



September 4, 2025

Company name: PHC Holdings Corporation  
Representative: Kyoko Deguchi, President, Representative  
Director and CEO  
Securities Code: 6523 (Tokyo Stock Exchange PRIME Market)  
Contact: Masashi Kimura, Executive General Manager of  
Corporate Administration Dept.  
(TEL. +81-3-5408-7280)

**Notice Regarding the Signing of the Memorandum of Understanding on the Business Transfer of a Consolidated  
Subsidiary**

PHC Holdings Corporation (hereinafter referred to as "the Company") hereby announces that at the Board of Directors meeting on September 4, 2025 (JST), a resolution was passed to sign the memorandum of understanding to transfer the commercial operation of Eversense Continuous Glucose Monitoring (CGM) System, currently operated by Ascensia Diabetes Care Holdings AG (headquarters: Basel, Switzerland, hereafter "Ascensia"), a subsidiary of the Company to Senseonics Holdings, Inc. (NYSE American: SENS, hereinafter "Senseonics"). The definitive agreement has not yet been concluded, and the terms and conditions are still under negotiation. Once it is executed, we will promptly provide an update.

**1. Reason for the Transfer**

The Company published its updated business strategy "Value Creation Plan 2027" in November 2024, improving investment efficiency through structural reforms and enhancing portfolio management. By clearly defining the positioning of each business based on growth potential and ROIC, the Company aims to improve profitability and achieve efficient business operations by increasing investment efficiency.

Ascensia signed the exclusive global commercial agreement of Eversense CGM with Senseonics in 2020 and has been marketing Eversense CGM Systems in the United States and Europe. In October 2024, Ascensia led the U.S. launch of Eversense 365, the world's first and only CGM system designed for one-year use. Leveraging its advantages such as extended usage duration, high measurement accuracy, and a removable transmitter, it has achieved growth.

However, it was determined that further growth would require continuous investment. Taking this factor into consideration and after evaluating from the perspective of investment efficiency, the Company has concluded that transferring the commercial operation of Eversense to Senseonics, thereby establishing an integrated system from development and manufacturing to sales, is the optimal approach for the Company and this business.

**2. Overview of the Business Transfer**

**(1) Details of the Transferred Business**

The commercial operation of Eversense CGM System

**(2) Business Performance of the Transferred Business (Fiscal Year Ended March 2025)**

JPY in 100 millions	FY24
Revenue	30.6
Operating profit	-90.0

The figures presented above cover the entire CGM business and have not been audited. Should the final agreement result in changes due to the determination of the details to be transferred, we will provide an updated notice.

**(3) Items and Amounts of Assets and Liabilities in the Transferred Business**

It remains undecided at this stage.

- (4) Transfer Price and Settlement Method  
It remains undecided at this stage.

### 3. Overview of the Transferee

(1)	Name	Senseonics Holdings, Inc.
(2)	Location	20451 Seneca Meadows Parkway Germantown, MD 20876-7005 USA
(3)	Representative's Title and Name	Timothy T. Goodnow, PhD President and CEO
(4)	Business Description	Commercial-stage medical technology company focused on the development and manufacturing of continuous glucose monitoring products designed to transform lives in the global diabetes community with differentiated, long-term implantable glucose management technology
(5)	Date of Establishment	December 4, 2015
(6)	Net Assets	\$94,720,000
(7)	Total Assets	\$150,274,000
(8)	Major Shareholders and Shareholding Ratio	PHC Holdings Corporation: 9.67% Entities affiliated with Robert J. Smith: 6.14%
(9)	Relationship with Listed Companies	Capital Relationship As stated above, the Company holds 9.67% through shares and shares of common stock issuable upon the exercise of pre-funded warrants
		Personnel Relationship The Company and Ascensia have sent two board members in total
		Transaction Relationship Ascensia has the exclusive global commercial agreement and is marketing Senseonics' products
		Status as a Related Party Senseonics Holdings, Inc. is the Company's affiliate and qualifies as related party

### 4. Schedule

(1)	Date of Memorandum of Understanding Signing	September 4, 2025
(2)	Date of Definitive Agreement Signing	October 31, 2025 (tentative)
(3)	Date of Business Transfer Completion	January 1, 2026 (tentative)

### 5. Future Outlook

The impact of this matter on the consolidated financial forecast of our group is currently under review. However, as outlined above, the business performance of the relevant operations in the previous fiscal year indicates that profitability is expected to improve based on last year's results. Once the business transfer has been formally decided, any matters requiring disclosure will be promptly announced.

Additionally, in connection with this matter, there is a possibility that a Goodwill impairment indicator may be identified in the Diabetes Management segment. If such a determination is made, an impairment test will be conducted to assess the necessity of recording impairment. Should any matters arise that require disclosure, they will also be promptly announced.