

News Release

**KAGA FEI to Receive Transfer of UI/UX Business from CELSYS:
Acquisition of 100% ownership of Candera GmbH, as well as commercial and
intellectual property rights in Japan**

KAGA FEI Co., Ltd. (Headquarters: Yokohama, Kanagawa Prefecture; Representative Director, President: Takeshi Tsukamoto; "KAGA FEI"), a consolidated subsidiary of KAGA ELECTRONICS Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President and COO: Ryoichi Kado), has reached an agreement with CELSYS, Inc. ("CELSYS"), to acquire 100% ownership of its subsidiary Candera GmbH (Headquarters: Austria; "Candera"), as well as commercial rights, development and manufacturing technologies, and intellectual property rights related to its HMI applications, such as Candera Studio and CGI Studio, in Japan. After the transfer of the business, KAGA FEI will acquire 100% ownership of Candera and start the business in August 2023.

1. Aim of the business acquisition

KAGA FEI has possessed its own internal engineering department as the core trading company within the Fujitsu Group since the days of its predecessor, Fujitsu Electronics Inc., and conducted contract development and manufacturing of customer products, as well as technical support for development.

Within the in-car device UI/UX business, KAGA FEI has served as a domestic distributor of CGI Studio for over a decade and has an extensive track record of selling it to automakers and manufacturers of in-car electronics, along with supporting implementation and development. The Company aims to expand its UI/UX business on a global basis by making proposals applying this expertise, as well as synergy with electronics, starting with its large-scale integration (LSI) of in-car systems.

Furthermore, the addition of Candera's applications Candera Studio and CGI Studio to the KAGA ELECTRONICS Group's in-car software business through this business acquisition has enabled a broader range of proposals to customers. In the future, the Group aims to leverage these strengths to expand its market beyond the automotive installation field into the consumer and industrial fields.

(Note 1) UI/UX: abbreviations for "user interface" and "user experience," respectively. UI refers to the points of contact between users and a product or service, including operability and functionality. UX refers to the experience that users can receive through a product or service.

(Note 2) HMI: abbreviation for "human-machine interface." A general term for interfaces such as devices and computer programs that allow communication between humans and machines.

2. Candera business to be acquired

The applications Candera Studio and CGI Studio that KAGA FEI will acquire under this agreement possess the following advantages.

- 1) Support for displays on any embedded device

The applications use hardware independent, scalable, flexibly customizable software.

2) Allow anyone to make HMIs

No programming skills are necessary. Just add functionality using drag-and-drop operations, and the HMI is ready to go.

3) Ease of use

Candera Studio's authoring tool Scene Composer not only sports a sleek design but also supports 64-bit environments. The display position and size of each panel are also customizable, supporting prolonged work.

4) High performance

The applications achieve high performance with low memory usage, increased flexibility, short bootup time, customizable text, the latest graphics API, and parallel rendering.

5) Various linkage functions

Smart Importer allows for the import of artwork made in Adobe Photoshop®, Adobe® XD, Axure RP®, and Sketch, as well as prototypes. The applications are also equipped with an original state machine, which can be easily linked with other external state machines using State Machine Connector.

3. Company overview of CELSYS

- 1) Company name: CELSYS, Inc. (<https://www.celsys.com>)
- 2) Representative: President Kei Narushima
- 3) Head office location: Pacific Marks Shinjuku Park Side 2F, 4-15-7 Nishishinjuku, Shinjuku-ku, Tokyo
- 4) Established: May 1991
- 5) Business activities: Development and sale of software for digital equipment, etc.

4. Company overview of Candera GmbH

- 1) Company name: Candera GmbH (<https://cgistudio.at>)
- 2) Representative: General Manager Reinhard Füricht
- 3) Head office location: Semmelweisstrasse 34, 4020 Linz, Austria
- 4) Established: July 2008
- 5) Business activities: Planning, development, and sale of HMI tools, etc.

5. Schedule

- 1) Signing of agreement: May 11, 2023
- 2) Effective date of business transfer: August 1, 2023 (tentative)

6. Impact on performance

The business transfer will have a minimal impact on results for the fiscal year ending in March 2024.

■ Business-related inquiries

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