

November 17, 2022

Panasonic to Purchase All Shares of the Air-Conditioning Business^{*1} of Systemair AB of Sweden

Enhancement of the commercial air-conditioning business and expansion of the water heater and heating appliance business

Osaka, Japan – Panasonic Corporation today announced that its Heating & Ventilation A/C Company intends to acquire the commercial air-conditioning business from Systemair AB (hereinafter referred to as Systemair), a leading global manufacturer in the ventilation and commercial air-conditioning business, at an enterprise value of 100 million Euros.

An agreement has been reached to purchase all outstanding shares in in Systemair S.r.l, and Tecnair S.p.A, and in due course the business conducted by the air-conditioning sales employees in Systemair GmbH in Frankfurt, Germany. The transfer of sales employees from Systemair GmbH is subject to HR consultations in Germany.

Furthermore, Panasonic has offered to acquire all outstanding shares in Systemair AC SAS from Systemair and expects Systemair to accept the offer following HR consultations in France. The acquired entities will be operated as consolidated subsidiaries for the commercial air-conditioning business under the Panasonic brand after completing necessary procedures.

In Europe, a key market for Panasonic, there is strong interest in environmental protection and measures to address climate change, and efforts are being made for the transition to a carbon-free society. In addition to the growing demand for energy-efficient and other eco-friendly products, the CFCs used as a refrigerant in air conditioners have an impact on global warming and therefore the Kigali Amendment to the Montreal Protocol^{*2} and Europe's F-gases Regulation^{*3} require a shift to refrigerants with less greenhouse effect.

In its air-conditioning business, Systemair today manufactures hydronic systems that produce hot and chilled water by collecting heat in the ambient air in buildings and factories and circulate them in spaces^{*4} to control the room temperature, which require less refrigerant.

By making Systemair's three air-conditioning companies its consolidated subsidiaries, Panasonic will establish new development, production, sales, and maintenance structures for its commercial air-conditioning business and create higher-value added solutions in hot-water supply and space heating in addition to air-conditioning by combining the resources owned by

the two companies. Furthermore, Panasonic will respond to wide-ranging customer needs by adding environment-friendly commercial hydronic air conditioners to its lineup of air-to water heat pumps, residential air conditioners, commercial multi-split air-conditioning systems for buildings, and packaged air conditioners, which are currently available in Europe and thereby accelerate ESG management in Europe.

The Heating & Ventilation A/C Company is a leading company operating the indoor air-quality business involving ventilation fans and air purifiers, and the residential and commercial air-conditioning business. By combining the competitive knowledge and technologies accumulated through research conducted for over 100 years, we strive to resolve social issues and aim to create healthy and comfortable lives and society.

Systemair was founded in 1974 and is headquartered in Skinnskatteberg City, Sweden. The company is a leading manufacturer in the ventilation and commercial air-conditioning business.

President Masaharu Michiura of the Heating & Ventilation A/C Company stated that "We concluded a business alliance with Systemair in 2019 to start procuring commercial air conditioners. We have expanded the scope of collaboration such as by selling our residential air-to-water heat pumps in combination with Systemair's total heat exchangers. By combining Systemair's commercial air-conditioning technologies and our inverter and energy-saving technologies, we will accelerate to provide high-value added solutions required by our customers. We are very happy that we will be able to contribute to our customers by signing a long-term supply agreement with Systemair and further deepening our partnership."

Roland Kasper, President and CEO of Systemair, stated "We have cooperated with Panasonic over the years in the commercial air-conditioning business and mutually developed a deep understanding of our partner's corporate culture and strengths and forged a good relationship. We made the decision to sell the air conditioner business in Italy and Germany, and intend to sell the air conditioner business in France, because we are confident that focusing on our core business, ventilation, will strengthen our offering to our customers and is in line with our strategy. Systemair strives to be the best partner for our customers by continuing to provide best-in-class ventilation products, heat pumps, and integrated heat pump solutions in our ventilation systems. We are very pleased to be able to continue to support our current and future customers on an ongoing basis by signing a long-term agreement with Panasonic for the supply of commercial air conditioners and further strengthening our partnership."

*1. Commercial chillers, heat pump air conditioners, fan coil units, etc.

- *2. Environmental treaty designed to protect the ozone layer. The target for reducing the consumption and production of ozone depleting substances and the reduction timeline has been laid out.
- *3. This regulation came into effect in Europe on July 4, 2006. It regulates fluorinated gases, including hydrofluorocarbon (HFC), perfluorocarbon (PFC), and sulfur hexafluoride (SF6), which were specified in the Kyoto Protocol.
- *4. Since the hydronic systems uses water to control the room temperature, compared to the refrigerant circulating systems, it can reduce the amount of required refrigerant (refer to the next page).

[Reference]

- Systemair overview

Company name	Systemair AB
Representative	Gerald Engström (founder, Chairman of the Board, and Representative Director) Roland Kasper (President and CEO)
Founded	1974
Headquarters location	Skinnskatteberg, Sweden
Capital	3,853.5 million Swedish kronor
Business overview	Residential and commercial ventilation systems, commercial air conditioners, etc.

Business overview of the companies to be acquired

■ Systemair AC SAS

Company name	Systemair AC SAS
Representative	Martino Herve'
Headquarters location	Route de Verneuil -27570 Tillières-sur-Avre 803 608 777 RCS EVREUX
Capital	2,700,000 euros
Business overview	Manufacturing and sales of air-cooled and water-cooled chillers and heat pumps, and rooftop and other commercial air conditioners

■ Systemair S.r.l

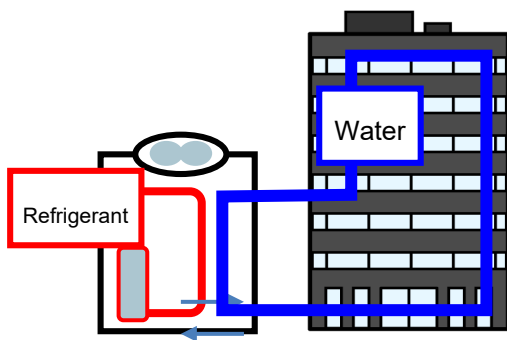
Company name	Systemair S.r.l
Representative	Martino Herve'
Headquarters location	Barlassina(MB) VIA XXV APRILE 29 CAP 20825
Capital	200,000 euros
Business overview	Manufacturing and sales of air-cooled and water-cooled chillers and heat pumps, and rooftop and other commercial air conditioners

■ Tecnair S.p.A

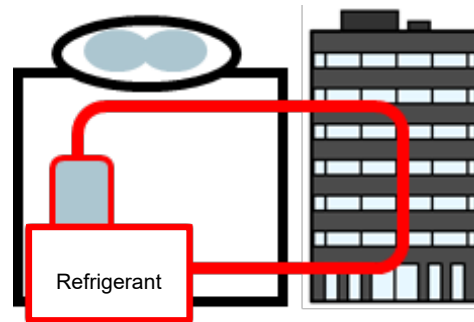
Company name	Tecnair S.p.A
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Representative	Martino Herve'
Headquarters location	Barlassina(MB) VIA XXV APRILE 29 CAP 20825
Capital	200,000 euros
Business overview	Manufacturing and sales of special purpose chillers, including data centers and clean rooms

■ Air conditioner structures



[Hydronic systems]



[Refrigerant circulating systems]

[Photos]



Heat Pump Chiller (SYSAQUA BLUE R290)
made by Systemair

Close control air conditioner (P series)
made by Tecnair

The above photos can be downloaded from release pages of Panasonic Newsroom Japan.
<https://news.panasonic.com/global/>

About Panasonic Corporation

Panasonic Corporation offers products and services for a variety of living environments, ranging from homes to stores to offices and cities. There are five businesses at the core of Panasonic Corporation: Living Appliances and Solutions Company, Heating & Ventilation A/C Company, Cold Chain Solutions Company, Electric Works Company and China and Northeast Asia Company. The operating company reported consolidated net sales of 3,647.6 billion yen for the year ended March 31, 2022. Panasonic Corporation is committed to fulfilling the mission of Life Tech & Ideas: For the wellbeing of people, society and the planet, and embraces the vision of becoming the best partner of your life with human-centric technology and innovation. Learn more about Panasonic: <https://www.panasonic.com/global/about/>

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