022 cannot be predicted with certainty, it is the management's opinion that their resolution will not have material effects on the Company's future results of operations or cash flows.

d) Contingent asset

The Company has filed a claim to its insurers for damages caused by fire sustained at one of its Mexican facilities. The Company has received partial payments for inventory and fixed assets impaired by the fire. As at January 31, 2022, the Company's insurers' analysis remains ongoing. The outcome is expected to materialize in the year ending January 31, 2023. However, the contingent asset has not been recognised as a receivable as at January 31, 2022 as receipt of the amount is dependant on the Company's insurers' analysis.

Subsequent Events	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Subsequent Events	**33. SUBSEQUENT EVENTS** Revolving Credit Facilities On February 16, 2022, the Company amended its $800.0 million Revolving Credit Facilities to increase the total availability to $1,100.0 million and replace LIBOR references by Secured Overnight Financing Rate (‘‘SOFR’’) references. The pricing grid and other conditions remain unchanged. Substantial Issuer Bid On March 24, 2022, the Company’s Board of Directors authorized a substantial issuer bid to repurchase its shares for cancellation for a maximum amount of $250.0 million (the “Offer”). The Company expects to launch and complete the Offer during the first quarter of the fiscal year ending January 31, 2023.

Significant Accounting Policies (Policies)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Basis of presentation	**a) Basis of presentation** These consolidated financial statements for the years ended January 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). These consolidated financial statements have been prepared on a historical cost basis except for certain transactions that are measured using a different basis as explained below in the significant accounting policies section. On March 24, 2022, the Board of Directors of the Company approved these consolidated financial statements for the years ended January 31, 2022 and 2021.
Basis of consolidation	**b) Basis of consolidation** These consolidated financial statements include the financial statements of BRP and its subsidiaries. BRP controls all of its subsidiaries that are wholly owned through voting equity interests, except for Regionales Innovations Centrum GmbH in Austria for which a non-controlling interest of 25% is recorded upon consolidation and BRP Commerce & Trade Co. Ltd in China for which a non-controlling interest of 20% is recorded upon consolidation. BRP is also part of a joint venture located in Austria. The most significant subsidiaries of BRP included in these consolidated financial statements are as follows: • Bombardier Recreational Products Inc., located in Canada; • BRP US Inc., located in the United States; • BRP-Rotax GmbH & Co. KG, located in Austria; • BRP European Distribution SA, located in Switzerland, and • BRP Finland Oy, located in Finland. All inter-company transactions and balances have been eliminated upon consolidation.
Foreign currencies	**c) Foreign currencies** The consolidated financial statements of the Company are presented in Canadian dollars, the currency of the primary economic environment ("functional currency") in which it operates. The functional currency of foreign operations is their local currency, corresponding to the currency in which the majority of their third-party transactions are denominated. ***Transactions in foreign currency*** For the purpose of preparing consolidated financial statements, the Company applies the following procedures on transactions and balances in currencies other than their functional currency. Monetary items are translated using exchange rates in effect at the consolidated statement of financial position date and non-monetary items are translated using exchange rates prevailing at the transaction date. Revenues and expenses (other than depreciation, which is translated at the same exchange rates as the related assets) are translated using exchange rates in effect on the transaction dates or at the average exchange rates of the period. Translation gains or losses are recorded in the consolidated statement of net income. ***Consolidation of foreign operations*** All assets and liabilities of foreign operations are translated into Canadian dollars at exchange rates in effect at the consolidated statement of financial position date. Revenues and expenses are translated at the average exchange rates for the period. The Company's gains and losses on translation of foreign operations are recognized in other

comprehensive income and accumulated in equity until the Company no longer controls the foreign operation. At that time, gains or losses on translation accumulated in equity are entirely reclassified to net income.

Inventory valuation

d) Inventory valuation

Materials and work in progress, finished products and parts, accessories and apparel are valued at the lower of weighted average cost or net realizable value. The cost of work in progress and finished products manufactured by the Company includes the cost of materials, direct labour and directly attributable manufacturing overhead. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to complete the sale.

Inventories are written down to net realizable value when the cost of inventories is determined to be not fully recoverable. When the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of write-down is reversed.

Property, plant and equipment

e) Property, plant and equipment

Property, plant and equipment includes land, building, equipment and tooling held for use in the development, production and distribution activities or for administrative purposes. They are stated at cost less accumulated depreciation and accumulated impairment charges.

The cost of an item of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating, which also includes the borrowing costs incurred during the construction.

Property, plant and equipment is depreciated, with the exception of land, using the straight-line method over their estimated useful lives. If an item of property, plant and equipment is composed of significant components having different estimated useful lives, depreciation is calculated on a component basis using the straight-line method over their respective useful lives. The Company's estimated useful lives per category are the following:

Tooling	3 to 7 years
Equipment	3 to 20 years
Building	10 to 60 years

Depreciation of assets under development begins when they are ready for their intended use.

The estimated useful lives, residual values and depreciation methods are reviewed at each year-end, with the effect of any changes in estimates accounted for on a prospective basis.

Fully depreciated building, equipment and tooling are retained in the cost and accumulated depreciation accounts until such assets are removed from service. In the case of disposals, cost and related accumulated depreciation amounts are removed from the consolidated statement of financial position, and the net amounts, less proceeds from disposal, is recorded in the consolidated statement of net income.

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment in order to determine if there is any indication that those assets may be impaired. If any such indication exists, an impairment test is performed as described below in paragraph h).

Intangible assets

f) Intangible assets

Goodwill represents the excess of the purchase price of businesses acquired over the fair value of the net assets acquired. Goodwill is systematically tested for impairment as at January 31 or more frequently if events or circumstances indicate that it might be impaired. Goodwill is tested for impairment at the cash generating unit ("CGU") level representing the lowest level at which management monitors it.

Trademarks are carried at cost and are not depreciated due to their indefinite expected useful lives for the Company. The assessment of indefinite expected useful lives is reviewed at each year-end. Trademarks are systematically tested for impairment as at January 31 or more frequently if events or circumstances indicate that they might be impaired. Trademarks are tested for impairment with the CGU to which they relate.

Software and licences, patents, dealer networks and customer relationships are carried at cost and are depreciated on a straight-line basis over their estimated useful lives, which are as follows:

Software and licences	3 to 5 years
Patents	10 years
Dealer networks	5 to 20 years
Customer relationships	10 to 15 years

At the end of each reporting period, the Company reviews the carrying amounts of its software and licences, dealer networks and customer relationships in order to determine if there is any indication that those assets may be impaired. If any such indication exists, an impairment test is performed as described below in paragraph h).

Expenditures related to research and development activities are recognized as expense in the period in which they are incurred, except for development activities if specific criteria for capitalization as intangible assets are met.

Leases

g) Leases

At inception, the Company assesses whether the contract is or contains a lease. Leases are recognized as right-of-use assets and lease liabilities at the lease commencement date. Payments associated with short-term leases and leases of low-value assets are recognized as an expense.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Company's incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Lease liabilities include the net present value of the following lease payments (when applicable):

- Fixed payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable under residual value guarantees;
- Exercise price of purchase options if the Company is reasonably certain to exercise that option; and
- Penalties for early termination of a lease, except if the Company is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. The lease liability is remeasured, and a corresponding adjustment is made to the carrying amount of the right-of-use assets, when there is a change in future lease payments arising from a change in an index or rate, from a change in the estimation of a residual value guarantee or from a change in the assumption of purchase, extension or termination option. The lease liability is also remeasured when the underlying lease contract is amended.

The Company accounts for each lease component and any associated non-lease components as a single lease component.

The right-of-use asset is initially measured at cost, which includes the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less any incentives received. The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. In addition, the right-of-use asset is reduced by impairment losses resulting from impairment tests as described below in paragraph h), if any, and adjusted for certain remeasurements of the lease liability.

Impairment of property, plant and equipment and intangible assets

h) Impairment of property, plant and equipment, intangible assets and right-of-use assets

An asset is impaired when its carrying amount is above its recoverable amount. The recoverable amount is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In that case, the asset is assessed for impairment within a CGU, representing the lowest level of assets for which there are separately identifiable cash inflows. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Value in use is determined using a discounted future net cash flows approach. Fair value less costs to sell reflects the amount the Company could obtain from the asset's disposal in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. If there is no active market for the asset, the fair value is assessed by using appropriate valuations models dependent on the nature of the asset or CGU, such as discounted cash flow models. The impairment charge recorded in the consolidated statement of net income is the difference between the carrying amount and the recoverable amount.

At the end of each reporting period, the Company reviews the carrying amount of assets (excluding goodwill) or CGU impaired in previous periods in order to determine if there is any indication that its recoverable amount has increased. If any such indication exists, an impairment test is performed and the impairment recovery is recorded in the consolidated statement of net income up to the carrying amount that would have existed had the impairment charge never been recorded in prior years.

Financial instruments

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one party and a financial liability or equity for another party. Financial instruments are initially recorded at fair value when the Company becomes a party to the transaction and are subsequently revalued at fair value or amortized cost at the end of each reporting period depending on their classification.

When the Company acquires or issues a financial instrument that is not recorded at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance are incorporated in the carrying amount and amortized in the consolidated statement of net income using the effective interest rate method. When the Company acquires or issues a financial instrument measured at fair value through profit or loss, all transaction costs are expensed as incurred.

A modification of financial liabilities that includes a prepayment option at par with no break costs is equivalent to an extinguishment. When a modification is accounted for as an extinguishment, the original financial instrument is derecognized, including any unamortized transaction costs and any costs or fees incurred related to the modification, and the new instrument arising from the modification is recognized at fair value.

Financial assets and financial liabilities other than derivatives

At the end of each reporting period, financial assets and financial liabilities that are not derivatives are measured at fair value or amortized cost using the effective interest method depending on the following classification:

- Restricted investments are measured at fair value through other comprehensive income at the end of each reporting period.
- Cash and cash equivalents and trade and other receivables are measured at amortized cost at the end of each reporting period.
- Non-controlling interest liability is measured at fair value through net income at the end of each reporting period.
- Revolving credit facilities, trade payables and accruals, other financial liabilities, long-term debt and lease liabilities are measured at amortized cost at the end of each reporting period.

Derivative financial instruments

Derivative financial instruments are financial assets or financial liabilities recorded at fair value through profit or loss. They are measured at fair value at the end of each reporting period including those derivatives that are embedded in financial and non-financial contracts that are not closely related to the host contract.

In the consolidated statement of net income, changes in fair value of derivatives used to manage foreign exchange exposure on working capital elements are recorded in other operating expenses (income).

Derivative financial instruments under cash flow hedge accounting

The Company applies cash flow hedge accounting when forecasted cash flows are highly probable to occur and all other cash flow hedge criteria are met. The effective portion of the change of fair value of derivative financial instruments designated as hedging items under the cash flow hedge model is recorded in other comprehensive income and accumulated in equity until the hedged transaction is recognized in the consolidated statement of net income. The ineffective portion is recognized in the consolidated statement of net income at each period end. The Company makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, whether the hedging instruments are expected to be effective in offsetting the cash flows of the respective hedged items during the period for which the hedge is designated.

If a derivative financial instrument accounted for using the cash flow hedge model has been settled prior to maturity or the hedge relationship is no longer meeting cash flow hedge criteria, accumulated gains or losses associated with the derivative financial instrument remain in equity as long as the underlying hedged transaction is expected to occur and are recognized in the consolidated statement of net income in the period in which the underlying hedged transaction is recognized in the consolidated statement of net income. In the event that the underlying hedged transaction is settled prior to maturity or is not expected to occur anymore, gains or losses accumulated in equity at this date are immediately reclassified in the consolidated statement of net income. Gains or losses related to derivative financial instruments accounted for using the cash flow hedge model are recorded in the same category as the hedged item in the consolidated statement of net income.

Derecognition of receivables

j) Derecognition of receivables

Receivables are derecognized from the consolidated statement of financial position only when the Company's contractual rights to the cash flows expire or when the Company has transferred to a third party substantially all the risks and rewards on receivables sold.

Dealer holdback programs

k) Dealer holdback programs

The Company provides dealer incentive programs whereby at the time of shipment, the Company invoices an amount to the dealer that is reimbursable upon ultimate sale and warranty registration of the product. The Company presents the amounts due to dealers in other current financial liabilities in the consolidated statement of financial position.

Provisions

l) Provisions

Provisions represent liabilities for which the amount or timing of payment is uncertain. Provisions are recorded in the consolidated statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation. Additionally, provisions are recorded for contracts under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received.

Provisions are measured at each period end at the best estimate of the expenditure required to settle the obligation. To account for the effect of the time value of money, provisions are measured at the present value of the outflows required to settle the obligation using a risk free rate adjusted to the specific risk of the obligation. They are re-measured at each consolidated statement of financial position date using interest rates prevailing at this date and an interest expense is recorded to reflect the passage of time.

The main provisions of the Company are described in more detail below:

Products related provisions

When the products are sold, the Company records a provision related to limited product warranties generally covering periods from six months to five years.

The Company records a provision for product liability claims or possible claims incurred but not reported at the end of each reporting period.

The Company provides for estimated sales promotions at time of revenue recognition. Examples of these costs include product rebates given to clients, volume discounts and retail financing programs. In the consolidated statement of net income, cash sales promotions are recorded as a reduction of revenues whereas non-cash sales promotions, such as delivery of free products, are included in cost of sales.

Restructuring provision

The Company provides for estimated direct restructuring costs to be incurred in a restructuring plan in the period the Company has a detailed formal plan describing the restructuring activity and has communicated the main features of the plan to those affected by it.

Employee benefits

m) Employee benefits

Current benefits

The Company records an expense in the consolidated statement of net income for wages, salaries, bonuses, share based compensations and social security contributions of employees in the period the services are rendered. Current benefit associated with manufacturing employees is included in the cost of inventory produced as described above in paragraph d).

Future benefits

The Company sponsors several Canadian and foreign funded and unfunded defined benefit and defined contribution pension plans covering most of its employees. The Company also provides other post-retirement benefit plans to certain employees.

Defined benefit plans and other post-retirement benefit plans

Annual costs of defined benefit pension plans and other post-retirement benefit plans, which include current service costs, net interest costs and past service costs, is actuarially determined using the projected unit credit method based on management's best estimate of discount rates, salary escalation, retirement ages of employees, life expectancy, inflation and health care costs.

Current service costs are recorded in the consolidated statement of net income when employees are rendering the services to the Company. For manufacturing employees, current service costs are included in the cost of inventory produced as described above in paragraph d).

Net interest costs are recorded in the consolidated statement of net income at each period following the passage of time.

Past service costs (gains) arising from the change in the present value of the defined benefit obligation resulting from a plan amendment or a curtailment are recorded in the consolidated statement of net income when the plan amendment or the curtailment occurs. A curtailment arises from a transaction that significantly reduces the number of employees covered by a plan.

In the consolidated statement of net income, costs related to defined benefit pension plans and other post-retirement benefit plans are classified separately depending on their nature. Current service costs and past service costs (gains) are presented within operating income whereas the net interest expense on the employee future benefit liability is presented in financing costs.

The liability recognized in the consolidated statement of financial position is the present value of the plan obligations less the fair value of the plan assets at that date. Plan obligations are determined based on expected future benefit payments discounted using market interest rates prevailing as at January 31 and plan assets are stated at their fair value at that date. Actuarial gains and losses that arise in calculating the present value of plan obligations and the fair value of plan assets are recorded in other comprehensive income and accumulated directly in retained earnings (losses).

Defined contribution plans

Defined contribution plan expenses are recorded in the consolidated statement of net income when employees are rendering the services to the Company. Expenses associated with manufacturing employees are included in the cost of inventory produced as described above in paragraph d). Defined contribution plan expenses are entirely presented within operating income.

Revenue recognition

n) Revenue recognition

The Company's revenues are derived primarily from the sale of products and related parts and accessories. Each sale is considered as a single performance obligation and revenues are recognized when products are shipped, which corresponds to the point in time when the Customers have obtained control of the asset and the Company has satisfied its performance obligation. Revenues are measured at an amount equal to the consideration to which the Company expects to be entitled, which takes into account sales promotions and expected returns to occur after the shipment date. A deferred revenue is recognized if the Company receives consideration, or has an unconditional right to receive consideration, prior to the completion of its performance obligation.

When, in addition to the regular warranty coverage, an extended warranty coverage is given with the purchase of the product, a portion of the revenue representing the value of the extended warranty is deferred. The value deferred is based on the stand-alone selling price of both the unit sold and the extended warranty given. The deferred revenue is then recognized over the extended warranty coverage period.

Government assistance

o) Government assistance

Government assistance, including research and development tax credits, is recorded when the Company is complying with the assistance program requirements and the recovery is reasonably assured. Government assistance received but contingently repayable is recorded in the consolidated statement of net income as long as it is probable that the conditions for repayment will not be met. Government assistance granted to compensate expenses are presented in the consolidated statement of net income as a reduction of the expense they relate to, whereas assistance granted for the acquisition of property, plant and equipment and intangibles is deducted from the cost of the related asset.

Stock-based compensation

p) Stock-based compensation

The Company grants stock options to officers and employees that are settled by the issuance of common shares. The Company establishes compensation expense for those grants based on the fair value of each tranche of option at the grant date. The compensation expense is recognized in the consolidated statement of net income over the vesting period of each tranche based on the number of options that are ultimately expected to vest. The Company estimates stock option forfeitures at time of grant and revises those estimates in subsequent periods if actual forfeitures differ from those estimates. The corresponding amount is recorded in contributed surplus within equity.

Income taxes

q) Income taxes

The Company's income tax expense represents the sum of the taxes currently payable based on taxable income of the year and deferred taxes. Deferred income tax assets and liabilities are determined based on the differences between the carrying amounts and tax bases of assets and liabilities using enacted or substantively enacted tax rates and laws expected to be in effect when the differences reverse. Current and deferred income taxes are recognized in the consolidated statement of net income except to the extent it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income or in equity.

Earnings per share

r) Earnings per share

Basic earnings per share is calculated by dividing the net income attributable to equity holders of the Company by the weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares from stock option plans. For the stock options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock options.

Business combinations

s) Business combinations

Business combinations are recorded by using the acquisition method. Under this method, the purchase consideration is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities ("Net assets") based on the fair value at the acquisition date, with the excess of the purchase consideration amount allocated to goodwill. Provisional fair values allocated at a reporting date are finalized as soon as the relevant information is available, which period shall not exceed twelve months from the acquisition date and are adjusted to reflect the transaction as of the acquisition date.

The results of the acquired businesses are included in the consolidated financial statements from the date of the acquisition. Acquisition costs are expensed as incurred.

Intangible assets and goodwill arising from business combinations are accounted for by applying the acquisition method of accounting to these transactions. In measuring the fair value of the assets acquired and the liabilities assumed and estimating their useful lives, the Company uses significant estimates and assumptions regarding cash flow projections, economic risk, and weighted average cost of capital. These estimates and assumptions determine the amount allocated to intangible assets and goodwill, as well as the amortization period for intangible assets with finite lives.

Segmented information

t) Segmented information

Operating segments are components of an entity that engage in business activities from which they earn revenues and incur expenses (including revenues and expenses related to transactions with the other components of the entity). The related operations can be clearly distinguished and the revenues and gross profit are regularly reviewed by a chief operating decision-maker to make resource allocation decisions and to assess performance.

The Company has two operating and reportable segments: Powersports and Marine. The Powersports segment includes Year-Round Products, Seasonal Products and Powersports PA&A and OEM Engines. The Marine segment includes boats, jet boat and outboard engines and related PA&A and other services.

Significant Accounting Policies (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Estimated Useful Lives of Property Plant and Equipment	The Company's estimated useful lives per category are the following:

Tooling	3 to 7 years
Equipment	3 to 20 years
Building	10 to 60 years

Summary of Estimated Useful Lives Intangible Assets	Software and licences, patents, dealer networks and customer relationships are carried at cost and are depreciated on a straight-line basis over their estimated useful lives, which are as follows:

Software and licences	3 to 5 years
Patents	10 years
Dealer networks	5 to 20 years
Customer relationships	10 to 15 years

Trade and Other Receivables (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary on Trade and Other Receivables	The Company’s trade and other receivables were as follows, as at:

	January 31, 2022	January 31, 2021
Trade receivables	**$340.5**	$253.5
Allowance for doubtful accounts	**(4.4)**	(4.2)
	336.1	249.3
Sales tax and other government receivables	**118.0**	56.4
Other	**11.6**	5.8
Total trade and other receivables	**$465.7**	$311.5

Other Financial Assets (Tables)

Text block [abstract]	12 Months Ended Jan. 31, 2022
Summary of Other Financial Assets	

The Company's other financial assets were as follows, as at:

	January 31, 2022	January 31, 2021
Restricted investments [a]	**$14.3**	$15.7
Derivative financial instruments	**38.0**	25.9
Advances to suppliers related to property, plant and equipment	**50.4**	47.8
Other	**24.1**	18.7
Total other financial assets	**$126.8**	$108.1
Current	**73.6**	76.5
Non-current	**53.2**	31.6
Total other financial assets	**$126.8**	$108.1

[a] The restricted investments are publicly traded bonds that can only be used for severance payments and pension costs associated with Austrian pension plans, and are not available for general corporate use.

Inventories (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Inventories	The Company’s inventories were as follows, as at:

	January 31, 2022	**January 31, 2021**
Materials and work in progress	**$1,193.6**	$540.7
Finished products	**176.9**	305.0
Parts, accessories and apparel	**320.8**	241.6
Total inventories	**$1,691.3**	$1,087.3

Other Assets (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Other Assets	The Company's other assets were as follows, as at:

	January 31, 2022	January 31, 2021
Prepaids	**$36.1**	$26.0
Deferred financing cost	**4.1**	3.6
Other [a]	**102.8**	5.8
Total other assets	**$143.0**	$35.4
Current	**140.1**	32.9
Non-current	**2.9**	2.5
Total other assets	**$143.0**	$35.4

[a] The balance is mainly attributable to the substantially completed units awaiting installation of missing components at dealers for which the legal property title has been transferred while not qualifying for revenue recognition as at January 31, 2022 (refer to note 2n)). The Company was either compensated for substantially completed units through its amended financing agreement with its third-party financing provider (refer to note 32) or has an unconditional right to be compensated, which ultimately resulted in the deferral of revenue recognition. The revenue will be recognized upon completion of its performance obligation, concurrently with the aforementioned other asset that will be recognized as Cost of sales.

Property, Plant and Equipment (Tables)

12 Months Ended Jan. 31, 2022

Text block [abstract]

Schedule of Company's Property, Plant and Equipment

	January 31, 2022			January 31, 2021		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Tooling	**$1,023.6**	**$663.6**	**$360.0**	$924.5	$632.0	$292.5
Equipment	**1,029.8**	**516.5**	**513.3**	896.6	471.6	425.0
Building	**604.6**	**185.9**	**418.7**	422.7	168.1	254.6
Land	**149.9**	**—**	**149.9**	92.2	—	92.2
Total	**$2,807.9**	**$1,366.0**	**$1,441.9**	$2,336.0	$1,271.7	$1,064.3

Schedule of Changes in Property, Plant and Equipment

The following table explains the changes in property, plant and equipment during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Additions [a]	Disposals	Depreciation	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2022
Tooling	**$292.5**	**$172.5**	**$(0.1)**	**$(95.8)**	**$(9.1)**	**$360.0**
Equipment	**425.0**	**195.7**	**(1.1)**	**(92.8)**	**(13.5)**	**513.3**
Building	**254.6**	**197.3**	**(0.3)**	**(22.0)**	**(10.9)**	**418.7**
Land	**92.2**	**60.4**	**—**	**—**	**(2.7)**	**149.9**
Total	**$1,064.3**	**$625.9**	**$(1.5)**	**$(210.6)**	**$(36.2)**	**$1,441.9**

[a] Government assistance of $3.0 million has been recorded against the additions.

The following table explains the changes in property, plant and equipment during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Additions [b]	Disposals	Depreciation	Impairment (Note 25)	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2021
Tooling	$313.5	$90.8	$(0.1)	$(95.4)	$(21.7)	$5.4	$292.5
Equipment	403.6	105.3	(0.9)	(82.5)	(8.8)	8.3	425.0
Building	247.4	23.7	(0.3)	(19.3)	—	3.1	254.6
Land	62.9	32.9	(5.4)	—	—	1.8	92.2
Total	$1,027.4	$252.7	$(6.7)	$(197.2)	$(30.5)	$18.6	$1,064.3

[b] Government assistance of $0.6 million has been recorded against the additions.

Intangible Assets (Tables)

	12 Months Ended
	Jan. 31, 2022

Text block [abstract]

Summary of Intangible Assets

	January 31, 2022			January 31, 2021		
	Cost	Accumulated depreciation	Carrying amount	Cost	Accumulated depreciation	Carrying amount
Goodwill	**$115.9**	**$—**	**$115.9**	$116.0	$—	$116.0
Trademarks	**197.2**	**—**	**197.2**	199.3	—	199.3
Software and licences	**249.2**	**125.4**	**123.8**	189.8	111.3	78.5
Patents	**5.1**	**1.9**	**3.2**	5.3	1.4	3.9
Dealer networks	**131.0**	**76.5**	**54.5**	134.1	68.6	65.5
Customer relationships	**22.9**	**22.6**	**0.3**	25.0	23.1	1.9
Total	**$721.3**	**$226.4**	**$494.9**	$669.5	$204.4	$465.1

Summary of Changes in Company's Intangible Assets

The following table explains the changes in Company's intangible assets during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Additions [a]	Depreciation	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2022
Goodwill	**$116.0**	**$—**	**$—**	**$(0.1)**	**$115.9**
Trademarks	**199.3**	**—**	**—**	**(2.1)**	**197.2**
Software and licences	**78.5**	**62.3**	**(16.4)**	**(0.6)**	**123.8**
Patents	**3.9**	**—**	**(0.5)**	**(0.2)**	**3.2**
Dealer networks	**65.5**	**—**	**(8.5)**	**(2.5)**	**54.5**
Customer relationships	**1.9**	**—**	**(1.4)**	**(0.2)**	**0.3**
Total	**$465.1**	**$62.3**	**$(26.8)**	**$(5.7)**	**$494.9**

[a] Government assistance of $6.5 million has been recorded against the additions.

The following table explains the changes in Company's intangible assets during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Additions	Depreciation	Impairment (Note 25)	Effect of foreign currency exchange rate changes	Carrying amount as at January 31, 2021
Goodwill	$230.2	$—	$—	$(114.3)	$0.1	$116.0
Trademarks	219.2	—	—	(20.2)	0.3	199.3
Software and licences	76.6	26.6	(16.3)	(8.9)	0.5	78.5
Patents	4.4	—	(0.5)	—	—	3.9
Dealer networks	76.2	—	(9.2)	(3.2)	1.7	65.5
Customer relationships	3.5	—	(1.8)	—	0.2	1.9
Total	$610.1	$26.6	$(27.8)	$(146.6)	$2.8	$465.1

Leases (Tables)	12 Months Ended Jan. 31, 2022

Leases [Abstract]

Schedule of changes in right of use assets

The following table explains the changes in right-of-use assets during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Additions	Depreciation	Effect of foreign currency exchange rate changes	Termination, remeasurement and other [a]	Carrying amount as at January 31, 2022
Building & land	**$198.0**	**$17.1**	**$(29.9)**	**$(3.1)**	**$(64.4)**	**$117.7**
Equipment	**16.1**	**5.8**	**(6.3)**	**(0.3)**	**(0.4)**	**14.9**
Other	**0.1**	**0.1**	**—**	**(0.1)**	**—**	**0.1**
Total	**$214.2**	**$23.0**	**$(36.2)**	**$(3.5)**	**$(64.8)**	**$132.7**

[a] During the year ended January 31, 2022, the Company acquired two of its leased production facilities in Mexico. Consequently, the leases related to this transaction were terminated and reclassified as property, plant and equipment.

The following table explains the changes in right-of-use assets during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Additions	Depreciation	Effect of foreign currency exchange rate changes	Remeasurement and other	Carrying amount as at January 31, 2021
Building & land	$198.2	$11.8	$(28.8)	$1.3	$15.5	$198.0
Equipment	16.3	7.9	(6.9)	(0.1)	(1.1)	16.1
Other	0.2	—	(0.1)	(0.1)	0.1	0.1
Total	$214.7	$19.7	$(35.8)	$1.1	$14.5	$214.2

Schedule of changes in lease liabilities

The following table explains the changes in lease liabilities during the year ended January 31, 2022:

	Carrying amount as at January 31, 2021	Issuance	Interest	Repayment [a]	Effect of foreign currency exchange rate changes	Termination, remeasurement and other	Carrying amount as at January 31, 2022
Lease liabilities	**$239.8**	**$23.4**	**$7.2**	**$(42.5)**	**$(2.1)**	**$(78.9)**	**$146.9**

[a] Includes $(7.2) million of interest paid.

The following table explains the changes in lease liabilities during the year ended January 31, 2021:

	Carrying amount as at January 31, 2020	Issuance	Interest	Repayment [a]	Effect of foreign currency exchange rate changes	Remeasurement and other	Carrying amount as at January 31, 2021
Lease liabilities	$240.9	$19.7	$9.3	$(43.1)	$(1.5)	$14.5	$239.8

[a] Includes $(9.3) million of interest paid.

Trade Payables and Accruals (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Trade Payables and Accruals	

	January 31, 2022	January 31, 2021
Trade payables	**$965.3**	$814.7
Wages and related employee accruals	**207.1**	195.0
Other accruals	**450.5**	286.8
Total trade payables and accruals	**$1,622.9**	$1,296.5

Provisions (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Provisions	The Company's provisions were as follows, as at:
Summary of changes in Provision	The changes in provisions were as follows:

The Company's provisions were as follows, as at:

	January 31, 2022	January 31, 2021
Product-related	**$372.8**	$390.0
Restructuring	**3.2**	11.2
Other	**38.3**	27.2
Total provisions	**$414.3**	$428.4
Current	**328.1**	353.2
Non-current	**86.2**	75.2
Total provisions	**$414.3**	$428.4

The changes in provisions were as follows:

	Product-related	Restructuring	Other	Total
Balance as at January 31, 2021	**$390.0**	**$11.2**	**$27.2**	**$428.4**
Expensed during the year	**457.3**	**—**	**24.7**	**482.0**
Paid during the year	**(455.2)**	**(7.5)**	**(12.9)**	**(475.6)**
Reversed during the year	**(10.9)**	**—**	**(0.3)**	**(11.2)**
Effect of foreign currency exchange rate changes	**(7.5)**	**(0.5)**	**(0.4)**	**(8.4)**
Unwinding of discount and effect of changes in discounting estimates	**(0.9)**	**—**	**—**	**(0.9)**
Balance as at January 31, 2022	**$372.8**	**$3.2**	**$38.3**	**$414.3**

Other Financial Liabilities (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Other Financial Liabilities	The Company's other financial liabilities were as follows, as at:

	January 31, 2022	January 31, 2021
Dealer holdback programs and customer deposits	**$83.4**	$102.4
Due to Bombardier Inc. (Note 29)	**22.1**	22.2
Derivative financial instruments	**10.3**	8.6
Due to a pension management company (Note 17)	**0.4**	0.7
Non-controlling interest liability [a]	**—**	21.0
Financial liability related to NCIB (Note 18)	**47.2**	200.0
Other	**22.9**	28.1
Total other financial liabilities	**$186.3**	$383.0
Current	**152.3**	348.6
Non-current [b]	**34.0**	34.4
Total other financial liabilities	**$186.3**	$383.0

[a] On September 1st, 2021, the Company completed the repurchase, at fair value, of the remaining 20% non-controlling interest in Telwater Pty Ltd for an amount of AUD 27.2 million ($24.9 million).

[b] The non-current portion is mainly comprised of the amount due to Bombardier Inc. in connection with indemnification related to income taxes.

Long-Term Debt (Tables)

	12 Months Ended Jan. 31, 2022

Text block [abstract]

Summary of Long-term Debt

As at January 31, 2022 and 2021, the maturity dates, interest rates, outstanding nominal amounts and carrying amounts of long-term debt were as follows:

					January 31, 2022
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility					
Term Loan B-1	May 2027	2.11%	2.14%	U.S. $1,492.4	**$1,891.1** [a]
Term Loans	Mar. 2022 to Dec. 2030	0.75% to 1.90%	0.88% to 4.67%	€110.5	**149.4**
Total long-term debt					**$2,040.5**
Current					**103.1**
Non-current					**1,937.4**
Total long-term debt					**$2,040.5**

[a] Net of unamortized transaction costs of $3.6 million.

					January 31, 2021
	Maturity date	Contractual interest rate	Effective interest rate	Outstanding nominal amount	Carrying amount
Term Facility					
Term Loan B-1	May 2027	2.12%	2.12%	U.S. $1,207.6	**$1,543.0**
Term Loan B-2	May 2027	6.00%	6.77%	U.S. $597.0	**733.3** [a]
Term Loans	Dec. 2021 to Dec. 2030	0.75% to 1.60%	1.00% to 4.67%	€92.6	**133.4**
Total long-term debt					**$2,409.7**
Current					**25.3**
Non-current					**2,384.4**
Total long-term debt					**$2,409.7**

[a] Net of unamortized transaction costs of $29.5 million.

Summary of Changes in Long-term Debt

The following table explains the changes in long-term debt during the year ended January 31, 2022:

		Statements of cash flows		Non-cash changes		
	Carrying amount as at January 31, 2021	Issuance	Repayment	Effect of foreign currency exchange rate changes	Other	Carrying amount as at January 31, 2022
Term Facility	**$2,276.3**	**$380.8**	**$(776.8)**	**$(14.8)**	**$25.6**	**$1,891.1**
Term Loans	**133.4**	**29.1**	**(2.6)**	**(12.0)**	**1.5**	**149.4**
Total	**$2,409.7**	**$409.9**	**$(779.4)**	**$(26.8)**	**$27.1**	**$2,040.5**

The following table explains the changes in long-term debt during the year ended January 31, 2021:

		Statements of cash flows		Non-cash changes		
	Carrying amount as at January 31, 2020	Issuance	Repayment	Effect of foreign currency exchange rate changes	Other	Carrying amount as at January 31, 2021
Term Facility	**$1,606.7**	**$835.0**	**$(20.2)**	**$(118.9)**	**$(26.3)**	**$2,276.3**
Term Loans	**38.7**	**129.3**	**(32.6)**	**2.8**	**(4.8)**	**133.4**
Total	**$1,645.4**	**$964.3**	**$(52.8)**	**$(116.1)**	**$(31.1)**	**$2,409.7**

Employee Benefits (Tables)

12 Months Ended Jan. 31, 2022

Text block [abstract]

Summary of Employee Benefits Expenses

Employee benefits expenses, which represent the expenses related to all forms of consideration provided by the Company in exchange for services rendered by its employees, were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current remuneration	**$1,021.8**	$836.9
Post-employment defined benefit plans	**10.1**	12.2
Post-employment defined contribution plans	**39.4**	32.4
Termination benefits	**1.2**	19.4
Stock-based compensation (Note 19)	**17.7**	14.2
Other long-term benefits	**1.7**	2.4
Total	**$1,091.9**	$917.5

Weighted Average of Significant Actuarial Assumptions Adopted to Determine Defined Benefit Cost and Defined Benefit Obligation

The weighted average of the significant actuarial assumptions adopted to determine the defined benefit cost and the defined benefit obligation were as follows:

	Years ended			
	January 31, 2022		**January 31, 2021**	
	Canada	**Foreign**	**Canada**	**Foreign**
Benefit cost actuarial assumptions [a]				
Discount rates used to determine:				
Current service cost	**2.95%**	**0.71%**	2.90%	0.79%
Net interest cost	**2.80%**	**0.64%**	2.80%	0.69%
Expected rate of compensation increase	**3.00%**	**3.00%**	3.00%	3.00%
Mortality table	CPM 2014 Private	**AVOE 2018**	CPM 2014 Private	AVOE 2018
Defined benefit obligation actuarial assumptions [b]				
Discount rate	**3.50%**	**1.21%**	2.80%	0.64%
Rate of compensation increase	**3.00%**	**3.00%**	3.00%	3.00%
Mortality table	CPM 2014 Private	**AVOE 2018**	CPM 2014 Private	AVOE 2018

[a] Determined as at beginning of the reporting periods

[b] Determined as at end of the reporting periods

Summary of Company's Obligations under Defined Benefit Obligations

The amounts arising from the Company's obligations under defined benefit obligations were as follows, as at:

	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Defined benefit obligation of funded plans	**$(364.2)**	**$(1.9)**	$(405.4)	$(2.4)
Fair value of plans assets	**291.6**	**1.3**	284.5	1.5
	(72.6)	**(0.6)**	(120.9)	(0.9)
Defined benefit obligation of unfunded plans	**(17.4)**	**(129.6)**	(25.3)	(150.7)
Employee future benefit liabilities	**$(90.0)**	**$(130.2)**	$(146.2)	$(151.6)

Reconciliation of Changes in Pension Plans Defined Benefit Obligations

The following table provides a reconciliation of the changes in the pension plans' defined benefit obligations (funded and unfunded) as at the consolidated statement of financial position dates:

	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Defined benefit obligation at beginning of year	**$(430.7)**	**$(153.1)**	$(433.2)	$(147.1)
Current service cost	**(3.0)**	**(2.7)**	(3.4)	(3.0)
Interest cost	**(11.9)**	**(0.9)**	(12.1)	(1.1)
Past service gain	**0.8**	**—**	—	—
Actuarial gains (losses) from changes in financial assumptions	**41.8**	**11.2**	(0.1)	(1.1)
Actuarial gains (losses) from experience adjustments	**5.4**	**(2.8)**	1.9	1.2
Benefits paid	**16.0**	**5.2**	16.2	5.8
Effect of foreign currency exchange rate changes	**—**	**11.6**	—	(7.8)
Defined benefit obligation at end of year	**$(381.6)**	**$(131.5)**	$(430.7)	$(153.1)

Reconciliation of Changes in Pension Plans Fair Value of Assets

The following table provides a reconciliation of the changes in the pension plans' fair value of assets as at consolidated statement of financial position dates:

	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Assets fair value at beginning of year	**$284.5**	**$1.5**	$277.7	$1.4
Interest income	**7.9**	**—**	7.7	—
Administration costs	**(0.3)**	**—**	(0.3)	—
Actuarial gains from return on plan assets	**8.2**	**—**	6.3	—
Employer contributions	**7.3**	**5.1**	9.3	5.8
Benefit paid	**(16.0)**	**(5.2)**	(16.2)	(5.8)
Effect of foreign currency exchange rate changes	**—**	**(0.1)**	—	0.1
Assets fair value at end of year	**$291.6**	**$1.3**	$284.5	$1.5

Schedule of Actual Return on Plan Assets

The actual return on plan assets was as follows:

	Years ended			
	January 31, 2022		January 31, 2021	
	Canada	Foreign	Canada	Foreign
Actual return on plan assets	**$15.8**	**$—**	$13.7	$—

Summary of Fair Value of Plan Assets

The fair value of the plan assets for each category was as follows, as at:

	January 31, 2022	January 31, 2021

Publicly traded Canadian equity securities	**$58.2**	$64.1
Publicly traded foreign equity securities	**94.7**	85.3
Publicly traded fixed income securities	**76.8**	80.0
Other	**63.2**	56.6
Total	**$292.9**	$286.0

Components of the Total Defined Benefit Costs

Components of the total defined benefit costs recognized in the consolidated statement of net income were as follows:

	Years ended			
	January 31, 2022		**January 31, 2021**	
	Canada	**Foreign**	**Canada**	**Foreign**
Current service cost	**$3.0**	**$2.7**	$3.4	$3.0
Net interest on the future employee benefit liabilities	**4.0**	**0.9**	4.4	1.1
Administration costs	**0.3**	**—**	0.3	—
Past service gain	**(0.8)**	**—**	—	—
Defined benefit costs	**$6.5**	**$3.6**	$8.1	$4.1

Summary of Sensitivity Analysis of Impact on Employee Future Benefit Liabilities

The impact on employee future benefit liabilities would be the following as at January 31, 2022:

	Increase (Decrease) of the liabilities
Discount rate	
Impact of a 0.5% increase	**$(34.1)**
Impact of a 0.5% decrease	**38.1**
Expected rate of compensation increase	
Impact of a 0.5% increase	**7.8**
Impact of a 0.5% decrease	**(7.3)**
Participant longevity	
Impact of a 1 year increase	**10.5**
Impact of a 1 year decrease	**(10.7)**

Capital Stock (Tables)

	12 Months Ended Jan. 31, 2022

Text block [abstract]

Summary of Changes in Capital Stock Issued and Outstanding

The changes in capital stock issued and outstanding were as follows:

	Number of shares	Carrying Amount
Subordinate voting shares		
Balance as at February 1, 2020	**42,410,974**	**$186.9**
Issued upon exercise of stock options	718,232	31.3
Issued in exchange of multiple voting shares	2,000,000	0.1
Repurchased under the NCIB	(2,476,300)	(11.5)
Balance as at January 31, 2021	**42,652,906**	**206.8**
Issued upon exercise of stock options	1,668,032	86.1
Issued in exchange of multiple voting shares	936,692	0.1
Repurchased under the SIB	(3,381,641)	(18.7)
Repurchased under the NCIB	(3,332,228)	(17.2)
Balance as at January 31, 2022	**38,543,761**	**$257.1**
Multiple voting shares		
Balance as at February 1, 2020	**45,891,671**	**$3.7**
Exchanged for subordinate voting shares	(2,000,000)	(0.1)
Balance as at January 31, 2021	**43,891,671**	**$3.6**
Exchanged for subordinate voting shares	(936,692)	(0.1)
Balance as at January 31, 2022	**42,954,979**	**$3.5**
Total outstanding as at January 31, 2022	**81,498,740**	**$260.6**

Stock Option Plan (Tables)	12 Months Ended Jan. 31, 2022

Text block [abstract]

Summary of Weighted-Average Fair Value of Options Granted and Assumptions

The following table summarizes the weighted-average fair value of options granted and the main assumptions that were used to calculate the fair value during the years ended January 31, 2022 and 2021:

	January 31, 2022	January 31, 2021
Weighted-average fair value at grant date	**$43.14**	$9.12
Weighted average assumptions used in the fair value models		
Share price	**$109.67**	$25.83
Risk-free interest rate	**1.39%**	0.84%
Expected life	**6.33 years**	6.25 years
Expected volatility	**40.45%**	36.24%
Expected annual dividend per share	**0.47%**	0.00%

Summary of Stock Option

The number of stock options varied as follows:

	Number of options	Weighted average exercise price
Balance as at February 1, 2020	**3,790,104**	**$42.32**
Granted	1,658,100	26.89
Forfeited/Cancelled	(226,850)	44.42
Exercised [a]	(718,232)	26.03
Balance as at January 31, 2021	**4,503,122**	**38.28**
Granted	513,300	109.88
Forfeited/Cancelled	(38,350)	50.14
Exercised [b]	(1,668,032)	38.96
Balance as at January 31, 2022	**3,310,040**	**$48.90**

[a] The weighted average stock price on these exercised stock options was $70.66.

[b] The weighted average stock price on these exercised stock options was $117.09.

Summary of Stock Options Outstanding and Exercisable

The following table summarizes information about stock options outstanding and exercisable, as at January 31, 2022:

	Outstanding			Exercisable	
Exercise price range	Number of options	Weighted-average exercise price	Weighted-average remaining life (years)	Number of options	Weighted-average exercise price
$20 to $24	**48,150**	**$20.39**	**4.3**	**48,150**	**$20.39**
$24 to $28	**1,399,426**	**26.67**	**8.0**	**216,226**	**26.74**
$36 to $40	**162,600**	**39.45**	**5.4**	**162,600**	**39.45**
$40 to $44	**49,575**	**40.42**	**6.5**	**38,100**	**40.49**
$44 to $48	**749,190**	**46.15**	**7.4**	**214,992**	**46.16**
$60 to $64	**350,374**	**62.69**	**6.4**	**190,986**	**62.69**
$64 to $68	**34,125**	**64.15**	**7.9**	**14,975**	**64.15**
$68 to $72	**9,000**	**69.50**	**8.6**	**2,250**	**69.50**
$108 to $112	**499,400**	**109.66**	**9.2**	**—**	**—**
$120 to $124	**8,200**	**123.03**	**9.6**	**—**	**—**
Balance as at January 31, 2022	**3,310,040**	**$48.90**	**7.7**	**888,279**	**$42.48**

The following table summarizes information about stock options outstanding and exercisable, as at January 31, 2021:

	Outstanding	Exercisable

Exercise price range	Number of options	Weighted-average exercise price	Weighted-average remaining life (years)	Number of options	Weighted-average exercise price
$16 to $20	700	$16.34	5.0	700	$16.34
$20 to $24	324,450	20.37	5.4	324,450	20.37
$24 to $28	1,710,050	26.69	8.9	112,250	27.10
$36 to $40	703,975	39.45	6.4	475,750	39.45
$40 to $44	59,975	40.44	7.5	29,450	40.54
$44 to $48	1,030,425	46.16	8.4	219,678	46.19
$60 to $64	623,847	62.69	7.4	297,221	62.69
$64 to $68	40,700	64.15	8.9	9,875	64.15
$68 to $72	9,000	69.50	9.6	—	—
Balance as at January 31, 2021	4,503,122	$38.28	7.9	1,469,374	$40.18

Segmented Information (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Segment Information	Details of segment information were as follows:

For the year ended January 31, 2022	Powersports segment	Marine segment	Inter-segment eliminations	Total
Revenues	**$7,135.6**	**$531.5**	**$(19.2)**	**$7,647.9**
Cost of sales	**5,082.6**	**452.3**	**(19.2)**	**5,515.7**
Gross profit	**2,053.0**	**79.2**	**—**	**2,132.2**
Total operating expenses				**945.2**
Operating income				**1,187.0**
Financing costs				**128.9**
Financing income				**(3.8)**
Foreign exchange gain on long-term debt				**(14.8)**
Income before income taxes				**1,076.7**
Income tax expense				**282.1**
Net income				**$794.6**

For the year ended January 31, 2021	Powersports segment	Marine segment	Inter-segment eliminations	Total
Revenues	$5,532.8	$430.7	$(10.6)	$5,952.9
Cost of sales	4,049.1	442.1	(10.6)	4,480.6
Gross profit (loss)	1,483.7	(11.4)	—	1,472.3
Total operating expenses				1,006.7 [a]
Operating income				465.6
Financing costs				120.0
Financing income				(19.8)
Foreign exchange gain on long-term debt				(118.9)
Income before income taxes				484.3
Income tax expense				121.4
Net income				$362.9

[a] Including an impairment charge of $177.1 million related to the Marine segment.

Summary of Geographical Information on Company's Revenues, Property,Plant and Equipment and Intangible Assets

The following table provides geographic information on Company's revenues, property, plant and equipment, intangible assets and right-of-use assets. The attribution of revenues was based on customer locations.

	Revenues		Property, plant and equipment, intangible assets and right-of-use assets	
	Years ended		As at	
	January 31, 2022	January 31, 2021	January 31, 2022	January 31, 2021
United States	**$4,185.2**	$3,306.5	**$277.1**	$277.7

Canada	**1,321.2**	923.4	**736.4**	645.4
Europe	**1,230.1**	987.2	**90.4**	89.1
Asia Pacific	**567.2**	463.3	**109.9**	110.4
Mexico	**120.1**	99.6	**621.8**	396.0
Austria	**16.6**	13.9	**231.3**	223.2
Other	**207.5**	159.0	**2.6**	1.8
	$7,647.9	$5,952.9	**$2,069.5**	$1,743.6

Earnings Per Share (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Basic Earnings Per Share	Details of basic earnings per share were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Net income attributable to shareholders	**$793.9**	$363.4
Weighted average number of shares	**82,973,284**	87,519,856
Earnings per share - basic	**$9.57**	$4.15

Diluted Earnings Per Share	Details of diluted earnings per share were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Net income attributable to shareholders	**$793.9**	$363.4
Weighted average number of shares	**82,973,284**	87,519,856
Dilutive effect of stock options	**2,286,236**	1,085,128
Weighted average number of diluted shares	**85,259,520**	88,604,984
Earnings per share - diluted	**$9.31**	$4.10

Revenues (Tables)	12 Months Ended Jan. 31, 2022

Text block [abstract]

Schedule of revenues

Details of revenues were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Powersports		
Year-Round Products	**$3,467.5**	$2,824.2
Seasonal Products	**2,524.1**	1,825.0
Powersports PA&A and OEM Engines	**1,143.5**	882.8
Marine	**512.8**	420.9
Total	**$7,647.9**	$5,952.9

Government assistance (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Schedule of Company's Government Assistance, Including Tax Credits	The Company’s government assistance, including tax credits, was as follows:

	Years ended	
	January 31, 2022	January 31, 2021
Recorded against research and development expense	**$32.7**	$24.8
Recorded against other elements of operating income	**3.3**	2.8
	$36.0	$27.6
Recorded against the cost of property, plant and equipment	**$3.0**	$0.6
Recorded against the cost of intangibles	**$6.5**	$—

Other Operating (Income) Expenses (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Other Operating Expenses (Income)	Details of other operating expenses (income) were as follows:

	Years ended	
	January 31, 2022	**January 31, 2021**
Gain on lease termination (Note 11)	**$(8.7)**	$—
Foreign exchange (gain) loss on working capital elements	**(6.2)**	0.6
Loss (gain) on forward exchange contracts	**5.9**	(0.7)
Net loss (gain) on disposal of property, plant and equipment	**1.0**	(12.6)
Gain on litigation	**—**	(4.0)
Restructuring costs	**—**	37.3
Other	**(1.5)**	3.7
Total	**$(9.5)**	$24.3

Financing Costs And Income (Table)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of financing costs and income	Details of financing costs and financing income were as follows:

	Years ended	
	January 31, 2022	January 31, 2021
Interest on long-term debt	**$46.3**	$82.4
Transaction costs on long-term debt	**44.1**	12.7
Interest on lease liabilities	**7.2**	9.3
Net interest on employee future benefit liabilities	**4.9**	5.5
Interest and commitment fees on revolving credit facilities	**3.4**	6.2
Other	**23.0**	3.9
Financing costs	**128.9**	120.0
Financing income	**(3.8)**	(19.8)
Total	**$125.1**	$100.2

Income Taxes (Tables)

	12 Months Ended Jan. 31, 2022

Text block [abstract]

Summary of Income Tax Expense

Details of income tax expense were as follows:

	Years ended January 31, 2022	Years ended January 31, 2021
Current income tax expense		
Related to current year	**$284.6**	$151.9
Related to prior years	**(2.9)**	(3.3)
	281.7	148.6
Deferred income tax expense (recovery)		
Temporary differences	**3.6**	(11.1)
Effect of income tax rate changes on deferred income taxes	**(0.7)**	—
Decrease in valuation allowance	**(2.5)**	(16.1)
	0.4	(27.2)
Income tax expense	**$282.1**	$121.4

Schedule of Reconciliation of Income Taxes Computed at Canadian Statutory Rates to Income Tax Expense

The reconciliation of income taxes computed at the Canadian statutory rates to income tax expense recorded was as follows:

	Years ended January 31, 2022		Years ended January 31, 2021	
Income taxes calculated at statutory rates	**$285.3**	**26.5%**	$128.3	26.5%
Increase (decrease) resulting from:				
Income tax rate differential of foreign subsidiaries	**(5.9)**		(5.5)	
Effect of income tax rate changes on deferred income taxes	**(0.7)**		—	
Decrease in valuation allowance	**(2.5)**		(16.1)	
Recognition of income taxes on foreign currency translation	**1.8**		1.1	
Permanent differences [a]	**1.2**		13.1	
Other	**2.9**		0.5	
Income tax expense	**$282.1**		$121.4	

[a] For the period ended January 31, 2021, the permanent differences result mainly from the impairment charge on goodwill, partially offset by the foreign exchange gain on the long-term debt denominated in U.S. dollars.

Components of Deferred Income Taxes Asset (Liability)

Significant components of the Company's deferred income tax assets (liabilities) were as follows, as at:

	January 31, 2022	January 31, 2021
Related to current assets and liabilities		
Inventories	**$44.9**	$40.6
Investment tax credits receivable	**(2.5)**	(2.2)
Other current assets	**(27.9)**	(1.3)
Trade payables and accruals	**18.8**	12.1
Provisions	**62.6**	66.0
Other financial liabilities	**6.2**	8.4
Lease liabilities	**7.3**	8.6
Deferred revenues	**55.7**	17.7
Other	**(1.9)**	(4.1)

	163.2	145.8
Related to non-current assets and liabilities		
Property, plant and equipment	**(62.2)**	(52.3)
Intangible assets	**(65.3)**	(61.2)
Right-of-use assets	**(33.5)**	(56.8)
Provisions	**19.0**	19.0
Long-term debt	**1.2**	(14.7)
Lease liabilities	**29.8**	54.9
Deferred revenues	**25.1**	26.7
Employee future benefit liabilities	**42.6**	58.4
Other non-current liabilities	**(1.7)**	3.5
Other	**(2.0)**	3.6
	(47.0)	(18.9)
Related to non-capital losses carried forward	**74.9**	71.0
Related to capital losses carried forward	**23.9**	33.6
	215.0	231.5
Unrecognized tax benefits	**(24.6)**	(20.8)
Total	**$190.4**	$210.7

Related Party Transactions (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Benefit Expenses in Relation with Key Management Personnel	The Company incurred the following benefit expenses in relation with key management personnel:

	Years ended	
	January 31, 2022	**January 31, 2021**
Current remuneration	**$25.1**	$20.1
Post-employment benefits	**1.5**	1.3
Termination benefits	**—**	0.5
Stock-based compensation expense	**9.3**	8.4
Total	**$35.9**	$30.3

Financial Instruments (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Fair Value, Fair Value Level and Valuations Techniques and Inputs of Restricted Investments, Derivative Financial Instruments and Long-term Debt	The fair value, fair value level and valuations techniques and inputs of restricted investments, derivative financial instruments and long-term debt were as follows:

	Fair value level	As at January 31, 2022 Carrying amount	As at January 31, 2022 Fair value	As at January 31, 2021 Carrying amount	As at January 31, 2021 Fair value	Valuation techniques and inputs
Restricted investments (Note 6)	Level 2	**$14.3**	**$14.3**	$15.7	$15.7	Discounted cash flows at a discount rate that reflects the current market rate for this type of investments at the end of the reporting period
Non-controlling interest liability (Note 15)	Level 3	**$—**	**$—**	$(21.0)	$(21.0)	Discounted cash flows. Future cash flows are estimated based on Telwater performance and a predetermined purchase price formula, discounted at a rate that reflects the credit risk of the Company
Derivative financial instruments						Discounted cash flows. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company
Forward exchange contracts Favourable	Level 2	**$10.0**	**$10.0**	$19.9	$19.9	
(Unfavourable)	Level 2	**(9.6)**	**(9.6)**	(7.2)	(7.2)	
Interest rate cap	Level 2	**28.0**	**28.0**	6.0	6.0	Discounted cash flows. Future cash flows, which correspond to series of caplets, are estimated using the Normal valuation model and discounted at a rate that reflects credit market conditions
Inflation rate swap	Level 2	**(0.7)**	**(0.7)**	(1.4)	(1.4)	Discounted cash flows. Future cash flows are estimated based on forward inflation rates (from observable yield curves at the end of the reporting period) and contract inflation rates, discounted at a rate that reflects the credit risk of the Company
Total derivative financial instruments	Level 2	**$27.7**	**$27.7**	$17.3	$17.3	
Term Facility (Note 16)	Level 1	**$(1,891.1)**	**$(1,875.8)**	$(2,276.3)	$(2,312.7)	Quoted bid prices in an active market

Term Loans (Note 16)	Level 2	**$(149.4)**	**$(156.1)**	$(133.4)	$(142.4)	Discounted cash flows. Cash flows used for valuation are those contractually due and are discounted at a rate that reflects the credit risk of the Company

Summary of Impact on Consolidated Net Income and Other Comprehensive Income of Variation of Foreign Exchange Rates on Financial Instruments Subject to Foreign Exchange Risks

The table below presents the impact on consolidated net income and consolidated other comprehensive income of a variation of foreign exchange rates on financial instruments subject to foreign exchange risks as at January 31, 2022 and 2021:

	As at January 31, 2022			**As at January 31, 2021**		
Increase (Decrease)	**Percentage of Variation [a]**	**Impact on Net income**	**Impact on Other comprehensive income**	**Percentage of Variation [a]**	**Impact on Net income**	**Impact on Other comprehensive income**
USD / CAD	**5%**	**$208.6 [b]**	**$55.2**	5%	$(116.6) [b]	$(31.8)
Euro / CAD	**5%**	**$1.7**	**$—**	5%	$(0.6)	$—
Other	**3%**	**$4.7**	**$(0.4)**	8%	$9.8	$26.3

[a] Based on variations that might exist at the closing dates.

[b] Mainly from the long-term debt denominated in U.S. dollars.

Summary of Notional Amounts Outstanding Under Foreign Exchange Contracts, Average Contractual Exchange Rates and Settlement Periods of Contracts

The following tables set out the notional amounts outstanding under hedging foreign exchange contracts, the carrying amount, the average contractual exchange rates and the settlement periods of these contracts:

As at January 31, 2022

							Carrying amount	
	Sell currency	**Buy currency**	**Average rate**	**Notional amount**		**Canadian equivalent notional amount [a]**	**Other financial assets**	**Other financial liabilities**
Less than 12 months								
	AUD	**CAD**	**0.9220**	**AUD**	**104.5**	**$93.7**	**$2.4**	**$—**
	GBP	**Euro**	**1.1757**	**GBP**	**26.3**	**44.8**	**—**	**0.6**
	NOK	**Euro**	**0.0992**	**NOK**	**623.9**	**88.9**	**0.1**	**—**
	SEK	**Euro**	**0.0994**	**SEK**	**806.6**	**109.7**	**4.7**	**—**
	USD	**CAD**	**1.2696**	**USD**	**817.5**	**1,037.8**	**2.0**	**—**
Between 12 and 24 months								
	USD	CAD	**1.2812**	**USD**	**55.9**	**71.0**	**0.4**	**8.6**

[a] Exchange rates as at January 31, 2022 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

As at January 31, 2021

							Carrying amount	
	Sell currency	**Buy currency**	**Average rate**	**Notional amount**		**Canadian equivalent notional amount [a]**	**Other financial assets**	**Other financial liabilities**
Less than 12 months								
	AUD	CAD	0.9584	AUD	87.3	$85.4	$—	$1.9
	GBP	Euro	1.1171	GBP	19.8	34.8	—	0.3
	NOK	Euro	0.0943	NOK	541.8	81.0	—	1.4
	SEK	Euro	0.0969	SEK	879.1	134.8	—	2.4
	USD	CAD	1.3153	USD	502.2	641.7	19.8	0.9

[a] Exchange rates as at January 31, 2021 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

The following tables set out the notional amounts outstanding under foreign exchange contracts, the average contractual exchange rates and the settlement periods of these contracts:

As at January 31, 2022

	Sell currency	**Buy currency**	**Average rate**	**Notional amount**		**Canadian equivalent notional amount [a]**
Less than 12 months						
	AUD	**CAD**	**0.9220**	**AUD**	**104.5**	**$93.7**
	CAD	**AUD**	**0.9031**	**AUD**	**7.2**	**6.5**
	CAD	**Euro**	**1.4288**	**Euro**	**101.9**	**145.1**
	CAD	**JPY**	**0.0110**	**JPY**	**25.0**	**0.3**
	CAD	**MXN**	**0.0613**	**MXN**	**72.0**	**4.4**

	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]
	CAD	USD	1.2699	USD	163.9	208.1
	Euro	CAD	1.4284	Euro	158.1	225.1
	Euro	GBP	1.2005	Euro	0.8	1.1
	Euro	NOK	0.0992	NOK	102.1	14.6
	Euro	SEK	0.0957	SEK	98.4	13.4
	GBP	Euro	1.1757	GBP	26.3	44.8
	JPY	CAD	0.0111	JPY	55.3	0.6
	NOK	Euro	0.0992	NOK	623.9	88.9
	SEK	Euro	0.0992	SEK	883.7	120.2
	USD	CAD	1.2625	USD	835.3	1,060.5
Between 12 and 24 months						
	USD	CAD	1.2812	USD	55.9	71.0

[a] Exchange rates as at January 31, 2022 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

	As at January 31, 2021					
	Sell currency	Buy currency	Average rate	Notional amount		Canadian equivalent notional amount [a]
Less than 12 months						
	AUD	CAD	0.9596	AUD	92.6	$90.7
	BRL	USD	0.1819	BRL	51.1	12.0
	CAD	AUD	0.9780	AUD	6.0	5.9
	CAD	Euro	1.5535	Euro	9.6	14.9
	CAD	JPY	0.0122	JPY	43.0	0.5
	CAD	MXN	0.0631	MXN	30.0	1.9
	CAD	USD	1.2775	USD	161.1	205.8
	Euro	CAD	1.5471	Euro	28.2	43.8
	Euro	CHF	1.0774	CHF	0.5	0.7
	Euro	NOK	0.0965	NOK	53.8	8.0
	Euro	SEK	0.0990	SEK	62.6	9.6
	GBP	Euro	1.1171	GBP	19.8	34.8
	JPY	CAD	0.0122	JPY	96.0	1.2
	NOK	Euro	0.0943	NOK	561.1	83.9
	SEK	Euro	0.0971	SEK	982.2	150.6
	USD	CAD	1.3143	USD	516.8	660.3

[a] Exchange rates as at January 31, 2021 were used to translate notional amounts denominated in foreign currencies into Canadian dollars.

Summary of Financial Liabilities Instalments Payable When Contractually Due

The following table summarizes the contractual maturities of the Company's financial liabilities as at January 31, 2022:

	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total amount
Trade payables and accruals	$1,622.9	$—	$—	$—	$1,622.9
Long-term debt (including interest)	147.3	140.7	140.1	1,837.7	2,265.8
Lease liabilities (including interest)	33.0	50.5	30.7	49.4	163.6
Derivative financial instruments	9.6	0.7	—	—	10.3
Other financial liabilities	142.7	4.4	2.2	26.7	176.0
Total	**$1,955.5**	**$196.3**	**$173.0**	**$1,913.8**	**$4,238.6**

Summary of Information Considered to be Exposed to Credit Risk

The following table provides further details on receivables for which the Company considers to be exposed to credit risk as at January 31, 2022 and 2021:

	January 31, 2022	January 31, 2021
Trade and other receivables	**$465.7**	$311.5
Sales tax and other government receivables	**(118.0)**	(56.4)
Total exposed to credit risk	**$347.7**	$255.1
Not past due	**$339.6**	$246.3
Past due		
Under 60 days	**5.0**	7.8
From 60 to 90 days	**0.7**	1.5
Over 90 days	**6.8**	3.7
Allowance for doubtful accounts	**(4.4)**	(4.2)
Total exposed to credit risk	**$347.7**	$255.1

Commitments and Contingencies (Tables)	12 Months Ended Jan. 31, 2022
Text block [abstract]	
Summary of Breakdown of Outstanding Amounts by Country and Local Currency between Independent Dealers and Distributors with Third Party Finance Companies	The breakdown of outstanding amounts by country and local currency between the Company’s independent dealers and distributors with third-party finance companies were as follows:

	Currency	January 31, 2022	January 31, 2021
Total outstanding as at	CAD	**$1,319.4**	$985.0
United States	USD	**$736.8**	$528.6
Canada	CAD	**$266.3**	$192.5
Europe	Euro	**€ 31.8**	€ 30.7
Australia and New Zealand	AUD	**$80.7**	$70.4
Latin America	USD	**$—**	$0.6

Significant Accounting Policies - Additional Information (Detail)	12 Months Ended Jan. 31, 2022 Segments
Disclosure of significant accounting policies [line items]	
Number of operating and reportable segments	2
Bottom of range [member]	
Disclosure of significant accounting policies [line items]	
Product warranty claim period	6 months
Top of range [member]	
Disclosure of significant accounting policies [line items]	
Product warranty claim period	5 years
BRP Commerce and Trade Co. Ltd [member]	
Disclosure of significant accounting policies [line items]	
Percentage of non-controlling interests	20.00%
Telwater Pty Ltd [member]	
Disclosure of significant accounting policies [line items]	
Percentage of non-controlling interests	25.00%

Significant Accounting Policies - Summary of Estimated Useful Lives of Property Plant and Equipment (Detail)	12 Months Ended
	Jan. 31, 2022
Tooling [member] | Bottom of range [member]	
Disclosure of detailed information about property, plant and equipment [line items]	
Useful life of property, plant and equipment	3 years
Tooling [member] | Top of range [member]	
Disclosure of detailed information about property, plant and equipment [line items]	
Useful life of property, plant and equipment	7 years
Equipment [member] | Bottom of range [member]	
Disclosure of detailed information about property, plant and equipment [line items]	
Useful life of property, plant and equipment	3 years
Equipment [member] | Top of range [member]	
Disclosure of detailed information about property, plant and equipment [line items]	
Useful life of property, plant and equipment	20 years
Buildings [member] | Bottom of range [member]	
Disclosure of detailed information about property, plant and equipment [line items]	
Useful life of property, plant and equipment	10 years
Buildings [member] | Top of range [member]	
Disclosure of detailed information about property, plant and equipment [line items]	
Useful life of property, plant and equipment	60 years

Significant Accounting Policies - Summary of Estimated Useful Lives Intangible Assets (Detail)	12 Months Ended Jan. 31, 2022
Software and licenses [member] | Bottom of range [member]	
Disclosure of detailed information about intangible assets [line items]	
Useful lives of intangible assets other than goodwill	3 years
Software and licenses [member] | Top of range [member]	
Disclosure of detailed information about intangible assets [line items]	
Useful lives of intangible assets other than goodwill	5 years
Patents	
Disclosure of detailed information about intangible assets [line items]	
Useful lives of intangible assets other than goodwill	10 years
Dealer network [member] | Bottom of range [member]	
Disclosure of detailed information about intangible assets [line items]	
Useful lives of intangible assets other than goodwill	5 years
Dealer network [member] | Top of range [member]	
Disclosure of detailed information about intangible assets [line items]	
Useful lives of intangible assets other than goodwill	20 years
Customer relationships [member] | Bottom of range [member]	
Disclosure of detailed information about intangible assets [line items]	
Useful lives of intangible assets other than goodwill	10 years
Customer relationships [member] | Top of range [member]	
Disclosure of detailed information about intangible assets [line items]	
Useful lives of intangible assets other than goodwill	15 years

Significant Estimates And Judgments - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended		
	Jan. 31, 2022	Jan. 31, 2021	Jan. 31, 2019
Significant estimate and judgment [line items]			
Goodwill			$ 114.7
Decrease in future cash flow rate	5.00%		
Increase of basis points in discount rates	100		
Trademark [member]			
Significant estimate and judgment [line items]			
Intangible assets	$ 197.2	$ 199.3	
Trademark [member] | Bottom of range [member]			
Significant estimate and judgment [line items]			
Pre-tax discount rate	9.00%		
Growth rates on impairment	(0.70%)		
Trademark [member] | Top of range [member]			
Significant estimate and judgment [line items]			
Pre-tax discount rate	12.60%		
Growth rates on impairment	2.00%		
Ski-Doo [member]			
Significant estimate and judgment [line items]			
Intangible assets	$ 63.5	63.5	
Sea-Doo [member]			
Significant estimate and judgment [line items]			
Intangible assets	59.1	59.1	
Alumacraft [member]			
Significant estimate and judgment [line items]			
Intangible assets	19.2	19.2	
Manitou [member]			
Significant estimate and judgment [line items]			
Intangible assets	36.9	37.2	
Quintrex [Member]			
Significant estimate and judgment [line items]			
Intangible assets	14.1	15.4	
Stacer [Member]			
Significant estimate and judgment [line items]			
Intangible assets	4.4	4.9	
Bombardier Inc. [member] | Goodwill [member]			
Significant estimate and judgment [line items]			
Intangible assets and goodwill recorded as part of the business acquisition	114.7	114.7	
Bombardier Inc. [member] | Trademark [member]			
Significant estimate and judgment [line items]			

Intangible assets and goodwill recorded as part of the business acquisition	122.6	122.6
Business Combination after 2003 [member] | Goodwill [member]		
Significant estimate and judgment [line items]		
Intangible assets and goodwill recorded as part of the business acquisition	1.2	1.3
Business Combination after 2003 [member] | Trademark [member]		
Significant estimate and judgment [line items]		
Intangible assets and goodwill recorded as part of the business acquisition	$ 74.6	$ 76.7

Trade and Other Receivables - Summary on Trade and Other Receivables (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Trade and other receivables [abstract]		
Trade receivables	$ 340.5	$ 253.5
Allowance for doubtful accounts	(4.4)	(4.2)
Trade receivables net of allowance	336.1	249.3
Sales tax and other government receivables	118.0	56.4
Other	11.6	5.8
Total trade and other receivables	$ 465.7	$ 311.5

Other Financial Assets - Summary of Other Financial Assets (Detail) - CAD ($) $ in Millions		Jan. 31, 2022	Jan. 31, 2021
Disclosure of other financial assets [line items]			
Current		$ 73.6	$ 76.5
Non-current		53.2	31.6
Total other financial assets		126.8	108.1
Restricted investment [member]			
Disclosure of other financial assets [line items]			
Total other financial assets	[1]	14.3	15.7
Derivative financial instruments [member]			
Disclosure of other financial assets [line items]			
Total other financial assets		38.0	25.9
Other financial asset [member]			
Disclosure of other financial assets [line items]			
Total other financial assets		24.1	18.7
Advances to suppliers related to property, plant and equipment [member]			
Disclosure of other financial assets [line items]			
Total other financial assets		$ 50.4	$ 47.8

[1] The restricted investments are publicly traded bonds that can only be used for severance payments and pension costs associated with Austrian pension plans, and are not available for general corporate use.

Inventories - Summary of Inventories (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure of inventories [line items]		
Total inventories	$ 1,691.3	$ 1,087.3
Materials and work in progress [member]		
Disclosure of inventories [line items]		
Total inventories	1,193.6	540.7
Finished products [member]		
Disclosure of inventories [line items]		
Total inventories	176.9	305.0
Parts, accessories and apparel [member]		
Disclosure of inventories [line items]		
Total inventories	$ 320.8	$ 241.6

Inventories - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of inventories [line items]		
Write down on inventories	$ 20.6	$ 43.5
Reversed write downs of inventories	$ 11.2	6.2
Evinrude [member]		
Disclosure of inventories [line items]		
Write down on inventories		$ 20.4

Other Assets - Summary of Other Assets (Details) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure Of Other Assets [Line Items]		
Prepaids	$ 36.1	$ 26.0
Deferred financing cost	4.1	3.6
Other	102.8	5.8
Total other assets	143.0	35.4
Current	140.1	32.9
Non-current	$ 2.9	$ 2.5

Property, Plant and Equipment - Schedule of Company's Property, Plant and Equipment (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021	Jan. 31, 2020
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	$ 1,441.9	$ 1,064.3	$ 1,027.4
Cost [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	2,807.9	2,336.0	
Accumulated depreciation [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	1,366.0	1,271.7	
Tooling [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	360.0	292.5	313.5
Tooling [member] | Cost [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	1,023.6	924.5	
Tooling [member] | Accumulated depreciation [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	663.6	632.0	
Equipments [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	513.3	425.0	403.6
Equipments [member] | Cost [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	1,029.8	896.6	
Equipments [member] | Accumulated depreciation [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	516.5	471.6	
Buildings [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	418.7	254.6	247.4

Buildings [member] | Cost [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	604.6	422.7	
Buildings [member] | Accumulated depreciation [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	185.9	168.1	
Land [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	149.9	92.2	$ 62.9
Land [member] | Cost [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	149.9	$ 92.2	
Land [member] | Accumulated depreciation [member]			
Disclosure of detailed information about property, plant and equipment [line items]			
Carrying amount	$ 0.0		

Property, Plant and Equipment - Additional Information (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about property, plant and equipment [abstract]		
Assets under development	$ 140.9	$ 103.5

Property, Plant and Equipment - Schedule of Changes in Property, Plant and Equipment (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about property, plant and equipment [line items]		
Carrying amount, Beginning balance	$ 1,064.3	$ 1,027.4
Additions	625.9	252.7
Disposals	(1.5)	(6.7)
Depreciation	(210.6)	(197.2)
Impairment		(30.5)
Effect of foreign currency exchange rate changes	(36.2)	18.6
Carrying amount, Ending balance	1,441.9	1,064.3
Tooling [member]		
Disclosure of detailed information about property, plant and equipment [line items]		
Carrying amount, Beginning balance	292.5	313.5
Additions	172.5	90.8
Disposals	(0.1)	(0.1)
Depreciation	(95.8)	(95.4)
Impairment		(21.7)
Effect of foreign currency exchange rate changes	(9.1)	5.4
Carrying amount, Ending balance	360.0	292.5
Equipments [member]		
Disclosure of detailed information about property, plant and equipment [line items]		
Carrying amount, Beginning balance	425.0	403.6
Additions	195.7	105.3
Disposals	(1.1)	(0.9)
Depreciation	(92.8)	(82.5)
Impairment		(8.8)
Effect of foreign currency exchange rate changes	(13.5)	8.3
Carrying amount, Ending balance	513.3	425.0
Buildings [member]		
Disclosure of detailed information about property, plant and equipment [line items]		
Carrying amount, Beginning balance	254.6	247.4
Additions	197.3	23.7
Disposals	(0.3)	(0.3)
Depreciation	(22.0)	(19.3)
Effect of foreign currency exchange rate changes	(10.9)	3.1
Carrying amount, Ending balance	418.7	254.6

Land [member]		
Disclosure of detailed information about property, plant and equipment [line items]		
Carrying amount, Beginning balance	92.2	62.9
Additions	60.4	32.9
Disposals		(5.4)
Effect of foreign currency exchange rate changes	(2.7)	1.8
Carrying amount, Ending balance	$ 149.9	$ 92.2

Property, Plant and Equipment - Schedule of Changes in Property, Plant and Equipment (Parenthetical) (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about property, plant and equipment [abstract]		
Government assistance	$ 3.0	$ 0.6

Intangible Assets - Summary of Intangible Assets (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021	Jan. 31, 2020
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	$ 494.9	$ 465.1	$ 610.1
Cost [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	721.3	669.5	
Accumulated depreciation [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	226.4	204.4	
Goodwill [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	115.9	116.0	230.2
Goodwill [member] | Cost [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	115.9	116.0	
Goodwill [member] | Accumulated depreciation [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	0.0		
Trademark [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	197.2	199.3	219.2
Trademark [member] | Cost [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	197.2	199.3	
Trademark [member] | Accumulated depreciation [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	0.0		
Software and licenses [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	123.8	78.5	76.6
Software and licenses [member] | Cost [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	249.2	189.8	
Software and licenses [member] | Accumulated depreciation [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	125.4	111.3	
Patents [Member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	3.2	3.9	4.4
Patents [Member] | Cost [member]			
Disclosure of intangible assets and goodwill [line items]			

Carrying amount	5.1	5.3	
Patents [Member] | Accumulated depreciation [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	1.9	1.4	
Dealer network [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	54.5	65.5	76.2
Dealer network [member] | Cost [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	131.0	134.1	
Dealer network [member] | Accumulated depreciation [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	76.5	68.6	
Customer relationships [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	0.3	1.9	$ 3.5
Customer relationships [member] | Cost [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	22.9	25.0	
Customer relationships [member] | Accumulated depreciation [member]			
Disclosure of intangible assets and goodwill [line items]			
Carrying amount	$ 22.6	$ 23.1	

Intangible Assets - Additional Information (Detail) $ in Millions	12 Months Ended Jan. 31, 2022 CAD ($)
Disclosure Of Intangible Assets And Goodwill [abstract]	
Impairment of intangible assets	$ 0

Intangible Assets - Summary of Changes in Company's Intangible Assets (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Carrying amount, Beginning balance	$ 465.1	$ 610.1
Additions	62.3	26.6
Disposals	(26.8)	
Depreciation	(5.7)	(27.8)
Impairment	494.9	(146.6)
Effect of foreign currency exchange rate changes		2.8
Carrying amount, Ending balance	494.9	465.1
Goodwill [member]		
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Carrying amount, Beginning balance	116.0	230.2
Additions	0.0	
Disposals	0.0	
Depreciation	(0.1)	
Impairment	115.9	(114.3)
Effect of foreign currency exchange rate changes		0.1
Carrying amount, Ending balance	115.9	116.0
Trademark [member]		
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Carrying amount, Beginning balance	199.3	219.2
Additions	0.0	
Disposals	0.0	
Depreciation	(2.1)	
Impairment	197.2	(20.2)
Effect of foreign currency exchange rate changes		0.3
Carrying amount, Ending balance	197.2	199.3
Software and licenses [member]		
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Carrying amount, Beginning balance	78.5	76.6
Additions	62.3	26.6
Disposals	(16.4)	
Depreciation	(0.6)	(16.3)
Impairment	123.8	(8.9)
Effect of foreign currency exchange rate changes		0.5
Carrying amount, Ending balance	123.8	78.5

Patents [Member]		
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Carrying amount, Beginning balance	3.9	4.4
Additions	0.0	
Disposals	(0.5)	
Depreciation	(0.2)	(0.5)
Impairment	3.2	
Carrying amount, Ending balance	3.2	3.9
Dealer network [member]		
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Carrying amount, Beginning balance	65.5	76.2
Additions	0.0	
Disposals	(8.5)	
Depreciation	(2.5)	(9.2)
Impairment	54.5	(3.2)
Effect of foreign currency exchange rate changes		1.7
Carrying amount, Ending balance	54.5	65.5
Customer relationships [member]		
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Carrying amount, Beginning balance	1.9	3.5
Additions	0.0	
Disposals	(1.4)	
Depreciation	(0.2)	(1.8)
Impairment	0.3	
Effect of foreign currency exchange rate changes		0.2
Carrying amount, Ending balance	$ 0.3	$ 1.9

Intangible Assets - Summary of Changes in Company's Intangible Assets (Parenthetical) (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Cost Price Of Intangibles [Member]		
Disclosure of reconciliation of changes in intangible assets and goodwill [line items]		
Government Assistance Recorded against the cost of intangibles	$ 6.5	$ 0.0

Leases - Summary of changes in right of use assets (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Leases [Line Items]		
Beginning balance	$ 214.2	$ 214.7
Additions	23.0	19.7
Depreciation	(36.2)	(35.8)
Effect of foreign currency exchange rate changes	(3.5)	1.1
Remeasurement and other	(64.8)	14.5
Ending balance	132.7	214.2
Building & land		
Leases [Line Items]		
Beginning balance	198.0	198.2
Additions	17.1	11.8
Depreciation	(29.9)	(28.8)
Effect of foreign currency exchange rate changes	(3.1)	1.3
Remeasurement and other	(64.4)	15.5
Ending balance	117.7	198.0
Equipment		
Leases [Line Items]		
Beginning balance	16.1	16.3
Additions	5.8	7.9
Depreciation	(6.3)	(6.9)
Effect of foreign currency exchange rate changes	(0.3)	(0.1)
Remeasurement and other	(0.4)	(1.1)
Ending balance	14.9	16.1
Other		
Leases [Line Items]		
Beginning balance	0.1	0.2
Additions	0.1	0.0
Depreciation	0.0	(0.1)
Effect of foreign currency exchange rate changes	(0.1)	(0.1)
Remeasurement and other	0.0	0.1
Ending balance	$ 0.1	$ 0.1

Leases - Summary of changes in lease liabilities (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Leases [Line Items]		
Interest	$ 7.2	$ 9.3
Repayment	(35.3)	(33.8)
Lease liabilities		
Leases [Line Items]		
Beginning balance	239.8	240.9
Issuance	23.4	19.7
Interest	7.2	9.3
Repayment	(42.5)	(43.1)
Effect of foreign currency exchange rate changes	(2.1)	(1.5)
Remeasurement and other		14.5
Ending balance	146.9	$ 239.8
Termination Remeasurement And Other Lease Liabilities	$ 78.9	

Leases - Summary of changes in lease liabilities (Parenthetical) (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Lease liabilities [member]		
Leases [Line Items]		
Interest paid	$ (7.2)	$ (9.3)

Revolving Credit Facilities - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended			
	Jan. 31, 2022	Jan. 31, 2021	Feb. 16, 2022	May 04, 2021
Disclosure of detailed information about revolving credit facilities [line items]				
Revolving credit facility, previous availability				$ 700.0
Revolving credit facility additional borrowing capacity				$ 800.0
Percentage of trade and other receivable subject to borrowings calculation	75.00%			
Percentage of inventories subject to borrowings calculation	50.00%			
Letters of credit issued	$ 20.6	$ 5.9		
Letters of credit outstanding	4.5	4.9		
Line of Credit Facility, Remaining Borrowing Capacity	$ 0.0	$ 0.0		
Events After The Reporting Period [Member]				
Disclosure of detailed information about revolving credit facilities [line items]				
Revolving credit facility, previous availability			$ 800.0	
Revolving credit facility additional borrowing capacity			$ 1,100.0	
Bottom of range [member]				
Disclosure of detailed information about revolving credit facilities [line items]				
Undrawn revolving credit comment fee percentage	0.25%			
Bottom of range [member] | LIBOR plus interest rate [member]				
Disclosure of detailed information about revolving credit facilities [line items]				
Interest rates	1.45%			
Bottom of range [member] | U.S. base rate plus interest [member]				
Disclosure of detailed information about revolving credit facilities [line items]				
Interest rates	0.45%			
Bottom of range [member] | U.S. prime rate plus interest [member]				
Disclosure of detailed information about revolving credit facilities [line items]				
Interest rates	0.45%			
Bottom of range [member] | Bankers acceptances plus interest rate [member]				
Disclosure of detailed information about revolving credit facilities [line items]				
Interest rates	1.45%			
Bottom of range [member] | Canadian Prime Rate Plus [member]				
Disclosure of detailed information about revolving credit facilities [line items]				
Interest rates	0.45%			
Bottom of range [member] | Euro Libor Plus [member]				

Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	1.45%
Top of range [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Undrawn revolving credit comment fee percentage	0.40%
Top of range [member] | LIBOR plus interest rate [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	3.00%
Top of range [member] | U.S. base rate plus interest [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	2.00%
Top of range [member] | U.S. prime rate plus interest [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	2.00%
Top of range [member] | Bankers acceptances plus interest rate [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	3.00%
Top of range [member] | Canadian Prime Rate Plus [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	2.00%
Top of range [member] | Euro Libor Plus [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	3.00%
Revolving credit facilities [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Undrawn revolving credit comment fee percentage	0.25%
Revolving credit facilities [member] | LIBOR plus interest rate [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	1.45%
Revolving credit facilities [member] | U.S. base rate plus interest [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	0.45%

Revolving credit facilities [member] | U.S. prime rate plus interest [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	0.45%
Revolving credit facilities [member] | Bankers acceptances plus interest rate [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	1.45%
Revolving credit facilities [member] | Canadian Prime Rate Plus [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	0.45%
Revolving credit facilities [member] | Euro Libor Plus [member]	
Disclosure of detailed information about revolving credit facilities [line items]	
Interest rates	1.45%

Trade Payables and Accruals - Summary of Trade Payables and Accruals (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Trade and other current payables [abstract]		
Trade payables	$ 965.3	$ 814.7
Wages and related employee accruals	207.1	195.0
Other accruals	450.5	286.8
Total trade payables and accruals	$ 1,622.9	$ 1,296.5

Provisions - Summary of Provisions (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure of Provisions [line items]		
Current	$ 328.1	$ 353.2
Non-current	86.2	75.2
Total provisions	414.3	428.4
Product related provisions [member]		
Disclosure of Provisions [line items]		
Total provisions	372.8	390.0
Restructuring provision [member]		
Disclosure of Provisions [line items]		
Total provisions	3.2	11.2
Other Provision [member]		
Disclosure of Provisions [line items]		
Total provisions	$ 38.3	$ 27.2

Provisions - Summary of Changes in Provisions (Detail) $ in Millions	12 Months Ended Jan. 31, 2022 CAD ($)
Disclosure of Provisions [line items]	
Balance as at January 31, 2021	$ 428.4
Expensed during the year	482.0
Paid during the year	(475.6)
Reversed during the year	11.2
Effect of foreign currency exchange rate changes	(8.4)
Unwinding of discount and effect of changes in discounting estimates	(0.9)
Balance as at January 31, 2022	414.3
Product related provisions [member]	
Disclosure of Provisions [line items]	
Balance as at January 31, 2021	390.0
Expensed during the year	457.3
Paid during the year	(455.2)
Reversed during the year	10.9
Effect of foreign currency exchange rate changes	(7.5)
Unwinding of discount and effect of changes in discounting estimates	(0.9)
Balance as at January 31, 2022	372.8
Restructuring provision [member]	
Disclosure of Provisions [line items]	
Balance as at January 31, 2021	11.2
Expensed during the year	0.0
Paid during the year	(7.5)
Reversed during the year	0.0
Effect of foreign currency exchange rate changes	(0.5)
Unwinding of discount and effect of changes in discounting estimates	0.0
Balance as at January 31, 2022	3.2
Other Provision [member]	
Disclosure of Provisions [line items]	
Balance as at January 31, 2021	27.2
Expensed during the year	24.7
Paid during the year	(12.9)
Reversed during the year	0.3
Effect of foreign currency exchange rate changes	(0.4)
Unwinding of discount and effect of changes in discounting estimates	0.0
Balance as at January 31, 2022	$ 38.3

Other Financial Liabilities - Summary of Other Financial Liabilities (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure Of Other Financial Liabilities [abstract]		
Dealer holdback programs and customers deposits	$ 83.4	$ 102.4
Due to Bombardier Inc.	22.1	22.2
Derivative financial instruments	10.3	8.6
Due to a pension management company	0.4	0.7
Non-controlling interest liability	0.0	21.0
Financial liability related to NCIB	47.2	200.0
Other	22.9	28.1
Total other financial liabilities	186.3	383.0
Current	152.3	348.6
Non-current	34.0	34.4
Total other financial liabilities	$ 186.3	$ 383.0

Other Financial Liabilities - Additional Information (Detail) - Telwater [Member] - NoncontrollingInterestsMember [Member] $ in Millions, $ in Millions	Sep. 01, 2021 AUD ($)	Sep. 01, 2021 CAD ($)
Disclosure of financial liabilities [line items]		
Consideration paid	$ 27.2	$ 24.9
Percentage of voting equity interests acquired	20.00%	20.00%

Long-Term Debt - Summary of Longterm Debt (Detail) € in Millions, $ in Millions, $ in Millions	12 Months Ended						
	Jan. 31, 2022 CAD ($)	Jan. 31, 2021 CAD ($)	Jan. 31, 2022 USD ($)	Jan. 31, 2022 EUR (€)	Jan. 31, 2021 USD ($)	Jan. 31, 2021 EUR (€)	Jan. 31, 2020 CAD ($)
Disclosure of detailed information about borrowings [line items]							
Current	$ 103.1	$ 25.3					
Non-current	1,937.4	2,384.4					
Carrying amount	2,040.5	2,409.7					$ 1,645.4
Term facility [member]							
Disclosure of detailed information about borrowings [line items]							
Outstanding nominal amount			$ 1,492.4				
Carrying amount	1,891.1	2,276.3					1,606.7
Term facility [member] | Tranche one [member]							
Disclosure of detailed information about borrowings [line items]							
Outstanding nominal amount | €						€ 92.6	
Term facility [member] | Tranche two [member]							
Disclosure of detailed information about borrowings [line items]							
Outstanding nominal amount | €				€ 110.5			
Term loans [member]							
Disclosure of detailed information about borrowings [line items]							
Carrying amount	$ 149.4	$ 133.4					$ 38.7
Term loans [member] | Tranche one [member]							
Disclosure of detailed information about borrowings [line items]							
Maturity date	May 2027	May 2027					
Contractual interest	2.11%	2.12%	2.11%	2.11%	2.12%	2.12%	
Effective interest rate	2.14%	2.12%	2.14%	2.14%	2.12%	2.12%	
Outstanding nominal amount					$ 1,207.6		
Carrying amount	$ 1,891.1	$ 1,543.0					
Term loans [member] | Tranche two [member]							

Disclosure of detailed information about borrowings [line items]						
Maturity date		May 2027				
Contractual interest		6.00%			6.00%	6.00%
Effective interest rate		6.77%			6.77%	6.77%
Outstanding nominal amount					$ 597.0	
Carrying amount		$ 733.3				
Bottom of range [member] | Term loans [member]						
Disclosure of detailed information about borrowings [line items]						
Maturity date	Mar. 2022	Dec. 2021				
Contractual interest	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Effective interest rate	0.88%	1.00%	0.88%	0.88%	1.00%	1.00%
Top of range [member] | Term loans [member]						
Disclosure of detailed information about borrowings [line items]						
Maturity date	Dec. 2030	Dec. 2030				
Contractual interest	1.90%	1.60%	1.90%	1.90%	1.60%	1.60%
Effective interest rate	4.67%	4.67%	4.67%	4.67%	4.67%	4.67%

Long-Term Debt - Summary of Longterm Debt (Parenthetical) (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about borrowings [line items]		
Unamortized Transaction Costs	$ 3.6	$ 29.5

Long-Term Debt - Summary of Changes in Longterm Debt (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about borrowings [line items]		
Carrying amount, beginning balance	$ 2,409.7	$ 1,645.4
Issuance	409.9	964.3
Repayment	(779.4)	(52.8)
Effect of foreign currency exchange rate changes	(26.8)	(116.1)
Other	27.1	(31.1)
Carrying amount, ending balance	2,040.5	2,409.7
Term facility [member]		
Disclosure of detailed information about borrowings [line items]		
Carrying amount, beginning balance	2,276.3	1,606.7
Issuance	380.8	835.0
Repayment	(776.8)	(20.2)
Effect of foreign currency exchange rate changes	(14.8)	(118.9)
Other	25.6	(26.3)
Carrying amount, ending balance	1,891.1	2,276.3
Term loans [member]		
Disclosure of detailed information about borrowings [line items]		
Carrying amount, beginning balance	133.4	38.7
Issuance	29.1	129.3
Repayment	(2.6)	(32.6)
Effect of foreign currency exchange rate changes	(12.0)	2.8
Other	1.5	(4.8)
Carrying amount, ending balance	$ 149.4	$ 133.4

Long-Term Debt - Additional Information (Detail) € in Millions, $ in Millions, $ in Millions	Feb. 16, 2021 CAD ($)	Feb. 16, 2021 USD ($)	May 08, 2020 CAD ($)	May 08, 2020 USD ($)	Feb. 04, 2020 CAD ($)	12 Months Ended Jan. 31, 2022 CAD ($)	Jan. 31, 2022 USD ($)	Jan. 31, 2022 EUR (€)	Jan. 31, 2021 CAD ($)	Jan. 31, 2021 EUR (€)	Jan. 31, 2022 USD ($)	Jan. 31, 2022 EUR (€)	Jan. 31, 2021 EUR (€)	Feb. 04, 2020 USD ($)
Disclosure of detailed information about borrowings [line items]														
Transaction costs						$ 44.1			$ 12.7					
Research and development expense						289.8			242.3					
Unamortized Transaction Costs						$ 3.6			$ 29.5					
Term loan facility maximum borrowing capacity		$ 597.0												
Term facility [member]														
Disclosure of detailed information about borrowings [line items]														
Principal amount of term facility														$ 335.0
Transaction costs	$ 4.0				$ 6.7									
Percentage of minimum repayment of borrowings						0.25%	0.25%	0.25%						
Repayment of borrowings						$ 19.3	$ 15.2							
Outstanding nominal amount											$ 1,492.4			
Unamortized Transaction Costs					$ 6.0									
Term loans [member] | Bottom of range [member]														
Disclosure of detailed information about borrowings [line items]														
Maturity date						Mar. 2022	Mar. 2022	Mar. 2022	Dec. 2021	Dec. 2021				
Borrowings, interest rate						0.75%			0.75%		0.75%	0.75%	0.75%	
Term loans [member] | Top of range [member]														
Disclosure of detailed information about borrowings [line items]														
Maturity date						Dec. 2030	Dec. 2030	Dec. 2030	Dec. 2030	Dec. 2030				
Borrowings, interest rate						1.90%			1.60%		1.90%	1.90%	1.60%	
Term loans [member] | Austrian government programs [member														
Disclosure of detailed information about borrowings [line items]														
Outstanding nominal amount						$ 29.1			$ 13.1			€ 19.7	€ 8.9	
Loan interest maturity description						interest rate varying between 0.88%	interest rate varying between 0.88%	interest rate varying between 0.88%	interest rates between 0.80% and	interest rates between 0.80% and				

			and 0.93% with a maturity date in December 2029	and 0.93% with a maturity date in December 2029	and 0.93% with a maturity date in December 2029	1.12% and maturities between December 2024 and December 2030.	1.12% and maturities between December 2024 and December 2030.	
Research and development expense			$ 2.9		€ 2.0	$ 1.5	€ 1.0	
Term loans [member] | Austrian government COVID-19 program [Member]								
Disclosure of detailed information about borrowings [line items]								
Maturity date						December 2024	December 2024	
Repayment of borrowings			$ 30.9		€ 20.0	$ 0.3	€ 0.2	
Outstanding nominal amount						116.2		€ 75.0
Grant recognized between fair value of the term loans at inception and the cash received						$ 7.6	€ 4.9	
Term loans [member] | Austrian government COVID-19 program [Member] | First year [member]								
Disclosure of detailed information about borrowings [line items]								
Borrowings, interest rate						1.45%		1.45%
Term loans [member] | Austrian government COVID-19 program [Member] | Second year [member]								
Disclosure of detailed information about borrowings [line items]								
Borrowings, interest rate						1.90%		1.90%
Term loans [member] | Austrian government COVID-19 program [Member] | Third year [member]								
Disclosure of detailed information about borrowings [line items]								
Borrowings, interest rate						2.80%		2.80%
Term facility B-1 [member]								
Disclosure of detailed information about borrowings [line items]								
LIBOR floor rate			0.00%	0.00%	0.00%			
Increased amount of borrowings		300.0						
Outstanding nominal amount		$ 1,507.6						
Unamortized Transaction Costs	29.2							

Term facility B-1 [member] | Single Tranche [Member]											
Disclosure of detailed information about borrowings [line items]											
Reduction in cost of borrowing percentage				0.50%							
Term facility B-1 [member] | Single Tranche [Member] | Bottom of range [member]											
Disclosure of detailed information about borrowings [line items]											
Maturity date				May 2025							
Term facility B-1 [member] | Single Tranche [Member] | Top of range [member]											
Disclosure of detailed information about borrowings [line items]											
Maturity date				May 2027							
Term facility B-1 [member] | LIBOR [member]											
Disclosure of detailed information about borrowings [line items]											
Borrowings, adjustment to interest rate basis					2.00%					2.00%	2.00%
Term facility B-1 [member] | U.S. base rate plus interest [member]											
Disclosure of detailed information about borrowings [line items]											
Borrowings, adjustment to interest rate basis					1.00%					1.00%	1.00%
Term facility B-1 [member] | U.S. prime rate plus interest [member]											
Disclosure of detailed information about borrowings [line items]											
Borrowings, adjustment to interest rate basis					1.00%					1.00%	1.00%
Term facility B-2 [member]											
Disclosure of detailed information about borrowings [line items]											
Maturity date					May 2027	May 2027	May 2027				
Transaction costs		$ 35.2									
LIBOR floor rate								1.00%	1.00%		
Increased amount of borrowings			$ 600.0								
Repayment of borrowings	$ 15.1										

Term facility B-2 [member] | LIBOR [member]		
Disclosure of detailed information about borrowings [line items]		
Borrowings, adjustment to interest rate basis	5.00%	5.00%
Term facility B-2 [member] | U.S. base rate plus interest [member]		
Disclosure of detailed information about borrowings [line items]		
Borrowings, adjustment to interest rate basis	4.00%	4.00%
Term facility B-2 [member] | U.S. prime rate plus interest [member]		
Disclosure of detailed information about borrowings [line items]		
Borrowings, adjustment to interest rate basis	4.00%	4.00%

Employee Benefits - Summary of Employee Benefits Expenses (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Classes of employee benefits expense [abstract]		
Current remuneration	$ 1,021.8	$ 836.9
Post employment defined benefit plans	10.1	12.2
Post employment defined contribution plans	39.4	32.4
Termination benefits	1.2	19.4
Stock-based compensation (Note 19)	17.7	14.2
Other long-term benefits	1.7	2.4
Total	$ 1,091.9	$ 917.5

Employee Benefits - Additional Information (Detail) $ in Millions	12 Months Ended Jan. 31, 2022 CAD ($)
Disclosure Of Employee Benefit Expenses [line items]	
Rate of increase for health care cost in next twelve month	4.93%
Rate of increase for health care cost in fiscal year 2034	3.33%
Rate of increase for health care cost remaining	3.33%
Rate of decrease for health care cost duration	12 years
Non adjusting event [member]	
Disclosure Of Employee Benefit Expenses [line items]	
Expected contribution to defined benefit pension plans	$ 12.8
Canada [member]	
Disclosure Of Employee Benefit Expenses [line items]	
Percentage of defined benefit obligations	50.00%
Weighted average duration of defined benefit obligation	16 years
Defined benefit obligation expected duration	16 years
Austria [member]	
Disclosure Of Employee Benefit Expenses [line items]	
Percentage of defined benefit obligations	50.00%
Weighted average duration of defined benefit obligation	14 years
Defined benefit obligation expected duration	15 years
Remaining liabilities of defined benefit plan	$ 0.4

Employee Benefits - Weighted average of significant actuarial assumptions adopted to determine defined benefit cost and defined benefit obligation (Detail)	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Canada [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Current service cost	2.95%	2.90%
Net interest cost	2.80%	2.80%
Expected rate of compensation increase	3.00%	3.00%
Mortality table	CPM 2014 Private	CPM 2014 Private
Discount rate	3.50%	2.80%
Rate of compensation increase	3.00%	3.00%
Mortality table	CPM 2014 Private	CPM 2014 Private
Foreign [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Current service cost	0.71%	0.79%
Net interest cost	0.64%	0.69%
Expected rate of compensation increase	3.00%	3.00%
Mortality table	AVOE 2018	AVOE 2018
Discount rate	1.21%	0.64%
Rate of compensation increase	3.00%	3.00%
Mortality table	AVOE 2018	AVOE 2018

Employee Benefits - Summary of company's obligations under defined benefit obligations (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure Of Employee Benefit Expenses [line items]		
Fair value of plans assets	$ 292.9	$ 286.0
Canada [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Fair value of plans assets	291.6	284.5
Total defined benefit obligation of funded plans	(72.6)	(120.9)
Employee future benefit liabilities	(90.0)	(146.2)
Canada [member] | Wholly or partly funded defined benefit plans [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Defined benefit obligation	(364.2)	(405.4)
Canada [member] | Wholly unfunded defined benefit plans [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Defined benefit obligation	(17.4)	(25.3)
Foreign [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Fair value of plans assets	1.3	1.5
Total defined benefit obligation of funded plans	(0.6)	(0.9)
Employee future benefit liabilities	(130.2)	(151.6)
Foreign [member] | Wholly or partly funded defined benefit plans [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Defined benefit obligation	(1.9)	(2.4)
Foreign [member] | Wholly unfunded defined benefit plans [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Defined benefit obligation	$ (129.6)	$ (150.7)

Employee Benefits - Reconciliation of the changes in the pension plans defined benefit obligations (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Canada [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Current service cost	$ (3.0)	$ (3.4)
Interest cost	4.0	4.4
Past service gain	(0.8)	0.0
Canada [member] | Pension defined benefit plans [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Defined benefit obligation at beginning of year	(430.7)	(433.2)
Current service cost	(3.0)	(3.4)
Interest cost	(11.9)	(12.1)
Past service gain	0.8	0.0
Actuarial gains (losses) from changes in financial assumptions	41.8	(0.1)
Actuarial gains (losses) from experience adjustments	5.4	1.9
Benefits paid	16.0	16.2
Effect of foreign currency exchange rate changes	0.0	0.0
Defined benefit obligation at end of year	(381.6)	(430.7)
Foreign [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Current service cost	(2.7)	(3.0)
Interest cost	0.9	1.1
Past service gain	0.0	0.0
Foreign [member] | Pension defined benefit plans [member]		
Disclosure Of Employee Benefit Expenses [line items]		
Defined benefit obligation at beginning of year	(153.1)	(147.1)
Current service cost	(2.7)	(3.0)
Interest cost	(0.9)	(1.1)
Past service gain	0.0	0.0
Actuarial gains (losses) from changes in financial assumptions	11.2	(1.1)
Actuarial gains (losses) from experience adjustments	(2.8)	1.2
Benefits paid	5.2	5.8
Effect of foreign currency exchange rate changes	11.6	(7.8)
Defined benefit obligation at end of year	$ (131.5)	$ (153.1)

Employee Benefits - Reconciliation of the changes in the pension plans fair value of assets (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Canada [member]		
Disclosure Of Fair Value Of Assets For Pension Plan [line items]		
Interest income	$ (4.0)	$ (4.4)
Canada [member] | Pension plans fair value of assets [member]		
Disclosure Of Fair Value Of Assets For Pension Plan [line items]		
Assets fair value at beginning of year	284.5	277.7
Interest income	7.9	7.7
Administration costs	(0.3)	(0.3)
Actuarial gains from return on plan assets	8.2	6.3
Employer contributions	7.3	9.3
Benefit paid	(16.0)	(16.2)
Effect of foreign currency exchange rate changes	0.0	0.0
Assets fair value at end of year	291.6	284.5
Foreign [member]		
Disclosure Of Fair Value Of Assets For Pension Plan [line items]		
Interest income	(0.9)	(1.1)
Foreign [member] | Pension plans fair value of assets [member]		
Disclosure Of Fair Value Of Assets For Pension Plan [line items]		
Assets fair value at beginning of year	1.5	1.4
Interest income	0.0	0.0
Administration costs	0.0	0.0
Actuarial gains from return on plan assets	0.0	0.0
Employer contributions	5.1	5.8
Benefit paid	(5.2)	(5.8)
Effect of foreign currency exchange rate changes	(0.1)	0.1
Assets fair value at end of year	$ 1.3	$ 1.5

Employee Benefits - Schedule of Actual Return on Plan Assets (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Canada [member]		
Disclosure of net defined benefit liability (asset) [line items]		
Actual return on plan assets	$ 15.8	$ 13.7
Foreign [member]		
Disclosure of net defined benefit liability (asset) [line items]		
Actual return on plan assets	$ 0.0	$ 0.0

Employee Benefits - Summary of Fair Value of Plan Assets (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure of fair value of plan assets [line items]		
Publicly-traded fixed income securities	$ 76.8	$ 80.0
Other	63.2	56.6
Total	292.9	286.0
Canadian equity securities [member]		
Disclosure of fair value of plan assets [line items]		
Publicly-traded equity securities	58.2	64.1
Foreign equity securities [member]		
Disclosure of fair value of plan assets [line items]		
Publicly-traded equity securities	$ 94.7	$ 85.3

Employee Benefits - Components of the Total Defined Benefit Costs (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Canada [member]		
Disclosure of net defined benefit liability (asset) [line items]		
Current service cost	$ 3.0	$ 3.4
Net interest on the future employee benefit liabilities	4.0	4.4
Administration costs	0.3	0.3
Past service gain	(0.8)	0.0
Defined benefit costs	6.5	8.1
Foreign [member]		
Disclosure of net defined benefit liability (asset) [line items]		
Current service cost	2.7	3.0
Net interest on the future employee benefit liabilities	0.9	1.1
Administration costs	0.0	0.0
Past service gain	0.0	0.0
Defined benefit costs	$ 3.6	$ 4.1

Employee Benefits - Summary of Sensitivity Analysis of Impact on Employee Future Benefit Liabilities (Detail) $ in Millions	Jan. 31, 2022 CAD ($)
Actuarial assumption of discount rates [member]	
Disclosure of sensitivity analysis for actuarial assumptions [line items]	
Increase (Decrease) of liabilities due to increase in actuarial assumption	$ (34.1)
Increase (Decrease) of liabilities due to decrease in actuarial assumption	38.1
Actuarial assumption of expected rates of salary increases [member]	
Disclosure of sensitivity analysis for actuarial assumptions [line items]	
Increase (Decrease) of liabilities due to increase in actuarial assumption	7.8
Increase (Decrease) of liabilities due to decrease in actuarial assumption	(7.3)
Actuarial assumption of life expectancy after retirement [member]	
Disclosure of sensitivity analysis for actuarial assumptions [line items]	
Increase (Decrease) of liabilities due to increase in actuarial assumption	10.5
Increase (Decrease) of liabilities due to decrease in actuarial assumption	$ (10.7)

Capital Stock - Summary of Changes in Capital Stock Issued and Outstanding (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of classes of share capital [line items]		
Ending balance	81,498,740	
Ending balance	$ 260.6	
Subordinate voting shares [member]		
Disclosure of classes of share capital [line items]		
Beginning balance	42,652,906	42,410,974
Issued upon exercise of stock options	1,668,032	718,232
Issued in exchange of multiple voting shares	936,692	2,000,000
Repurchased under the SIB	(3,381,641)	
Repurchased under the NCIB	(3,332,228)	(2,476,300)
Ending balance	38,543,761	42,652,906
Beginning balance	$ 206.8	$ 186.9
Issued upon exercise of stock options	86.1	31.3
Issued in exchange of multiple voting shares	0.1	0.1
Repurchased under the SIB	(18.7)	
Repurchased under the NCIB	(17.2)	(11.5)
Ending balance	$ 257.1	$ 206.8
Multiple voting shares [member]		
Disclosure of classes of share capital [line items]		
Beginning balance	43,891,671	45,891,671
Issued in exchange of multiple voting shares	(936,692)	(2,000,000)
Ending balance	42,954,979	43,891,671
Beginning balance	$ 3.6	$ 3.7
Exchanged for subordinate voting shares	(0.1)	(0.1)
Ending balance	$ 3.5	$ 3.6

Capital Stock - Additional Information (Detail) $ / shares in Units, $ in Millions	Dec. 01, 2021 shares	Jul. 27, 2021 CAD ($) shares	Nov. 27, 2020 CAD ($) shares	Oct. 21, 2020 CAD ($) shares	12 Months Ended Jan. 31, 2022 CAD ($) Dividends $ / shares shares	Jan. 31, 2021 CAD ($) Dividends $ / shares shares
Disclosure of classes of share capital [line items]						
Financial liability related to NCIB					$ 47.2	$ 200.0
Number of dividends | Dividends					4	1
Dividends declared per share | $ / shares					$ 0.13	$ 0.11
Total dividend consideration					$ 43.1	$ 9.6
First quarterly dividend [member]						
Disclosure of classes of share capital [line items]						
Dividends, paid date					Apr. 19, 2021	
Second quarterly dividend [member]						
Disclosure of classes of share capital [line items]						
Dividends, paid date					Jul. 16, 2021	
Third quarterly dividend [member]						
Disclosure of classes of share capital [line items]						
Dividends, paid date					Oct. 14, 2021	
Fourth quarterly dividend [member]						
Disclosure of classes of share capital [line items]						
Dividends, paid date					Jan. 14, 2022	
Secondary Offering [member]						
Disclosure of classes of share capital [line items]						
Fees and expenses				$ 0.6		
Bain capital [member] | Secondary Offering [member]						
Disclosure of classes of share capital [line items]						
Conversion of multiple to subordinate voting shares | shares				2,000,000		
Beaudier group and Bain capital [member] | Secondary Offering [member]						

Disclosure of classes of share capital [line items]						
Stock issued | shares				2,000,000		
Normal course issuer bid, transaction 1 [member]						
Disclosure of classes of share capital [line items]						
Subordinate voting shares repurchased | shares					525,200	
Total consideration					$ 52.8	
Normal course issuer bid, transaction 2 [member]						
Disclosure of classes of share capital [line items]						
Subordinate voting shares repurchased | shares					2,807,028	
Total consideration					$ 278.2	
Automatic share purchase plan [member]						
Disclosure of classes of share capital [line items]						
Gain (loss) in financing income (cost)					21.3	
Normal course issuer bid [member]						
Disclosure of classes of share capital [line items]						
Maximum outstanding subordinated shares repurchase for cancellation | shares	3,787,945		4,278,028			
Subordinate voting shares repurchased | shares						1,471,000
Total consideration			$ 122.5		331.0	$ 178.1
Gain (loss) in financing income (cost)					21.3	12.2
Carrying amount of shares repurchased					17.2	11.5
Amount charged to retained losses					292.6	178.8
Financial liability related to NCIB					$ 47.2	$ 200.0
Substantial issuer bid offer [member]						
Disclosure of classes of share capital [line items]						
Subordinate voting shares repurchased | shares		3,381,641				
Total consideration		$ 350.0				
Amount charged to retained losses		332.1				
Carrying amount of shares repurchased		17.9				
Fees and expenses		$ 0.8				
Substantial issuer bid offer [member] | Beaudier group [member]						
Disclosure of classes of share capital [line items]						
Conversion of multiple to subordinate voting shares | shares		936,692				

Stock Option Plan - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of terms and conditions of share-based payment arrangement [line items]		
Vesting percentage	25.00%	
Options granted expiry date	ten-year	ten-year
Subordinate voting shares available to be granted	10,814,828	
Stock option pre-IPO plan, exercisable term	ten years	ten years
Description of option pricing model, share options granted	Black-Scholes option-pricing model	Black-Scholes option-pricing model
Share based compensation expense	$ 17.7	$ 14.2
Unrecognized compensation cost related to unvested share-based payments	18.6	15.2
General and administrative expenses [member]		
Disclosure of terms and conditions of share-based payment arrangement [line items]		
Share based compensation expense	$ 17.7	$ 14.2

Stock Option Plan - Summary of Weighted-Average Fair Value of Options Granted (Detail) $ / shares in Units, $ in Thousands	12 Months Ended	
	Jan. 31, 2022 CAD ($) yr $ / shares	Jan. 31, 2021 CAD ($) yr $ / shares
Disclosure of weighted average fair value and main assumptions [abstract]		
Weighted-average fair value at grant date | $	$ 43,140	$ 9,120
Share price | $ / shares	$ 109.67	$ 25.83
Risk-free interest rate	1.39%	0.84%
Expected life | yr	6.33	6.25
Expected volatility	40.45%	36.24%
Expected annual dividend per share	0.47%	0.00%

Stock Option Plan - Summary of Stock Option (Detail)	12 Months Ended	
	Jan. 31, 2022 shares $ / shares	Jan. 31, 2021 Dividends shares $ / shares
Disclosure of detailed information about share based payment arrangements [line items]		
Number of stock options, outstanding at beginning of year | shares	4,503,122	3,790,104
Number of stock options, granted | shares	513,300	1,658,100
Number of stock options, forfeited/cancelled | shares	(38,350)	(226,850)
Number of stock options, exercised	(1,668,032)	(718,232)
Number of stock options, outstanding at end of year | shares	3,310,040	4,503,122
Weighted average exercise price, outstanding at beginning of year	$ 38.28	
Weighted average exercise price, outstanding at end of year	48.90	$ 38.28
Employee Stock Options [member]		
Disclosure of detailed information about share based payment arrangements [line items]		
Weighted average exercise price, outstanding at beginning of year	38.28	42.32
Weighted average exercise price, granted	109.88	26.89
Weighted average exercise price, forfeited/cancelled	50.14	44.42
Weighted average exercise price, exercised	$ 38.96	26.03
Weighted average exercise price, outstanding at end of year		$ 38.28

Stock Option Plan - Summary of Stock Option (Parenthetical) (Detail) - $ / shares	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about share based payment arrangements [abstract]		
Weighted-average stock price on exercised stock options	$ 117.09	$ 70.66

Stock Option Plan - Summary of Stock Options Outstanding and Exercisable (Detail)	12 Months Ended		
	Jan. 31, 2022 shares $ / shares	Jan. 31, 2021 shares $ / shares	Jan. 31, 2020 shares
Disclosure of range of exercise prices of outstanding share options [line items]			
Number of options, Outstanding | shares	3,310,040	4,503,122	3,790,104
Weighted-average Exercise Price, Outstanding	$ 48.90	$ 38.28	
Weighted-average remaining life (years), Outstanding	7 years 8 months 12 days	7 years 10 months 24 days	
Number of options, Exercisable	888,279	1,469,374	
Weighted-average Exercise Price , Exercisable	$ 42.48	$ 40.18	
$16 to $20 [member]			
Disclosure of range of exercise prices of outstanding share options [line items]			
Number of options, Outstanding | shares		700	
Weighted-average Exercise Price, Outstanding		$ 16.34	
Weighted-average remaining life (years), Outstanding		5 years	
Number of options, Exercisable		700	
Weighted-average Exercise Price , Exercisable		$ 16.34	
$20 to $24 [member]			
Disclosure of range of exercise prices of outstanding share options [line items]			
Number of options, Outstanding | shares	48,150	324,450	
Weighted-average Exercise Price, Outstanding	$ 20.39	$ 20.37	
Weighted-average remaining life (years), Outstanding	4 years 3 months 18 days	5 years 4 months 24 days	
Number of options, Exercisable	48,150	324,450	
Weighted-average Exercise Price , Exercisable	$ 20.39	$ 20.37	
$24 to $28 [member]			
Disclosure of range of exercise prices of outstanding share options [line items]			
Number of options, Outstanding | shares	1,399,426	1,710,050	
Weighted-average Exercise Price, Outstanding	$ 26.67	$ 26.69	
Weighted-average remaining life (years), Outstanding	8 years	8 years 10 months 24 days	
Number of options, Exercisable	216,226	112,250	
Weighted-average Exercise Price , Exercisable	$ 26.74	$ 27.10	
$36 to $40 [member]			
Disclosure of range of exercise prices of outstanding share options [line items]			
Number of options, Outstanding | shares	162,600	703,975	
Weighted-average Exercise Price, Outstanding	$ 39.45	$ 39.45	

Weighted-average remaining life (years), Outstanding	5 years 4 months 24 days	6 years 4 months 24 days
Number of options, Exercisable	162,600	475,750
Weighted-average Exercise Price , Exercisable	$ 39.45	$ 39.45
$40 to $44 [member]		
Disclosure of range of exercise prices of outstanding share options [line items]		
Number of options, Outstanding | shares	49,575	59,975
Weighted-average Exercise Price, Outstanding	$ 40.42	$ 40.44
Weighted-average remaining life (years), Outstanding	6 years 6 months	7 years 6 months
Number of options, Exercisable	38,100	29,450
Weighted-average Exercise Price , Exercisable	$ 40.49	$ 40.54
$44 to $48 [member]		
Disclosure of range of exercise prices of outstanding share options [line items]		
Number of options, Outstanding | shares	749,190	1,030,425
Weighted-average Exercise Price, Outstanding	$ 46.15	$ 46.16
Weighted-average remaining life (years), Outstanding	7 years 4 months 24 days	8 years 4 months 24 days
Number of options, Exercisable	214,992	219,678
Weighted-average Exercise Price , Exercisable	$ 46.16	$ 46.19
$60 to $64 [member]		
Disclosure of range of exercise prices of outstanding share options [line items]		
Number of options, Outstanding | shares	350,374	623,847
Weighted-average Exercise Price, Outstanding	$ 62.69	$ 62.69
Weighted-average remaining life (years), Outstanding	6 years 4 months 24 days	7 years 4 months 24 days
Number of options, Exercisable	190,986	297,221
Weighted-average Exercise Price , Exercisable	$ 62.69	$ 62.69
$64 to $68 [member]		
Disclosure of range of exercise prices of outstanding share options [line items]		
Number of options, Outstanding | shares	34,125	40,700
Weighted-average Exercise Price, Outstanding	$ 64.15	$ 64.15
Weighted-average remaining life (years), Outstanding	7 years 10 months 24 days	8 years 10 months 24 days
Number of options, Exercisable	14,975	9,875
Weighted-average Exercise Price , Exercisable	$ 64.15	$ 64.15
$68 to $72 [member]		
Disclosure of range of exercise prices of outstanding share options [line items]		
Number of options, Outstanding | shares	9,000	9,000
Weighted-average Exercise Price, Outstanding	$ 69.50	$ 69.50

Weighted-average remaining life (years), Outstanding	8 years 7 months 6 days	9 years 7 months 6 days
Number of options, Exercisable	2,250	
Weighted-average Exercise Price , Exercisable	$ 69.50	
$108 to $112 [Member]		
Disclosure of range of exercise prices of outstanding share options [line items]		
Number of options, Outstanding | shares	499,400	
Weighted-average Exercise Price, Outstanding	$ 109.66	
Weighted-average remaining life (years), Outstanding	9 years 2 months 12 days	
Number of options, Exercisable	0	
Weighted-average Exercise Price , Exercisable	$ 0	
$120 to $124 [Member]		
Disclosure of range of exercise prices of outstanding share options [line items]		
Number of options, Outstanding | shares	8,200	
Weighted-average Exercise Price, Outstanding	$ 123.03	
Weighted-average remaining life (years), Outstanding	9 years 7 months 6 days	
Number of options, Exercisable	0	
Weighted-average Exercise Price , Exercisable	$ 0	

Segmented Information - Summary of Segment Information (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of operating segments [line items]		
Revenues	$ 7,647.9	$ 5,952.9
Cost of sales	5,515.7	4,480.6
Gross profit	2,132.2	1,472.3
Total operating expenses	945.2	1,006.7
Operating income	1,187.0	465.6
Financing costs	128.9	120.0
Financing income	(3.8)	(19.8)
Foreign exchange loss on long-term debt	(14.8)	(118.9)
Income before income taxes	1,076.7	484.3
Income tax expense	282.1	121.4
Net income	794.6	362.9
Powersport segment [member]		
Disclosure of operating segments [line items]		
Revenues	7,135.6	5,532.8
Cost of sales	5,082.6	4,049.1
Gross profit	2,053.0	1,483.7
Marine Segments [member]		
Disclosure of operating segments [line items]		
Revenues	531.5	430.7
Cost of sales	452.3	442.1
Gross profit	79.2	11.4
Inter- segment eliminations [member]		
Disclosure of operating segments [line items]		
Revenues	19.2	10.6
Cost of sales	19.2	$ 10.6
Gross profit	$ 0.0	

Segmented Information - Summary of Segment Information (Parenthetical) (Detail) $ in Millions	12 Months Ended Jan. 31, 2021 CAD ($)
Disclosure of operating segments [line items]	
Impairment charge	$ 30.5
Marine [member]	
Disclosure of operating segments [line items]	
Impairment charge	$ 177.1

Segmented Information - Summary of Geographical Information on Company's Revenues, Property,Plant and Equipment and Intangible Assets (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of geographical areas [line items]		
Revenues	$ 7,647.9	$ 5,952.9
Property, plant and equipment, intangible assets and right-of-use assets	2,069.5	1,743.6
United States [member]		
Disclosure of geographical areas [line items]		
Revenues	4,185.2	3,306.5
Property, plant and equipment, intangible assets and right-of-use assets	277.1	277.7
Canada [member]		
Disclosure of geographical areas [line items]		
Revenues	1,321.2	923.4
Property, plant and equipment, intangible assets and right-of-use assets	736.4	645.4
Europe [member]		
Disclosure of geographical areas [line items]		
Revenues	1,230.1	987.2
Property, plant and equipment, intangible assets and right-of-use assets	90.4	89.1
Asia Pacific [member]		
Disclosure of geographical areas [line items]		
Revenues	567.2	463.3
Property, plant and equipment, intangible assets and right-of-use assets	109.9	110.4
Mexico [member]		
Disclosure of geographical areas [line items]		
Revenues	120.1	99.6
Property, plant and equipment, intangible assets and right-of-use assets	621.8	396.0
Austria [member]		
Disclosure of geographical areas [line items]		
Revenues	16.6	13.9
Property, plant and equipment, intangible assets and right-of-use assets	231.3	223.2
Other [member]		
Disclosure of geographical areas [line items]		
Revenues	207.5	159.0
Property, plant and equipment, intangible assets and right-of-use assets	$ 2.6	$ 1.8

Earnings Per Share - Summary of Basic Earnings Per Share (Detail) - CAD ($) $ / shares in Units, $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Basic earnings per share [abstract]		
Net income attributable to shareholders	$ 793.9	$ 363.4
Weighted average number of shares	82,973,284	87,519,856
Earnings per share - basic	$ 9.57	$ 4.15

Earnings Per Share - Summary of Diluted Earnings Per Share (Detail) - CAD ($) $ / shares in Units, $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Diluted earnings per share [abstract]		
Net income attributable to shareholders	$ 793.9	$ 363.4
Weighted average number of shares	82,973,284	87,519,856
Dilutive effect of stock options	2,286,236	1,085,128
Weighted average number of diluted shares	85,259,520	88,604,984
Earnings per share – diluted	$ 9.31	$ 4.10

Revenues - Summary of revenues (Detail) - CAD ($) $ in Millions	12 Months Ended Jan. 31, 2022	Jan. 31, 2021
Disclosure of disaggregation of revenue from contracts with customers [line items]		
Revenue	$ 7,647.9	$ 5,952.9
Year round products [member]		
Disclosure of disaggregation of revenue from contracts with customers [line items]		
Revenue	3,467.5	2,824.2
Seasonal products [member]		
Disclosure of disaggregation of revenue from contracts with customers [line items]		
Revenue	2,524.1	1,825.0
Powersports PA&A and OEM Engines [member]		
Disclosure of disaggregation of revenue from contracts with customers [line items]		
Revenue	1,143.5	882.8
Marine [member]		
Disclosure of disaggregation of revenue from contracts with customers [line items]		
Revenue	$ 512.8	$ 420.9

Cost Of Sales - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Additional information [abstract]		
Cost of inventories recorded in cost of sales	$ 4,930.5	$ 3,975.6

Government assistance - Schedule of Company's Government Assistance, Including Tax Credits (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Research and development expense [member]		
Government assistance [line items]		
Recorded against	$ 32.7	$ 24.8
Operating income [member]		
Government assistance [line items]		
Recorded against	3.3	2.8
Research and development expense and other elements of operating income [member]		
Government assistance [line items]		
Recorded against	36.0	27.6
Cost of property, plant and equipment [member]		
Government assistance [line items]		
Recorded against	3.0	0.6
Cost price of intangibles [member]		
Government assistance [line items]		
Recorded against	$ 6.5	$ 0.0

Impairment Charge - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Statement [line items]		
Impairment charge related to intangible assets	$ 494.9	$ (146.6)
Impairment charge		$ 30.5
Impairment loss evinrude wind down	52.6	
Alumacraft Boat Co CGU [member]		
Statement [line items]		
Impairment charge related to intangible assets	30.5	
Triton Industries Inc CGU [member]		
Statement [line items]		
Impairment charge related to intangible assets	33.3	
Telwater Pty Ltd CGU [member]		
Statement [line items]		
Impairment charge related to intangible assets	60.7	
Evinrude [member]		
Statement [line items]		
Impairment charge related to intangible assets	22.1	
Impairment charge	$ 30.5	

Other Operating (Income) Expenses - Summary of Other Operating Expenses (Income) (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of Other Operating Expense [abstract]		
Gain on lease termination (Note 11)	$ (8.7)	$ 0.0
Foreign exchange (gain) loss on working capital elements	(6.2)	0.6
Loss (gain) on forward exchange contracts	5.9	(0.7)
Net loss (gain) on disposal of property, plant and equipment	1.0	(12.6)
Gain on litigation	0.0	(4.0)
Restructuring costs	0.0	37.3
Other	1.5	3.7
Total	$ (9.5)	$ 24.3

Other Operating (Income) Expenses - Additional Information (Detail) $ in Millions	12 Months Ended	
	Jan. 31, 2022 CAD ($)	Jan. 31, 2021 CAD ($) Employees
Other operating expenses (income) [Line Items]		
Provisions	$ 11.2	
Restructuring costs	0.0	$ 37.3
Gain on disposal of a property		$ 12.7
Before COVID-19 Pandemic [Member]		
Other operating expenses (income) [Line Items]		
Number of employees | Employees		650
Restructuring costs		$ 29.8
COVID-19 Pandemic [Member]		
Other operating expenses (income) [Line Items]		
Restructuring costs		7.5
Other Provision [member]		
Other operating expenses (income) [Line Items]		
Provisions	$ 0.3	
Other Provision [member] | Patent infringement litigation cases [member]		
Other operating expenses (income) [Line Items]		
Provisions		$ 4.0

Financing Costs And Income - Schedule of Financing Costs and Financing Income (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Financing Costs and Financing Income [abstract]		
Interest on long-term debt	$ 46.3	$ 82.4
Transaction costs on long-term debt	44.1	12.7
Interest on lease liabilities	7.2	9.3
Net interest on employee future benefit liabilities	4.9	5.5
Interest and commitment fees on revolving credit facilities	3.4	6.2
Other	23.0	3.9
Financing costs	128.9	120.0
Financing income	(3.8)	(19.8)
Total	$ 125.1	$ 100.2

Income Tax - Summary of Income Tax Expense (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Current income tax expense		
Related to current year	$ 284.6	$ 151.9
Related to prior years	(2.9)	(3.3)
Total current income tax expense	281.7	148.6
Deferred income tax expense (recovery)		
Temporary differences	3.6	(11.1)
Effect of income tax rate changes on deferred income taxes	(0.7)	0.0
Decrease in valuation allowance	(2.5)	(16.1)
Total deferred income tax expense	0.4	(27.2)
Income tax expense	$ 282.1	$ 121.4

Income Taxes - Schedule of Reconciliation of Income Taxes Computed at Canadian Statutory Rates to Income Tax Expense (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure Of Reconciliation Of Effective Income Tax Expense [abstract]		
Income taxes calculated at statutory rates	$ 285.3	$ 128.3
Income taxes calculated at statutory rates, percentage	26.50%	26.50%
Income tax rate differential of foreign subsidiaries	$ (5.9)	$ (5.5)
Effect of income tax rate changes on deferred income taxes	(0.7)	0.0
Decrease in valuation allowance	(2.5)	(16.1)
Recognition of income taxes on foreign currency translation	1.8	1.1
Permanent differences	1.2	13.1
Other	2.9	0.5
Income tax expense	$ 282.1	$ 121.4

Income Taxes - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of income taxes [line items]		
Income tax statutory rate	26.50%	26.50%
Non-capital losses available to reduce future taxable income	$ 296.7	$ 280.2
Deductible capital losses	90.3	126.7
Investment tax credits receivable	45.4	32.5
Refundable investment tax credits receivable	35.7	24.1
Investment tax credits receivable available to reduce future taxable income	9.7	8.4
United States [member]		
Disclosure of income taxes [line items]		
Non-capital losses available to reduce future taxable income	294.9	268.8
Non Us [member]		
Disclosure of income taxes [line items]		
Non-capital losses available to reduce future taxable income	$ 1.8	$ 11.4

Income Taxes - Components of Deferred Income Taxes Asset (Liability) (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Deferred tax assets and liabilities [abstract]		
Inventories	$ 44.9	$ 40.6
Investment tax credits receivable	(2.5)	(2.2)
Other current assets	(27.9)	(1.3)
Trade payables and accruals	18.8	12.1
Provisions	62.6	66.0
Other financial liabilities	6.2	8.4
Lease liabilities	7.3	8.6
Deferred revenues	55.7	17.7
Other	(1.9)	(4.1)
Deferred tax assets (liabilities), Current	163.2	145.8
Property, plant and equipment	(62.2)	(52.3)
Intangible assets	(65.3)	(61.2)
Right-of-use assets	(33.5)	(56.8)
Provisions	19.0	19.0
Long-term debt	1.2	(14.7)
Lease liabilities, Non-current	29.8	54.9
Deferred revenues	25.1	26.7
Employee future benefit liabilities	42.6	58.4
Other non-current liabilities	(1.7)	3.5
Other	(2.0)	3.6
Deferred tax assets (liabilities), Non-current	(47.0)	(18.9)
Related to non-capital losses carried forward	74.9	71.0
Related to capital losses carried forward	23.9	33.6
Deferred tax assets (liabilities), Gross	215.0	231.5
Unrecognized tax benefits	(24.6)	(20.8)
Total	$ 190.4	$ 210.7

Related Party Transactions - Summary of Benefit Expenses in Relation with Key Management Personnel (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of transactions between related parties [abstract]		
Current remuneration	$ 25.1	$ 20.1
Post-employment benefits	1.5	1.3
Termination benefits	0.0	0.5
Stock-based compensation expense	9.3	8.4
Total	$ 35.9	$ 30.3

Related Party Transactions - Additional Information (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2021	Jan. 31, 2022
Bombardier Inc. [member]		
Disclosure of transactions between related parties [line items]		
Reimbursement of income taxes, related party transactions	$ 22.2	$ 22.1
Beaudier group and Bain capital [member]		
Disclosure of transactions between related parties [line items]		
Secondary offering	2,000,000	
Fees and expenses related to secondary offering	$ 0.6	

Financial Instruments - Summary of Fair Value, Fair Value Level and Valuations Techniques and Inputs of Restricted Investments, Derivative Financial Instruments and Long-term Debt (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Level 1 of fair value hierarchy [member] | Term facility [member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	$ (1,891.1)	$ (2,276.3)
Fair value	$ (1,875.8)	$ (2,312.7)
Valuation techniques and inputs	Quoted bid prices in an active market	Quoted bid prices in an active market
Level 2 of fair value hierarchy [member] | Term loans [member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	$ (149.4)	$ (133.4)
Fair value	$ (156.1)	$ (142.4)
Valuation techniques and inputs	Discounted cash flows. Cash flows used for valuation are those contractually due and are discounted at a rate that reflects the credit risk of the Company	Discounted cash flows. Cash flows used for valuation are those contractually due and are discounted at a rate that reflects the credit risk of the Company
Level 2 of fair value hierarchy [member] | Restricted investment [member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	$ 14.3	$ 15.7
Fair value	$ 14.3	15.7
Valuation techniques and inputs	Discounted cash flows at a discount rate that reflects the current market rate for this type of investments at the end of the reporting period	
Level 2 of fair value hierarchy [member] | Derivative		

financial instruments [member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	$ 27.7	17.3
Fair value	27.7	$ 17.3
Valuation techniques and inputs		Discounted cash flows at a discount rate that reflects the current market rate for this type of investments at the end of the reporting period
Level 2 of fair value hierarchy [member] | Derivative financial instruments [member] | Favourable forward exchange contracts [member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	10.0	$ 19.9
Fair value	$ 10.0	$ 19.9
Valuation techniques and inputs	Discounted cash flows. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company	Discounted cash flows. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of the Company
Level 2 of fair value hierarchy [member] | Derivative financial instruments [member] | Unfavourable forward exchange contracts [member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	$ (9.6)	$ (7.2)
Fair value	(9.6)	(7.2)
Level 2 of fair value hierarchy [member] | Derivative financial instruments [member] | Inflation rate swaps [member]		

Disclosure of detailed information about financial instruments [line items]		
Carrying amount	(0.7)	(1.4)
Fair value	$ (0.7)	$ (1.4)
Valuation techniques and inputs	Discounted cash flows. Future cash flows are estimated based on forward inflation rates (from observable yield curves at the end of the reporting period) and contract inflation rates, discounted at a rate that reflects the credit risk of the Company	Discounted cash flows. Future cash flows are estimated based on forward inflation rates (from observable yield curves at the end of the reporting period) and contract inflation rates, discounted at a rate that reflects the credit risk of the Company
Level 2 of fair value hierarchy [member] | Derivative financial instruments [member] | Interest rate cap [Member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	$ 28.0	$ 6.0
Fair value	$ 28.0	$ 6.0
Valuation techniques and inputs	Discounted cash flows. Future cash flows, which correspond to series of caplets, are estimated using the Normal valuation model and discounted at a rate that reflects credit market conditions	Discounted cash flows. Future cash flows, which correspond to series of caplets, are estimated using the Normal valuation model and discounted at a rate that reflects credit market conditions
Level 3 of fair value hierarchy [member] | Noncontrolling interest liability [Member]		
Disclosure of detailed information about financial instruments [line items]		
Carrying amount	$ 0.0	$ (21.0)
Fair value	$ 0.0	$ (21.0)
Valuation techniques and inputs	Discounted cash flows. Future cash flows are estimated based on Telwater performance and a predetermined purchase price formula, discounted at a rate that reflects the credit risk of the Company	Discounted cash flows. Future cash flows are estimated based on Telwater performance and a predetermined purchase price formula, discounted at a rate that reflects the credit risk of the Company

Financial Instruments - Summary of Impact on Consolidated Net Income and Other Comprehensive Income of Variation of Foreign Exchange Rates on Financial Instruments Subject to Foreign Exchange Risks (Detail) - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
USD / CAD [member]		
Disclosure of detailed information about financial instruments [line items]		
Percentage of Variation	5.00%	5.00%
Impact on Net income	$ 208.6	$ (116.6)
Impact on Other comprehensive income	$ 55.2	$ (31.8)
Euro / CAD [member]		
Disclosure of detailed information about financial instruments [line items]		
Percentage of Variation	5.00%	5.00%
Impact on Net income	$ 1.7	$ (0.6)
Other [member]		
Disclosure of detailed information about financial instruments [line items]		
Percentage of Variation	3.00%	8.00%
Impact on Net income	$ 4.7	$ 9.8
Impact on Other comprehensive income	$ (0.4)	$ 26.3

Financial Instruments - Additional Information (Detail) - Interest risk [member] - CAD ($) $ in Millions	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about financial instruments [line items]		
Percentage variation in interest rate risk	0.25%	
Top of range [member]		
Disclosure of detailed information about financial instruments [line items]		
Percentage variation in interest rate risk	0.25%	
Interest rate impact on net income and comprehensive income	$ 4.8	$ 4.1
Bottom of range [member]		
Disclosure of detailed information about financial instruments [line items]		
Interest rate impact on net income and comprehensive income	$ 2.1	$ 2.1

Financial Instruments - Summary of Notional Amounts Outstanding Under Foreign Exchange Contracts, Average Contractual Exchange Rates and Settlement Periods of Contracts (Detail) € in Millions, ¥ in Millions, £ in Millions, kr in Millions, kr in Millions, SFr in Millions, $ in Millions, $ in Millions, $ in Millions, $ in Millions	12 Months Ended																		
	Jan. 31, 2022 CAD ($)	Jan. 31, 2021 CAD ($)	Jan. 31, 2022 USD ($)	Jan. 31, 2022 EUR (€)	Jan. 31, 2022 AUD ($)	Jan. 31, 2022 GBP (£)	Jan. 31, 2022 NOK (kr)	Jan. 31, 2022 SEK (kr)	Jan. 31, 2022 JPY (¥)	Jan. 31, 2022 MXN ($)	Jan. 31, 2021 USD ($)	Jan. 31, 2021 EUR (€)	Jan. 31, 2021 AUD ($)	Jan. 31, 2021 GBP (£)	Jan. 31, 2021 NOK (kr)	Jan. 31, 2021 SEK (kr)	Jan. 31, 2021 JPY (¥)	Jan. 31, 2021 MXN ($)	Jan. 31, 2021 CHF (SFr)
Disclosure of detailed information about financial instruments [line items]																			
Other financial assets	$ 126.8	$ 108.1																	
Other financial liabilities	$ 186.3	$ 383.0																	
Contracts one [member] | Less than 12 months [member]																			
Disclosure of detailed information about financial instruments [line items]																			
Sell currency	AUD	AUD																	
Buy currency	CAD	CAD																	
Average rate	0.9220	0.9596																	
Contracts two [member] | Less than 12 months [member]																			
Disclosure of detailed information about financial instruments [line items]																			
Sell currency	CAD	BRL																	
Buy currency	AUD	USD																	
Average rate	0.9031	0.1819																	
Contracts three [member] | Less than 12 months [member]																			
Disclosure of detailed information about financial instruments [line items]																			
Sell currency	CAD	CAD																	
Buy currency	Euro	AUD																	
Average rate	1.4288	0.9780																	
Contracts four [member] | Less than 12 months [member]																			
Disclosure of detailed information about financial instruments [line items]																			
Sell currency	CAD	CAD																	
Buy currency	JPY	Euro																	
Average rate	0.0110	1.5535																	
Contracts five [member] | Less than 12 months [member]																			
Disclosure of detailed information about financial instruments [line items]																			
Sell currency	CAD	CAD																	
Buy currency	MXN	JPY																	
Average rate	0.0613	0.0122																	

Contracts six [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	CAD	CAD
Buy currency	USD	MXN
Average rate	1.2699	0.0631
Contracts seven [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	Euro	CAD
Buy currency	CAD	USD
Average rate	1.4284	1.2775
Contracts eight [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	Euro	Euro
Buy currency	GBP	CAD
Average rate	1.2005	1.5471
Contracts nine [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	Euro	Euro
Buy currency	NOK	CHF
Average rate	0.0992	1.0774
Contracts ten [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	Euro	Euro
Buy currency	SEK	NOK
Average rate	0.0957	0.0965
Contracts eleven [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	GBP	Euro
Buy currency	Euro	SEK
Average rate	1.1757	0.0990
Contracts twelve [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	JPY	GBP
Buy currency	CAD	Euro
Average rate	0.0111	1.1171
Contracts thirteen. | Less than 12 months [member]		

Disclosure of detailed information about financial instruments [line items]		
Sell currency	NOK	JPY
Buy currency	Euro	CAD
Average rate	0.0992	0.0122
Contracts fourteen [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	SEK	NOK
Buy currency	Euro	Euro
Average rate	0.0992	0.0943
Contracts Fifteen [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	USD	SEK
Buy currency	CAD	Euro
Average rate	1.2625	0.0971
Contracts Sixteen [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency		USD
Buy currency		CAD
Average rate		1.3143
Contracts Sixteen [member] | Between 12 and 24 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	USD	
Buy currency	CAD	
Average rate	1.2812	
Contracts Seventeen [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	AUD	AUD
Buy currency	CAD	CAD
Average rate	0.9220	0.9584
Contracts Eighteen [member] | Less than 12 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Sell currency	GBP	GBP
Buy currency	Euro	Euro
Average rate	1.1757	1.1171
Contracts Nineteen [member] | Less than 12 months [member]		

Disclosure of detailed information about financial instruments [line items]							
Sell currency	NOK	NOK					
Buy currency	Euro	Euro					
Average rate	0.0992	0.0943					
Contracts Twenty [member] | Less than 12 months [member]							
Disclosure of detailed information about financial instruments [line items]							
Sell currency	SEK	SEK					
Buy currency	Euro	Euro					
Average rate	0.0994	0.0969					
Contracts Twenty One [member] | Less than 12 months [member]							
Disclosure of detailed information about financial instruments [line items]							
Sell currency	USD	USD					
Buy currency	CAD	CAD					
Average rate	1.2696	1.3153					
Contracts Twenty Two [member] | Between 12 and 24 months [member]							
Disclosure of detailed information about financial instruments [line items]							
Sell currency	USD						
Buy currency	CAD						
Average rate	1.2812						
Foreign Exchange Contracts [member] | Contracts one [member] | Less than 12 months [member]							
Disclosure of detailed information about financial instruments [line items]							
Notional amount	$ 104.5	$ 92.6		$ 93.7			$ 90.7
Foreign Exchange Contracts [member] | Contracts two [member] | Less than 12 months [member]							
Disclosure of detailed information about financial instruments [line items]							
Notional amount		12.0	€ 7.2	6.5			51.1
Foreign Exchange Contracts [member] | Contracts three [member] | Less than 12 months [member]							
Disclosure of detailed information about financial instruments [line items]							
Notional amount	145.1				¥ 101.9	€ 6.0	5.9
Foreign Exchange Contracts [member] | Contracts four							

[member] | Less than 12 months [member]															
Disclosure of detailed information about financial instruments [line items]															
Notional amount	0.3							$ 25.0		14.9			¥ 9.6		
Foreign Exchange Contracts [member] | Contracts five [member] | Less than 12 months [member]															
Disclosure of detailed information about financial instruments [line items]															
Notional amount	4.4		$ 72.0										0.5	$ 43.0	
Foreign Exchange Contracts [member] | Contracts six [member] | Less than 12 months [member]															
Disclosure of detailed information about financial instruments [line items]															
Notional amount	163.9			208.1					$ 30.0					$ 1.9	
Foreign Exchange Contracts [member] | Contracts seven [member] | Less than 12 months [member]															
Disclosure of detailed information about financial instruments [line items]															
Notional amount		161.1		225.1	£ 158.1				205.8						
Foreign Exchange Contracts [member] | Contracts eight [member] | Less than 12 months [member]															
Disclosure of detailed information about financial instruments [line items]															
Notional amount	0.8			1.1						43.8					SFr 28.2
Foreign Exchange Contracts [member] | Contracts nine [member] | Less than 12 months [member]															
Disclosure of detailed information about financial instruments [line items]															
Notional amount				14.6		kr 102.1				0.7	£ 0.5				
Foreign Exchange Contracts [member] | Contracts ten [member] | Less than 12 months [member]															
Disclosure of detailed information about financial instruments [line items]															
Notional amount				13.4			kr 98.4			8.0		kr 53.8			

Foreign Exchange Contracts [member] | Contracts eleven [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount				26.3	44.8					9.6			kr 62.6	
Foreign Exchange Contracts [member] | Contracts twelve [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount	55.3							¥ 0.6		19.8	34.8			
Foreign Exchange Contracts [member] | Contracts thirteen. | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount		96.0		623.9		88.9								¥ 1.2
Foreign Exchange Contracts [member] | Contracts fourteen [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount				883.7			120.2			561.1		83.9		
Foreign Exchange Contracts [member] | Contracts Fifteen [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount	835.3		1,060.5							982.2			150.6	
Foreign Exchange Contracts [member] | Contracts Sixteen [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount		516.8							660.3					
Foreign Exchange Contracts [member] | Contracts Sixteen [member] | Between 12 and 24 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount	55.9		71.0											
Foreign Exchange Contracts [member] | Contracts Twenty One [member] | Less than 12 months [member]														

Disclosure of detailed information about financial instruments [line items]														
Notional amount									$ 641.7					
Hedging foreign exchange contracts [member] | Contracts Seventeen [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount	104.5	87.3			$ 93.7						$ 85.4			
Other financial assets	2.4	0.0												
Other financial liabilities		1.9												
Hedging foreign exchange contracts [member] | Contracts Eighteen [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount				26.3		£ 44.8				19.8		£ 34.8		
Other financial assets	0.0	0.0												
Other financial liabilities	0.6	0.3												
Hedging foreign exchange contracts [member] | Contracts Nineteen [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount				623.9			kr 88.9			541.8			kr 81.0	
Other financial assets	0.1	0.0												
Other financial liabilities		1.4												
Hedging foreign exchange contracts [member] | Contracts Twenty [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount				€ 806.6				kr 109.7		€ 879.1				kr 134.8
Other financial assets	4.7	0.0												
Other financial liabilities		2.4												
Hedging foreign exchange contracts [member] | Contracts Twenty One [member] | Less than 12 months [member]														
Disclosure of detailed information about financial instruments [line items]														
Notional amount	817.5	502.2	1,037.8											
Other financial assets	2.0	19.8												
Other financial liabilities		$ 0.9												
Hedging foreign exchange contracts [member] | Contracts														

Twenty Two [member] | Between 12 and 24 months [member]		
Disclosure of detailed information about financial instruments [line items]		
Notional amount	55.9	$ 71.0
Other financial assets	0.4	
Other financial liabilities	$ 8.6	

Financial Instruments - Summary of Financial Liabilities Instalments Payable When Contractually Due (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about financial instruments [line items]		
Trade payables and accruals	$ 1,622.9	$ 1,296.5
Liquidity risk [member]		
Disclosure of detailed information about financial instruments [line items]		
Trade payables and accruals	1,622.9	
Long-term debt (including interest)	2,265.8	
Lease liabilities (including interest)	163.6	
Derivative financial instruments	10.3	
Other financial liabilities	176.0	
Total	4,238.6	
Less than 1 year [member] | Liquidity risk [member]		
Disclosure of detailed information about financial instruments [line items]		
Trade payables and accruals	1,622.9	
Long-term debt (including interest)	147.3	
Lease liabilities (including interest)	33.0	
Derivative financial instruments	9.6	
Other financial liabilities	142.7	
Total	1,955.5	
1-3 years [member] | Liquidity risk [member]		
Disclosure of detailed information about financial instruments [line items]		
Long-term debt (including interest)	140.7	
Lease liabilities (including interest)	50.5	
Derivative financial instruments	0.7	
Other financial liabilities	4.4	
Total	196.3	
4-5 years [member] | Liquidity risk [member]		
Disclosure of detailed information about financial instruments [line items]		
Long-term debt (including interest)	140.1	
Lease liabilities (including interest)	30.7	
Other financial liabilities	2.2	
Total	173.0	
More than 5 years [member] | Liquidity risk [member]		
Disclosure of detailed information about financial instruments [line items]		
Long-term debt (including interest)	1,837.7	
Lease liabilities (including interest)	49.4	
Other financial liabilities	26.7	
Total	$ 1,913.8	

Financial Instruments - Summary of Information Considered to be Exposed to Credit Risk (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Disclosure of detailed information about financial instruments [line items]		
Sales tax and other government receivables	$ (118.0)	$ (56.4)
Trade and other receivables [member]		
Disclosure of detailed information about financial instruments [line items]		
Trade and other receivables	465.7	311.5
Sales tax and other government receivables	(118.0)	(56.4)
Exposed to credit risk on receivables	347.7	255.1
Allowance for doubtful accounts	(4.4)	(4.2)
Trade and other receivables [member] | Not past due [member]		
Disclosure of detailed information about financial instruments [line items]		
Trade and other receivables	339.6	246.3
Trade and other receivables [member] | Under 60 days [member]		
Disclosure of detailed information about financial instruments [line items]		
Trade and other receivables	5.0	7.8
Trade and other receivables [member] | From 60 to 90 days [member]		
Disclosure of detailed information about financial instruments [line items]		
Trade and other receivables	0.7	1.5
Trade and other receivables [member] | Over 90 days [member]		
Disclosure of detailed information about financial instruments [line items]		
Trade and other receivables	$ 6.8	$ 3.7

Capital Management - Additional Information (Detail)	12 Months Ended	
	Jan. 31, 2022	Jan. 31, 2021
Top of range [member]		
Capital management [line items]		
Leverage ratio	3.5	3.5

Commitments and Contingencies - Additional Information (Detail) $ in Millions, $ in Millions	12 Months Ended										
	Jan. 31, 2022 CAD ($)	Jan. 31, 2021 CAD ($)	Apr. 30, 2023 USD ($)	Jan. 31, 2023 CAD ($)	Jan. 31, 2023 USD ($)	Sep. 30, 2022 CAD ($)	Sep. 30, 2022 USD ($)	Apr. 30, 2022 CAD ($)	Apr. 30, 2022 USD ($)	Jan. 31, 2022 USD ($)	Jan. 31, 2021 USD ($)
Disclosure of commitments and contingencies [line items]											
Recovery Related to Repossessed Units	$ 0.5										
Loss related to repossessed units		$ 0.9									
Dealer and distributor financing arrangements [member]											
Disclosure of commitments and contingencies [line items]											
Outstanding financing amount	1,319.4	985.0									
Unpaid principal balance	$ 17.8	$ 31.7								$ 14.0	$ 25.0
Last twelve-month average amount of financing outstanding	15.00%	10.00%									
Maximum amount obligation	$ 102.0	$ 175.0									
Dealer and distributor financing arrangements [member] | Top of range [member]											
Disclosure of commitments and contingencies [line items]											
Unpaid principal balance	83.9										
Dealers [member]											
Disclosure of commitments and contingencies [line items]											
Dealer and distributor financing arrangements maximum thresholds outstanding obligation	634.8									500.0	
Dealers [member] | Dealer and distributor financing arrangements transactions [member]											
Disclosure of commitments and contingencies [line items]											
Dealer and distributor financing arrangements maximum thresholds outstanding obligation			$ 0.0	$ 380.9	$ 300.0						
Individual dealer [member]											
Disclosure of commitments and contingencies [line items]											
Dealer and distributor financing arrangements maximum thresholds outstanding obligation	$ 19.0									$ 15.0	
Seasonal products dealers [member] | Dealer and distributor financing arrangements											

transactions [member] | Snowmobiles [member]				
Disclosure of commitments and contingencies [line items]				
Dealer and distributor financing arrangements maximum thresholds outstanding obligation			$ 63.5	$ 50.0
Seasonal products dealers [member] | Dealer and distributor financing arrangements transactions [member] | Personal watercraft [member]				
Disclosure of commitments and contingencies [line items]				
Dealer and distributor financing arrangements maximum thresholds outstanding obligation	$ 63.5	$ 50.0		

Commitments and Contingencies - Summary of Breakdown of Outstanding Amounts by Country and Local Currency between Independent Dealers and Distributors with Third Party Finance Companies (Detail) - CAD ($) $ in Millions	Jan. 31, 2022	Jan. 31, 2021
Canada, Dollars		
Disclosure of outstanding financing between dealers and distributors with third party finance companies [line items]		
Outstanding amounts	$ 1,319.4	$ 985.0
United States [member] | United States of America, Dollars		
Disclosure of outstanding financing between dealers and distributors with third party finance companies [line items]		
Outstanding amounts	736.8	528.6
Canada [member] | Canada, Dollars		
Disclosure of outstanding financing between dealers and distributors with third party finance companies [line items]		
Outstanding amounts	266.3	192.5
Europe [Member] | Euro Member Countries, Euro		
Disclosure of outstanding financing between dealers and distributors with third party finance companies [line items]		
Outstanding amounts	31.8	30.7
Australia and new zealand [member] | Australia, Dollars		
Disclosure of outstanding financing between dealers and distributors with third party finance companies [line items]		
Outstanding amounts	80.7	70.4
Latin America [member] | United States of America, Dollars		
Disclosure of outstanding financing between dealers and distributors with third party finance companies [line items]		
Outstanding amounts	$ 0.0	$ 0.6

Subsequent Events - Additional Information (Detail) - CAD ($) $ in Millions	Mar. 24, 2022	Feb. 16, 2022	May 04, 2021
Disclosure of non-adjusting events after reporting period [line items]			
Revolving credit facility, previous availability			$ 700.0
Revolving credit facility additional borrowing capacity			$ 800.0
Events after the reporting period [member]			
Disclosure of non-adjusting events after reporting period [line items]			
Revolving credit facility, previous availability		$ 800.0	
Revolving credit facility additional borrowing capacity		$ 1,100.0	
Share repurchased [member]			
Disclosure of non-adjusting events after reporting period [line items]			
Stock repurchase program authorized amount	$ 250.0		