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EPS Creative Health Technology Group Limited

(Incorporated in the Cayman Islands with limited liability)

(HKEX Stock code: 3860)

SUPPLEMENTAL ANNOUNCEMENT ON THE DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF TARGET COMPANIES IN THE PRC

Reference is made to the announcement (the “**Announcement**”) of the Company dated 20 September 2022 in relation to the acquisition of the Share Interests, which represent: (i) approximately 95% of the entire equity interests in Target Company A; (ii) approximately 51% of the entire equity interests in Target Company B; and (iii) 51% of the entire equity interests in Target Company C. Unless otherwise stated, capitalized terms used in this announcement shall bear the same meanings as defined in the Announcement.

The Board wishes to supplement that for the purpose of the Acquisition, in view of the net liability position of Target Company A as at 30 June 2022, there had been debt restructuring of Target Company A by the Vendor as a result of which before the Agreement was entered into, Target Company A had a net asset value of approximately RMB180,000. Applying the respective shareholding percentages in the Target Companies acquired by the Group, the aggregate net assets value of the Target Companies attributable to the Group acquired is approximately RMB2.9 million which was the basis by the Board to determine the consideration of RMB2.85 million payable by the Group for the Acquisition.

The Board noted that there was a decrease in revenue of each of the Target Companies from 2020 to 2021 and that two of them were loss making in 2021. The Company understands that this was primarily due to the lingering impact of the COVID-19 pandemic and the corresponding control measures being taken in multiple cities of China such as closure of hospitals, thereby causing a postponement of clinical projects and revenue recognition. However, given that the Target Companies have accumulated more than 20 years’ experience and establishment in clinical project management, monitoring and medical data analysis with a pool of more than 50 well-experienced and trained experts specialized in clinical medicine, pharmacology and biostatistics etc., the Acquisition, though not in the ordinary and usual course of business of the Company, could complement the existing

business of the Group in the drugs development services which require the requisite experts, experience, technical skills, data and resources as backup in order to succeed. On the basis of the forgoing, the Board considers that the Acquisition and the consideration thereof are fair and reasonable and in the interest to the Company and its shareholders as a whole.

The Board wishes to supplement/clarify the following information about the Purchaser, the Vendor and Target Company C as disclosed in the Announcement to the best knowledge, information and belief of the Directors:

1. EPS Holdings, Inc. is 71.55% owned by Y&G Limited which is wholly-owned by Mr. Yan Hao. The remaining 28.45% of EPS Holdings, Inc. are owned as to 20% by Suzuken Co., Ltd., a Japanese pharmaceuticals wholesale company and the shares of which are listed on the Japanese (Tokyo, Nagoya and Sapporo) Stock Exchange (stock code: 9987), 2.49% by Song Junbo, 2.32% by Mr. Yan Hao, 0.51% by each of Tashiro Shinro, Nagaoka Tatzuma and Hirosaki Shinji, and 2.11% by Yu Huanrang.
2. The remaining 49% of Target Company C are owned as to 44.1% by Xing Lei and as to 4.9% by Hao Bing.
3. The Chinese name of the Purchaser should be 創健醫藥發展(上海)有限公司 instead of 創建醫藥發展(上海)有限公司 as disclosed in the Announcement.

By order of the Board
EPS Creative Health Technology Group Limited
Miyano Tsumoru
Executive Director

Hong Kong, 26 September 2022

As at the date of this announcement, the executive Directors are Mr. Okoso Satoshi, Mr. Miyano Tsumoru, Mr. Gao Feng, Mr. Haribayashi Keikyo and Mr. Maezaki Masahiro; the non-executive Director is Mr. Xia Xiangming; and the independent non-executive Directors are Mr. Taguchi Junichi, Mr. Choi Koon Ming and Mr. Chan Cheuk Ho.