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April 26, 2021

For Immediate Release

Company Name: EPS Holdings, Inc.
Representative Director: Yan Hao, Chairman & CEO
(Code No.: 4282, TSE First Section)
Inquiries: Kazuki Sekitani, Vice President and
Corporate Officer
(Tel: +81-3-5684-7873)

Notice of Changes in Subsidiary in China

EPS Holdings, Inc. (the "Company") hereby announces that at a meeting held today, its Board of Directors passed a resolution regarding the Company's purchase of shares (75% of shares outstanding) in Speed Apparel Holding Limited ("SPEED") listed on the Main Board of Hong Kong Exchanges and Clearing held by Speed Development Co. Ltd, a major shareholder of SPEED. The Company entered into an agreement on the same day.

1. Reason for the acquisition

The SPEED Group (SPEED and its affiliates and subsidiaries) is a corporate group headquartered in Hong Kong with its core business being supply chain management services of apparel. The SPEED Group provides global apparel manufacturers (including leading apparel manufacturers in Japan) with an analysis of fashion trends, as well as design and development, the procurement of materials, production management, quality control and product logistics services in the manufacturing of apparel products.

Based on its mission "We will contribute to the advancement of the healthcare industry by providing high value-added solutions to our clients," the EPS Group (EPS Holdings and its affiliates and subsidiaries) conducts business centered on CRO, SMO and CSO services, the core business that supports pharmaceutical companies, academia and medical institutions in Japan. In China, the EPS Group is developing business for products, including pharmaceuticals and medical equipment. In addition, the EPS Group plans to promote the products business which the Group has been cultivating in its China operations as a business of the Group, as well as business in China.

As one of its specific initiatives, the Group regards apparel x healthcare using smart apparel, etc. as an example. To accelerate the initiatives in this new field, the Group aims to establish an unprecedented business by placing SPEED with know-how in the design and logistics of apparel products under its umbrella and combining SPEED's know-how with the Group's knowledge of healthcare.

In addition, the Group will promote multi-faceted business development by adding drug discovery which the Group has been working on in the China business to the products business between Japan and China, which is conducted mainly by SPEED.



2. Overview of subsidiary subject to change

(1)	Name	Speed Apparel Holding Limited* *Subject to resolution at an extraordinary general meeting of shareholders, Speed Apparel Holding Limited will change its name to EPS Creative Health Technology Group Ltd.		
(2)	Address	23 Man Lok Street, Hung Hom, Kowloon, Hong Kong		
(3)	Name and title of representative	Chan Wing Kai (Executive Director, Chairman of the Board and CEO)		
(4)	Description of business	Supply chain management services		
(5)	Capital	5,000 thousand Hong Kong dollars		
(6)	Establishment	November 19, 2015		
(7)	Major shareholders and their shareholding ratios	Speed Development Co. Ltd75%		
(8)	Relationships with the listed company	Capital relationship	Not applicable.	
		Personal relationship	Not applicable.	
		Business relationship	Not applicable.	
(9)	Consolidated business results and financial position of the company concerned for the most recent three years Unit: Thousand Hong Kong dollars			
	Fiscal year	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2020
	Consolidated net assets	92,291	111,913	126,530
	Consolidated total assets	118,690	140,663	152,532
	Consolidated net sales	390,423	433,004	537,408
	Consolidated operating income	20,040	32,834	33,096
	Profit attributable to owners of parent	14,084	27,234	22,735
	Profit per share (Hong Kong cent)	2.9	5.4	4.5
	Dividend per share (Hong Kong cent)	1.5	1.6	0.0

3. Overview of the seller of shares

(1) Name	Speed Development Co. Ltd		
(2) Head Office Location	23 Man Lok Street, Hung Hom, Kowloon, Hong Kong		
(3) Major shareholders and their shareholding ratios	Chan Wing Kai 100%		
(4) Relationships with the listed company	Capital relationship	Not applicable.	



	Personal relationship	Not applicable.
	Business relationship	Not applicable.
	Related Parties	Not applicable.

4. Number of shares to be acquired, acquisition price, and the status of shareholding before and after acquisition

(1)	Number of shares owned before change	0 shares (Percentage of voting rights: 0%)
(2)	Number of shares to be acquired	375,000,000 shares (Percentage of voting rights: 75%)
(3)	Acquisition price	Common shares of SPEED 370.5 million Hong Kong dollars (Reference: Approx. 5,187 million yen if converting Hong Kong dollar to the yen at the rate of 14 yen to a Hong Kong dollar) Advisory expenses (estimate) Approx. 83 million yen Total (estimate) Approx. 5,270 million yen
(4)	Number of shares owned after change	375,000,000 shares* (Percentage of voting rights: 75%)

5. Schedule

(1)	Date of resolution at the Board of Directors meeting	April 26, 2021
(2)	Date of transfer agreement	April 26, 2021
(3)	Date of completion of share transfer	April 27, 2021
(4)	Trade name change	May 2021 (Plan)

6. Future outlook

The impact of changes in the subsidiary on consolidated financial results of the Company for the current fiscal year is currently under a careful examination. If any revision to results forecast or any fact to be disclosed arises in the future, the Company will immediately announce them.