

## Striking expansion of business performance; An increase in dividend payment since the listing is to continue

### ▪ Earnings results summary

COPRO-HOLDINGS. Co., Ltd., (hereafter, the Company) announced the full year results for FY2024/3 after the market close on Tuesday, May 14, 2024. The key consolidated figures increased sharply, including net sales of ¥24,098 mn (+28.2% YoY), operating profit of ¥2,141 mn (+62.0% YoY), ordinary profit of ¥2,211 mn (+67.0% YoY), and profit attributable to owners of parent (hereafter, net profit) of ¥1,463 mn (+69.3% YoY).

### ▪ Business performance trends

COPRO-CONSTRUCTION. Co., Ltd., (formerly COPRO-ENGINEERED), which operates the company's core business of construction technician dispatching, proactively increased the number of recruits to meet the expanding demand for labor against the backdrop of regulations capping overtime work which started in April 2024, thinking it the most important to establish the system to get hold of the technicians, a driving force for the business expansion of the company. As a result, the number of the technicians increased by 791 (+28.5% YoY) to 3,568, a record high. Reflecting the record high, net sales of COPRO-CONSTRUCTION surged and its operating profit reached ¥3,298 mn, (+29.3% YoY) absorbing recruiting and personnel expenses.

Regarding mechanical design and development engineer dispatching and contracting services and SES (system engineering service), ATMOS Co., Ltd. and VALUE ARK CONSULTING Co., Ltd. merged and changed the name to **COPRO TECHNOLOGY. Co., Ltd.** as of October 1, 2023, unified their sales and recruiting structures and consolidated their administrative divisions. As of November 30, 2023, COPRO TECHNOLOGY. Co., Ltd. took over the dispatching business and SES business (system engineering services) with quasi-assignment contracts from PIC, which was engaged in the web/software development and system consulting business. As a result, the number of engineers rose by 102 (+39.4% YoY) to 361. Operating profit posted a small loss of ¥10 mn due to the aggressive advance use of expenses such as advertising spending to increase the number of the recruits. Head office costs worked as a contribution of ¥108 mn to a profit YoY along with lower personnel and stock-based compensation costs by streamlining back-office operations in the head office.

FY	Net Sales (¥mn)	YoY (%)	Oper. profit (¥mn)	YoY (%)	Ordin. Profit (¥mn)	YoY (%)	Net profit (¥mn)	YoY (%)	EPS <sup>(4)</sup> (yen)	DPS <sup>(4)</sup> (yen)
FY2020/3	13,122	21.3	1,592	18.4	1,585	18.6	1,084	15.5	56.4	15.0
FY2021/3 <sup>(1)</sup>	14,836	13.1	1,437	-9.7	1,439	-9.2	1,009	-6.9	52.4	18.8
FY2022/3 <sup>(2)</sup>	15,589	5.1	1,621	12.8	1,619	12.5	962	-4.6	50.4	20.0
FY2023/3	18,791	20.5	1,321	-18.5	1,324	-18.2	864	-10.2	46.1	25.0
FY2024/3 <sup>(3)</sup>	24,098	28.2	2,141	62.0	2,211	67.0	1,463	69.3	74.4	50.0
FY2025/3 CE	30,000	24.5	2,700	26.1	2,714	22.7	1,755	19.9	92.0	60.0
FY2024/3 2Q	11,137	28.5	737	56.9	810	71.8	510	81.9	26.2	15.0
FY2025/3 2Q CE	13,948	25.2	1,032	40.0	1,046	29.0	675	32.3	35.4	20.0

Source: Compiled by SIR from TANSHIN financial statements.

Note: 1) A two-for-one stock split of common stock was conducted on April 1, 2021. (2): For 2022/3, "the account standard for revenue recognition" and the like were adopted, but the effect was negligible. Therefore, SIR showed the percentage change from the previous year. 3) A two-for-one stock split of common stock was conducted on October 1, 2023. 4) EPS and DPS are retroactively adjusted to reflect a 2-for-1 stock split. EPS – diluted shares adjusted.

## 4Q Flash



### Team coverage

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## ▪ Dividend increase and earnings forecast

The demand from the construction industry, major client of the Company, is expected to remain strong due to urban development project related works, renovation works of aging infrastructure facilities, construction works of new semiconductor factories, and the like. The so called “2024 problem” is also expected to continue to play a positive role for the business performance of the Company and help it with its sharp increase in profits for this fiscal year. Dividend per share will be increasing by ¥10 on a retroactive revision basis for FY2025/3, meaning a consecutive increase since the listing in March 2019.

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