



August 26, 2022
EPS Holdings, Inc.

News release

Establishment of Intermediate Holding Company and Corporate Restructuring

EPS Holdings, Inc. (Head Office: Shinjuku-ku, Tokyo; President and Representative Director: Hao YAN; hereinafter “EPSHD” or “the Company”) hereby announces that it will establish an intermediate holding company that will manage the core businesses of the EPS Group via a share transfer to be conducted by EPS Corporation (Head Office: Shinjuku-ku, Tokyo; President and Representative Director: Akira Sasa; hereinafter “EPS”) and EP-SOGO Co., Ltd. (Head Office: Shinjuku-ku, Tokyo; President and Representative Director: Kenichi Yamamoto, hereinafter “EP-SOGO”), which are subsidiaries of EPSHD. In addition, all the shares of EP Mediate Co., Ltd. (Head Office: Shinjuku-ku, Tokyo; President and Representative Director: Masanori Tanji, hereinafter “EPMD”) will be delivered to EPS by way of the share delivery method.

The name of the intermediate holding company to be established will be EPNextS Co., Ltd., which begins with an acronym of “Ever Progressing” from the Group’s Vision and adds “Next” to represent the next generation, and then “S” to evoke the words “stage,” “system,” “solution,” and “structure.”

Thirty years after its founding, EPS Group is entering its next phase as a new solutions provider.

1. Purpose of Establishment of Intermediate Holding Company and Corporate Restructuring

As a solutions provider that contributes to the development of the healthcare industry, the Company possesses EPS, which handles the CRO^{*1} business, and EP-SOGO, which handles the SMO^{*2} business, under its umbrella, positioning both as core businesses, and it has worked to improve services and expand its business matched to customer needs by capitalizing on collaboration between the two core businesses and the know-how and product development capabilities of other related businesses in the Group.

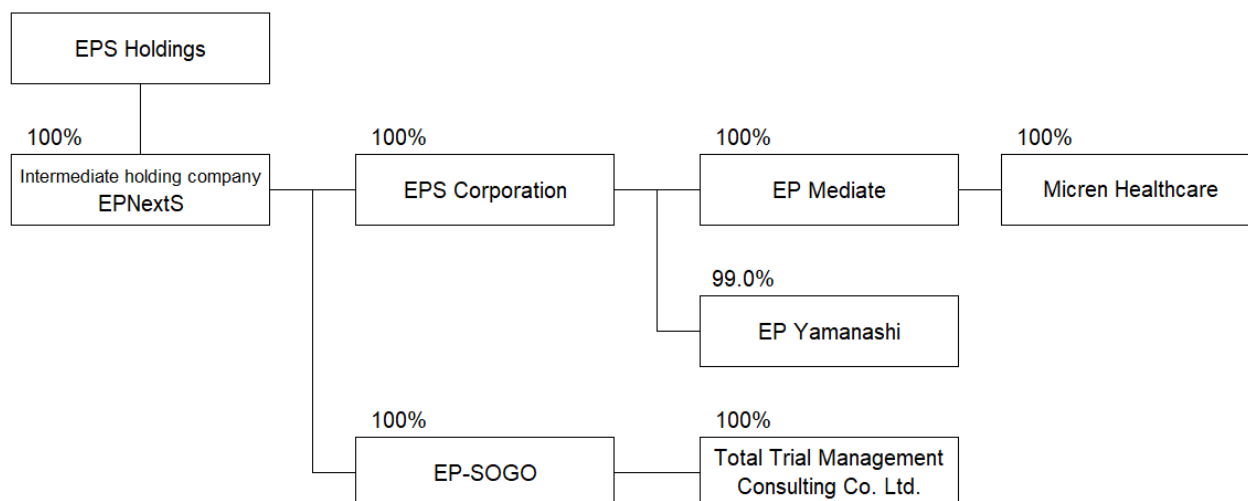
Against this backdrop, the EPS Group conducted a management buyout in the previous fiscal year and is focusing on finding and establishing new revenue models while working to convert its business structure in order to pursue the “four transformations” of its SHINYO medium-term management plan. Under this policy, for both the CRO and SMO businesses, the Company believes it will be necessary to ensure flexible strategic decision-making that takes into account overall optimization in line with changes in the clinical research environment going forward and to strive to further strengthen management, and it has therefore decided to establish an intermediate holding

company that will manage both businesses.

In addition, EPMD, after starting operations, worked to expand its business as the Group's CRO for medical device development, health foods, diagnostic drugs, and other categories, but as a part of the reorganization of the CRO business coinciding with the establishment of the new intermediate holding company, all shares of EPMD, which are owned by the Company, will be delivered to EPS.

Going forward, the intermediate holding company will play a central role in guidance, support, and management for effective utilization of the management resources of the two companies and their subsidiaries, and for the companies' operational management and strategy development. It will also work to maximize corporate value by building a competitive business structure, which will include strengthening risk management and governance.

Organizational Restructuring as of October 4, 2022



(Percentages are ownership stakes)

2. Overview of Entities Involved in Share Transfer

Name	EPS Corporation	EP-SOGO Co., Ltd.
Address	2-23 Shimomiyabicho, Shinjuku-ku, Tokyo	1-8 Tsukudocho Shinjuku-ku, Tokyo
Representative Director	Akira SASA	Kenichi YAMAMOTO
Business area	Drug development support Post-marketing surveillance support Safety information management support	Clinical trial facility support
Capital	100 million yen	100 million yen
Establishment	July 1, 2014	December 24, 1999

3. Overview of New Company to be Established via Share Transfer

Name	EPNextS Co., Ltd.
Address	2-1 Tsukudohachimanchō, Shinjuku-ku, Tokyo
Representative Director	Tatsuma NAGAOKA
Business area	Management strategy for the two companies, research on new services, M&A strategy execution to help raise the added value of the two companies' businesses, and related activities
Capital	100 million yen
Establishment	October 4, 2022
Main shareholder and ownership stake	EPS Holdings, Inc., 100%

4. Overview of Entity to Which Shares Will be Delivered

Name	EP Mediate Co., Ltd.
Address	1-8 Tsukudocho, Shinjuku-ku, Tokyo
Representative Director	Masanori TANJI
Business area	Medical device development support Foods with Health Claims development support (food CRO) In vitro diagnostic development support Drug analysis
Capital	50 million yen
Establishment	October 1, 2018
Recipient of shares	EPS Corporation, 100%

*1: Contract research organization

*2: Site management organization

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