Translation

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FOR IMMEDIATE RELEASE

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Notice Concerning the Recording of Non-operating Income (Gain on Investments in Capital) and Revisions of the Full-Year Consolidated Earnings Forecast

H.U. Group Holdings, Inc. (the "Company") hereby announces that, for the third quarter of the fiscal year ending March 31, 2025, gain on investments in capital was recorded as non-operating income.

Additionally, in light of recent operating trends, the Company has revised its full-year consolidated earnings forecasts for the fiscal year ending March 31, 2025, as previously announced on November 8, 2024. Details are as follows.

1. Recording of Gain on Investments in Capital

The company has recorded approximately 3.0 billion yen in non-operating income from gain on investments in capital, following distributions from 'Sozo Ventures-TrueBridge Fund II, L.P.,' in which it invested in 2017.

Reference: Press release dated January 31, 2017, titled 'Notice Concerning Investment in a Venture Fund' (Japanese only)

2. Revisions to Full-Year Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

	Net sales (millions of yen)	Operating profit (millions of yen)	Ordinary profit (millions of yen)	Profit attributable to owners of parent (millions of yen)	Earnings per share (yen)	(Reference) EBITDA[1] (millions of yen)
Previous Forecast (A)	241,000	10,000	8,500	5,000	88.00	31,000
Revised Forecast (B)	241,000	4,500	6,000	3,000	52.80	25,500
Change (B - A)	-	-5,500	-2,500	-2,000	-35.2	-5,500
Change (%)	-	-55.0	-29.4	-40.0	-40.0	-17.7
(Reference) Results for the previous fiscal year (Fiscal year ended March 31, 2024)	236,950	-4,043	-7,241	-7,553	-132.77	16,828

1.EBITDA = Operating profit + Depreciation + Amortization of goodwill

3. Reasons for the Revision

Regarding operating profit, the Company expects it to fall short of the previous forecast due to delays in the effect of fixed cost reduction measures in the LTS business and an increase in overseas R&D costs impacted by weak yen in the IVD business.

Regarding ordinary profit, while approximately 3.0 billion yen was recorded as non-operating income from gain on investments in capital, the Company expects ordinary profit to fall short of the previous forecast due to the downward revision of operating profit.

Profit attributable to owners of parent is expected to fall below of the previous forecast due to revisions in both operating profit and ordinary profit.

As a result, the Company has revised its full-year consolidated earnings forecasts as outlined above.

4. Dividend Forecast

The year-end dividend remains unchanged at 63 yen per share.

The earnings forecasts above are based on information available as of the date of this announcement. Actual results may differ due to various factors.

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