



Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



April 27, 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 Acquisition of Shares by Consolidated Subsidiary (a second-tier subsidiary of the Company)**

EPS Holdings, Inc. (the “Company”) hereby announces that at a meeting held on April 27, 2021, its Board of Directors resolved that EPS Corporation (headquartered in Shinjuku-ku, Tokyo, and headed by Akira Sasa, President and Representative Director; hereinafter, “EPS”), a wholly owned subsidiary of the Company, will purchase all shares of CAC Croit Corporation (headquartered in Chuo-ku, Tokyo, Hajimu Kato, President and CEO; hereinafter, “Croit”), a wholly owned subsidiary of CAC Holdings Corporation (TSE 1st Section, code 4725, headquartered in Chuo-ku, Tokyo, Ryota Nishimori, President and CEO; hereinafter, “CAC”) and that EPS will make Croit its consolidated subsidiary (a second-tier subsidiary of the Company).

#### **1. Reasons for acquisition**

The mission of the Company and its group companies (“EPS Group”) established in the Group’s corporate philosophy is “We will contribute to the advancement of the healthcare industry by providing high-value-added solutions to our clients.” The Group operates three businesses, including CRO Business\*1, SMO and CSO Businesses, and two overseas businesses, including Global Research and EPS EKISHIN(China) Businesses, within the constantly changing environment of pharmaceutical and medical equipment development.

As a leader in CRO, EPS plays the central role in the Group and has been providing pharmaceutical companies and academic institutions with advanced expertise and technology in pharmaceutical development in an effort to deliver medicines to people who need them as quickly as possible.

CAC, meanwhile, has maintained a system of providing seamless services from system planning and building to operation and has been providing IT and healthcare services since its founding as an independent software company in 1966.

As a CRO having strengths in IT, Croit has established its mission as “Contribute to public healthcare to make the world happier and full of smiles” and helps increase the efficiency of pharmaceutical development to provide the pharmaceutical development support service of the CAC Group. Croit has strengths in PV\*2 using its operational expertise based on superior information technology and an extensive track record.

The reasons for the acquisition of Croit include



- (1) the ability to build a system for serving customers in a wide range of industries, from clinical trials to manufacturing and sales, using the expertise of both companies in operation management and customer services
- (2) the ability to provide wide-ranging safety information for clinical trials, comprehensively using knowledge, skills and system development in safety information management support
- (3) the opportunities for employees to exert their highly specialized skills

\*1. CRO: A contract research organization.

An individual or organization entrusted to perform part of the operations related to clinical trials performed by drug companies and other institutions in pharmaceutical development. Common tasks include monitoring and auditing clinical trials, data management, and statistical analysis.

\*2. PV: Pharmacovigilance.

The tasks are to input safety information gathered from various sources such as adverse event reports on clinical trials, post-marketing surveillance, and overseas agencies into databases, perform reinvestigations for medical institutions and prepare reports for Pharmaceuticals and Medical Devices Agency (PMDA) as necessary after primary processing (primary evaluation). A task in clinical trials and after-marketing clinical trials is to prepare documents to be submitted to physicians responsible for clinical trials and the heads of medical institutions where testing is conducted.

2. Overview of the subsidiary (second-tier subsidiary) to be transferred

(1)	Name	CAC Croit Corporation		
(2)	Location	24-1 Nihonbashi-Hakozakicho, Chuo-ku, Tokyo		
(3)	Title and name of representative	Hajimu Kato, President and CEO		
(4)	Business	Contracted operations in the development of pharmaceuticals and medical instruments and related IT services		
(5)	Capital	90 million yen		
(6)	Establishment	April 2012		
(7)	Large shareholder and ownership ratio	CAC Holdings Corporation: 100%		
(8)	Relationships with the listed company	Capital relationship	Not applicable	
		Personal relationship	Not applicable	
		Business relationship	Not applicable	
(9) Consolidated operating results and financial position in the last three years (million yen)				
Fiscal year		FY ended Dec. 2018	FY ended Dec. 2019	FY ended Mar. 2020
Net assets		2,947	2,430	1,889
Total assets		4,532	4,839	4,571
Net sales		11,008	8,574	6,826
Operating income		891	(66)	(262)
Ordinary income (loss)		892	(67)	(256)
Profit (loss)		508	(216)	(441)



### 3. Overview of the company (CAC) from which shares will be transferred

(1)	Name	CAC Holdings Corporation	
(2)	Location	24-1 Nihonbashi-Hakozakicho, Chuo-ku, Tokyo	
(3)	Title and name of representative	Ryota Nishimori, President and CEO	
(4)	Business	Establishment of management strategies and business management for the group companies	
(5)	Capital stock	3,702 million yen (as of December 31, 2020)	
(6)	Date of establishment	August 1966	
(7)	Net assets	26,236 million yen (as of December 31, 2020)	
(8)	Total assets	44,565 million yen (as of December 31, 2020)	
(9)	Relationship between the company concerned and the listed company	Capital relationship	Not applicable
		Personal relationship	Not applicable
		Business relationship	Not applicable
		Applicability to related parties	Not applicable

### 4. Overview of subsidiary concerned (EPS)

(1)	Name	EPS Corporation
(2)	Location	2-23 Shimomiyabicho, Shinjuku-ku, Tokyo
(3)	Title and name of representative	Akira Sasa, President and Representative Director
(4)	Business	Support for clinical trials planning and protocol development, CRA operation (monitoring), data management, etc.
(5)	Capital	100 million yen (as of September 30, 2020)
(6)	Date of establishment	July 2014
(7)	Net assets	19,574 million yen (as of September 30, 2020)
(8)	Total assets	26,948 million yen (as of September 30, 2020)

### 5. Number of shares acquired, acquisition price, and status of shares held before and after acquisition

(1)	Number of shares held before transfer	0 (Ownership ratio of voting rights: 0%)
(2)	Number of shares acquired	100 (Ownership ratio of voting rights: 100%)
(3)	Acquisition price	Common shares of CAC Croit: 3,000 million yen Advisory expenses, etc. (approximate amount): 6 million yen Total (approximate amount): 3,006 million yen
(4)	Number of shares held after transfer	100 (Ownership ratio of voting rights: 100%)



#### 6. Schedule (tentative)

(1)	Date of resolution at the Board of Directors meeting	April 27, 2021
(2)	Date of transfer agreement	April 27, 2021
(3)	Date of share transfer	June 30, 2021

#### 7. Outlook

The impact of the acquisition of the subsidiary on the consolidated financial results of the Company for the current fiscal year is currently being examined.

The Company will immediately announce any revision to its forecast or fact requiring disclosure that may arise in the future.