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For Immediate Release

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Notice of Change of Segment

H.U. Group Holdings, Inc. (hereinafter, "the Company") hereby announces that the Company will change its segmentation as follows from the fiscal year ending March 31, 2022, and will announce its financial results using the new segmentation from the first quarter of the fiscal year ending March 31, 2022, which is scheduled for August 10, 2021.

1. Reason for change

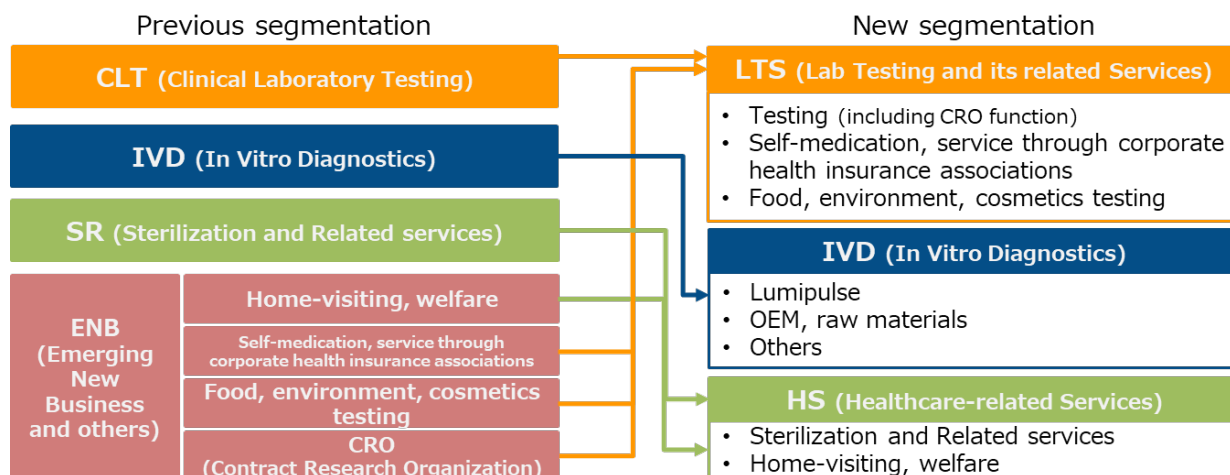
The Company established "Emerging New Business & Others" in the fiscal year ended March 31, 2020 and has been working to develop businesses that will become the seeds for future growth. We have decided to review our business segments, taking into consideration the growth potential of each business and its relevance to existing businesses, as well as to make clear the Executive Officers in charge of each business in order to accelerate growth.

Regarding Lab Testing and its related Services, we have decided to merge "Self-Medication, Corporate Health Insurance Association Services" and "Food, Environment, and Cosmetics Testing," centering around the testing business. With respect to "CRO business", as a result of selection and consolidation, we have decided to include it as one function in Lab Testing and its related Services.

In addition, as for Healthcare-related Services, we have decided to create a new segment integrating "Sterilization & Related Services" and "Home Visiting, Welfare," to establish it as the third pillar business after "Lab Testing and its related Services" and "In Vitro Diagnostics."

The In Vitro Diagnostics segment remains unchanged.

2. Outline of the new segmentation



[Responsible Executive Officer in each segment]

| Segment name | Name of Executive Officer in charge |
|--------------------------------------|-------------------------------------|
| Lab Testing and its related Services | Shunichi Higashi |
| In Vitro Diagnostics | Goki Ishikawa |
| Healthcare-related Services | Naoki Kitamura |

3. Net sales and operating profit (loss) by segment for the fiscal year ended March 31, 2021 in accordance with the new segmentation

(millions of yen)

| | Lab Testing and its related Services | In Vitro Diagnostics | Healthcare-related Services | Total | Elimination or corporate | Consolidated |
|---|--------------------------------------|----------------------|-----------------------------|---------|--------------------------|--------------|
| Net sales | | | | | | |
| (1)Net sales to external customers | 140,898 | 50,030 | 32,087 | 223,016 | - | 223,016 |
| (2)Inter-segment net sales or transfers | 220 | 6,247 | 20 | 6,488 | (6,488) | - |
| Total (Net sales) | 141,119 | 56,278 | 32,107 | 229,504 | (6,488) | 223,016 |
| Segment profit (loss) | 12,610 | 12,782 | 2,332 | 27,726 | (2,333) | 25,392 |

(Reference) Net sales and operating profit (loss) by segment for the fiscal year ended March 31, 2021 in accordance with the old segmentation

(millions of yen)

| | Clinical Laboratory Testing | In Vitro Diagnostics | Sterilization and Related services | Emerging New Business and others | Total | Elimination or corporate | Consolidated |
|---|-----------------------------|----------------------|------------------------------------|----------------------------------|---------|--------------------------|--------------|
| Net sales | | | | | | | |
| (1)Net sales to external customers | 136,091 | 50,030 | 26,735 | 10,158 | 223,016 | - | 223,016 |
| (2)Inter-segment net sales or transfers | 100 | 6,247 | 20 | 285 | 6,653 | (6,653) | - |
| Total (Net sales) | 136,192 | 56,278 | 26,755 | 10,444 | 229,670 | (6,653) | 223,016 |
| Segment profit (loss) | 14,006 | 12,782 | 1,953 | (1,023) | 27,718 | (2,325) | 25,392 |

4. Numerical management targets by segment specified in the Medium-term Plan "H.U. 2025 - Hiyaku (significant growth) & United"

Numerical management targets for the fiscal year ending March 31, 2025 in accordance with the new segmentation are as follows. There is no change in the consolidated numerical management targets for the fiscal year ending March 31, 2025.

[Numerical management targets by segment for the fiscal year ending March 31, 2025]

| | Lab Testing and its related Services | In Vitro Diagnostics | Healthcare-related Services |
|------------------|--------------------------------------|----------------------|-----------------------------|
| Net sales CAGR* | 6% or more | 4.5% or more | 9% or more |
| EBITDA margin | 17% or more | 25% or more | 12% or more |
| Operating margin | 9% or more | 20% or more | 9% or more |

* 5 years CAGR during FY ended March 31, 2020 - FY ending March 31, 2025)

End