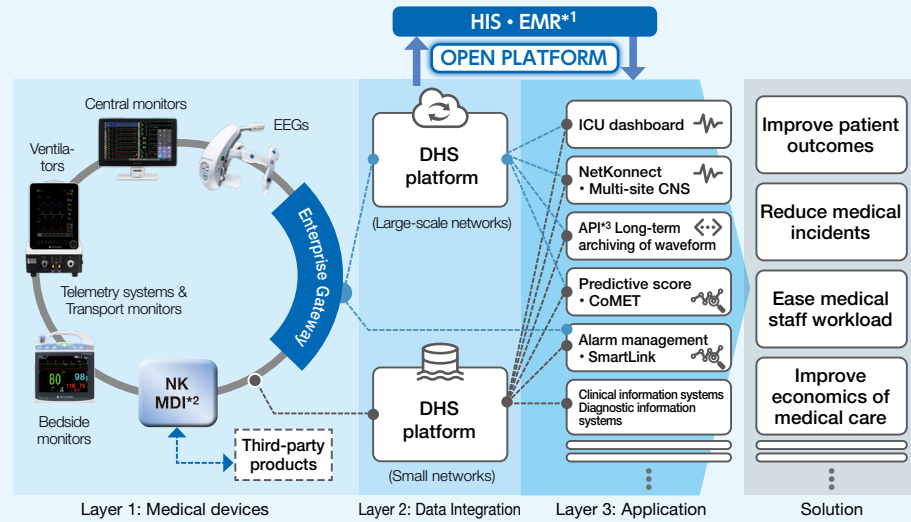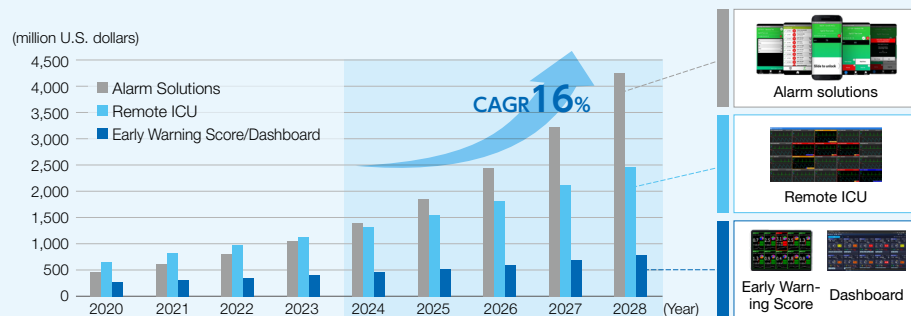# Development of Our Digital Health Solutions (DHS) Vision

Overview of our DHS Vision (as of May 2024)

*1 HIS: Hospital Information System, EMR: Electronic Medical Record
*2 MDI: Medical Device Integration
*3 API: Application Programming Interface

Forecast of market size for DHS in North America

Sources: The Company's estimate based on Markets and Markets's report: CLINICAL RISK GROUPING SOLUTIONS MARKET BY PRODUCT (2017-2024), CLINICAL ALARM MANAGEMENT MARKET BY COMPONENT (2016-2023), and Mordor Intelligence's report: GLOBAL TELE INTENSIVE CARE UNIT MARKET (2021-2026).

Nihon Kohden is promoting the DHS (digital health solutions) Vision to realize its Long-term Vision toward 2030, BEACON 2030. During BEACON 2030 Phase I (FY2021-2023), we focused on developing the foundational platform of DHS Vision for data integration and enhancing the technological capabilities to create applications as content. These efforts were driven and strengthened at our R&D centers in North America and Japan, where we also began implementation and validation in clinical settings within each country.

We acquired AMP3D, LLC in the U.S. in FY2021, which conducts research and development of algorithms and software for predicting patient condition changes. This acquisition has strengthened our technological development capabilities in the DHS domain and accelerated the development of innovative analytical algorithms. In 2022, we acquired Software Team Srl in Italy, which develops and sells software that transfers alarm information obtained from medical devices such as patient monitors and ventilators to medical staff' smartphones. This acquisition focuses on enhancing alarm management. By reducing false alarms in clinical practice and providing prompt and appropriate treatment to patients, we aim to improve the quality of medical care.

Nihon Kohden's core technology is the Human Machine Interface, which is its unique data acquisition technology and the basis for utilizing data such as patients' vital signs. In Phase I, in addition to our traditionally developed data collection capabilities, we have strengthened our ability to create analytical technologies and algorithms, expanding the foundational platform for data integration, and enhancing network technologies. These efforts have steadily built the technological foundation for our DHS Vision. Our open platform concept, which emphasizes the utilization of data in hospitals, has received high praise, particularly among medical institutions in North America.

In the Three-year Business Plan, BEACON 2030 Phase II, which started in FY2024, we will launch new applications and services utilizing these technologies into the market. We will provide a data platform that integrates data obtained from medical devices for use as big data. Additionally, we plan to offer clinical support applications, including remote monitoring functions for ICUs, alarm management, and early warning scores and dashboard to predict patient condition changes. Through the provision of these solutions, we aim to contribute to improving patient outcomes and the economics of medical care. In particular, the market for DHS is expanding in North America, and we expect high growth in this area moving forward.