Chapter 1

Executive Summary

Mission, Vision, & Values

At PHC Group, we believe nothing is more important than health.
From specialized medical equipment to health IT systems to research tools,
our brands help people make better healthcare decisions and deliver higher-quality care.
Our goal is a future where high-quality healthcare is accessible to all.
We partner with scientists and medical professionals
to provide precision healthcare technology where it is needed most.
Together we are powering the future of healthcare.

MISSION

We contribute to the health of society through our diligent efforts to create healthcare solutions that have a positive impact and improve the lives of people.

VISION

Be a leader in precision technology that powers the future of healthcare.

VALUES

Curiosity

- We seek to expand our understanding of the world and welcome inspiration from all sources.
- We continually ask how we can better serve our customers.

Courage to Act

- We challenge ourselves to unlock our true potential.
- We encourage one another to take on new challenges.

Respect & Collaboration

- We thrive as a global team—One PHC—based on mutual respect.
- We exchange and embrace diverse perspectives across borders and disciplines.

Integrity

- We prioritize ethical behavior above all else.
- We hold ourselves to the highest standards of honesty, fairness, and transparency.

Significance and Positioning of Our Vision and Values

In November 2024, PHC Group announced a new vision—"Be a leader in precision technology that powers the future of healthcare"—to coincide with the launch of our Value Creation Plan 2027.

Our strength is precision technology used throughout the healthcare journey, from basic research to development, design, and high-quality manufacturing of products and services. This is the legacy handed down throughout our history to each PHC Group company, starting with our founding as Matsushita Kotobuki Electronics. By leveraging this strength, we aim to contribute to a society where high-quality healthcare is accessible to everyone. We do this by supporting the work of healthcare professionals and researchers, building trust, and fostering co-creation. Through these efforts, we aspire to become an indispensable presence in the medical and healthcare sectors.

We also established a new set of values to help us realize this vision. These values serve as the guiding principles for all PHC Group employees, forming the foundation for achieving our goals and driving our collective success.

In this year's Integrated Report, we focus on precision technology, PHC Group's key strength, and explain it from a variety of perspectives.

CEO's Letter

Growing PHC Group into a Recognized Leader in Precision Technology for Healthcare

1. "One PHC"— From Principle to Practice

Fiscal year 2025 was a year in which PHC Group put our Value Creation Plan 2027 into practice to achieve the new vision we announced in November 2024. As the first year of the plan, we fulfilled our promises one by one, and I feel a strong sense of accomplishment that we have started to transition our slogan "One PHC" from a declaration of mindset into everyday business practice.

Since I was appointed Group CEO in April 2024, I have focused my efforts on instilling our mission, vision, values, and the "One PHC" concept across our connected businesses. PHC Group is a global healthcare enterprise that originated in Japan and has grown through M&A and business integration. The fact that each PHC Group business has grown as part of this enterprise while also valuing its unique culture, background, and business characteristics is a major asset of the Group. It is also because of these distinctive characteristics, however, that PHC Group as a whole has not always seen clearly what we aspire to become.

I have worked to clearly define the positioning of PHC Group and to build a foundation for co-creation that combines our diverse knowledge and resources across business domains and regions.

The precision technology solutions we provide have many different points of contact with customers and end users within the medical, health, and research sectors, in the fields of monitoring (prevention, prognosis, and management); testing, diagnosis, and treatment; and research and development. I believe that by organically connecting these contact points we can generate even greater value.

To make this possible, over the two years since becoming CEO, I have visited our major sites in approximately 10 countries, including Japan, the United States, and countries across Europe and Asia. During these trips I have met and talked directly with more than 1,000 employees one-on-one and in roundtable discussions. Rather than one-way communications where executives speak and employees listen, I sought to better understand what employees think about the policies conveyed by management and to learn about issues and opinions that may not be visible from headquarters. The objective of this dialogue was to create mutual visibility between management's perspective and employees' day-to-day realities.

When each employee fully understands where PHC Group is headed, what that direction means to them personally, and how their individual roles contribute to the Group's success, the collective strength of our approximately 9,000 employees becomes a more powerful driving force for growth. In fiscal years 2024 and 2025, we worked to strengthen the foundations of this understanding.

As part of these efforts, I have prioritized observing daily operations at our major manufacturing sites. In my visits to major plants in North America, Japan, Indonesia, and China, I was struck again and again by the breadth of technological expertise and capabilities of PHC Group. At the same time, I also learned much about how we can deploy these technologies to reach more people around the world.

At the monthly global town hall meetings I host for all PHC Group employees, I share information about the latest business

Kyoko Deguchi
President, Representative Director, and CEO
PHC Holdings Corporation

K. Deguchi

developments throughout the Group as well as practical examples of our values in action and powerful synergies created across businesses. Simply talking about "One PHC" as a concept will not by itself create a unified organization. Rather, making tangible changes and results in the workplace on a daily basis and ensuring they are visible to every business and region is crucial to building our corporate culture.

In Japan, for example, bringing two nearby sales teams together to share office space facilitated natural information sharing, cross-selling opportunities and joint participation at industry exhibitions between our former IVD and Biomedical businesses, which now make up our Life Sciences business. After this initiative was introduced during a global town hall meeting, interest in similar efforts spread to other regions. In the United Kingdom, members of the Pathology and the former Biomedical businesses voluntarily formed a joint team that is now generating new sources of revenue.

By repeatedly showcasing and sharing these examples, employees across the Group have come to recognize that creating synergies begins with cultivating the right mindset and that opportunities to collaborate exist everywhere. This has created a shift from a focus on optimizing individual companies to the creation of value throughout the Group as a whole. I believe that the emergence of these ripple effects was a major step forward in fiscal year 2025.

These changes do not happen through a single communication. What matters is consistently delivering messages that are both simple and compelling. In 2024, there were times when I felt as though I was carrying the One PHC banner alone. However, thanks to the strong support of colleagues across the organization, including our corporate communications and human resources teams, the message continued to spread. By 2025, employees across our businesses and locations had begun taking action on their own initiative. This transformation gives me tremendous confidence in the direction of PHC Group.

2. Leveraging Employee Feedback to Drive Organizational Change

In fiscal year 2025, approximately 9,300 employees participated in our annual engagement survey, and we received more than 86,000 comments. To me, the volume of feedback reflects our employees' strong commitment to PHC Group and their desire to help shape its future.

Over the past several years, PHC Group has undertaken strategic business integrations and organizational restructuring. During periods of change, strong relationships between employees, their supervisors, and their colleagues become even more important. To support those relationships, our Human Resources and other functions have introduced ongoing training programs and opportunities for dialogue. The engagement survey results indicate that we still have opportunities to improve, particularly in strengthening dialogue between management and employees, supporting individual career development, and demonstrating visible actions in response to employee feedback.

Efforts to improve employee engagement are not simply about achieving higher survey scores. Rather, they are about creating an environment where employees find purpose and fulfillment in their work, understand how they contribute to PHC Group's direction, and feel empowered to take initiative and reach their full potential. I believe these efforts will contribute not only to stronger business performance, but also to sustainable growth and long-term corporate value creation.

3. Progress in the First Year of Value Creation Plan 2027 and Strengthening Our Growth Foundations

Fiscal year 2025, the first year of Value Creation Plan 2027, was an important year in building a strong management foundation for future growth.

PHC Group's revenue reached JPY 364.4 billion and operating profit totaled JPY 22.7 billion, both increases from the previous fiscal year and reached record highs since our listing in 2021. While favorable foreign exchange rates contributed to these results, operating profit also exceeded the earnings forecast that we revised upward during the fiscal year. Delivering steadily on the commitments we made to our stakeholders in the first year of the plan represents an important step toward future growth. As CEO, I believe it is our responsibility to translate the goals we set into action and tangible results.

In Value Creation Plan 2027, we have consolidated our priorities for the three years through fiscal year 2027 into the following three areas:

1. Structural reform to strengthen the profit base
2. Improve portfolio management
3. Focus on Diagnostics & Life Sciences

With respect to structural reform, we seek total profit improvement of JPY 8.0 billion to JPY 12.0 billion by fiscal year 2027. In fiscal year 2025, we generated JPY 3.1 billion in profit improvement, putting us firmly on track to achieve our goals. Initiatives include consolidating sales offices and warehouses, integrating organizations, and advancing global procurement. In procurement, we are shifting from optimizing activities at individual companies to pursuing group-wide sourcing. Involving procurement teams from the earliest stages of product development is already helping us create products that combine high performance with strong cost competitiveness.

In improving portfolio management, we evaluate each business through the dual lenses of ROIC and growth potential. By optimizing the allocation of management resources across the portfolio, we aim to achieve sustainable growth and enhance corporate value over the long term.

In fiscal year 2025, we advanced the development of methodologies for calculating and managing ROIC, and beginning in fiscal year 2026, we have enhanced monitoring at the individual business level. As one outcome of these efforts, we completed the transfer of the Eversense® continuous glucose monitoring (CGM) commercial business in fiscal year 2025. We continue to view Eversense® as a product with significant growth potential and have invested in its development over many years. However, after carefully assessing the scale of future investments required, the expected returns, and the strategic alignment of the business with the areas on which PHC Group should focus on its resources, we decided to proceed with the divestiture.

Pursuing innovation and maintaining bold ambitions for the future are important drivers of corporate growth. At the same time, management has a responsibility to determine best to allocate limited resources to support the sustainable growth of the Group as a whole. I believe this decision represents a concrete example of our commitment to stronger portfolio management and symbolizes our shift toward a management approach that balances capital efficiency with growth potential.

To support future growth, we established the Core Technology Laboratory (CoreTech Lab) in April 2026. The laboratory is responsible for creating the core technologies that will underpin the Group's future growth. PHC Group possesses a wide range of advanced technologies, including sensing, fluid control, specimen processing, preservation and cultivation, and digital technologies. Through the CoreTech Lab, we will accelerate the development of next-generation technologies, particularly in the Diagnostics & Life Sciences domain, creating new growth opportunities and contributing to the enhancement of corporate value over the mid- to long-term.

The former Biomedical business, now part of our Life Sciences business, has built a strong reputation among researchers and healthcare professionals through products such as ultra-low temperature freezers and CO_2 incubators. However, these products are designed to be used for long periods of time and are not subject to frequent replacement, making it important for us to develop the next pillars of growth. Going forward, we will seek to increase the share of recurring revenue that comes from consumables and services while advancing into areas where we can expect growth, such as the CGT field and digital pathology. To do this, it will be crucial that we connect technologies and expertise across businesses and create systems that can promote technology development throughout the Group.

The establishment of the CoreTech Lab is one example of our investment in future growth. By placing this laboratory at the center of our innovation efforts, we will continue developing the technologies that will drive the next stage of PHC Group's growth.

4. The Power of "One PHC" Seen in Tariff Response

Fiscal year 2025 was also a year in which uncertainty in the business environment increased significantly. In the United States, research-related demand stagnated due to reductions in government funding, while changes in U.S. tariff policies had the potential to impact PHC Group significantly. In particular, responding to tariffs became an important management challenge, requiring us to reassess our manufacturing footprint to minimize the impact on profitability.

Transferring production between manufacturing sites is a complex task. It requires coordinating multiple factors including facilities, human resources, quality assurance, regulatory affairs, logistics, and supply chains while maintaining stable operations and product quality.

At that time, the leaders across our global manufacturing network and business units stepped up on their own initiative. What products should be manufactured at which plants to optimize the impacts of tariffs? Which sites have capacity, and which products can be transferred to them? PHC Group's manufacturing sites around the world worked together to assess conditions including capacity, labor costs, transportation costs, and supply chain status, and optimized manufacturing sites in just a few months.

Specifically, we advanced measures to rotate some production from China to the U.S. and from the UK to Indonesia, as we expanded capacity in the UK for new products. Furthermore, in addition to responding to tariffs, we worked to establish a structure capable of meeting the needs of the Chinese market as well by localizing production of solutions for use in China. Each manufacturing site and business units examined what they needed to do to achieve this and implemented the changes, including quality assurance and regulatory submissions, within a short period.

I believe this series of actions demonstrated the true strength of "One PHC." When a particular business was impacted by changes in the external environment, teams across the Group came together to pool their knowledge and resources and identify the best solution. Rather than focusing on what was optimal for individual businesses, people acted from the perspective of what was best for the Group as a whole, making the most effective use of limited management resources to support collective growth. Through this experience, I felt that this mindset has steadily taken root as part of our organizational culture.

Trade disruptions are certainly not desirable. However, it is precisely when we face unpredictable changes in the external environment that the true strength of an organization is tested. Responding to tariffs was an extremely challenging experience for PHC Group, but it also helped generate a new mindset in which each business stays alert to unforeseen external changes, proactively anticipates future developments, and takes action while complementing and supporting one another. Fiscal year 2025 was also a year in which we were able to reaffirm the strength of "One PHC."

5. Leveraging Precision Technologies to Drive Future Growth

The source of PHC Group's competitiveness lies in the precision technologies we have cultivated throughout our long history. Building on the manufacturing excellence inherited from the Matsushita Kotobuki Electronics era, we have accumulated a diverse range of technologies and know-how, including high-precision measurement technologies such as glucose sensing, life sciences and diagnostic equipment, as well as software and services that support digital transformation in healthcare. These capabilities are important assets that support our sustainable growth and differentiate us from our competitors.

One symbolic example of this strength is LiCellMo™, the live-cell metabolic analyzer launched in 2024. LiCellMo™ was created by integrating sensor technologies developed in the former IVD business and device development expertise cultivated in the former Biomedical business. Its ability to measure cellular metabolism in real time enables researchers to continuously monitor changes in cell activity without removing samples from the CO_2 incubator, capturing insights that conventional point-in-time measurements cannot. By reducing the risk of contamination associated with handling samples, LiCellMo™ also helps improve both the efficiency and quality of research and development.

Innovations born from this type of technological synergy have earned international recognition in fiscal year 2025 and stand as a testament to the technological capabilities of PHC Group.

I believe PHC Group possesses many technologies and areas of expertise that have yet to be fully leveraged. Going forward, uncovering these technological assets, connecting them across businesses and regions, and translating them into new products and services will be an important driver of our next stage

of growth.

PHC Group has established strong market positions across multiple business domains. In Japan, our Healthcare IT Solutions business holds the leading market share in electronic medical record systems for clinics and medical-receipt computers for clinics and hospitals*1. In our Life Sciences business, we hold the second-largest global market share in products such as ultra-low temperature freezers*2.

These positions reflect the trust our customers place in the quality of our products and services and provide a strong foundation for achieving our ambition to become the Group people turn to first in these fields.

In addition, products and services across PHC Group, including LiCellMo™, Epredia's E1000Dx Digital Pathology Solution, and the call center operations of our Healthcare IT Solutions business, have received numerous major awards and recognition. These achievements demonstrate that our technologies and services are competitive on a global stage. Encouraged by this recognition, we will continue connecting technologies and expertise across businesses and regions to create even greater value in the future.

*1 Source: Fuji Keizai Co., Ltd., "Current Status and Future Outlook of the Healthcare Collaboration and Healthcare Platform-Related Market, 2022." Based on 2020 company market share (unit basis) for medical billing computer systems (PHC results).

*2 Source: "Global Assessment of Life Science Lab Equipment Market 2025," Frost & Sullivan.

6. Transforming Sustainability Initiatives into Drivers of Growth

We also made steady progress in our sustainability initiatives during fiscal year 2025. Our non-fluorocarbon ultra-low temperature freezers and products designed to reduce electricity and water consumption are among our flagship offerings that help lower environmental impact. PHC Group views sustainability initiatives as a management foundation that supports sustainable growth, and we are advancing them as an integral part of our business operations. Building on the ESG data collection platform and Group-wide framework established in fiscal year 2024, we achieved validation of our greenhouse gas emissions reduction targets from the Science Based Targets initiative (SBTi) as planned in fiscal year 2025. In addition, our EcoVadis and CDP assessments exceeded the fiscal year 2027 target levels set in Value Creation Plan 2027 by two years. These efforts have not only enhanced our external evaluations but have also helped expand opportunities to participate in bids and win new business. Furthermore, our non-fluorocarbon ultra-low temperature freezers and energy- and water-efficient product portfolio contribute to reducing customers' environmental impact while also strengthening PHC Group's competitiveness.

7. Our Role in an Era of Aging Populations, Healthcare Personnel Shortages, and AI

The business environment surrounding us is undergoing profound change. As populations age and life expectancy increases around the world, the number of people living with diabetes and other lifestyle-related diseases, cancer, cardiovascular disease, and dementia is expected to continue rising, driving further growth in demand for healthcare services. At the same time, declining working-age populations are intensifying shortages of healthcare professionals, creating an urgent need to deliver high-quality healthcare sustainably for society despite limited healthcare resources.

These challenges are also becoming more evident in the pathology field. Amid growing shortages of pathologists and increasing concerns about excessive workloads, healthcare providers need more advanced workflows that improve both efficiency and quality in diagnostic operations. Reducing the burden associated with diagnostic processes while enabling faster and more accurate diagnoses contributes not only to improving working conditions for healthcare professionals but also to delivering better care for patients.

To help address these societal challenges, PHC Group will contribute to realizing sustainable healthcare by providing solutions that integrate medical devices, software, digital technologies, AI, and data. By leveraging our diverse touchpoints across medical and healthcare workflows, and the precision technologies we have cultivated over many years, we are working to improve diagnostic and treatment quality by increasing operational efficiency, reducing workloads for healthcare professionals, and minimizing the risk of human error in diagnosis and treatment.

Looking ahead, we will continue helping ensure that essential healthcare reaches the people who need it most, even amid healthcare workforce shortages. By improving healthcare quality and access while helping optimize healthcare costs, we will create value by addressing societal challenges while enhancing corporate value.

8. Becoming the Group People Turn to First in Our Fields

Our ambition is to be recognized by customers around the world as the partner they turn to first in the healthcare fields we serve. From ultra-low temperature freezers to electronic medical record systems for clinics, PHC Group's products and services have earned the trust and high regard of our customers. Yet we are far from satisfied with where we are today. I believe that the technological capabilities, expertise, and global business foundation we have built over many years hold significant value and potential that have not yet been fully realized or delivered to society.

We will connect the strengths developed across our businesses and regions, leverage the integration of technologies and expertise, and accelerate the creation of new value.

As we continue our journey of challenge and transformation, with the ambition of becoming the group people turn to first in the fields we serve, I invite you to look forward to the next stage of our growth.

PHC Group History & Evolution of Technology

As a partner supporting healthcare professionals and researchers, PHC Group has contributed to the advancement of medical treatment and healthcare for many years. Integrating our heritage with manufacturing excellence, we consistently deliver high-quality and trusted products and services.

1960- | 2000- | 2010- | 2015- | 2020- | 2025-

1941
Sales of BGM products by Miles Laboratories started

1991
BGM management business launched (Matsushita Kotobuki Electronics Co., Ltd.)

2016
Acquisition of diabetes care business from Bayer AG to establish Ascensia Diabetes Care Holdings AG

2020
The commercial operation of Eversense CGM system launched in collaboration with Senseonics Holdings, Inc.

2026
The commercial operation of Eversense CGM system transferred to Senseonics Holdings, Inc.

Diabetes Management Business

2023
IVD businesses of PHC Corporation and LSI Medience Corporation integrated

1966
Sales of pharmaceutical refrigerators started by Sanyo Iyou Kiki Hanbai Co., Ltd.

2012
Acquisition of the healthcare business from Sanyo Electric Co., Ltd.

Biomedical business launched in PHC Group

2018
PHCbi brand launched

Life Sciences Business

2026
Biomedical business and IVD business integrated and Life Sciences business launched

1972
Sanyo Electric Co., Ltd. launched the medical systems business

Medicom business launched in PHC Group

2023
Wemex Corporation began operations*2

Healthcare IT Solutions Business

1969
Founded as Matsushita Kotobuki Electronics Co., Ltd.

2010
Renamed as Panasonic Healthcare Co., Ltd.

2014
Carved out from Panasonic Group, started operations as Panasonic Healthcare Holdings Co., Ltd.

2018
Corporate brand changed from Panasonic Healthcare to PHC and business brand established

2021
PHC Holdings Corporation listed on the First Section (Currently Prime Market) of the Tokyo Stock Exchange*1

1962
Yatron Laboratories, Inc. established and reagents for measuring serum transaminases (GOT and GPT) launched (later, the IVD business)

2019
Acquisition of all shares of LSI Medience from Life Science Institute, Inc.

1975
Medical Science Co., Ltd. established and clinical testing business started

2007
Mitsubishi Chemical Medience Corporation established (later, LSI Medience)

Clinical Testing Business

2023
Mediford Corporation began operations*3

1977
Mitsubishi-kasei Institute of Toxicological and Environmental Sciences, Co., Ltd. established and non-clinical contract research service launched (later, the CRO business)

CRO Business

Pathology Business

1937
Shandon/Thermo Bio Analysis established in the UK

2019
Acquisition of anatomical pathology business from Thermo Fisher Scientific Inc. to establish Epredia Holdings Ltd.

*1 Newly listed on October 14, 2021 (Securities Code: 6523, TSE Prime).
*2 Integration of Medical Information Systems (Medicom) Business Unit of PHC Corporation and PHC Medicom Corporation.
*3 The clinical trial business of LSI Medience Corporation was integrated into a subsidiary of LSI Medience Corporation, and made the company a subsidiary of PHC Holdings Corporation.

PHC Group History: A Journey of Precision Technology & Manufacturing Excellence

1960– 1990– 2020– Today

Blood Glucose Monitoring (BGM) Systems

1969 Launched the first-ever portable blood glucose monitoring (BGM) device

Industry's 1st

1991 Launched electrochemical blood glucose monitoring (BGM) system

World's 1st

Development Stories 2

2003 Introduced CONTOUR®, the first self-monitoring blood glucose meter with No Coding technology

Sold over 3 billion sensors annually, **ranking third globally in market share**

2024 Introduced LiCellMo™, leveraging blood glucose sensor technology to enable visualization of indicators of cell metabolism

2026 Introduced LiCellGrow™*, which automatically adjusts cell culture based on measurements of cell metabolism

Development Stories 4

Laboratory & Medical Support Equipment

1966 Launched pharmaceutical refrigerators

Japan's 1st

1977 Launched ultra-low temperature (ULT) freezers

1991 Introduced ULT freezer capable of achieving industry's lowest temperature in Japan

Industry lowest temperature

1998 Launched ULT freezers equipped with vacuum insulation panels

2020 Our equipment was utilized globally for storage of COVID-19 mRNA vaccines, contributing to their distribution

Development Stories 3

Continued innovations in energy efficiency and dual cooling systems, **achieving the second-highest global market share and the top share in Japan**

1984 Launched CO_2 incubators

2009 Launched CO_2 incubator with H_2O_2 decontamination

Industry's 1st

2014 Launched CO_2 incubator with integrated inner chamber and shelf support

Pursued high-precision control, contamination prevention, and ease of use, **achieving the second-highest global market share and the top share in Japan**

Diagnostic Devices

1982 Launched latex agglutination chemiluminescent immunoassay analyzer (LPIA-1)

Industry's 1st diagnostic technology

Development Stories 1

2007 Launched STACIA®, a fully automated clinical testing system featuring six measurement methods

2019 Launched STACIA® CN10, a fully automated blood coagulation analyzer, offering simplified operation and four measurement techniques

2005 Introduced PATHFAST™, a rapid and highly sensitive compact device employing the CLEIA method

2016 Introduced a lightweight version of PATHFAST™ designed for emergency care

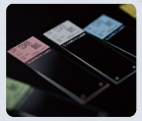
2025 Introduced an improved model with an updated control system including a larger screen

Pathology Solutions

1988 Launched SuperFrost™ Plus microscope slides, which later became the industry benchmark

2021 Improved surface flatness by 33% through continuous innovation

2023 Launched eco-friendly SlideMate Laser PLUS microscope slides for laser printers, **achieving the top global market share**



Healthcare IT Solutions

1972 Began sales of medical-receipt computers

Japan's 1st

1980 Launched medical-receipt computers for pharmacies

1999 Launched electronic medical record (EMR) systems

2007 Launched EMR systems integrated with medical-receipt computers

2025 Launched fully cloud-based EMR systems

Contributed to the Japanese government's digital transformation of healthcare by facilitating the adoption of the Online Eligibility Verification System and electronic prescription systems

* Currently under development outside of Japan as of March 2026.

Behind-the-Scenes Development Stories & New Product Feature

The People, Challenges, and Breakthroughs Behind Our Technology

A Turning Point That Shaped the Technological Lineage

Development Stories 1 1966-1982

Industry-First Diagnostic Technology

The Latex Diagnostics Technology that Transformed Time for Diagnosis

In the 1960s, manual testing methods regularly took several hours to reach a diagnosis. The introduction of latex agglutination equipment and reagents reduced this to just minutes. This technology, born from the conviction that patients should not have to wait for answers, culminated in the launch of LPIA-1 in 1982. This was an industry-leading breakthrough that simultaneously achieved both precision and speed in fully automated immunoassay testing.

"Seeing the faces of patients waiting for their test results is a driving force for us."

Development Stories 2 1985-1991

Technological Integration

A Revolution for Diabetes: Creation of a 50-Gram Blood Glucose Meter

Triggered by the shift in business direction that followed the 1985 Plaza Accord, PHC Group began working to integrate biotechnology and electronics. Developers spent three years on mass-production development of technology for the precise control of electrodes. "It was a never-ending series of challenges," one developer recalled. In 1991, a portable glucose meter weighing just 50 grams was introduced, marking the advent of an era when people with diabetes could manage their own care.

"People with diabetes can measure their blood glucose at home. How many lives can be saved just from this breakthrough?"

Development Stories 3 2020

Responding to a Crisis

The Mission of Ultra-Low Temperature Freezers During the Pandemic

In 2020, as the COVID-19 pandemic spread around the world, our biomedical factory in Gunma, Japan, switched to 24-hour operation. The supply system was rapidly reorganized to enable worldwide delivery of -80°C freezers, critical for preserving mRNA vaccines. One Gunma worker commented that they "felt a profound sense of responsibility as a provider of critical social infrastructure."

"The factory played a role in protecting and delivering vaccinations around the world."

Development Stories 4

NEW

LiCellGrow™ Cell Expansion System

A Legacy of Blood Glucose Sensor Technology Opens the Door to Regenerative Medicine

Product Overview

LiCellGrow™ is a cell expansion system that enables real-time visualization of cell conditions during the manufacturing of cell therapy products. PHC Group's proprietary in-line sensor technology continuously measures glucose and lactate, and automated culture control maintains optimal culture conditions. This contributes to improved cell quality, reduced cost, and increased efficiency in therapy development.

Background to Development

We expanded into the cell culture field by leveraging the In-Line Monitoring technology developed through our work on blood glucose sensors. Full-scale development began around 2019 with the goal of addressing challenges related to quality variability and process control in the manufacturing of cell therapy products.

Value to Patients and Customers

LiCellGrow™ supports the advancement of cell therapy product development and manufacturing processes and contributes to lower costs, shortened development cycles, and the stabilization of cell quality. Through this system, we seek to support a stable supply of high-quality cell therapy products, drive the advancement of cutting-edge cell therapies, and ultimately expand the provision of treatments to more patients.

Technological Lineage:

- **1969** — Portable glucose monitor
- **1991** — Electrochemical blood glucose monitoring (BGM) system
- **2003** — CONTOUR® No Coding technology
- **2024** — **LiCellMo™ live cell metabolic analyzer**
- **2026** — **LiCellGrow™ cell expansion system**

Message From Our CTO

Powering Growth through PHC Group's Technological Excellence

To strengthen our technological foundation and accelerate sustainable growth, PHC Group established the role of Chief Technology Officer (CTO) in July 2026. We also restructured our internal R&D organization Core Technology Laboratory (CoreTech Lab), overseen by Senior Executive Corporate Officer and CTO Ryuichi Hirashima, in April 2026 by expanding the former Diagnostic and Life Sciences Domain R&D into a Corporate R&D organization for all of PHC Group. Through CoreTech Lab, we will seek to introduce the core and adjacent precision technologies that will drive PHC Group's next phase of growth as well as our vision to power the future of healthcare.

Ryuichi Hirashima
Senior Executive Corporate Officer,
Chief Administrative Officer (CAO),
Chief Human Resources Officer (CHRO),
and Chief Technology Officer (CTO),
PHC Holdings Corporation

I took on the newly established role of CTO on July 1, 2026. Our Group is now transitioning from Phase 1 of the Value Creation Plan 2027, which focused on strengthening our business foundation, to Phase 2, where growth will become the primary strategic focus.

Growth can be achieved through both inorganic approaches, such as M&A, and organic approaches based on our own R&D and technological innovation. In recent years, the Group has focused more heavily on the inorganic path. While inorganic expansion remains a vital pillar of our strategy, we are now committed to further strengthening our organic growth. By returning to our core identity as a global collection of healthcare companies providing medical devices and services, we will focus on how best to integrate and leverage our technologies, technical expertise, and strengths to deliver innovative products that bring new value to customers.

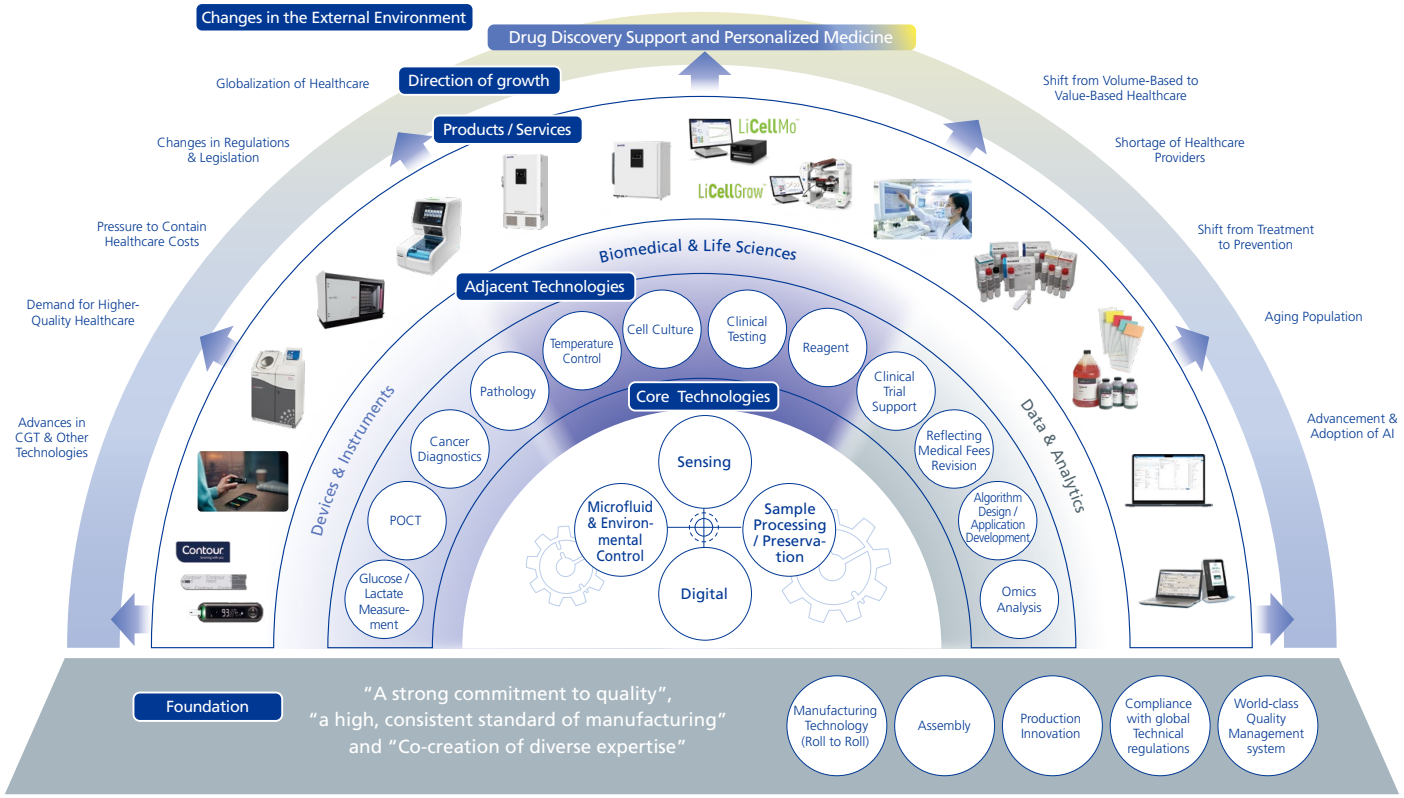
PHC Group possesses a wide range of outstanding technologies. The technical strengths that underpin PHC Group's business, and serve as a common foundation for all our technologies, are our strong commitment to quality and the manufacturing excellence inherited from Panasonic and other legacy companies.

Based on this foundation, our core solutions include sensing technologies that use enzymatic electrodes, optics, and microfluidics, as well as environmental control technologies that are utilized across a wide range of our products. Furthermore, our expertise extends to processing, preservation, and cell culture technologies for blood and cells, along with the digital technologies that power our healthcare IT solutions.

Surrounding these core technologies are various adjacent technologies and specialized forms of know-how.

Together, these technologies can be broadly categorized into three areas: "Devices & Instruments"; "Biomedical & Life Sciences"; and "Data & Analytics." The combination of core and adjacent technologies enables us to develop products and services that provide unique value to our customers.

By combining these technologies, we aim to accelerate the development of new products and expand the value we provide to customers, particularly in fields such as drug discovery support and personalized medicine. Building on the technological assets we have cultivated over many years, we will use these technologies to further accelerate PHC Group's unique growth strategy.



At a Glance

PHC Group is a global collection of companies offering a range of products and services in precision technology for healthcare.
Below are some key facts and figures about the Group.

Consolidated revenue*1

364.4 billion JPY

Conducting business globally

Number of group companies*3

80

Building a global network

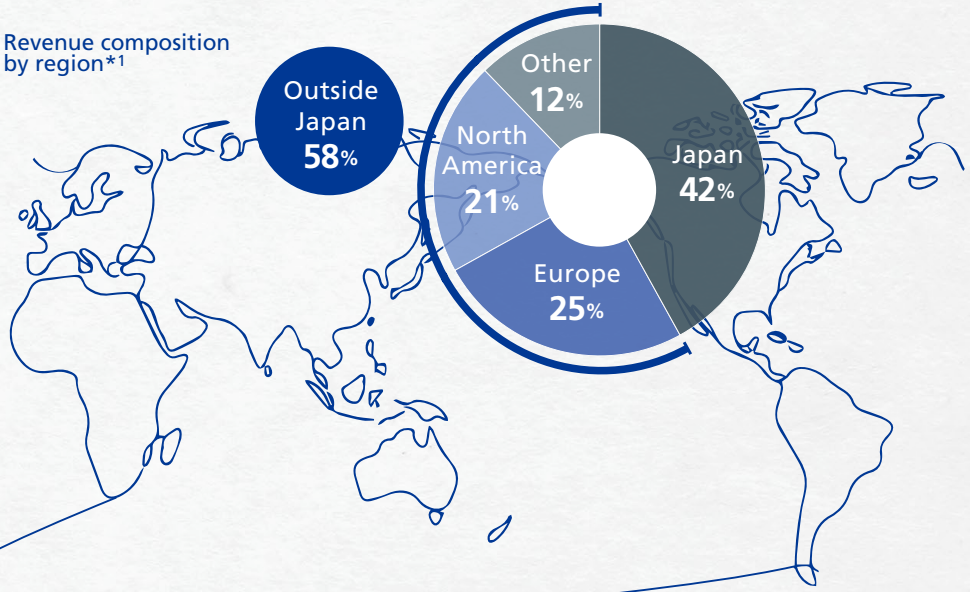
Where we conduct business*2

More than

125 countries and regions

Extensive global sales experience

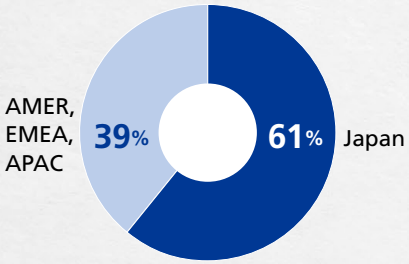
Revenue composition by region*1



Number of employees*2

8,647

A diverse workforce of talented employees



Number of PHC Group registered patents*2

4,162

*1 Fiscal year 2025; exchange rates: 175 JPY/EUR; 151 JPY/USD
*2 As of the end of March 2026
*3 Not including PHC Holdings Corporation (as of the end of March 2026)