



May 12, 2023

To whom it may concern,

Company: Core Concept Technologies Inc.  
Representative: Takeshi Kaneko,  
Representative Director, President, CEO  
(Stock Code: 4371, Growth Market of TSE)  
Yoshiyuki Umeda,  
Contact: Executive Officer, General Manager of Business  
Administration Division  
(Tel: +81 3-6457-4344)

### **Notice of the Acquisition of Shares of P. G. System Co., Ltd. to Make It a Wholly-Owned Subsidiary**

At the meeting of the Board of Directors held on May 12, 2023, we resolved to acquire 350 out of 400 outstanding shares of P. G. System Co., Ltd. (hereinafter referred to as “P. G. System”), excluding 50 treasury shares, on May 19, 2023, to make P. G. System a subsidiary, as described below.

This is a voluntary disclosure that does not exceed the timely disclosure standards.

#### 1. Reason for and purpose of the acquisition of shares

Being based in Ube City, Yamaguchi Prefecture and Hiroshima City, Hiroshima Prefecture, P. G. System develops, operates, and maintains systems for local enterprises, governmental offices, and municipalities and dispatches engineers to system development companies.

By making P. G. System a wholly-owned subsidiary, we aim to expand our business while increasing the number of branches and securing resources. Also, we promise to achieve the development of both companies by contributing to the growth of P. G. System through measures such as having P. G. System participate in the projects we received, improving the ability to receive orders and providing know-how on recruitment and training.

#### 2. Method for making P. G. System a subsidiary

We will acquire 350 out of 400 outstanding shares of P. G. System, excluding 50 treasury shares, on May 19, 2023, to make it a wholly-owned subsidiary.

#### 3. Overview of a subsidiary to be acquired

(1) Name	P. G. System Co., Ltd.
(2) Address	2 <sup>nd</sup> Floor of Taiyoseimei Ube Bldg., 18-10 Matsushima Town, Ube City, Yamaguchi Prefecture
(3) Representative	Hiroshi Goda, Representative Director

(4) Outline of business	Entrusted development of software, operation and management of systems, dispatch of engineers to system development companies, etc.		
(5) Capital	20,000 thousand yen		
(6) Date of establishment	January 21, 1998		
(7) Relationship with CCT and the company	Capital relationship	None applicable.	
	Personnel relationship	None applicable.	
	Transaction relationship	None applicable.	
	Related parties or not	None applicable.	
(8) Financial standing and business performance in the past 3 years			
Fiscal year	FY 3/2020	FY 3/2021	FY 3/2022
Net assets* <sup>1</sup>	44,144	51,205	64,471
Total assets* <sup>1</sup>	202,044	219,468	190,277
Net asset per share* <sup>2</sup>	110,361.92	128,013.61	184,204.00
Net sales* <sup>1</sup>	490,726	505,858	543,144
Operating profit* <sup>1</sup>	1,451	7,774	22,918
Ordinary profit* <sup>1</sup>	7,221	8,925	24,280
Profit* <sup>1</sup>	5,484	7,060	20,515
Profit per share* <sup>2</sup>	13,711.04	17,651.69	57,277.61
Dividend per share	-	-	-

\*1: Unit: thousand yen

\*2: Unit: yen

#### 4. Outline of the transferer

We will not disclose any information on the transferer, in accordance with the confidentiality agreement. There is no capital, personnel, or transaction relationship between our company and the transferer, who is an individual.

#### 5. No. of shares we will acquire, the acquisition price, and the shares we hold before or after the acquisition

(1) No. of shares held before the transfer	- (No. of voting rights: -) (Ownership ratio for voting rights: -%)
(2) No. of shares we will acquire	350 (No. of voting rights: 350)
(3) Acquisition price	Price for acquiring shares: 280,000 thousand yen Advisory fee, etc.: 30,000 thousand yen (rough estimate)

	Total: 310,000 thousand yen (rough estimate) *The price for acquiring shares was determined through discussions with the other party, while considering the results of due diligence by external experts and stock value evaluation.
(4) No. of shares we hold after the acquisition	350 (No. of voting rights: 350) (Ownership ratio for voting rights: 100%)

#### 6. Schedule

(1) Date of resolution by the Board of Directors	May 12, 2023
(2) Date of conclusion of share transfer agreement	May 12, 2023
(3) Date of share transfer	May 19, 2023

#### 7. Future outlook

We recognize that the impact on our business performance in the term ending December 2023 is minor. However, if there emerges any item that should be disclosed, we will notify you swiftly. In addition, we will disclose the consolidated earnings forecast at a later date.