



January 5, 2026

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.
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(Progress of Disclosure Matter) Notice Regarding the Business Transfer of a Consolidated Subsidiary

As announced in “Notice Regarding the Signing of the Memorandum of Understanding on the Business Transfer of a Consolidated Subsidiary” on September 4, 2025, PHC Holdings Corporation (hereinafter referred to as "the Company") hereby announces that at the Board of Directors meeting dated January 1, 2026 (JST), a resolution was passed 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. (NASDAQ American: SENS, hereinafter "Senseonics").

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 Ending March 2025)

	JPY in100 millions
Revenue	30.6
Operating profit	-90.0

The figures presented above cover the entire commercial operation of Eversense for the fiscal year ending March 2025 and have not been audited by the audit firm.

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

Assets to be transferred: Inventory assets and other related items

Liabilities to be transferred: Accrued Paid Time Off and other related items



(4) Transfer Price and Settlement Method

Transfer Price: \$1,100,000 at the completion in the United States and the net book value of assets such as inventory and liabilities to be transferred outside the United States at the time of the completion
Settlement Method: Cash settlement upon completion of business transfers in each country

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: 9.56% Entities affiliated with Robert J. Smith: 6.14%	
(9)	Relationship with Listed Companies	Capital Relationship	As stated above, the Company holds 9.56% 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

(*) The situation as of the end of the most recent fiscal year is described, but there are no directors dispatched from the Company and Ascensia as of December 31, 2025.

4. Schedule

(1)	Date of Resolution by the Board of Directors	January 1, 2026
(2)	Date of Definitive Agreement Signing	January 1, 2026
(3)	Date of Business Transfer Completion	1) The United States 2) Outside the United States
		1) January 1, 2026 2) On or before June 30, 2026 (tentative)

5. Future Outlook

As announced in the "Notice on Revisions to Full-Year Financial Forecasts" dated November 12, 2025, the impact of this matter has already been factored into the revised financial forecasts within a reasonable scope. Additionally, as announced in the "Notice Regarding the Signing of the Memorandum of Understanding on the Business Transfer of a Consolidated Subsidiary" on September 4, 2025, regarding indications of goodwill impairment in the Diabetes Management segment, we have determined that there is no need for impairment at this point of time. Should any matters requiring disclosure arise for this in the future, we will promptly announce them.