

November 27, 2023

Company Name: COPRO-HOLDINGS Co., Ltd.

Chief Executive Officer: Kosuke Kiyokawa

(Ticker Symbol: 7059, TSE Prime, NSE Premier)

Inquiries: Director, Masahiko Saito

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## Notice Regarding a Business Acquisition by Our Consolidated Subsidiary

We are pleased to announce that as of November 30, 2023 our consolidated subsidiary COPRO TECHNOLOGY Co., Ltd. (hereinafter referred to as COPRO TECHNOLOGY) will take over the system engineering service business (SES) from Pacific Information Consultants (Headquarters: Chuo-ku, Tokyo; Representative Director: Hajime Nakayama; hereinafter referred to as PIC), which operates web and software development, and system consulting businesses. Although this matter does not fall under the timely disclosure standards, we have decided to voluntarily disclose the information as we believe it is useful information.

### 1. Reason for the Business Acquisition

The IT services market is expected to expand due to the increase in IT investment related to cloud, big data, and IoT/AI, etc. However, there is currently a shortage of IT human resources due to the declining population of young people. It is predicted that the gap between supply and demand for IT human resources will widen in the medium to long term.

Under these circumstances, our company is positioning the IT field as a promising one, and under our consolidated subsidiary COPRO TECHNOLOGY, we are developing an SES business targeting high-value-added IT engineers. By taking over the SES business of PIC, in addition to getting highly skilled IT engineers, we have determined that taking over the company's customer network will contribute to the further expansion of business at COPRO TECHNOLOGY.

Furthermore, under the Medium-Term Management Plan "COPRO Group Build the Future 2027" (from FYE2023 to FYE2027) announced in May 2022, in order to exceed and achieve our performance targets of consolidated sales of ¥40 billion and Non-GAAP operating profit of ¥5 billion, in addition to strongly promoting organic growth in existing businesses, we will also actively promote M&A strategies aimed at intermittent growth that are not factored into the Medium-Term Management Plan.

### 2. Overview of the Business Acquisition Partner

(1) Name	Pacific Information Consultants
(2) Location	Room 510, Tensho Nihonbashi Building, 8-13 Nihonbashi Kobunacho, Chuo-ku, Tokyo
(3) Title and Name of the Representative	Representative Director Hajime Nakayama
(4) Description of the Business	Content production and web construction Software development System consulting

(5) Capital Stock	28 Mln yen
(6) Date of Establishment	March 2001
(7) Major Shareholder and Shareholding Ratio	It is not disclosed due to the wishes of the other party.
(8) Relationship between the listed company and the relevant company	There are no capital, personal or business relationships, etc., to be noted. Furthermore, they do not fall under the category of related parties.

### 3. Overview of the Acquired Business

(1) Details of the acquired business	The SES business operated by PIC
(2) Operating results of the relevant business	FYE April 2023 Sales of ¥92 million, and operating profit of ¥15 million
(3) Items and amounts of assets and liabilities in the acquired business	The assets and all liabilities related to the target business will not be inherited, but the goodwill (employees and customers) related to the target business will be transferred.
(4) Acquisition price and payment method	① Acquisition price It is not disclosed due to the wishes of the other party. ② Payment method We plan a cash payment using cash on hand.

### 4. Overview of Our Subsidiary

(1) Name	COPRO TECHNOLOGY Co., Ltd.
(2) Location	No. 1304, Nagoya Mitsui Building New Wing 13F, 1-24-20 Meiekinami, Nakamura-ku, Nagoya, Aichi Prefecture
(3) Title and Name of the Representative	Representative Director and President Hideki Nishioka
(4) Description of the Business	Worker dispatching business and paid job introduction business
(5) Capital Stock	35 Mln yen
(6) Date of Establishment	June 6, 2006
(7) Major Shareholder and Shareholding Ratio	COPRO-HOLDINGS Co., Ltd. 100.0%

### 5. Business Acquisition Schedule

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|--|-----------------------------|
| (1) Date for signing the business acquisition contract | November 27, 2023           |
| (2) Business acquisition effective date                | November 30, 2023 (planned) |

### 6. Future Outlook

The impact of this acquisition will be insignificant for our FYE2024 consolidated business results. If, in the future, any matters arise that should be disclosed, we will promptly disclose them.

End