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## Regarding Acquisition of Stock of Celeno Communications Inc.

**TOKYO, October 28, 2021** — Renesas Electronics Corporation (“Renesas”, TSE:6723), a premier supplier of advanced semiconductor solutions, today announced it has resolved at the Meeting of Board of Directors held on October 28, 2021 to acquire all outstanding shares in Celeno Communications Inc. (“Celeno”), to make Celeno a wholly-owned subsidiary of Renesas (“the Acquisition”). Celeno is a holding company of Celeno Communications Ltd., a semiconductor company which mainly operates its business in Israel.

### 1. Purpose of the Acquisition

Headquartered in Israel, Celeno offers a wide range of wireless communication solutions, including advanced Wi-Fi chipsets and software solutions, for high-performance home networks, smart buildings, enterprise and industrial markets. Its industry’s most compact chipset offerings for Wi-Fi 6 and 6E deliver exceptional Wi-Fi network performance and increased security with low latency and low power consumption. Celeno’s breakthrough [Wi-Fi Doppler Imaging technology](#), a Wi-Fi based, high-resolution imaging technology is ideal for home elderly care and assisted living, home security, safe driving and digital and connected factories. It depicts, tracks and analyzes the motion, behavior and location of people and objects using standard Wi-Fi, eliminating the need for multiple cameras or sensors in home environments and commercial buildings. As the world’s No.1 embedded processor supplier, Renesas offers a breadth of low-power MCU/MPU/SoC processors, wireless ICs, sensors and power management technologies. Celeno’s field-proven Wi-Fi and software capabilities are highly complementary to Renesas. The combination creates a comprehensive, end-to-end embedded solutions for addressing the fast-growing markets for low-power connectivity in IoT, infrastructure, industrial and automotive applications.

In addition to expanding the solution offering, the Acquisition also increases Renesas’ engineering and design scale with Celeno’s design center in Israel and by welcoming R&D staff based in Israel, Ukraine, India, China, Taiwan and more. This further strengthens Renesas’ global engineering and software development talent base, allowing Renesas to bring more seamless and expanded services to customers around the globe.

### 2. Acquisition Method

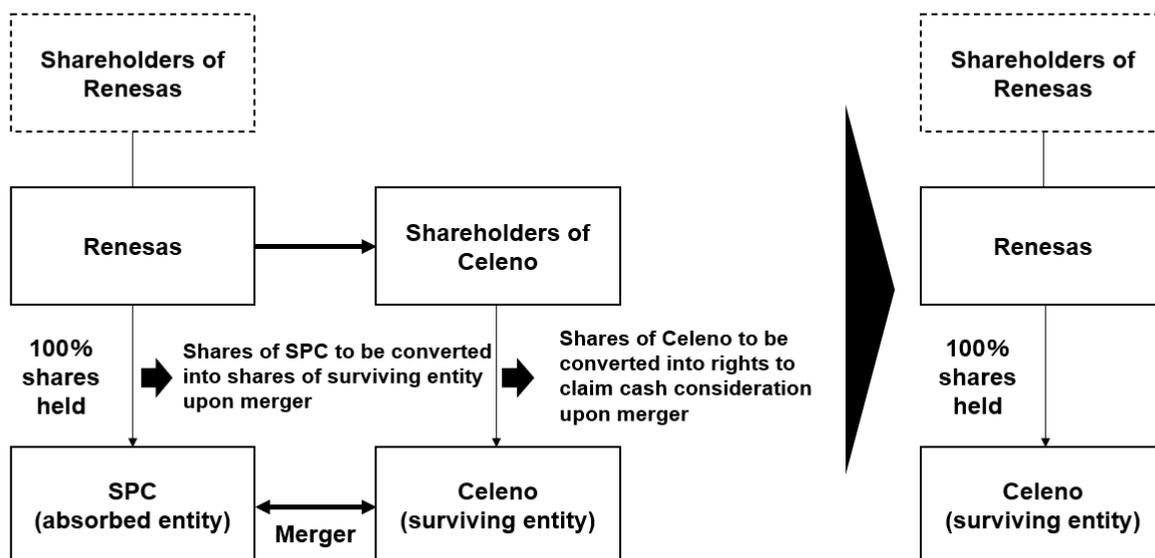
For the purpose of the Acquisition, Renesas will establish a wholly-owned subsidiary (“Acquisition Subsidiary”) in Delaware, United States which will then merge with Celeno in a reverse triangular merger. Celeno will be the surviving company following the merger. Cash will be issued for Celeno’s shareholders as consideration for the merger. The shares of the Acquisition Subsidiary owned by Renesas will be converted into outstanding shares in the surviving company, making the surviving company a wholly-owned subsidiary of Renesas. The Acquisition will take effect following approval by Celeno shareholders and the fulfilment of the customary closing conditions pertaining to the merger agreement.

Renesas will acquire Celeno in an all cash transaction valued at approximately US\$315 million (approximately 35.9 billion yen at an exchange rate of 114 yen to the dollar). This includes US\$45 million (approximately 5.1 billion yen) which will be paid upon the satisfaction of certain conditions as set forth in the merger agreement relating to Celeno’s future product development and mass production progress.

### 3. Transaction Scheme

<Changes following the Transaction>

<After Transaction>



\* SPC: Special Purpose Company

### 4. Overview of Transferred Subsidiary

Overview of Celeno

(1)	Name	Celeno Communications Inc.																
(2)	Address	Dover, Delaware, United States of America																
(3)	Name and title of representative director	Founder, President & CEO: Gilad Rozen																
(4)	Type of business	Holding company																
(5)	Capital	142,207 thousand US\$ (as of the end of December 2020)																
(6)	Established	March 2005																
(7)	Major shareholders and their ownership ratios	<table border="0"> <tbody> <tr> <td>Pitango Venture Capital Fund IV, L.P. and affiliated companies</td> <td>14.44%</td> </tr> <tr> <td>Greylock Israel L.P.</td> <td>11.05%</td> </tr> <tr> <td>Misara Investments Limited</td> <td>9.80%</td> </tr> <tr> <td>Red Dot Capital Partners, L.P.</td> <td>9.53%</td> </tr> <tr> <td>Gilad Rozen</td> <td>8.01%</td> </tr> <tr> <td>VINTAGE CO-INVESTMENT FUND I (CAYMAN), L.P. and affiliated companies</td> <td>6.12%</td> </tr> <tr> <td>OurCrowd (Investment in CLN) L.P. and related companies</td> <td>5.65%</td> </tr> <tr> <td>Yedid Investments, LLC</td> <td>5.33%</td> </tr> </tbody> </table>	Pitango Venture Capital Fund IV, L.P. and affiliated companies	14.44%	Greylock Israel L.P.	11.05%	Misara Investments Limited	9.80%	Red Dot Capital Partners, L.P.	9.53%	Gilad Rozen	8.01%	VINTAGE CO-INVESTMENT FUND I (CAYMAN), L.P. and affiliated companies	6.12%	OurCrowd (Investment in CLN) L.P. and related companies	5.65%	Yedid Investments, LLC	5.33%
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(8) Ties between Renesas and Celeno	Capital ties	There are no relevant capital ties between Renesas and Celeno. Further, there are no relevant capital ties between persons or companies related to Renesas and persons or companies related to Celeno.
	Personal ties	There are no relevant personal ties between Renesas and Celeno. Further, there are no relevant personal ties between persons or companies related to Renesas and persons or companies related to Celeno.
	Transactional ties	There are no relevant transactional ties between Renesas and Celeno. Further, there are no relevant transactional ties between persons or companies related to Renesas and persons or companies related to Celeno.

(9) Consolidated business performance and consolidated financial status of Celeno over the most recent three years (thousand US\$ unless otherwise noted)			
Accounting period	FY2018	FY2019	FY2020
Consolidated net assets	2,444	-4,490	-1,728
Consolidated total assets	23,155	13,900	24,203
Consolidated revenue	41,739	22,745	37,038
Consolidated operating profit	-9,769	-12,811	-8,607
Consolidated income before tax	-10,279	-13,315	-9,036
Consolidated net income	-10,323	-13,344	-9,042
Net income per share (US\$)	-0.04	-0.05	-0.03
Dividend per share (US\$)	–	–	–

Overview of Celeno Communications Ltd.

(1) Name	Celeno Communications Ltd.	
(2) Address	Ra'anana, Israel	
(3) Name and title of representative director	Founder, President & CEO: Gilad Rozen	
(4) Type of business	Development and sale of connectivity devices such as Wi-Fi 5, Wi-Fi 6 and IoT chipsets	
(5) Capital	Less than one thousand ILS (as of the end of December 2020)	
(6) Established	March 2005	
(7) Major shareholders and their ownership ratios	Celeno Communications Inc.	100.0%
(8) Ties between parties	Capital ties	There are no relevant capital ties between Renesas and Celeno Communications Ltd. Further, there are no relevant capital ties between persons or companies related to

		Renesas and persons or companies related to Celeno Communications Ltd.
	Personal ties	There are no relevant personal ties between Renesas and Celeno Communications Ltd. Further, there are no relevant personal ties between persons or companies related to Renesas and persons or companies related to Celeno Communications Ltd.
	Transactional ties	There are no relevant transactional ties between Renesas and Celeno Communications Inc. Further, there are no relevant transactional ties between persons or companies related to Renesas and persons or companies related to Celeno Communications Ltd.

#### 5. Number of Shares to Be Acquired, Acquisition Price, and Share Ownership Before and After Acquisition

(1) Shares owned before transfer	0 shares (Number of shares with voting rights: 0 shares) (Ownership percentage: 0.0%)
(2) Number of shares to be acquired	267,386,906 shares (Note 1) (Percentage of outstanding shares: 100.0%)
(3) Acquisition price	Approximately US\$315 million (approximately 35.9 billion yen) (Note 2)
(4) Shares owned after transfer	267,386,906 shares (Note 1) (Ownership percentage: 100.0%)

Note 1: Based on the number of shares on a fully-diluted basis as of July 31, 2021. As indicated in 2. Acquisition Method and 3. Transaction Scheme, the number of shares represent the Renesas' SPC shares that will be converted into Celeno's outstanding shares.

Note 2: Including the US\$45 million (approximately 5.1 billion yen) which will be paid when certain conditions related to Celeno's future product development and mass production progress are met.

#### 6. Schedule

(1) Renesas Board approval	October 28, 2021
(2) Celeno Board approval	October 28, 2021
(3) Conclusion of merger agreement	October 28, 2021
(4) Effective date of conversion of shares	Estimated within 4Q of the fiscal year ending December 31, 2021

#### 7. Future Outlook

As a result of this Acquisition, Celeno will become a consolidated subsidiary of Renesas. It is expected that the impact on the fiscal 2021 consolidated performance of the Renesas Group

will be limited. Should there be any updates as the Acquisition proceed, it will be disclosed in a timely manner.

Note: the exchange rate used is calculated based on the rate of 114 yen per US\$ and 0.3 US\$ per ILS as of October 25, 2021.

### **Cautionary note regarding forward-looking statements**

This announcement may contain certain statements that are, or may be deemed to be, forward-looking statements with respect to the financial condition, results of operations and business of Renesas and/or Celeno and/or the combined group following completion of the Acquisition and certain plans and objectives of Renesas with respect thereto. These forward-looking statements can be identified by the fact that they do not relate to historical or current facts. Forward-looking statements also often use words such as 'anticipate', 'target', 'continue', 'estimate', 'expect', "forecast", 'intend', 'may', 'plan', 'goal', 'believe', 'hope', 'aims', 'continue', 'could', 'project', 'should', 'will' or other words of similar meaning. These statements are based on assumptions and assessments made by Renesas and/or Celeno (as applicable) in light of their experience and perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this announcement could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement.

Forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. Neither Renesas nor Celeno undertakes any obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise, except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business and competitive environments, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. If any one or more of these risks or uncertainties materializes or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors.

No member of the Renesas group or the Celeno group nor any of their respective associates, directors, officers, employers or advisers, provides any representation, assurance or

guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

Except as expressly provided in this announcement, no forward-looking or other statements have been reviewed by the auditors of the Renesas group or the Celeno group. All subsequent oral or written forward-looking statements attributable to any member of the Renesas group or the Celeno group, or any of their respective associates, directors, officers, employers or advisers, are expressly qualified in their entirety by the cautionary statement above.

### **About Renesas Electronics Corporation**

Renesas Electronics Corporation ([TSE: 6723](#)) delivers trusted embedded design innovation with complete semiconductor solutions that enable billions of connected, intelligent devices to enhance the way people work and live. A [global](#) leader in microcontrollers, analog, power, and SoC products, Renesas provides comprehensive solutions for a broad range of automotive, industrial, infrastructure, and IoT applications that help shape a limitless future. Learn more at [renesas.com](#). Follow us on [LinkedIn](#), [Facebook](#), [Twitter](#), and [YouTube](#).

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