



## Consolidated Statement of Financial Position

(Unit: million yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	95,232	60,933
Trade receivables	63,727	69,280
Inventories	44,509	51,732
Other financial assets	2,393	2,321
Other current assets	10,498	13,314
<b>Total current assets</b>	<b>216,361</b>	<b>197,583</b>
<b>Non-current assets</b>		
Property, plant and equipment	48,276	47,593
Goodwill	197,754	199,707
Intangible assets	99,139	91,123
Investments accounted for using equity method	3,484	3,697
Other financial assets	22,257	16,107
Deferred tax assets	3,245	4,425
Other non-current assets	802	1,328
<b>Total non-current assets</b>	<b>374,959</b>	<b>363,984</b>
<b>Total assets</b>	<b>591,320</b>	<b>561,567</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	68,802	65,639
Borrowings	27,251	30,212
Income taxes payable	3,219	2,393
Provisions	5,019	4,715
Other financial liabilities	5,707	5,554
Other current liabilities	27,745	21,325
<b>Total current liabilities</b>	<b>137,745</b>	<b>129,842</b>
<b>Non-current liabilities</b>		
Trade and other payables	1,942	1,230
Borrowings	280,685	262,403
Retirement benefit liability	8,214	7,875
Provisions	3,277	3,180
Other financial liabilities	10,076	9,225
Deferred tax liabilities	11,789	7,312
Other non-current liabilities	1,524	1,670
<b>Total non-current liabilities</b>	<b>317,509</b>	<b>292,898</b>
<b>Total liabilities</b>	<b>455,255</b>	<b>422,740</b>
<b>Equity</b>		
Share capital	47,065	47,946
Capital surplus	44,118	43,641
Retained earnings	28,353	17,081
Treasury shares	(568)	(568)
Other components of equity	16,406	29,906
<b>Equity attributable to owners of the parent</b>	<b>135,374</b>	<b>138,008</b>
Non-controlling interests	690	819
<b>Total equity</b>	<b>136,065</b>	<b>138,827</b>
<b>Total liabilities and equity</b>	<b>591,320</b>	<b>561,567</b>

## Consolidated Statement of Profit or Loss

(Unit: million yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Revenue	340,452	356,434
Cost of sales	175,214	187,302
<b>Gross profit</b>	<b>165,237</b>	<b>169,132</b>
Selling, general and administrative expenses	142,201	140,657
Other income	3,013	1,656
Other expenses	17,520	9,616
Share of profit (loss) of investments accounted for using equity method	(355)	(514)
<b>Operating profit</b>	<b>8,174</b>	<b>20,000</b>
Finance income	2,348	411
Finance costs	7,520	20,231
<b>Profit before taxes</b>	<b>3,002</b>	<b>179</b>
<b>Income tax expense</b>	<b>11,302</b>	<b>3,228</b>
<b>Profit (loss)</b>	<b>(8,300)</b>	<b>(3,048)</b>
<b>Profit (loss) attributable to</b>		
Owners of the parent	(8,460)	(3,222)
Non-controlling interests	160	173
<b>Earnings (loss) per share</b>		
Basic earnings per share attributable to owners of the parent (Unit: JPY)	(70.78)	(25.84)
Diluted earnings per share attributable to owners of the parent (Unit: JPY)	(70.78)	(25.84)

## Consolidated Statement of Comprehensive Income

(Unit: million yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Profit (loss)</b>	<b>(8,300)</b>	<b>(3,048)</b>
<b>Other comprehensive income</b>		
Items that will not be reclassified to profit or loss		
Re-measurements of defined benefit plans	1,601	614
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	11	179
Items that may be reclassified to profit or loss		
Net gain (loss) on derivatives designated as cash flow hedges	(59)	39
Exchange differences on translation of foreign operations	10,144	13,056
Share of other comprehensive income of investments accounted for using equity method	341	333
<b>Other comprehensive income, net of taxes</b>	<b>12,038</b>	<b>14,223</b>
<b>Comprehensive income</b>	<b>3,738</b>	<b>11,174</b>
<b>Comprehensive income attributable to</b>		
Owners of the parent	3,506	10,933
Non-controlling interests	231	241
<b>Comprehensive income</b>	<b>3,738</b>	<b>11,174</b>

## Consolidated Statement of Changes in Equity

(Unit: million yen)

	Equity attributable to owners of the parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Re-measurements of defined benefit plans	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Net gain (loss) on derivatives designated as cash flow hedges
As of April 1, 2021	36,409	31,035	35,158	(1,624)	—	400	(32)
Comprehensive income	—	—	(8,460)	—	—	—	—
Profit (loss)	—	—	(8,460)	—	—	—	—
Other comprehensive income	—	—	—	—	1,601	11	(59)
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>(8,460)</b>	<b>—</b>	<b>1,601</b>	<b>11</b>	<b>(59)</b>
Issuance of new shares	10,656	10,495	—	—	—	—	—
Purchase of treasury shares	—	—	—	(359)	—	—	—
Disposal of treasury shares	—	(128)	—	164	—	—	—
Cancellation of treasury shares	—	(1,250)	—	1,250	—	—	—
Dividends to owners of the parent	—	—	—	—	—	—	—
Dividends to non-controlling interests	—	—	—	—	—	—	—
Forfeiture of share acquisition rights and Restricted Stock Unit	—	(73)	68	—	—	—	—
Share-based payment transactions	—	4,039	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	1,601	—	(1,601)	—	—
Other	—	—	(13)	—	—	—	—
<b>Transactions with the owners</b>	<b>10,656</b>	<b>13,082</b>	<b>1,655</b>	<b>1,055</b>	<b>(1,601)</b>	<b>—</b>	<b>—</b>
As of March 31, 2022	47,065	44,118	28,353	(568)	—	412	(92)
Comprehensive income	—	—	(3,222)	—	—	—	—
Profit (loss)	—	—	(3,222)	—	—	—	—
Other comprehensive income	—	—	—	—	614	179	39
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>(3,222)</b>	<b>—</b>	<b>614</b>	<b>179</b>	<b>39</b>
Issuance of new shares	881	(431)	—	—	—	—	—
Purchase of treasury shares	—	—	—	—	—	—	—
Disposal of treasury shares	—	—	—	—	—	—	—
Cancellation of treasury shares	—	—	—	—	—	—	—
Dividends to owners of the parent	—	—	(9,201)	—	—	—	—
Dividends to non-controlling interests	—	—	—	—	—	—	—
Forfeiture of share acquisition rights and Restricted Stock Unit	—	(500)	496	—	—	—	—
Share-based payment transactions	—	455	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	655	—	(614)	(41)	—
Other	—	—	—	—	—	—	—
<b>Transactions with the owners</b>	<b>881</b>	<b>(476)</b>	<b>(8,049)</b>	<b>—</b>	<b>(614)</b>	<b>(41)</b>	<b>—</b>
As of March 31, 2023	47,946	43,641	17,081	(568)	—	550	(52)

(Unit: million yen)

	Equity attributable to owners of the parent					
	Other components of equity			Total	Non-controlling interests	Total
	Exchange differences on translation of foreign operations	Share of other comprehensive income of investments accounted for using equity method	Total			
As of April 1, 2021	5,680	(8)	6,040	107,018	542	107,561
Comprehensive income	—	—	—	(8,460)	160	(8,300)
Profit (loss)	—	—	—	(8,460)	160	(8,300)
Other comprehensive income	10,072	341	11,967	11,967	71	12,038
<b>Total comprehensive income</b>	<b>10,072</b>	<b>341</b>	<b>11,967</b>	<b>3,506</b>	<b>231</b>	<b>3,738</b>
Issuance of new shares	—	—	—	21,151	—	21,151
Purchase of treasury shares	—	—	—	(359)	—	(359)
Disposal of treasury shares	—	—	—	36	—	36
Cancellation of treasury shares	—	—	—	—	—	—
Dividends to owners of the parent	—	—	—	—	—	—
Dividends to non-controlling interests	—	—	—	—	(76)	(76)
Forfeiture of share acquisition rights and Restricted Stock Unit	—	—	—	(4)	—	(4)
Share-based payment transactions	—	—	—	4,039	—	4,039
Transfer from other components of equity to retained earnings	—	—	(1,601)	—	—	—
Other	—	—	—	(13)	(7)	(20)
<b>Transactions with the owners</b>	<b>—</b>	<b>—</b>	<b>(1,601)</b>	<b>24,849</b>	<b>(83)</b>	<b>24,765</b>
As of March 31, 2022	15,753	333	16,406	135,374	690	136,065
Comprehensive income	—	—	—	(3,222)	173	(3,048)
Profit (loss)	—	—	—	(3,222)	173	(3,048)
Other comprehensive income	12,989	333	14,156	14,156	67	14,223
<b>Total comprehensive income</b>	<b>12,989</b>	<b>333</b>	<b>14,156</b>	<b>10,933</b>	<b>241</b>	<b>11,174</b>
Issuance of new shares	—	—	—	450	—	450
Purchase of treasury shares	—	—	—	—	—	—
Disposal of treasury shares	—	—	—	—	—	—
Cancellation of treasury shares	—	—	—	—	—	—
Dividends to owners of the parent	—	—	—	(9,201)	—	(9,201)
Dividends to non-controlling interests	—	—	—	—	(112)	(112)
Forfeiture of share acquisition rights and Restricted Stock Unit	—	—	—	(4)	—	(4)
Share-based payment transactions	—	—	—	455	—	455
Transfer from other components of equity to retained earnings	—	—	(655)	—	—	—
Other	—	—	—	—	—	—
<b>Transactions with the owners</b>	<b>—</b>	<b>—</b>	<b>(655)</b>	<b>(8,300)</b>	<b>(112)</b>	<b>(8,412)</b>
As of March 31, 2023	28,742	666	29,906	138,008	819	138,827

## Consolidated Statement of Cash Flows

(Unit: million yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before taxes	3,002	179
Depreciation	31,077	29,015
Impairment losses	18,405	9,568
(Gain) or loss from financial assets measured at fair value through profit or loss	1,235	9,088
Interest expenses	2,890	6,814
Share of loss (profit) of investments accounted for using equity method	355	514
Loss (gain) on sales of fixed assets	(34)	(20)
Decrease (increase) in trade receivables	107	(969)
Decrease (increase) in inventories	(3,819)	(4,493)
Increase (decrease) in trade payables	(354)	(7,424)
Increase (decrease) in retirement benefit liability	(461)	(124)
Other	7,984	(1,913)
<b>Subtotal</b>	<b>60,387</b>	<b>40,235</b>
Interest and dividends received	746	761
Interest paid	(3,006)	(5,177)
Income taxes paid	(7,094)	(15,403)
Income taxes refund	20	960
<b>Net cash from operating activities</b>	<b>51,053</b>	<b>21,376</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, and intangible assets	(11,736)	(11,516)
Proceeds from sales of property, plant and equipment, and intangible assets	138	297
Payments of loans receivable	(601)	—
Payments for acquisition of subsidiaries resulting in change in scope of consolidation	—	(1,797)
Payments for acquisition of businesses	(330)	—
Proceeds from sale of businesses	700	—
Purchase of investments accounted for using equity method	(1,466)	(441)
Purchase of investments	(753)	(3,064)
Proceeds from sale and redemption of investments	2,003	60
Other	(475)	(1,059)
<b>Net cash from investing activities</b>	<b>(12,521)</b>	<b>(17,520)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(870)	(265)
Proceeds from long-term borrowings	311,348	—
Repayments of long-term borrowings	(332,912)	(25,931)
Repayments of lease liabilities	(5,358)	(5,749)
Proceeds from issuance of shares	21,152	450
Purchase of treasury shares	(359)	—
Proceeds from sale of treasury shares	36	—
Dividends paid to owners of the parent	—	(9,196)
Other	(52)	(139)
<b>Net cash from financing activities</b>	<b>(7,015)</b>	<b>(40,832)</b>
Effect of exchange rate changes on cash and cash equivalents	2,954	2,676
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>34,470</b>	<b>(34,298)</b>
Beginning balance of cash and cash equivalents	60,762	95,232
<b>Ending balance of cash and cash equivalents</b>	<b>95,232</b>	<b>60,933</b>

\*Production facilities

Region	Country	English name	Production ratio (including indirect shipping through subsidiaries)	Main business content
Japan	Japan	PHC Corporation	100%	Development, manufacturing, and sales of various healthcare devices and services <b>*Gunma, Chiba, Tokushima, Ehime</b>
	Japan	LSI Medience Corporation	100%	Clinical testing business <b>*Tokyo</b>
	Japan	Wemex Corporation	100%	Healthcare solutions business
	Japan	Mediford Corporation	100%	Drug discovery support business <b>*Ibaraki, Kumamoto</b>
North America	Canada	Ascensia Diabetes Care Canada Inc.	100%	Sales of diabetes care products and provision of services
	USA	Ascensia Diabetes Care US, Inc.	100%	Sales of diabetes care products and provision of services
	USA	New Erie Scientific LLC	100%	Development, manufacturing, and sales of slide glass for the pathology business <b>*Portsmouth</b>
	USA	Richard-Allan Scientific LLC	100%	Overseas development and manufacturing base for the pathology business's pathology and diagnosis products <b>*Kalamazoo</b>
	USA	PHC Corporation of North America	100%	Sales and maintenance services for PHCbi products in North America
EMEA	Switzerland	Ascensia Diabetes Care Holdings AG	100%	Sales of diabetes care products and provision of services

\*Production facilities

Region	Country	English name	Production ratio (including indirect shipping through subsidiaries)	Main business content
EMEA	Germany	Ascensia Diabetes Care Deutschland GmbH	100%	Sales of diabetes care products and provision of services
	Italy	Ascensia Diabetes Care Italy S.R.L.	100%	Sales of diabetes care products and provision of services
	Poland	Ascensia Diabetes Care Poland Sp.z.o.o.	100%	Sales of diabetes care products and provision of services
	UK	Shandon Diagnostics Limited	100%	Manufacturing and sales of pathology equipment <b>*Runcorn</b>
	Netherlands	PHC Europe B.V.	100%	Sales and maintenance services for PHCbi products in Europe
APAC	Australia	Ascensia Diabetes Care Australia Pty Limited	100%	Sales of diabetes care products and provision of services
	China	Ascensia Diabetes Care Shanghai Co., Ltd.	100%	Sales of diabetes care products and provision of services
	China	Epredia Laboratory Products Manufacturing (Shanghai) Co., Ltd.	100%	Overseas development and manufacturing base for the pathology business's pathology and diagnosis products <b>*Shanghai</b>
	Indonesia	PT PHC Indonesia	95%	Manufacturing of diabetes care and life science products <b>*Bekasi</b>
	Singapore	SciMed (Asia) Pte Ltd	100%	Sales and maintenance services for life science products, including PHCbi products, in areas such as Southeast Asia, the Middle East, and Central Asia

PHC Group Overview

**Company Name** PHC Holdings Corporation  
**Business Address/ Head Office** 2-38-5 Nishishimbashi, Minato-ku, Tokyo 105-8433, Japan  
**Founded** 1969 (Founded as Matsushita Kotobuki Electronics Co., Ltd.)  
**Representative** President, Representative Director and CEO Shoji Miyazaki  
**Capital** 47,946 million yen  
**Listed Market** Tokyo Stock Exchange Prime Market (TSE 6523)  
**Main Business**  
 ● Diabetes Management  
 ● Healthcare Solutions  
 ● Diagnostics & Life Sciences

For more information related to this report, see the links below.

Financial information	▶ <a href="https://www.phchd.com/global/ir">https://www.phchd.com/global/ir</a>	
Products/services information	▶ <a href="https://www.phchd.com/global/products">https://www.phchd.com/global/products</a>	
Sustainability	▶ <a href="https://www.phchd.com/global/sustainability">https://www.phchd.com/global/sustainability</a>	

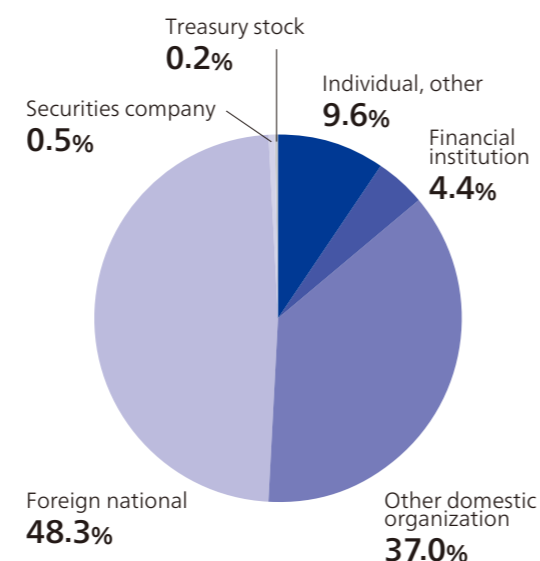
Stock Information

**Shares**  
 Total number of authorized shares 460,000,000 shares  
 Total number of shares outstanding 125,522,074 shares  
 Top 10 shareholders

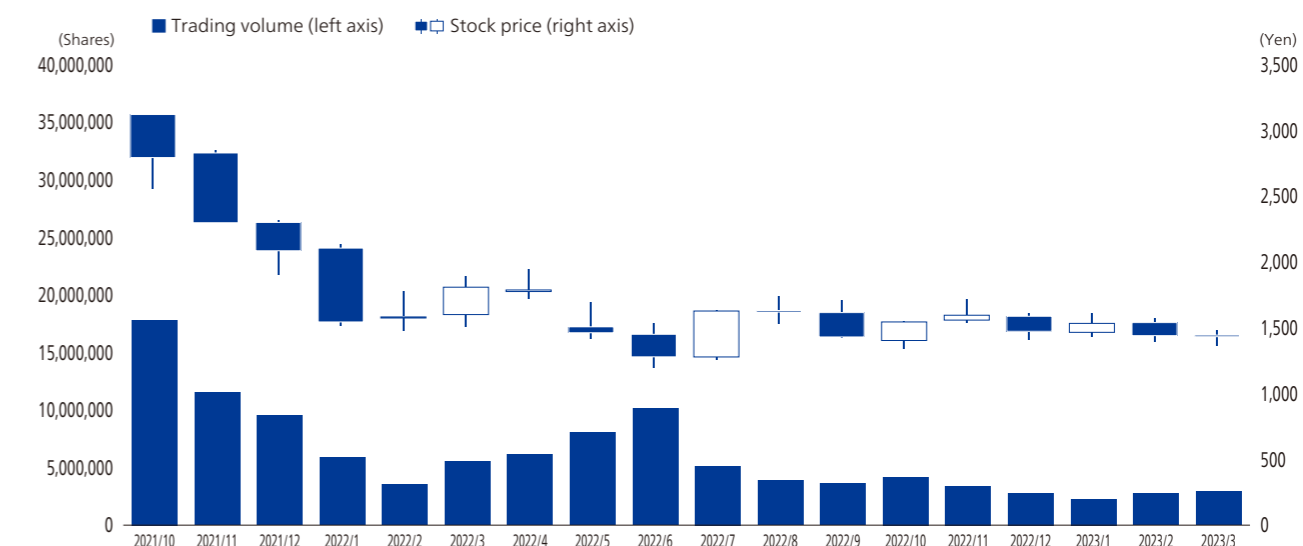
Shareholder names	Shareholding (thousand shares)	Shareholding ratio
KKR PHC Investment L.P.	47,994	38.30%
Mitsui & Co., Ltd.	21,870	17.45%
Life Science Institute, Inc.	12,297	9.81%
Panasonic Holdings Corporation	11,266	8.99%
LCA 3 Moonshot LP	5,714	4.56%
The Master Trust Bank of Japan, Ltd. (Investment account)	3,884	3.10%
Custody Bank of Japan, Ltd. (Investment account)	1,337	1.07%
BNY GCM CLIENT ACCOUNT JPRD AC ISG(FE-AC)	892	0.71%
PHC Holdings Employee Stock Ownership Plan	683	0.55%
STATE STREET BANK AND TRUST COMPANY 505001	500	0.40%

(Note) The shareholding ratio is calculated after deducting treasury shares (211,941 shares).

Stock Share Distribution Status by Owner



Stock Price and Trading Volume Trends



Editorial Note



Release of the Integrated Report 2023

We hope that our first Integrated Report provides a helpful overview of PHC Group.  
 This report was prepared for our shareholders, investors, and other stakeholders to introduce the entire PHC Group in depth and breadth, focusing on our businesses, present status, and ESG initiatives. It also describes our medium-to long-term growth strategies and efforts to enhance our corporate value.  
 Since this is our first publication, we formed a group-wide project team to discuss how we can communicate the value of PHC Group and what we are committed to. We still have opportunity for improvement, but we strive to provide easy-to-understand and valuable information in the coming years through Kaizen (continuous improvement), which is part of our corporate culture.  
 We value opportunities for productive dialogue with our stakeholders through appropriate information disclosure and commit ourselves to helping realize "Value-Based Healthcare" and contributing to the health of society. We sincerely hope that this Integrated Report will help you better understand our group and encourage you to connect with our company.