

May 15, 2023

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 (Stock code: 7059, TSE Prime, NSE Premier)
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Notice Regarding Changes to Our Dividend Policy

COPRO-HOLDINGS. Co., Ltd. (the “Company”) hereby announces that at the Board of Directors meeting held today, the Company has decided to change our dividend policy as follows.

1. Reason for Changing Our Dividend Policy

As per the consolidated financial results for the full fiscal year FYE2023 announced today, for the first year of the Medium-Term Management Plan, we have exceeded the consolidated earnings forecast announced at the beginning of the fiscal year, and the upward revision of the consolidated earnings forecast announced in November 2022, for each category of profit, starting with operating profit. In FYE2024, the second year of the plan, bringing to fruition the results of various reforms promoted up to the previous fiscal year, we forecast record high consolidated sales and record high profits for each category of profit, and we aim to transition to a phase of generating profits as we reach a harvesting stage.

In addition, we will continue to position the return of profits to shareholders as an important management issue, and in order to clarify an increase in dividends that is in line with the profit growth, we have decided to introduce this dividend payout ratio as a benchmark for calculating dividend amounts.

2. Details of the Dividend Policy

*The changes are underlined.

Before the Change	After the Change
Dividends are the basis for shareholder returns, which we consider to be one of the important management issues, and our basic policy is to pay stable dividends. We will not reduce dividends during the period covered by the medium-term management plan "COPRO Group Build the Future 2027" (from FYE2023 to FYE2027), depending on the profit growth achieved through aggressive investment.	Dividends are the basis for shareholder returns, which we consider to be one of the important management issues, and our basic policy is to pay stable dividends. We will not reduce dividends, <u>but rather maintain a consolidated dividend payout ratio of 50% or more</u> , during the period covered by the medium-term management plan "COPRO Group Build the Future 2027" (from FYE2023 to FYE2027), depending on the profit growth achieved through aggressive investment.

3. When the Change will be Implemented

It will be applied from the dividend at the end of the second quarter of FYE2024.

End