



Progress in Medium- to Long-term Strategy

Eiichi Katayama, President
Cold Chain Solutions Company

November 27, 2024

Notes: 1. This is an English translation from the original presentation in Japanese.
2. In this presentation, “Fiscal 2025” or “FY3/25” refers to the year ending March 31, 2025.

Agenda

1. Progress of the current medium-term strategy

2. Direction of the next medium-term strategy

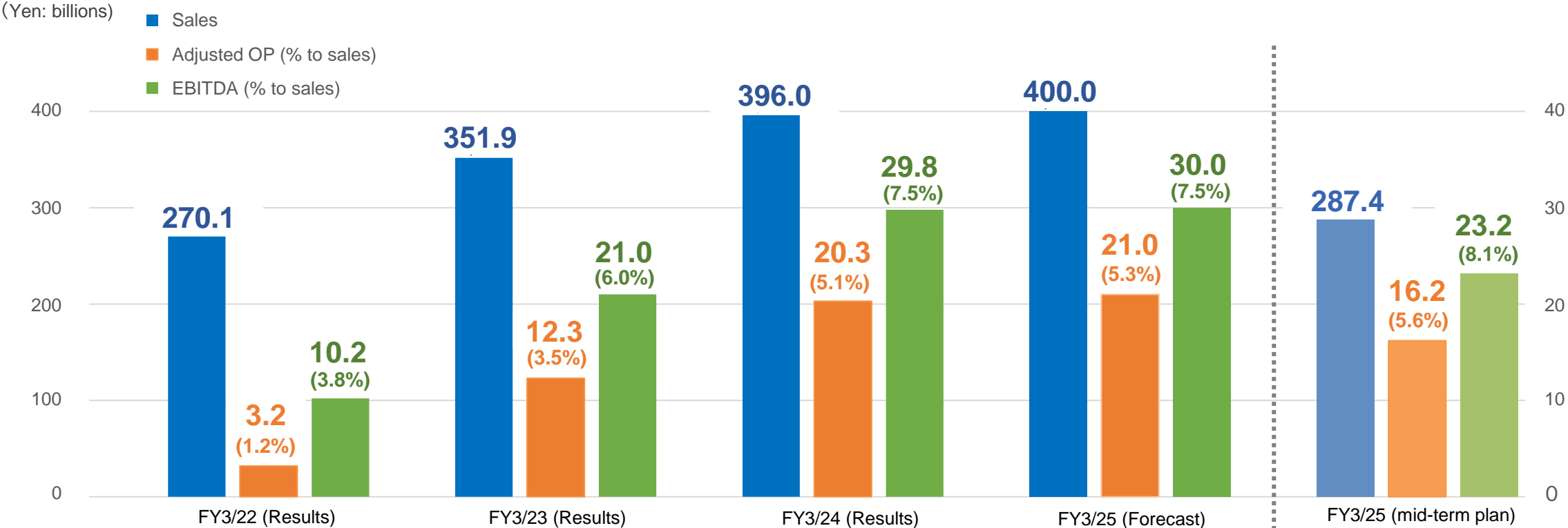
3. Executive summary

1. Progress of the current medium-term strategy

CCS: KGI for FY3/23 - FY3/25

- Sales significantly increased due to increased market share in NALA and Japan
- Profitability improved by approx. 4% points around the timing of the establishment of Cold Chain Solutions Company (CCS) due to profitability improvement initiatives in each region
- Achieved the target of the current medium-term plan for both sales and profit, one year ahead of schedule

Financial highlights



1. Progress of the current medium-term strategy

Changes in the Establishment of CCS

- CCS was established as a dedicated divisional company to combine businesses in Japan, Americas and Oceania
- Started to initiate a global common strategy and executed necessary governance reform according to characteristic of business environment in each region
- Simultaneously achieved to expand business size and improve profitability

Challenges before its establishment (Highlighted at IR Day 2022)

Lack of facility/IT investments

Frequent organizational and corporate strategic changes

Lack of synergies from the Hussmann acquisition

Achievement after its establishment

- Implemented facility/IT related investments
- Laid the ground for product launches & service expansion

- Identified and narrowed down target customers
- Improved its industry position by increasing market share

- Transferred CO₂ refrigerant technologies of Japan to NALA
- Initiated to share digital technologies between regions

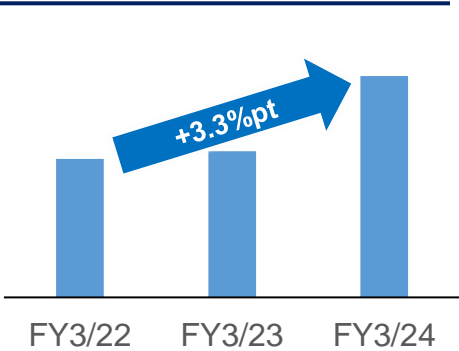
1. Progress of the current medium-term strategy

Initiatives and Achievements in Display Cabinet Business

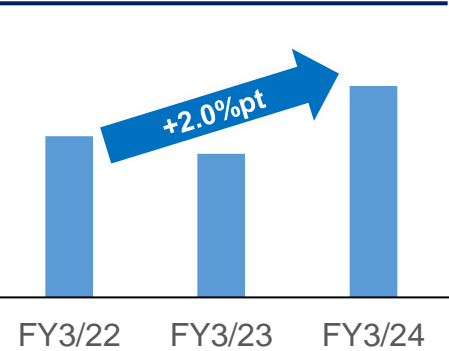
- Increased market share by targeting key existing customers and potential customers in each region
- Invested in manufacturing, engineering, and sales functions to strengthen competitiveness for further business growth

Share trends in the display cabinet business

NALA



Japan



- Business expansion of existing key customers
- Cultivating customers in growing business fields
- Improved profitability by expanding sales of higher margin products

Investments focused on future growth

Factory expansion/sales promotions

Expanding the Mexico plant to improve production capacity & productivity



Promotional trailers for the mobile exhibition featuring the new display cabinet



New display cabinet

RE Series
(Launched in Japan in Sep. 2024)

RE
SERIES



- Expansion of storage capacity to display more products
- Improved energy-saving performance with VIG energy-saving doors*
- Received the Good Design Award in Japan for 2024

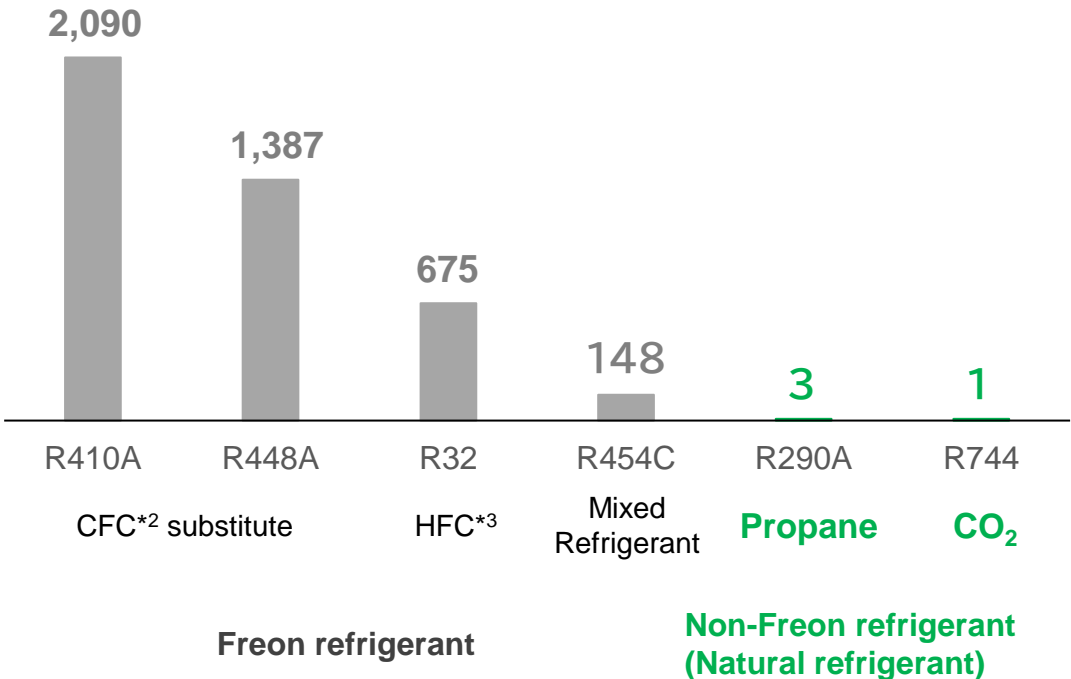
*VIG: Vacuum Insulated Glass, used only for certain models

1. Progress of the current medium-term strategy

Environmental Performance of CO₂ Refrigerants

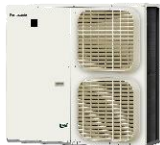
- CO₂ is a greenhouse gas, but its greenhouse effect when released into the atmosphere is significantly lower than that of fluorocarbon
- By replacing traditional Freon refrigerants with CO₂ refrigerants, greenhouse gas emissions can be significantly reduced

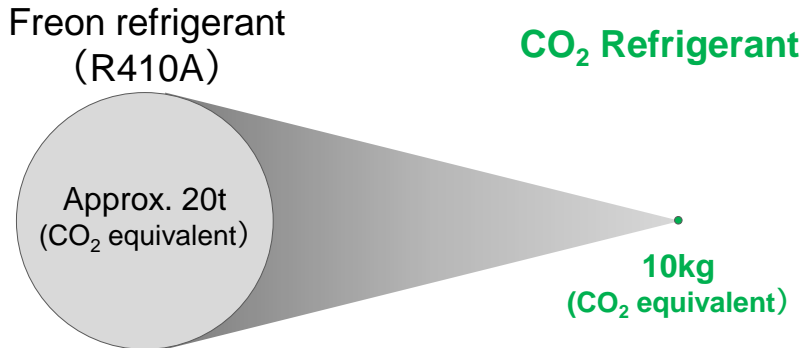
GWP*1 by refrigerants



Environmental contribution of CO₂ refrigerant

Greenhouse gas emissions

Ex.)  Small refrigeration system
Refrigerant usage: 10kg



*1 GWP: Global Warming Potential
*2 CFC: Chlorofluorocarbon
*3 HFC: Hydrofluorocarbon

1. Progress of the current medium-term strategy

Initiatives and Achievements of Refrigeration System & Service Business

■ Refrigeration system:

Japan & Europe : Growth of small Non-Freon(CO₂) systems by capturing strong demand for natural refrigerants

NALA: Began expanding our Non-Freon(CO₂) systems business in addition to propane refrigerants

■ Service: Expansion of service business by leveraging high MIF* mainly in NALA and Japan

Refrigeration system business

For small supermarkets

- Increased sales capturing CO₂ refrigerant demand for Japanese market
- Increased exports of Japan-made Non-Freon(CO₂) refrigeration system to Europe
- Launched propane refrigeration systems in NALA



For large supermarkets

- High-horsepower type introduced for large-scale stores and warehouses
- Sales of in-house large Non-Freon(CO₂) refrigeration system



Service business

Business expansion

- Expanded service & maintenance businesses for existing customers
- Captured service & maintenance businesses for other companies' products
- Expanded spare parts sales



Strengthening of business foundation

- Promoting industry-academia collaborative development program
- Opened in-house training center
- Strengthen IoT maintenance service



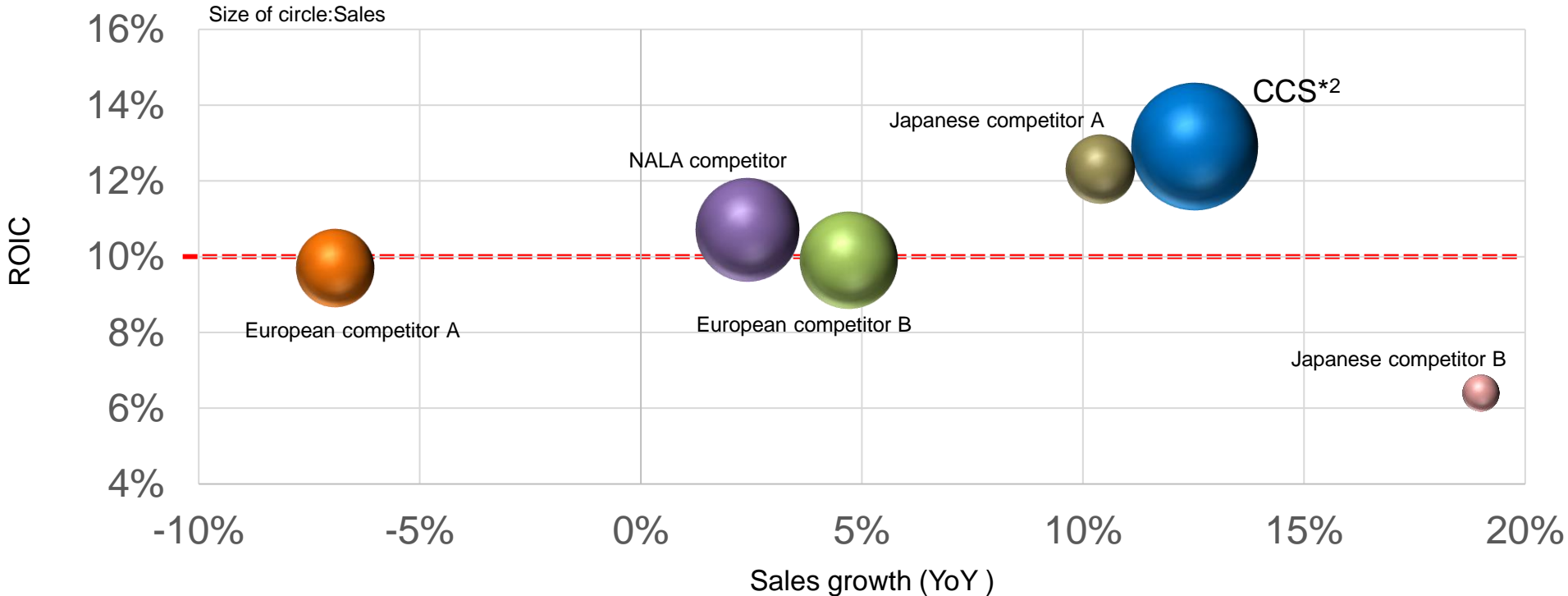
* Machine in the field(number of units in the market)

1. Progress of the current medium-term strategy

Market Landscape for Commercial Refrigeration (CR)*1 Industry

- In a stable profit industry, competitors have more than 10% ROIC
- Strengthen business competitiveness by investing within own CF
- Real competitors are European companies accelerating global expansion

Sales/ROIC analysis by competitor in FY3/24 (estimated by Panasonic)



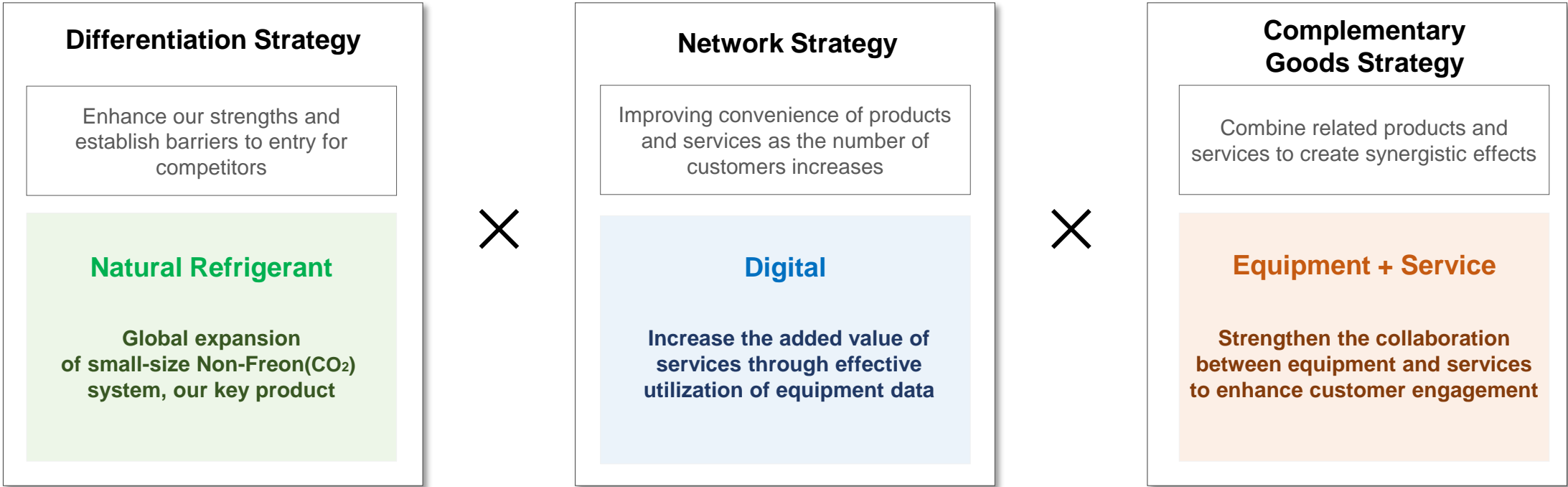
*1: Commercial Refrigeration: display cabinet, refrigeration system, kitchen equipment, service, etc. Competitors are selected from those who focus mainly on showcas business

*2: ROIC: Special factors (related to Hussmann acquisition) are excluded

2. Direction of the next medium-term strategy

Key Strategies for the Next Medium-term

- Aim for high profitability by combining differentiation strategy, network strategy, and complementary goods strategy

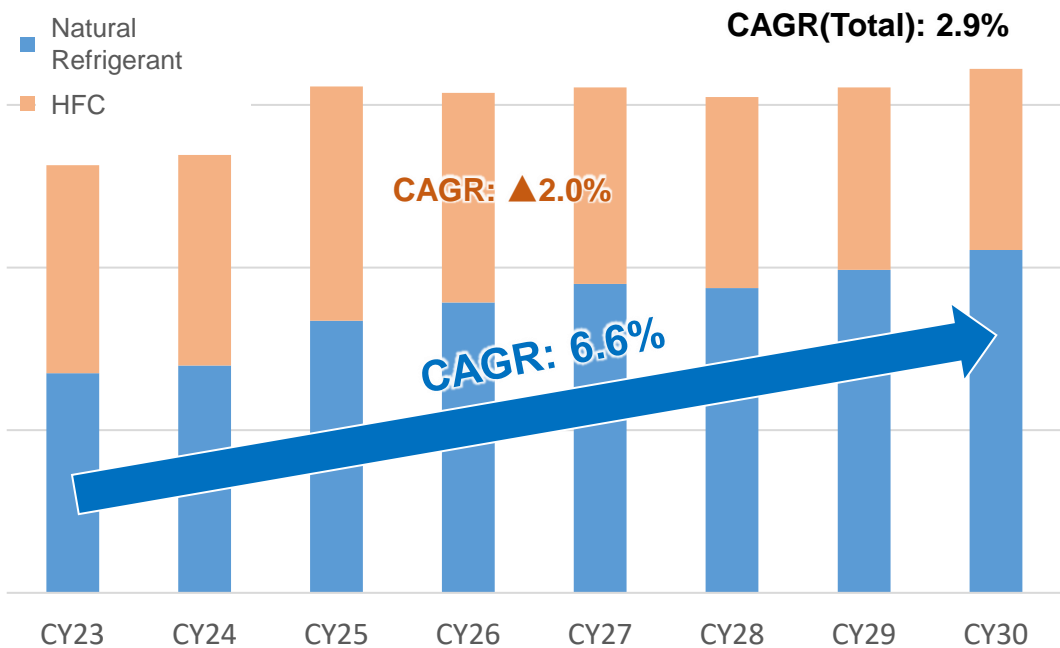


2. Direction of the next medium-term strategy

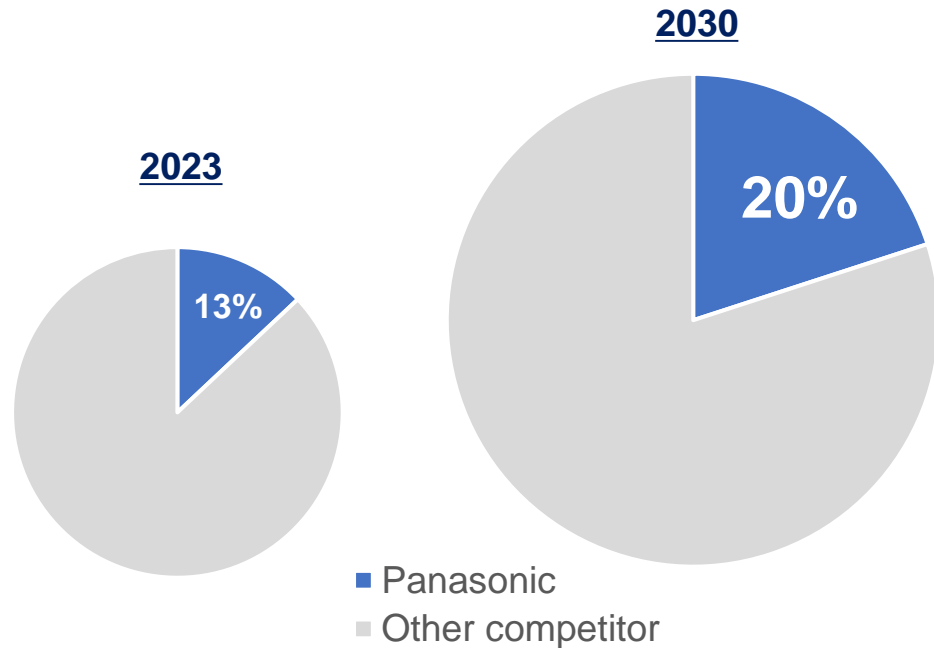
Industry Trends and Market Share of Natural Refrigerants

- Natural refrigerant demand expands at a CAGR of 6.6% toward 2030
- Aim at 20% global market share in 2030 (vs. 13% in 2023)

Refrigeration system demand trends (US, Japan, Europe and Oceania) *1



Refrigeration system market share forecast (US, Japan, Europe and Oceania) *2



*1: Data is estimated by Panasonic to analyze demand for Panasonic's focus regions (US, Japan, Europe, and Oceania). CAGR is calculated from CY23 to CY30. Natural Refrigerant includes Non-Freon(CO₂) refrigeration system (large, medium, and small-size in total)

*2: Size of circle (estimated by Panasonic): Panasonic's market share in refrigeration system (HFC+CO₂) in its focused regions (US, Japan, Europe, and Oceania)

2. Direction of the next medium-term strategy

Strengthening Competitiveness of Natural Refrigerants

- Accelerating global sales of Japan-made small-size Non-Freon(CO₂) refrigeration systems
- Expanding non-freon line-up in NALA to meet a wide range of customer needs
- Strengthening business base in Europe, the main market of Non-Freon(CO₂) refrigeration systems

Global collaboration

Europe

Expanding sales of Japan-made small-size Non-Freon(CO₂) system



Strengthening business base by local production in Europe



Japan

Developing new customers + global expansion



NALA

Expanding lineup of non-freon systems

Large-size CO₂ system



Small-size CO₂ system



Propane system



Strengthening business base in Europe

Acquisition of refrigerators manufacturer *

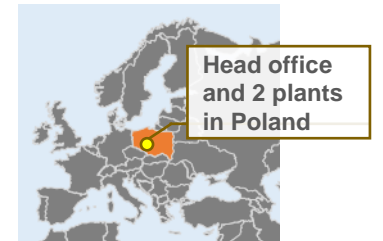
- Local response to growing demand for environmentally friendly products
- Penetrating market with early adaptation to European customer needs
- Pursuing synergies through a trilateral structure of Japan, NALA, and Europe

Company to be acquired

Company: Area Cooling Solutions Sp. z.o.o.

Business: Development, production, and sales of industrial and commercial refrigeration system

Estimated market share: Top position in Europe combining with our company market share (Small-size Non-Freon(CO₂) system)



* Agreement to acquire all shares of Area Cooling Solutions (July 2024)

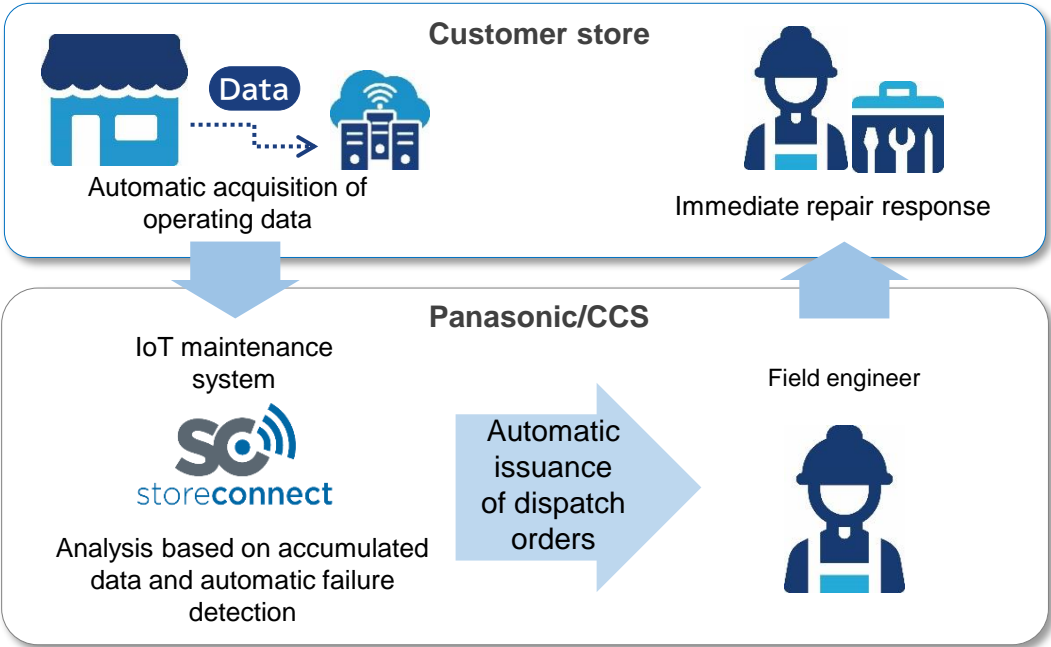
2. Direction of the next medium-term strategy

Accelerating Business with Digital Capability

- Contributing to cost reduction and productivity improvement for customer stores through the digitalization of service support and customer operations

Reduction of loss cost

Automating failure detection and quick response to reduce store downtime



Improvement of productivity

Spare parts business

Simplify parts order flow by shifting to web-based system and shorten delivery time



Electronic shelf labels business

Reduce workload for changing shelf labels by switching to electronic shelf labels at large stores

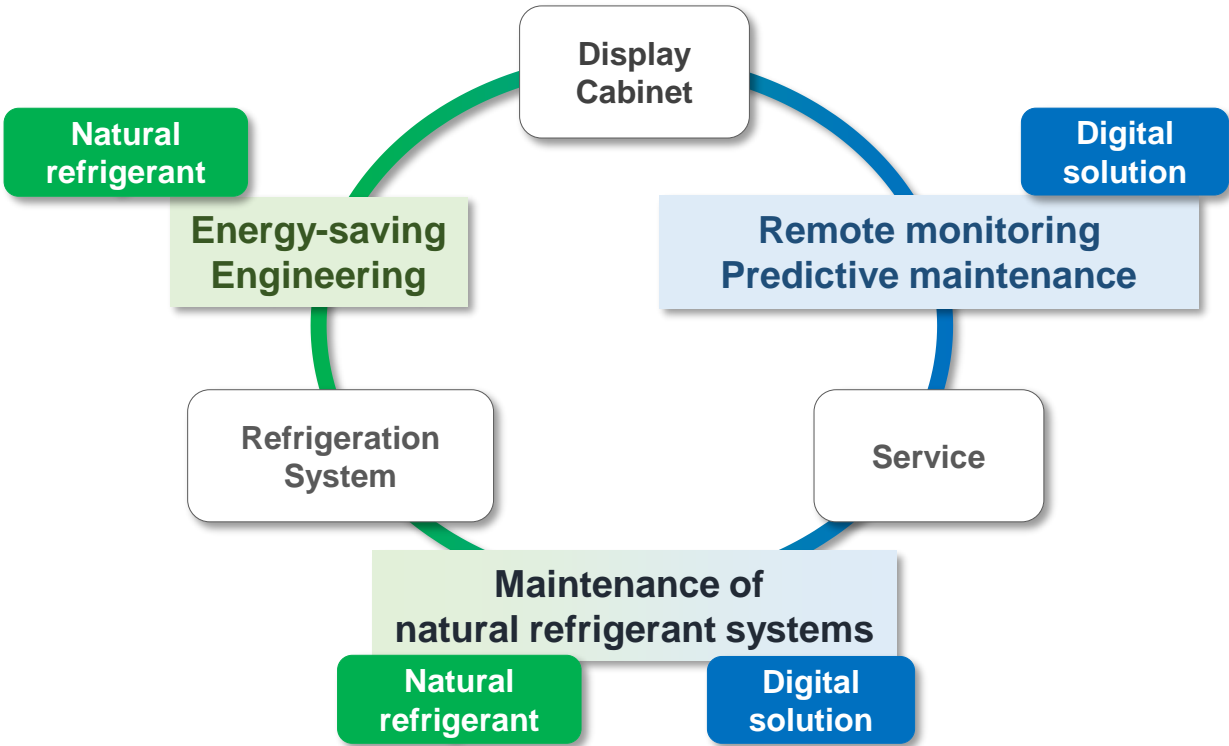


2. Direction of the next medium-term strategy

Strengthening Collaborative Proposals between Equipment and Service

- Promoting integrated solution proposals leveraged by natural refrigerants and digital technologies across three businesses (display cabinet, refrigeration system, and service)
- Establishing a competitive advantage in key regions such as NALA and Japan, and building a robust business model

Business model for commercial refrigeration (CR) business



Position of Panasonic/CCS in CR industry

★★:Leading position ★☆:Business exists —: No business (Analysis by Panasonic)

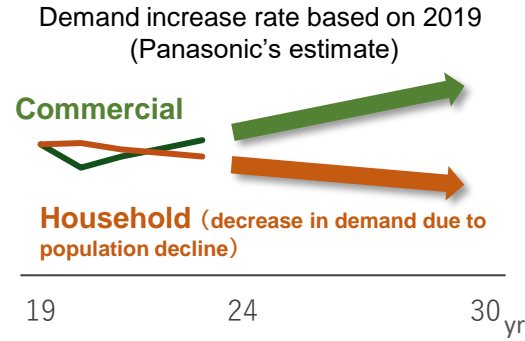
Region	Company	Display Cabinet	Refrigeration System	Service
NALA	Panasonic/ CCS	★★	★☆	★★
	Competitors	★☆	★★	★☆
Japan	Panasonic/ CCS	★★	★★	★★
	Competitors	★★	—	★☆
Europe	Panasonic/ CCS	—	★☆	—
	Competitors	★★	★☆	★☆

2. Direction of the next medium-term strategy

Growth Strategy for Kitchen Equipment Business

- Capturing growing market demand for kitchen equipment due to the expansion of the food service industry
- Enhancing customer engagement through integrated proposals with display cabinets and refrigeration systems for customer stores

Market outlook for kitchen/cooking equipment in Japan



Major factors for increase of commercial demand in Japan

- Growing inbound related demand
- Increase in food service spending
- Growth in demand for frozen foods
- Revitalization of local economics

Launch of new commercial fridge (Scheduled for Apr. 2025)



- Industry-leading energy-saving performance*
- Adaptability to diverse kitchen layouts
- Good Design Award in Japan for 2024

* Comparison of commercial fridges with other company's products of equivalent size to the "LV Series" (as of Oct. 2024, our estimate)

Integrated proposals with display cabinets and refrigeration systems (e.g. Convenience store)

One-stop proposals for equipment both inside/outside of stores with a wide range of products

Store	Kitchen / Backyard	Outdoor
<p>Display cabinets</p>	<p>Commercial fridges Ice machine Chest freezer</p>	<p>Refrigeration system</p>

Toward further growth

Overseas expansion of kitchen equipment business

- Strengthen business to capture the rapidly growing market in Asia
- Strengthen collaborations with Japanese convenience stores and food service industry

Contribution to the food value chain

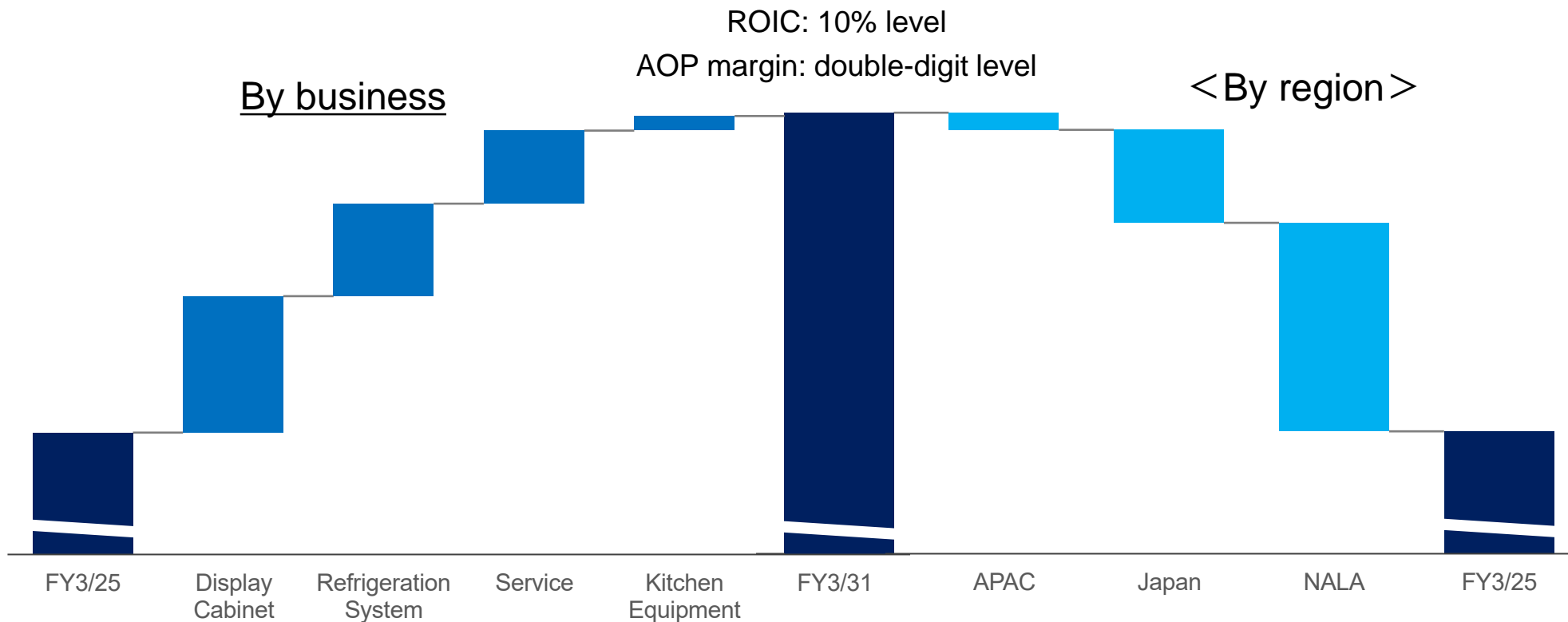
- Provide fresh foods by connecting producers and consumers
- Contributing to the reduction of food loss

2. Direction of the next medium-term strategy

Medium- to Long-term Financial Outlook

- Maintaining ROIC at a level of 10% to match cost of capital, and aim to increase sales and profits
- Enhancing profitability through the execution of key strategies, aiming for double-digit profit margins by 2030

Profit contribution by business/region for CCS (Adjusted OP)



Executive Summary

Becoming Global No.1 Company in CR Industry

Supporting customers' businesses in the food industry, while contributing to reduction of environmental impact and improving productivity of society as a whole

- ✓ Achieving high profitability through a hybrid strategy of differentiation, network, and complementary goods strategies
- ✓ Capturing the expanding demand for natural refrigerants and accelerating the market share of Non-Freon(CO₂) refrigeration systems
- ✓ Developing digital solutions that contribute to increased sales and cost reductions for customers' stores
- ✓ Proposing integrated solutions of display cabinets, refrigeration systems, and services, leveraged by natural refrigerants and digital technologies
- ✓ Aiming for a double-digit profit margin by FY3/31 while maintaining ROIC at 10% level, with a focus on expanding sales and profits

Panasonic

Disclaimer Regarding Forward-looking Statements

This presentation includes forward-looking statements about Panasonic Holdings Corporation (the "Company") and its Group companies (the "Panasonic Group"). To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the Panasonic Group in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause the Panasonic Group's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. The Company undertakes no obligation to publicly update any forward-looking statements after the date of this presentation. Investors are advised to consult any further disclosures by the Company in its subsequent filings under the Financial Instrument and Exchange Act of Japan (the "FIEA") and other publicly disclosed documents. The risks, uncertainties and other factors referred to above include, but are not limited to, economic conditions, particularly consumer spending and demands for corporate capital expenditures in the major markets including, but not limited to, the Americas, Europe, Japan, China and other Asian countries as well as changes of demands for a wide range of electronic products & parts from the industrial world and consumers in various regional markets; excessive currency rate fluctuations of the U.S. dollar, the euro, the Chinese yuan and other currencies against the yen having an impact on costs and prices of the Panasonic Group's products & services as well as certain other transactions that are denominated in these foreign currencies; increased costs of or limitations on raising funds, because of changes in the fund raising environment including interest rate fluctuations; current or future political or social trends in and outside Japan or changes in rules & regulations of international trade, commerce, R&Ds, production or sales having impact on the Panasonic Group or the business activities in its supply chain; introduction or enhancement of rules & regulations or abolition or reduction of tax benefit or subsidy related mainly to the environment issues including the climate change as well as to responsible supply chain (in terms of human rights, labor, health & safety global environmental conservation, information security, business ethics and others); increased costs resulting from a leakage of customers' or confidential information from IT systems of the Panasonic Group or its supply chain or business suspension caused by unauthorized access, cyberattacks or any other form of malicious actions on the IT systems or from vulnerability of network-connected products; failure to secure or retain enough workforces to execute its business strategy; failure to retain its competitiveness in a wide range of products & services or in major countries & regions; failure to produce expected results in alliances with other companies or M&A (mergers & acquisitions) activities; failure to produce expected results in current or future business transformations of the Panasonic Group; occurrence or lengthening of disruptions in its supply chain or logistics for or price hikes in parts & materials; downward price pressure or decrease in demands for the products at a level that can be offset with efforts by the Company; failure to respond to future changes in the market needs with technological innovations or to timely utilize new technologies such as AI (Artificial Intelligence); increased costs or losses caused by occurrence of events such as compliance violations (including those related to human rights or labor issues) or serious health & safety accidents in workplaces; increased costs or losses resulting from any defects or quality frauds in products or services of the Panasonic Group; infringement by third parties of intellectual property owned by the Panasonic Group or restrictions on the use of intellectual property owned by third parties; administrative/criminal penalties or compensations/damages claims resulting from violations of laws and regulations; large-scale natural disasters, global pandemics of infectious diseases, terrorism or wars; fluctuations in market prices of securities and other financial assets in which the Panasonic Group has holdings, excessive fluctuations of valuation of non-financial assets, including property, plant and equipment, goodwill and deferred tax assets, or changes or tightening of accounting policies or rules; The factors listed above are not all-inclusive and further information is contained in the most recent English translated version of the Company's securities reports under the FIEA and any other documents which are disclosed on its website.