

April 27, 2021

Company Name: COPRO-HOLDINGS. Co., Ltd.

Chief Executive Officer: Kosuke Kiyokawa

(Stock code: 7059, TSE 1st section, NSE 1st section)

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## **Notice Regarding Acquisition of Shares of ATMOS CO., LTD.**

COPRO-HOLDINGS. Co., Ltd. (hereafter, “the Company”) hereby announces that the Board of Directors, at its meeting held on April 27, 2021, resolved that the Company will acquire all of the issued shares of ATMOS CO., LTD. (hereafter, “ATMOS”), as per the details below.

### **1 . Purpose of the acquisition of shares**

The COPRO Group (hereafter, “the Group”) is engaged in dispatching and recruitment services for the construction and plant industries. With 18 branches nationwide, the Group has built the system to hire more than 1,000 engineers annually to meet a broad range of demand from clients. At the same time, the Group takes the engineer dispatch business as "human resource development" and provides the original programs at its own training facilities, “*Kantoku-no-tane*”. In high-value-added human resources generation, which the Group provides, it has earned a high level of satisfaction from clients and a high level of retention rate with high engineers.

ATMOS aims to become the best engineer group, and is mainly engaged in the dispatch of machinery design engineers. Approximately 100 employees of dispatched engineers are active, mainly in the development and design departments of major manufacturers, and ATMOS has provided high-quality services based on its advanced technological capabilities. In addition, ATMOS has built the original human resource development programs and has a track record of recruiting many overseas personnel.

Through the acquisition, ATMOS can expect to increase share from existing clients and expand new clients by leveraging the Group’s management resources including sales capabilities and nationwide strength in recruiting. At the same time, the Group can expect to achieve further business growth and improve earnings stability by expanding the business portfolio in the field of engineer dispatching, which is expected to generate synergies.

Going forward, with the aim of becoming a platform company for creating human assets, the Group will continue to strive to expand the scope of the operations and strengthen the management foundation, which will contribute to enhancing corporate value.

### **2 . Outline of the subsidiary to be transferred**

(1)	Company name	ATMOS CO., LTD.
(2)	Head office	1-24-20 Meieki-minami, Nakamura-ku, Nagoya, Aichi

(3)	Name and title of representative	Tomonori Dai, President and Representative Director		
(4)	Major businesses	Dispatching business of machinery design engineers, outsourced contracting business to develop and design industrial finished goods		
(5)	Capital	JPY 35 million		
(6)	Established	June 6, 2006		
(7)	Major shareholders and percentage of shares	Individual 1 person 100%		
(8)	Relationships between the Company and ATMOS	Capital relationship	Not applicable	
		Personnel relationship	Not applicable	
		Business relationship	Not applicable	
(9)	Operating results and financial position of ATMOS for the past 3 years (unit; millions of JPY)			
	Fiscal year	FY2/2018	FY2/2019	FY2/2020
	Net assets	175	183	186
	Total assets	229	303	299
	Net assets per share	251,023.11 yen	262,018.02 yen	266,448.50 yen
	Net sales	757	833	827
	Operating profit	11	9	2
	Ordinary profit	12	11	4
	Net income	9	7	3
	Net income per share	13,725.13 yen	10,994.91 yen	4,430.48 yen

### 3. Outline of the counterparty to the share purchase

(1)	Name	Individual 1 person (Note)
(2)	Relationships between the Company and the individual shareholder	There is no capital, personnel or business relationship to be listed between the Company and the person in question. In addition, there is no noteworthy capital, personnel, or business relationships between the Company's affiliates and affiliated companies, the individuals and the affiliated companies related to the person in question.

(Note) Due to the confidentiality obligation with the other party to acquire shares, the name and address of the shareholder are not disclosed.

### 4. Number of shares to be acquired, acquisition price and the status of ownership shares before and after the acquisition

(1)	Number of shares owned before acquisition	Number of shares Number of voting rights Ration of voting right owned	0 0 0%
(2)	Number of shares to be acquired	Number of shares Number of voting rights	700 700
(3)	Acquisition price	Since the shareholder is individual and has signed the confidentiality contract, it is not disclosed. But the Company will acquire shares at a reasonable amount calculated in a fair manner after implementing appropriate due diligence.	
(4)	Number of shares owned after acquisition	Number of shares Number of voting rights Ration of voting right owned	700 700 100%

## 5. Schedule

(1)	Date of board of directors' resolution	April 27, 2021
(2)	Date of agreement	April 27, 2021
(3)	Date of shares acquisition	April 30, 2021 (Scheduled)

## 6. Outlook

Through this acquisition of shares, ATOMOS is expected to become a consolidated subsidiary of the Company in the first quarter of the fiscal year ending March 2022. Including this matter, the forecast of consolidated financial results for the fiscal year ending March 2022 is scheduled to be announced on May 14, 2021.

Furthermore, there is no impact on the results of this consolidation for the fiscal year ended March 2021, which will be announced on May 14, 2021.

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### (Reference) Consolidated financial forecasts for FY3/2021 (announced on February 10, 2021) and consolidated financial results for FY3/2020

(units; millions of JPY)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
FY3/2021 forecast	14,819	1,366	1,368	901
FY3/2020 forecast	13,122	1,592	1,585	1,084