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Notice on Revisions to Full-Year Financial Forecasts

PHC Holdings Corporation (hereinafter referred to as "the Company") hereby announces the revised financial forecasts for the fiscal year ending March 31, 2026 (April 1, 2025 through March 31, 2026) as described below. This revision has received the Board of Directors resolution on November 12, 2025.

1. Revisions to consolidated financial results forecasts for the fiscal year ending March 31, 2026 (April 1, 2025 through March 31, 2026)

	Revenue (Million JPY)	Operating profit (Million JPY)	Profit before tax (Million JPY)	Profit (Million JPY)	Profit attributable to owners of parent (Million JPY)	Basic earnings per share attributable to owners of parent (JPY)	*Adjusted EBITDA (Million JPY)
Previously announced forecasts (A)	363,100	17,400	12,200	7,400	7,400	58.64	45,200
Revised forecasts (B)	363,100	20,000	8,000	4,500	4,400	34.80	47,800
Change (B - A)	—	2,600	(4,200)	(2,900)	(3,000)	(23.84)	2,600
Change (%)	—	14.9	(34.4)	(39.2)	(40.5)	(40.7)	5.8
(Reference) Consolidated results for the previous fiscal year (Fiscal year ended March 31, 2025)	361,593	22,580	18,823	10,364	10,485	83.13	50,095

(Note) Adjusted EBITDA is calculated with the following formula:
Adjusted EBITDA = EBITDA + one-time income and expenses
EBITDA = Operating profit + depreciation + impairment loss (excluding marketable securities)
* Adjusted EBITDA is not a measure in accordance with IFRS. However, the Company believes that this disclosure may be useful information to investors.

2. Main reasons for this revision

The exchange rates underlying the full-year financial forecast have been revised, considering the current rates, from JPY 155 to JPY 171 per euro and from JPY 140 to JPY 146 per US dollar.

Regarding the transfer of the CGM business (the commercial operation of Eversense), which was announced in the "Notice Regarding the Signing of the Memorandum of Understanding on the Business Transfer of a Consolidated Subsidiary" as of September 4, 2025, though negotiations toward the signing of the Definitive Agreement are ongoing, the expected impact has been incorporated reasonably at this point of time. Additionally, concerning the indication of goodwill impairment in the Diabetes Management segment mentioned in the aforementioned timely disclosure, an impairment test has been conducted, and it has been determined that there is no need for impairment at this stage.

Revenue, in total, remains unchanged from the previously announced forecast. In the Diabetes Management segment, on the assumption that the CGM business will be excluded from consolidation from the fourth quarter as planned, the forecast has been revised upward, reflecting an upward revision of the BGM business, which continues to perform strongly, including the positive impact of the exchange rate changes. In the HQ and Others segment, the forecast has also been revised upward, incorporating the elimination of risks initially anticipated. On the other hand, the Healthcare Solutions segment has been revised downward, reflecting the order status of the CRO business. Also the Diagnostics & Life Sciences segment has been revised downward, reflecting the assumption that weak demand for equipment will continue, primarily due to the reduction of government subsidies in the U.S. and other factors.

Operating profit has been revised upward by JPY 2.6 billion from the previously announced forecast. While the Diagnostics & Life Sciences segment has been revised downward to reflect the impact of reduced revenue, the Diabetes Management segment has been revised upward with both the impact of the exclusion of the CGM business from consolidation and the increased revenue from the BGM business. Additionally, the HQ and Others segment has also been revised upward, reflecting the impact of increased revenue as well as a review of one-time expenses.

Whereas, due to JPY 6.8 billion of foreign exchange losses recorded during the first six months, profit before tax has been revised downward by JPY 4.2 billion, and profit attributable to owners of parent has been revised downward by JPY 3.0 billion with reduction in tax expenses by JPY 1.2 billion.

Forecasts of business performance by segment are as follows:

Segments	Revenue (Million JPY)		Operating profit (loss) (Million JPY)		Adjusted EBITDA (Million JPY)	
	Before Change	After Change	Before Change*	After Change	Before Change*	After Change
Diabetes Management	96,200	99,000	14,000	18,200	18,800	23,400
Healthcare Solutions	132,300	131,300	8,100	8,100	18,800	18,800
Diagnostics and Life Sciences	133,700	128,100	5,600	3,000	16,300	13,700
Head office and Others	1,000	4,800	(10,400)	(9,300)	(8,700)	(8,100)
Total	363,100	363,100	17,400	20,000	45,200	47,800

* Starting this fiscal year, the Company reviewed its headquarters' functions and transferred some of the headquarters' roles to each business division. As a result, the breakdown of operating profit and adjusted EBITDA by segment was revised on August 7, 2025.