

Notice of Acquisition of Shares in Sanetsu Corporation (Making Target Company a Subsidiary)

EXEO Group, Inc. (head office: Shibuya-ku, Tokyo; Tetsuya Funabashi, President; hereinafter "the Company") announces that it has today acquired additional shares in its affiliated company Sanetsu Corporation (head office: Nakano-ku, Tokyo; Kyoji Okabe, President; hereinafter "Sanetsu") as a measure to strengthen the electric equipment engineering field in the urban infrastructure business, and has made Sanetsu a subsidiary. Details are as follows.

1. Purposes of the acquisition of shares

The Group believes that solving social issues is a universal mission as it laid out in its 2030 Vision and Medium-Term Management Plan (FY2021-FY2025), which were both released in May last year. With this in mind, the Group will strive to connect and combine a variety of engineering areas through innovation and work relentlessly to create value for sustainable growth. By doing so, it aims to be a corporate group that is socially essential globally and in Japan.

Sanetsu aims to be a comprehensive engineering company that can offer total solutions for air conditioning, ventilation, sanitation, plumbing, electrical, and security systems based on the instrumentation technology it has been developing mainly for automatic air conditioning control of buildings. On April 1, 2020, the Company acquired a portion of Sanetsu's shares to facilitate collaboration with the Group and jointly provides integrated services ranging from construction to operation and maintenance of office buildings and data centers, etc.

By further strengthening and integrating collaboration through the conversion of the affiliated company into a subsidiary, the Company will strengthen and expand the Group's urban infrastructure business and provide high value-added services to its customers.

2. Details of the acquisition of shares

The Company has acquired 2,300 shares issued by Sanetsu in exchange for cash.

3. Outline of the new subsidiary

Name	Sanetsu Corporation
Address	6-32-10 Nakano, Nakano-ku, Tokyo
Representative	President Kyoji Okabe
Business	Design, construction, adjustment and maintenance of instrumentation and automatic control systems Construction of electrical, air conditioning, sanitation, security systems, etc.
Share capital	50 million yen
Date of establishment	August 1, 1982

4. Future outlook

As a result of the share acquisition, Sanetsu will become a consolidated subsidiary of the Group. The impact of the share acquisition on the Group's consolidated financial results for the current fiscal year will be minor.

Contact for inquiries

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