



PORT INC.

Fiscal Year Ended March 31, 2023

Financial Results Briefing

PORT INC. Securities Code: 7047

2023.5.12

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01

Company Profile

Company Profile

PORT INC.

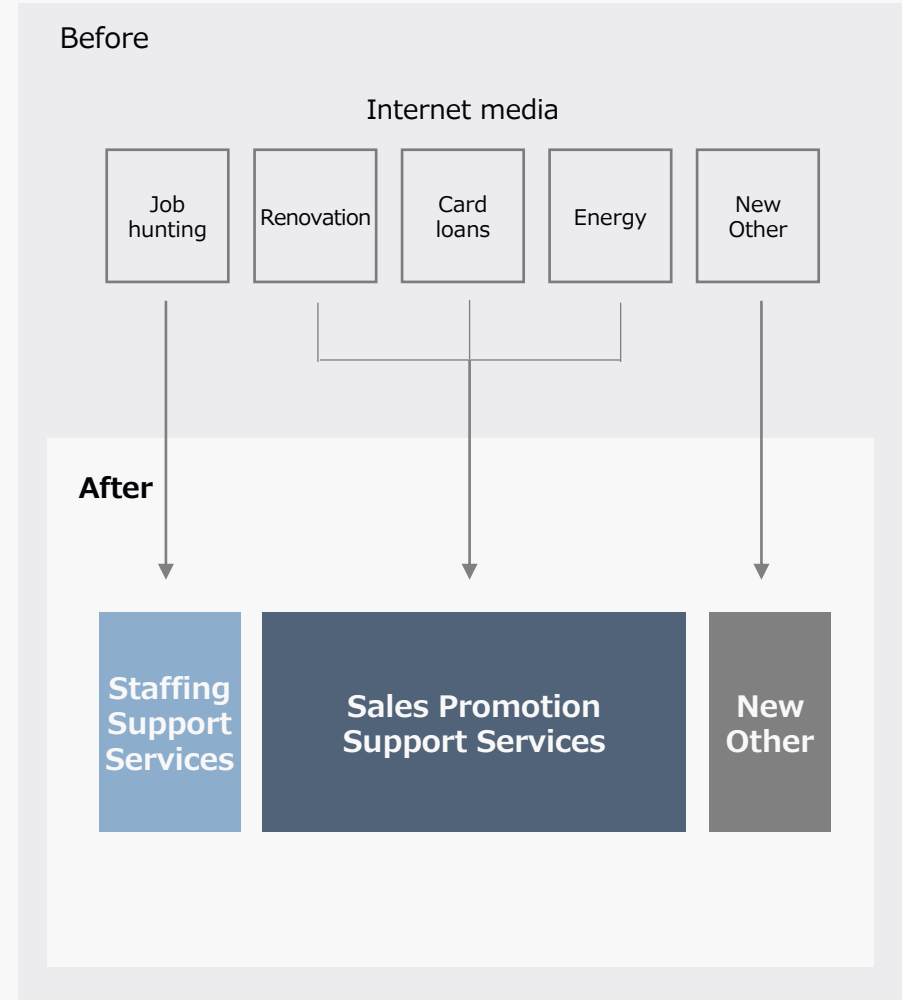
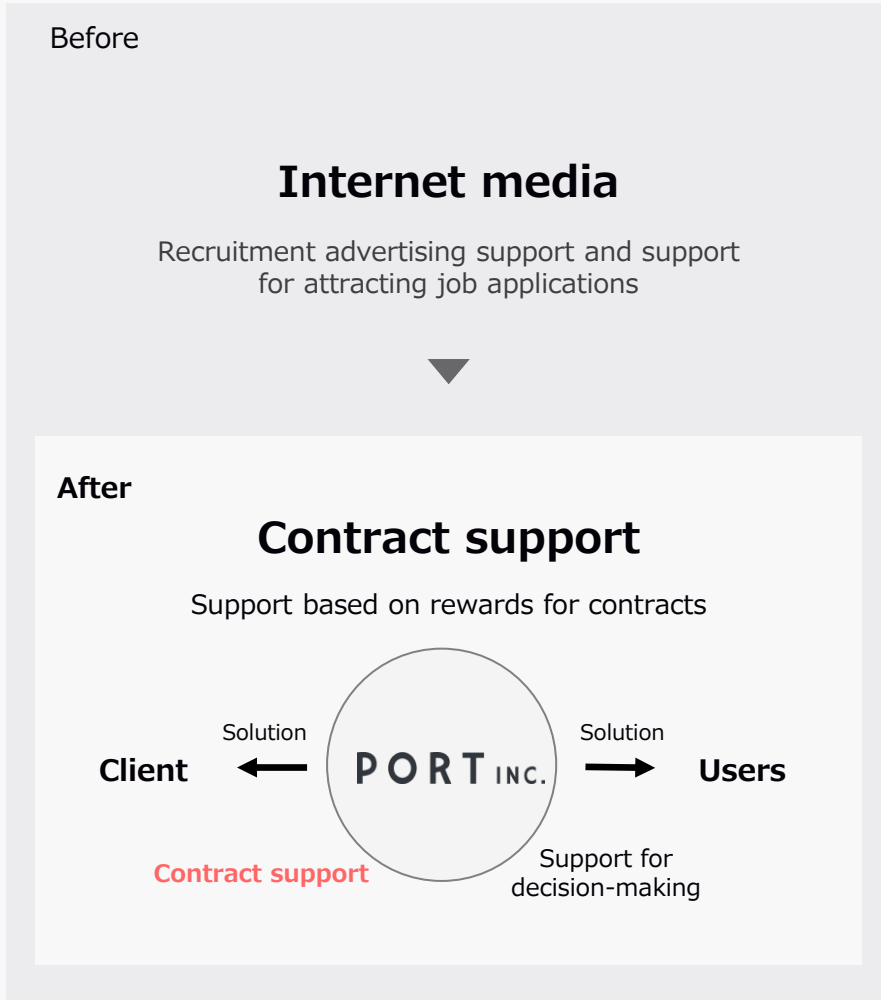
Company name	PORT INC.
Established	April 18, 2011
Head office address	5th Floor, Shinjuku Front Tower, 2-21-1 Kitashinjuku, Shinjuku-ku, Tokyo
Satellite office3-9-5	Iwasaki, Nichinan, Miyazaki
Share capital	944 million yen (as of March 31, 2023)
Representative	Hirofumi Kasuga, Representative Director, President and CEO
Business	Contract support
Number of employees	375 (as of March 31, 2023; consolidated)
Average age of employees	Approx. 29 (as of March 31, 2023)
Ratio of men to women	6 : 4
Securities code	7047 (TSE Growth, FSE Q-Board; listed on December 21, 2018)
Major group companies	INE K.K./DOORS Inc.



FY2011 (1st term)	Founding	<ul style="list-style-type: none">•Kasuga, the founder, founds the Company immediately after graduating from university.•Establishes Social Recruiting Co., Ltd. at Shibuya, Shibuya-ku, Tokyo.
FY2014 (4th term)	New product	<ul style="list-style-type: none">•Starts the operation of Career Park!, a job hunting know-how site.
FY2015 (5th term)	Changed the company name	<ul style="list-style-type: none">•Changes the company name to PORT INC.•Head office relocated to Nishishinjuku, Shinjuku-ku, Tokyo.•Starts operation of Port Medical, a telemedicine platform.
FY2016 (6th term)	Expanding into a region	<ul style="list-style-type: none">•Establishes a satellite office in Nichinan, Miyazaki.•Launches Manet, a finance information site.
FY2018 (8th term)	Listed	<ul style="list-style-type: none">•Listed on Tokyo Stock Exchange Mothers and Fukuoka Stock Exchange Q-Board.
FY2020 (10th term)	Announcement of a medium-term management plan and implementation of M&A	<ul style="list-style-type: none">•Acquires Syukatsu Kaigi, a job hunting word-of-mouth website.•Acquires DOORS Inc., which operates Gaihekitoso-no-madoguchi, an outer wall painting site.•Announces a medium-term management plan.
FY2021 (11th term)	Business alliances and M&A	<ul style="list-style-type: none">•Accelerates business alliances in all domains, such as a capital and business alliance with Change, Inc., etc.•Enters the energy domain and acquires INE as a core business through M&A
FY2022 (12th term)	Achievement of the medium-term management plan and launch of a new business	<ul style="list-style-type: none">•Achieves the medium-term management plan and tops 10 billion yen in the Group's revenue•Begins full-scale operation of the Staffing Support Services for young people and establishes a new company, aiming to expend the services

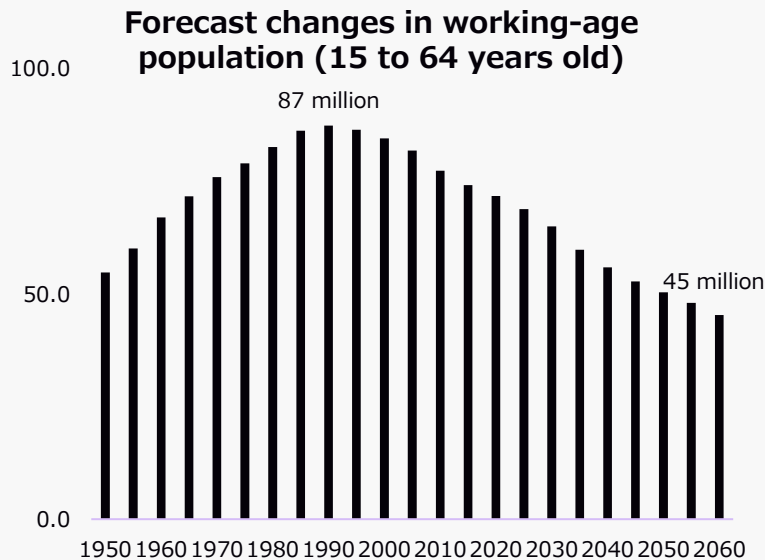
Changes to Segment and Service Categories

Based on the model featuring advertising to users via Internet media, we have built the contract support business, in which we enhance organizational operations and become deeply involved in issues faced by clients and users to eliminate their pain. In relation to this, we have changed the segment and service categories.



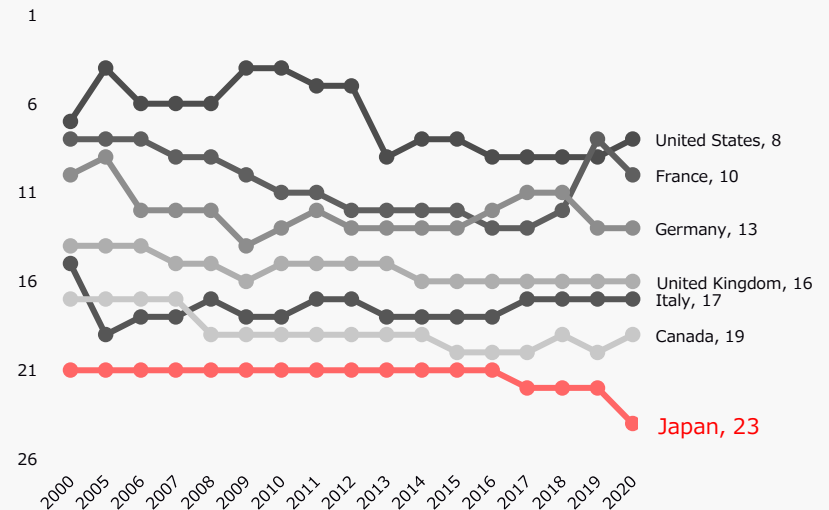
Declining working population (working-age population)

The working-age population of Japan will decrease due to the declining birthrate and aging population.*1



Low labor productivity

The labor productivity of Japan was ranked 23th among 38 OECD countries in FY2020, falling in rank in recent years.*2



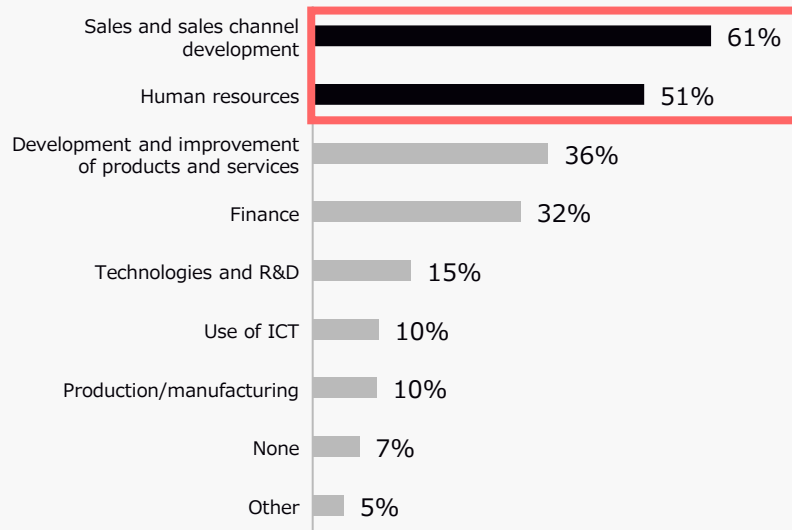
The working population will inevitably decline. Moreover, Japan also faces a sustainability crisis due to low labor productivity.

*1 https://www.chusho.meti.go.jp/pamflet/hakusyo/H30/h30/html/b2_1_2_1.html

*2 https://www.jpc-net.jp/research/assets/pdf/international_trend_summary2021.pdf

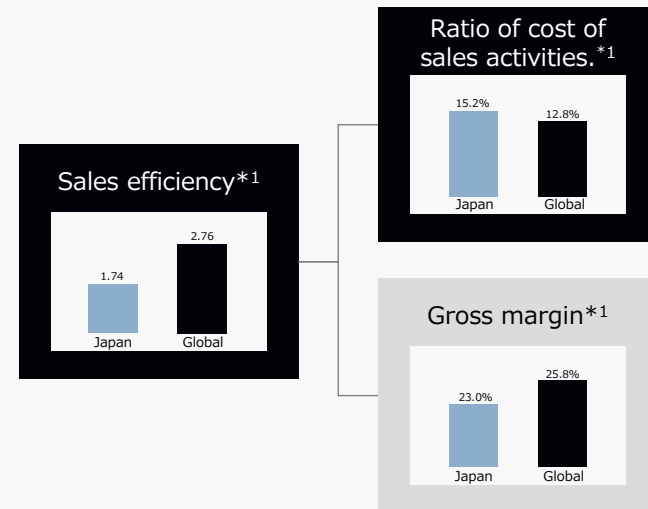
Management issue of SMEs is sales activities

Management issues for SMEs, which constitute 90% of all Japanese companies*1, are sales promotion and human resources*2. In other words, they are issues related to sales activities.



Low productivity of sales activities

The sales efficiency of Japanese companies is said to be lower than that of companies in other countries. This is attributable to the low profitability and inefficiency of the ratio of cost of sales activities.



Efficiency improvement of sales promotion activities and recruitment, which are regarded as management issues of companies, were identified as top priority themes of issues to be solved.

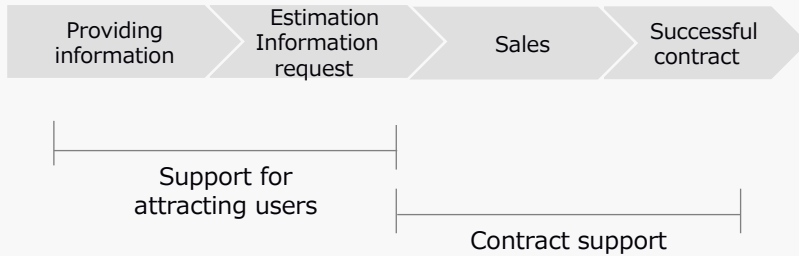
*1 <https://www.chusho.meti.go.jp/koukai/chousa/chushoKigyozentai9wari.pdf>

*2 Source: Nomura Research Institute, *Chusho Kigyo Keiei-ni kansuru enquete* (Questionnaire survey on SMEs' management) (March 2021)

*1 Calculated by determining the simple averages of ROI, etc. by benchmark industry based on *Nihon-no Eigyo Seisensei-ha naze hikui noka* (why sales efficiency of Japanese companies is low) from McKinsey
https://www.mckinsey.com/jp/~/_media/mckinsey/locations/asia/japan/our%20insights/why%200is%20japan%20sales%20productivity%20so%20low%20japanese.pdf

What we are required to do

Comprehensive support for processes from activities to attract users to the conclusion of a contract, by integrating technologies with real-life activities



Potential of the market

Total	Promotion expenses	Recruitment expenses
49 trillion yen	39 trillion yen	10 trillion yen

= +

Promotion expenses = Advertising market^{*1} + Personnel expenses for salespeople (population x average reward/year)^{*2}

Recruitment expenses = Recruitment advertising market^{*3} + job placement market^{*3} + temporary staffing market^{*3} + personnel expenses for general affairs and personnel affairs (population x average reward/year)^{*3}

Establishment of a service based on rewards for contracts

We provide comprehensive support for recruiting and sales promotion activities of companies, from the process of attracting users to the conclusion of a contract. This enables companies to enjoy profit efficiently without risks and aim to increase shares in huge markets.

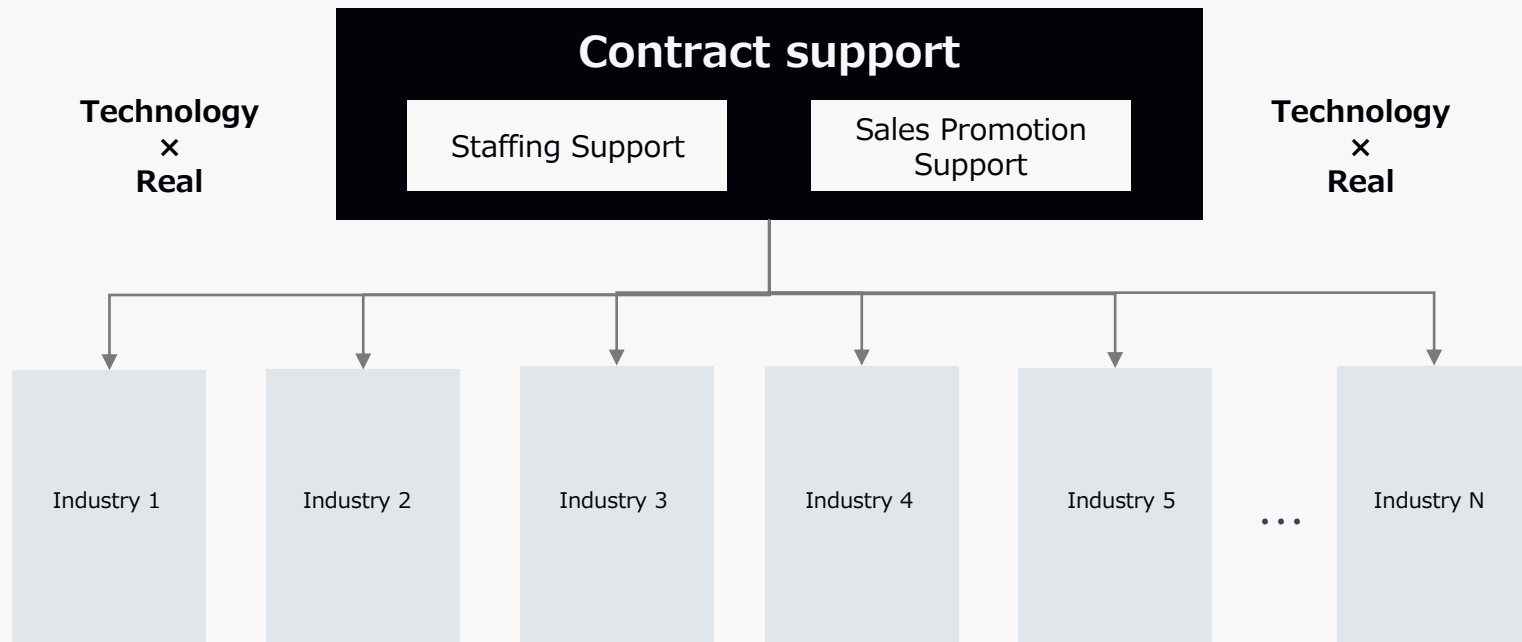
*1 <https://www.dentsu.co.jp/news/release/2022/0224-010496.html>

*2 Estimated by the PORT INC. based on *Rodoryoku Chosa* (labor force survey) from the Ministry of Health, Labour and Welfare/*Nihon-no Toukei "Shuyo Shokushu-betsu heikin nennrei, kinzoku nensu, jitsu-rodo jikansu to gekkan kyuyogaku"* (information about average age, length of service, actual working hours, and amount of monthly salary by major job category from a book on statistics in Japan)

*3 https://j-hr.or.jp/wp/wp-content/uploads/JHR_JHR_2030_report_20210125.pdf

Creating possibilities in a society facing a declining working population

Supplying human resources to each industry and improving industry productivity with the **contract support business**, thus creating possibilities in a society facing a declining working population

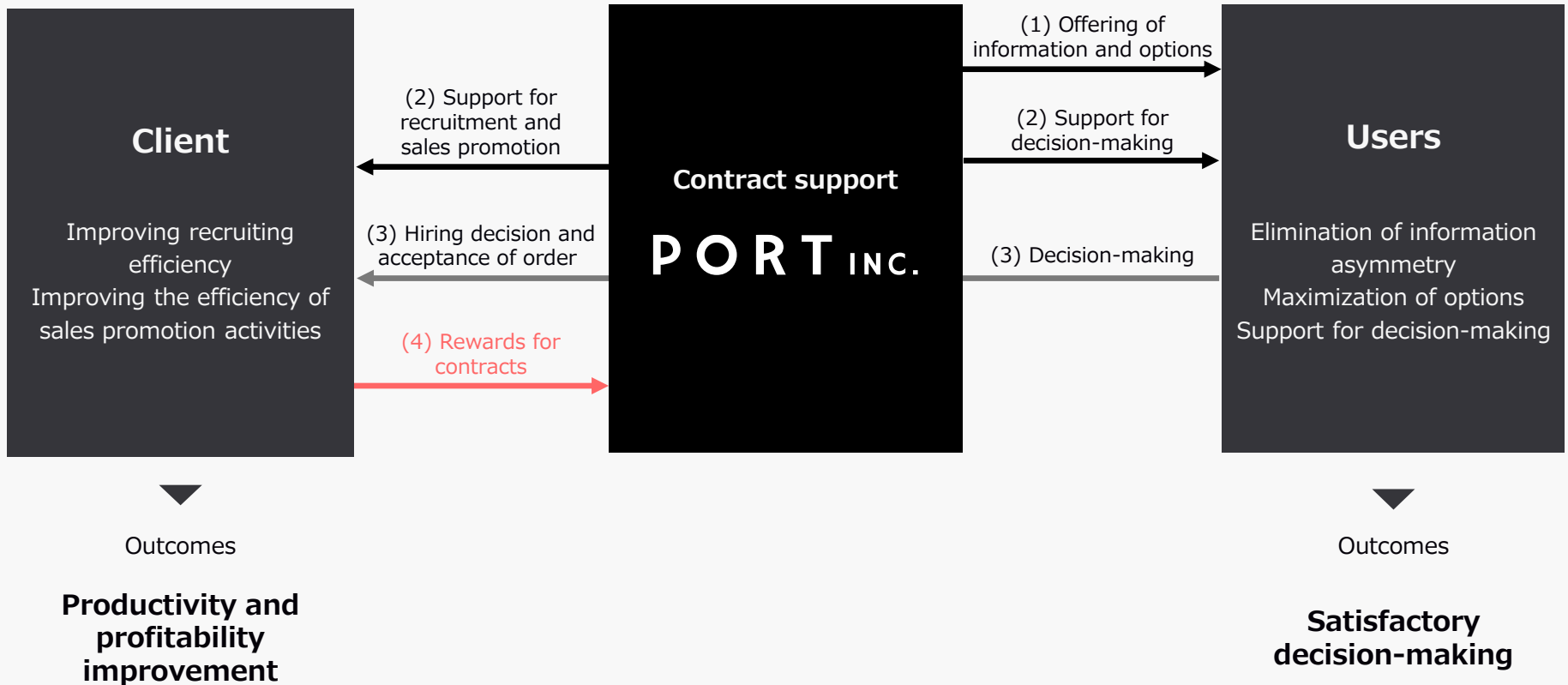


Improving productivity in society as a whole
by improving the efficiency and profitability of each industry

Contract Support Business: Common Business Model

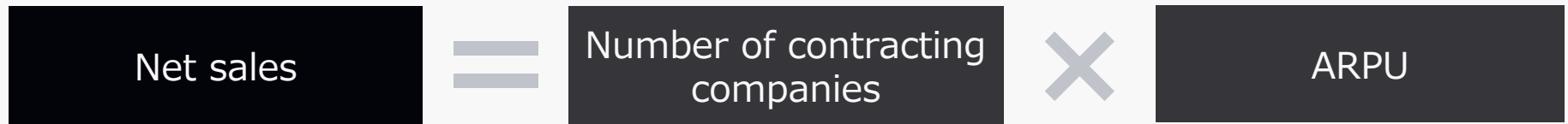
We adopt a common business model in which we are deeply involved in clients' recruitment and sales promotion processes to earn rewards for their new contracts.

We form a population of users and provide support until new contracts are concluded, aiming to minimize risks in clients' recruiting and sales promotion activities.



Total sales are calculated by multiplying the number of contracting companies by the average revenue per user (ARPU).

To increase the above indicator, we position the capability of winning contracts, sales capability, and capability of attracting users as important factors.



Important factors

Capability to win contracts

- Concluding contracts which are optimal for both clients and users
- Increasing the number of successful contracts through cross-selling

Sales capabilities

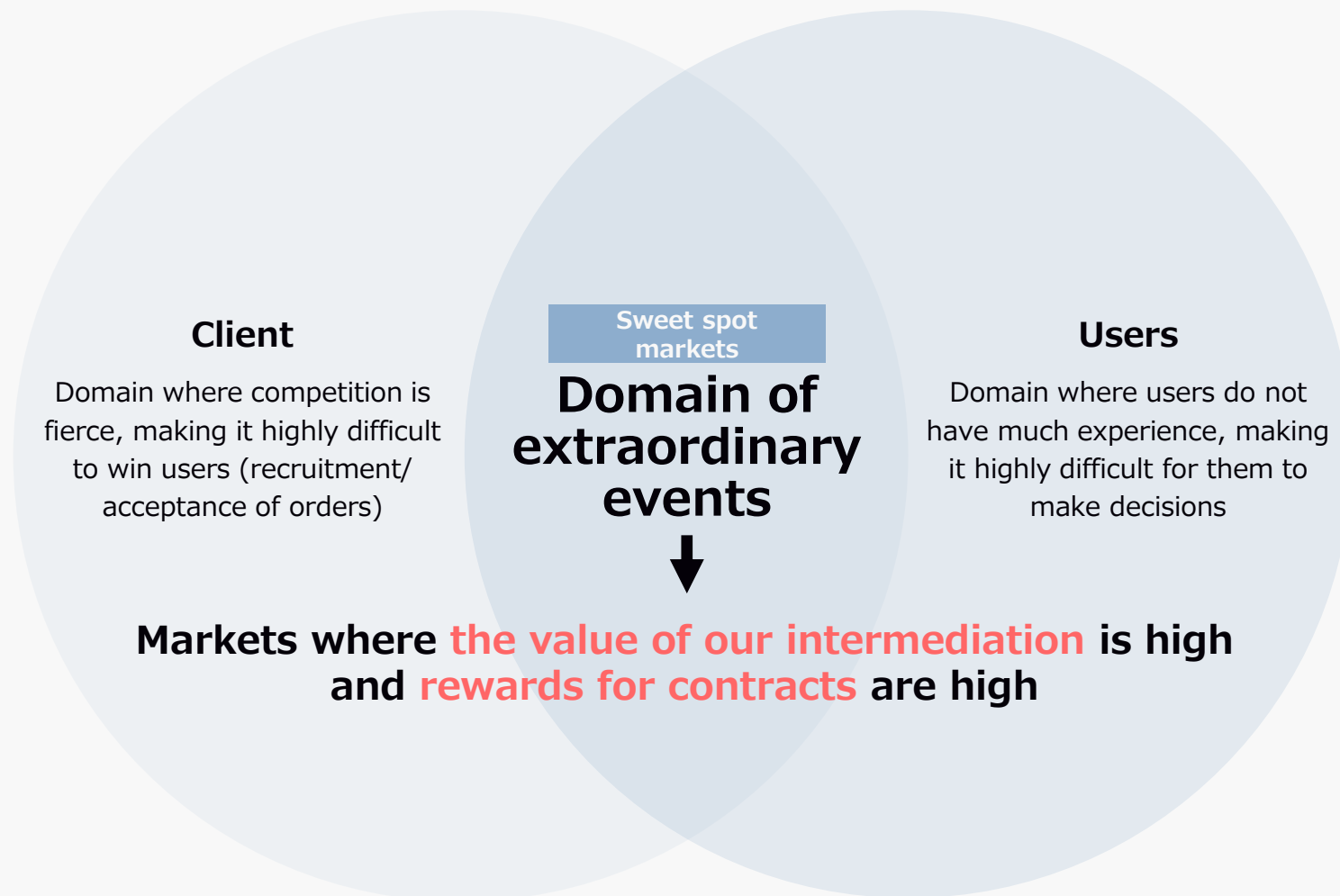
- Finding new clients to maximize the number of options
- Increasing rewards for contracts based on successful contracts achieved actually

Capability to attract users

- Providing useful information and options based on the user-first principle
- Continuing to attract users through the stock of data

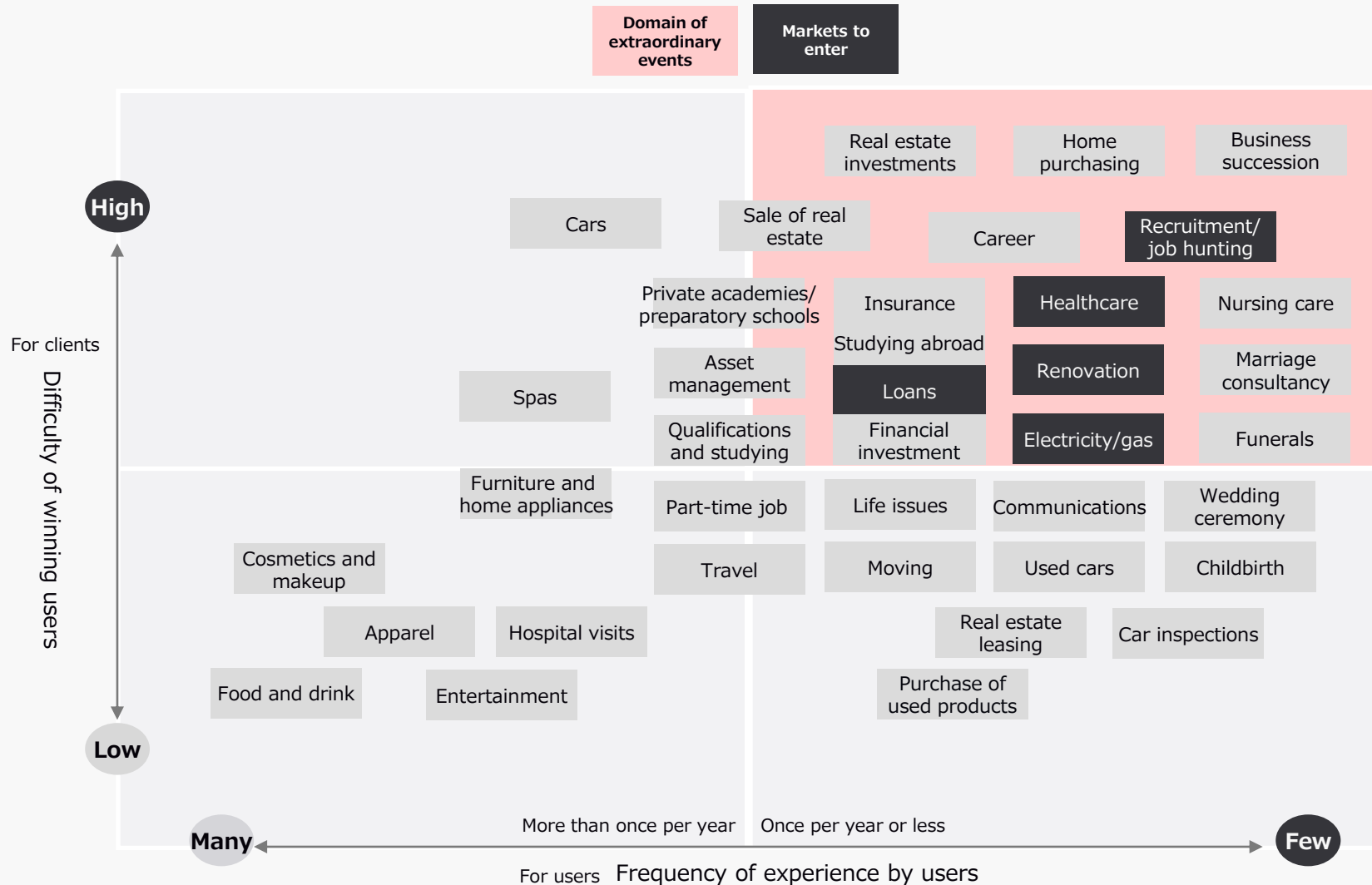
Contract Support Business: Target Markets (Domain of Extraordinary Events)

We have defined markets where issues of clients and users overlap as the domain of extraordinary events.
We operate the contract support business by positioning those markets as sweet spot markets.



Contract Support Business: Expandability of the Domain of Extraordinary Events

There are a large number of markets we can enter as the domain of extraordinary events. There is potential for expansion into huge markets in many areas with an identical business model.



In the contract support business, we provide services that help increase the efficiency of corporate recruitment and sales promotion activities.

Contract support

Staffing Support Services

Sales ratio

Approx. **35%**



Personnel referral services

Recruitment support services in an alliance with staffing agencies

Sales Promotion Support Services

Sales ratio

Approx. **65%**



Sales and sales promotion support services

Services supporting streamlining of sales and sales promotion processes

* The sales ratio has been calculated exclusive of sales of new and other businesses.

02

Business Overview

Contract support

Staffing Support
Services

Sales Promotion
Support Services

Reskilling-oriented staffing support dedicated to young human resources who have never been employed or have no experience

Size of and population in the market of staffing support	Approaches	Outcomes
<p>Young human resources</p> <p>Human resources who have never been employed Market size: 128.0 billion yen*1</p> <p>New graduates (approx. 600,000 people/year)*2</p> <p>Those who have already graduated (approx. 50,000 people/year)*3</p> <p>Human resources with no experience Market size: 168.0 billion yen*4</p> <p>Young people with no experience (Approx. 10 million people)*5</p>	<p>Supporting the recruitment of young human resources who have never been employed or have no experience by increasing their added value and committing ourselves to successful contracts</p> <p>We supply human resources by increasing the added value of human resources who have never been employed or have no experience, through career training, reskilling, and other measures and by committing ourselves to successful contracts in each industry.</p>	<p>Improving recruiting efficiency</p> <p>Increase in working population in the overall society</p> <p>Optimal allocation of human resources to growth industries</p>

*1 https://www.yano.co.jp/press-release/show/press_id/2946

*2 https://www.mext.go.jp/content/20221221-mxt_chousa01-000024177_001.pdf

*3 <https://saponet.mynavi.jp/column/detail/20210425105821.html>

*4 Calculated by PORT INC. by multiplying the size of the recruitment advertising market+ job placement market, which is one trillion yen, by the percentage of people aged 15 to 34 years old who have changed their careers and by assuming the percentage of those with no experience as 35% based on https://www.recruit.co.jp/newsroom/pressrelease/2021/0805_9201.html

*5 https://www.mhlw.go.jp/file/05-Shingikai-12602000-Seisakutoukatsukan-Sanjikanshitsu_Roudouseisakutantou/0000058034.pdf

Staffing Support Services: Business Flow

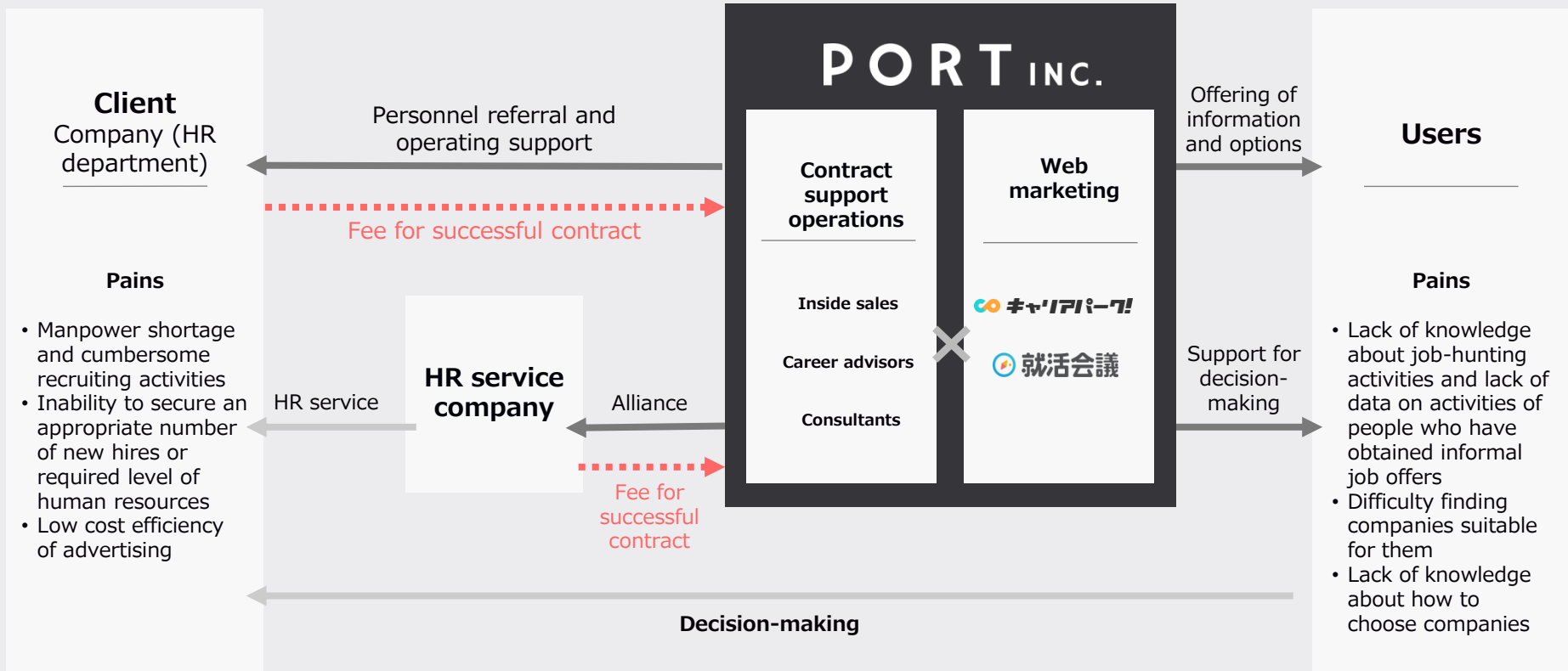
Staffing Support Services

Sales Promotion Support Services

PORT INC.

Providing personnel referral and operating support services and offer various solutions with alliance partners, mainly to the HR department of each company.

Attracting users and making them members by means of web marketing and helping with decision making with contract support.



→ Flow of service - - - - - → Flow of fee

Providing support for sales activities and sales promotion in huge markets, where digitalization is needed due to manpower shortages

Sizes of target markets	Approaches	Outcomes
<p>Energy Pro forma market size: 300 billion yen*¹</p> <p>Card loans Pro forma market size: 149 billion yen*³</p> <p>Renovation Pro forma market size: 270 billion yen*²</p>	<p>Providing business operators in each market with sales promotion support by attracting a huge number of users and committing ourselves to successful contracts</p> <p>In markets where a huge amount of money is spent on sales promotion, we realize more efficient user acquisition with the contract support business.</p>	<p>Improving the productivity of sales promotion activities</p> <p>Improving profitability of each industry</p> <p>Greater productivity of society as a whole</p>

*1 Market size = Calculated by multiplying the total amount of electric power sales for 2021, which is 13 trillion yen (created based on data from Electricity and Gas Market Surveillance Commission) by the actual stock margin rate of 3%

*2 Market size = Calculated by multiplying the size of the overall renovation market, which is seven trillion yen (Yano Research Institute, *Home Renovation Market 2021*) by the average ratio of cost for attracting users, which is 4% (*Korekara-no jidai-no reform business* (renovation business in the coming era))

*3 Market size = Calculated by multiplying the outstanding balance of new lending to individuals (calculated by PORT INC. based on statistics from Japan Financial Services Association and the Bank of Japan) by the percentage of advertising cost to the amount of new lending (the average value was calculated based on actual values from results presentation materials of three major financial institutions)

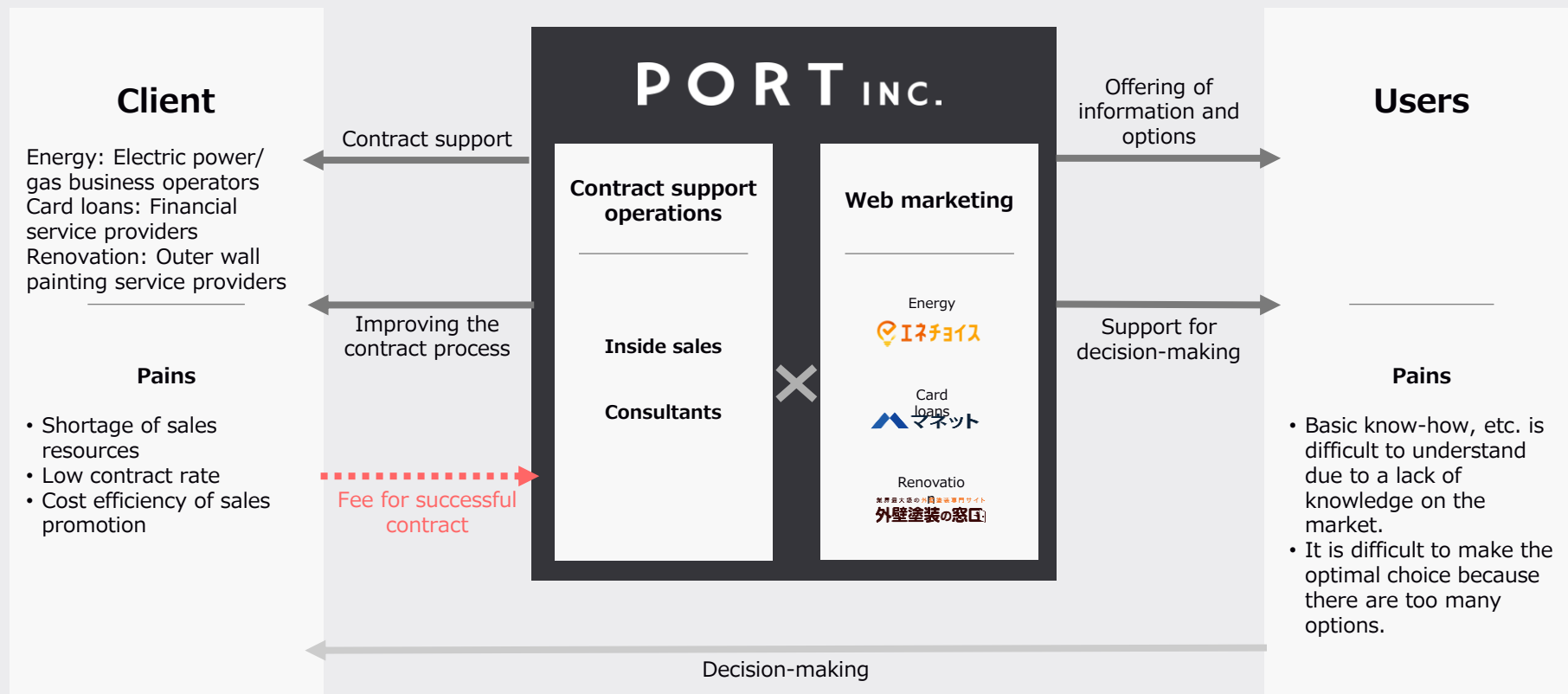
Sales Promotion Support Services: Business Flow

Staffing Support Services

Sales Promotion Support Services

PORT INC.

After forming a population of users by attracting them through web marketing, we help users make decisions through inside sales, etc. and support clients' sales promotion activities.



→ Flow of service → Flow of fee

03

**Summary of Results for the Fiscal Year
Ended March 31, 2023**

Executive Summary

(Summary of Results for the Fiscal Year Ended March 31, 2023)

PORT INC.

Overall

Sales revenue: **11,364** million yen (up 62% yoy)

EBITDA after adjustment: **3,021** million yen (up 88% yoy) EBITDA: **2,010** million yen (up 148% yoy)

- Sales revenue and EBITDA reached record highs, and the medium-term management plan was achieved.
- A high growth rate was achieved in all domains in both Staffing Support Services and Sales Promotion Support Services.

Staffing Support Services

Sales revenue: **3,779** million yen (up 63% yoy)

Business profit: **2,023** million yen (up 90% yoy)

- Sales revenue were up 63% year on year. All indicators in alliance services and personnel referral services were strong.
- Especially in personnel referral services, career advisors introduced increased the ratio of contracts gained and prices for individual contracts. That led to the highest growth rate.
- With regard to the user base, we are succeeding in obtaining not only new graduates but also young people. Sales of cross-selling with members rose steadily.

Sales Promotion Support Services

Sales revenue: **6,899** million yen (up 74% yoy)

Operating income: **1,476** million yen (up 96% yoy)

- Regarding energy, the number of power contracts increased year on year despite the tough environment. In addition, the ratio of multi-service contracts on gas, etc. and recurring revenue also rose.
- With regard to card loans, both sales and profit declined in Q2 but later recovered strongly, resulting in high growth of both revenue and operating income.
- In renovation, year-on-year growth of both revenue and profit was achieved thanks to the steady progress in PMI.

Achievement of the Medium-term Management Plan

In September 2020, we announced the medium-term management plan, the final year of which was the fiscal year ended March 31, 2023. Reflecting the challenging external environment, we revised down the forecast in the previous fiscal year. However, we ended up revising up the initial targets because the services recovered later.

(yen)

	Announced in May 2022 Revised downward	Announced in November 2022 Revised upward	Announced in February 2023 Revised upward	Results	Achievement rate
Consolidated sales revenue	9.3 billion	10.3 billion	11.1 billion	11.36 billion	102.4%
Consolidated EBITDA	1.5 billion	1.7 billion	2.0 billion	2.01 billion	100.5%

Comparison with Full-year Results Forecast

We achieved the three-year medium-term management plan. As compared to the full-year results forecast for the fiscal year ended March 31, 2023 (revised up in February 2023), the rate of achievement of sales revenue was 102.4% and that of EBITDA was 100.5%.

Sales revenue

(Million yen)

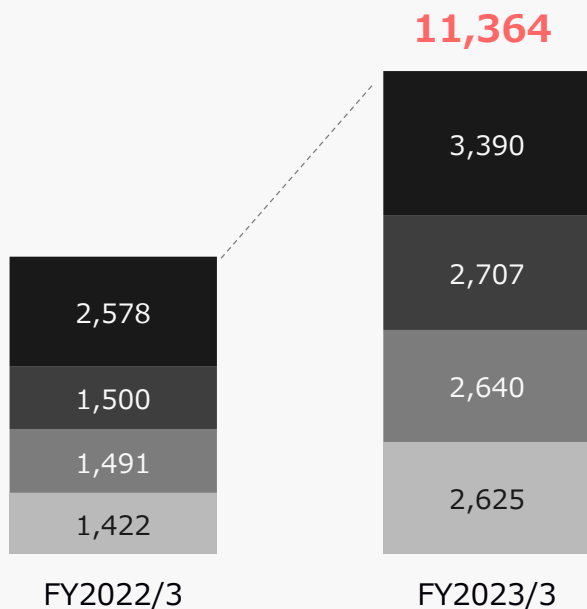
Previous full-year results forecast Announced on 13 February, 2023	Full-year results	Achievement rate
11,100	11,364	102.4%

11,100

11,364

102.4%

■ 1Q ■ 2Q ■ 3Q ■ 4Q



EBITDA

(Million yen)

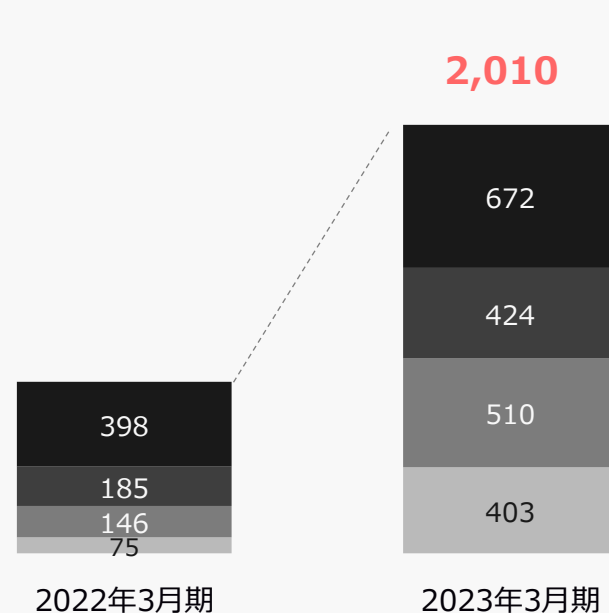
Previous full-year results forecast Announced on 13 February, 2023	Full-year results	Achievement rate
2,000	2,010	100.5%

2,000

2,010

100.5%

■ 1Q ■ 2Q ■ 3Q ■ 4Q



Summary of Results for the Fiscal Year Ended March 31, 2023

In the fiscal year under review, we achieved significant year-on-year growth of revenue and profit, with overall growth driven by the growth of the Staffing Support Services and the entry to the energy domain.

(Million yen)

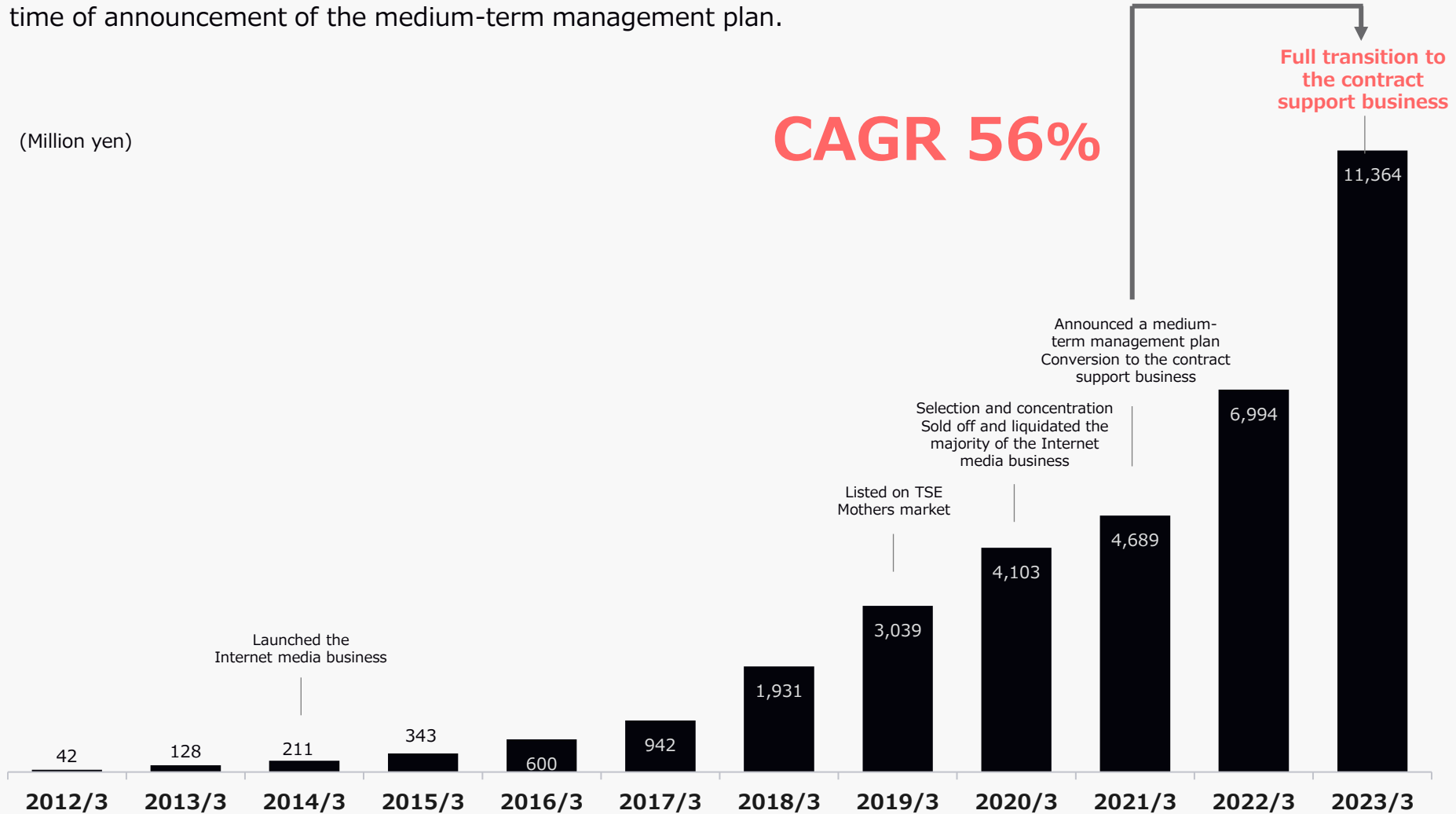
	Results for FY Ended March 2023	Results for FY Ended March 2022	YoY
Sales revenue	11,364	6,994	+62%
Adjusted EBITDA	3,021	1,604	+88%
EBITDA	2,010	810	+148%
Operating profit	1,699	599	+183%
Profit before tax	1,658	564	+193%
Profit	1,232	365	+237%
Profit attributable to owners of parent	1,074	322	+223%

* EBITDA = Operating profit + Depreciation and amortization + stock-based compensation expenses

* EBITDA after adjustment = EBITDA + Account investment + Content investment + System investment

Change in Sales Revenue

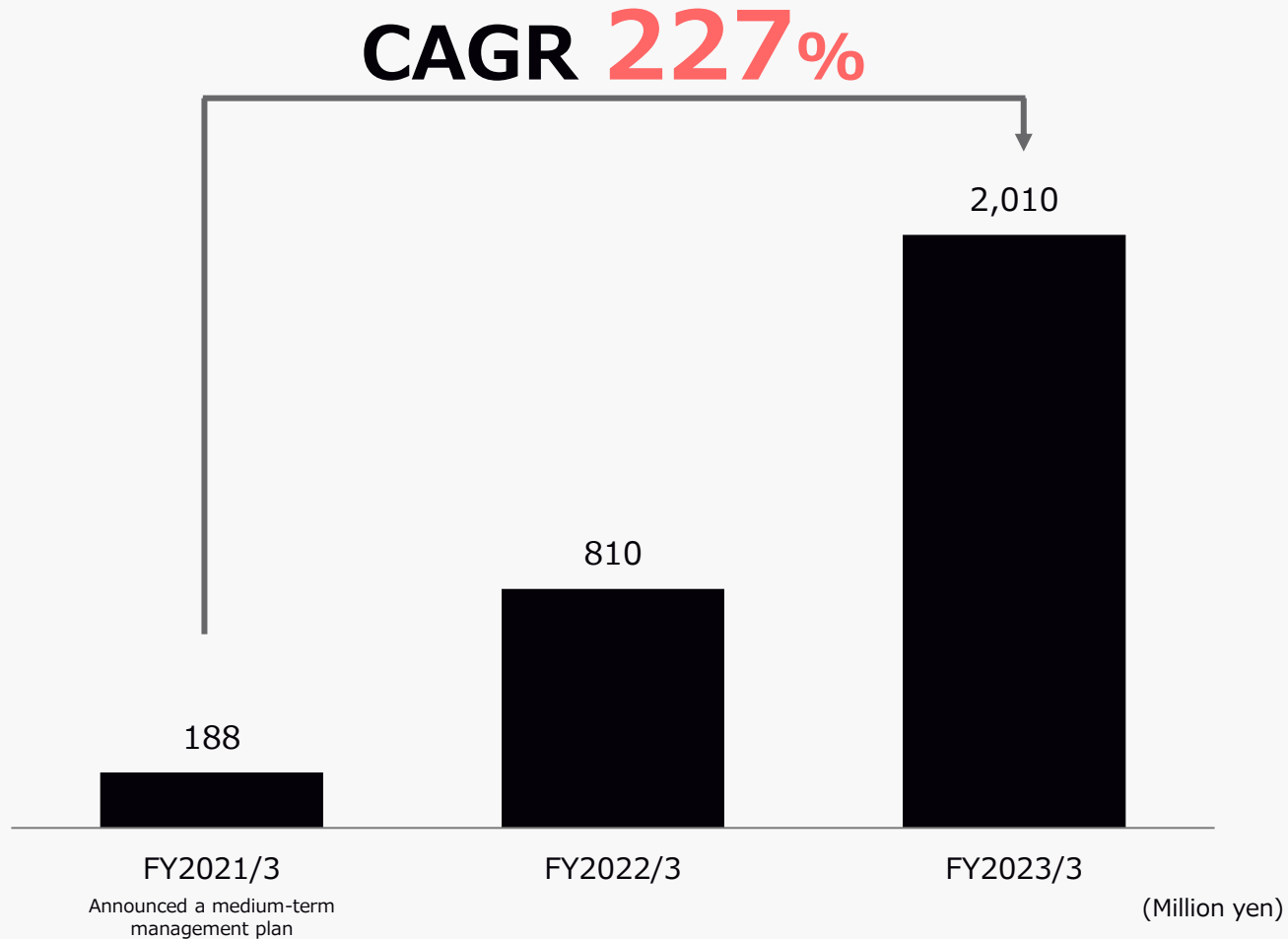
Having realized full transition to the contract support business, we achieved CAGR of 56% in the period from the time of announcement of the medium-term management plan.



Change in EBITDA

We achieved an outstanding profit growth rate because large-scale business investment in each service began to produce effects.

For the period since the announcement of the medium-term management plan, we achieved CAGR of 227%.



04

**Summary of Results in the Fourth Quarter of
Fiscal Year Ended March 31, 2023**

Executive Summary (Summary of Results for the Fourth Quarter of Fiscal Year Ended March 31, 2023) **P O R T** INC.

Overall

Sales revenue: 3,390 million yen (up 31% yoy)

EBITDA after adjustment: 964 million yen (up 58% yoy) EBITDA: 672 million yen (up 68% yoy)

- Sales revenue and EBITDA reached record highs on a quarterly basis.
- Organic growth was achieved even after the consolidation of INE that began in Q4 of the previous fiscal year, with a year-on-year growth rate in revenue exceeding 30%.

Staffing Support Services

Sales revenue: 1,249 million yen (up 59% yoy)

Operating income: 739 million yen (up 81% yoy)

- The number of contracting companies multiplied by ARPU reached a record high. All indicators in alliance services and personnel referral services were strong.
- Personnel referral services grew significantly, with a 93% year-on-year increase in revenue. · The ratio of contracts gained and prices for individual contracts. in personnel referral services led to a high growth rate.
- Remarkable growth in services other than those for new graduates, such as referral services specialized in young people and reskilling-oriented referral services, will be a positive factor from the next fiscal year onward.

Sales Promotion Support Services

Sales revenue: 1,971 million yen (up 23% yoy)

Operating income: 438 million yen (up 44% yoy)

- In the energy domain, both revenue and profit increased, although the environment remained difficult, thanks to growth in ARPU and the number of contracts won that resulted from a rise in the ratio of multi-service contracts of gas, etc.
- In the card loans domain, significant growth was achieved given progress in the optimization of advertising efficiency, with revenue having increased by 34% and business profit by 231% year on year, respectively.
- In the renovation domain, each indicator improved quarter on quarter, but we held down costs, including advertising cost, in overall performance management, which resulted in a 10% year-on-year increase in revenue.

Q4 Results for FY Ended March 2023

Sales revenue and EBITDA reached record highs on a quarterly basis. Above all, growth of business profit in the card loans domain of the Staffing Support Services and Sales Promotion Support Services led to the overall growth of EBITDA and indicators below it.

(Million yen)

*Accounting standards: IFRS	Q4 Result for FY Ended March 2023	Q4 Results for FY Ended March 2022	YoY
Sales revenue	3,390	2,578	+31%
Adjusted EBITDA	964	619	+55%
EBITDA	672	398	+68%
Operating profit	574	341	+68%
Profit before tax	561	327	+71%
Profit	386	203	+90%
Profit attributable to owners of parent	345	170	+102%

* EBITDA = Operating profit + Depreciation and amortization + Stock-based compensation expenses (The figure for Q3 of the year ended March 2022 does not include stock-based compensation expenses.)

EBITDA after adjustment = EBITDA + Account investment + Content investment + System investment

Revenue and EBITDA in Comparison with Quarterly Results Forecast **PORT INC.**

As compared to the initial forecast, the rate of achievement of revenue was 106% and that of EBITDA was 103%. (Million yen)

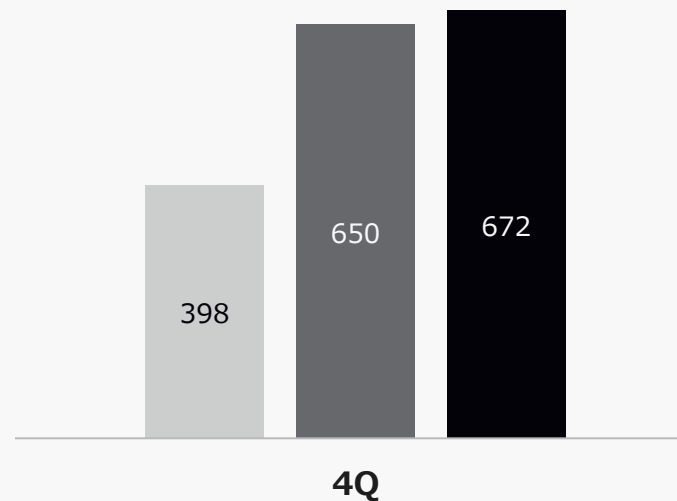
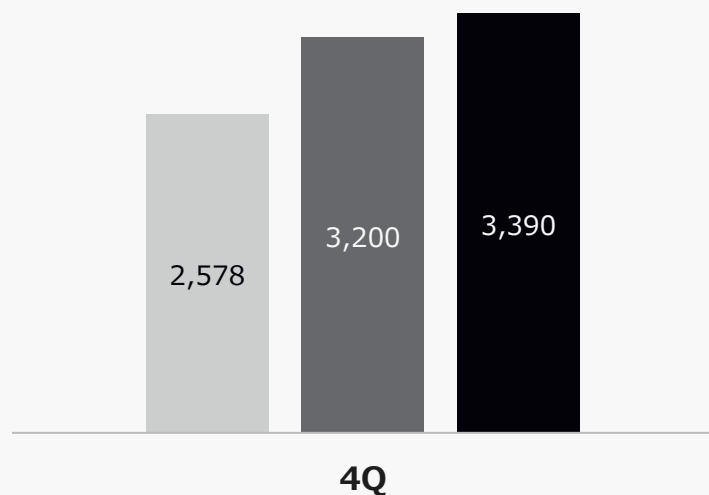
	Q4 Results Forecast	Q4 Results	Difference	Achievement rate
Sales revenue	3,200	3,390	+190	106%
EBITDA	650	672	+22	103%

Sales revenue

(Million yen)

EBITDA

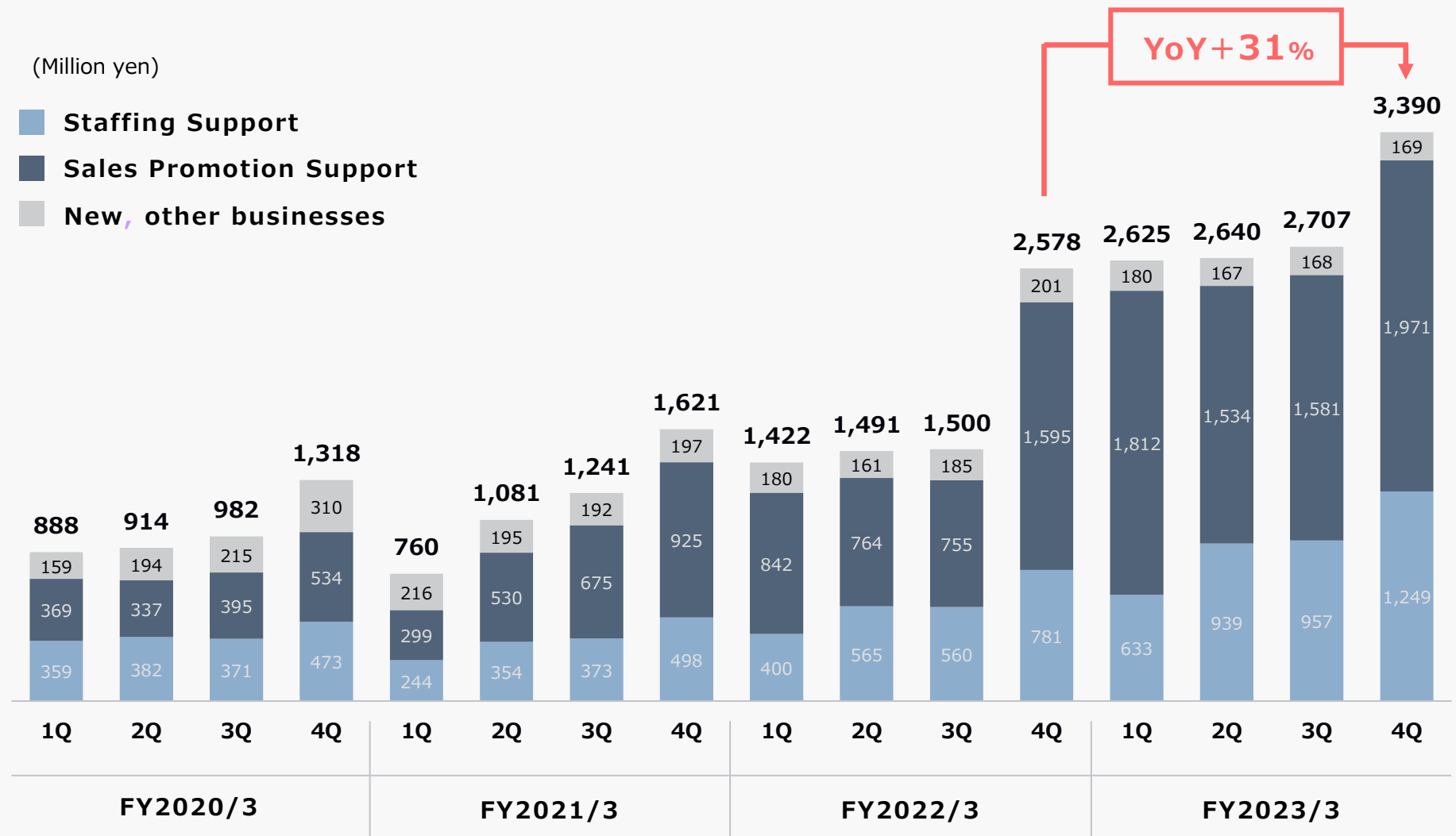
(Million yen)



FY2022/3 Result
 FY2023/3 Results forecast
 FY2023/3 Result

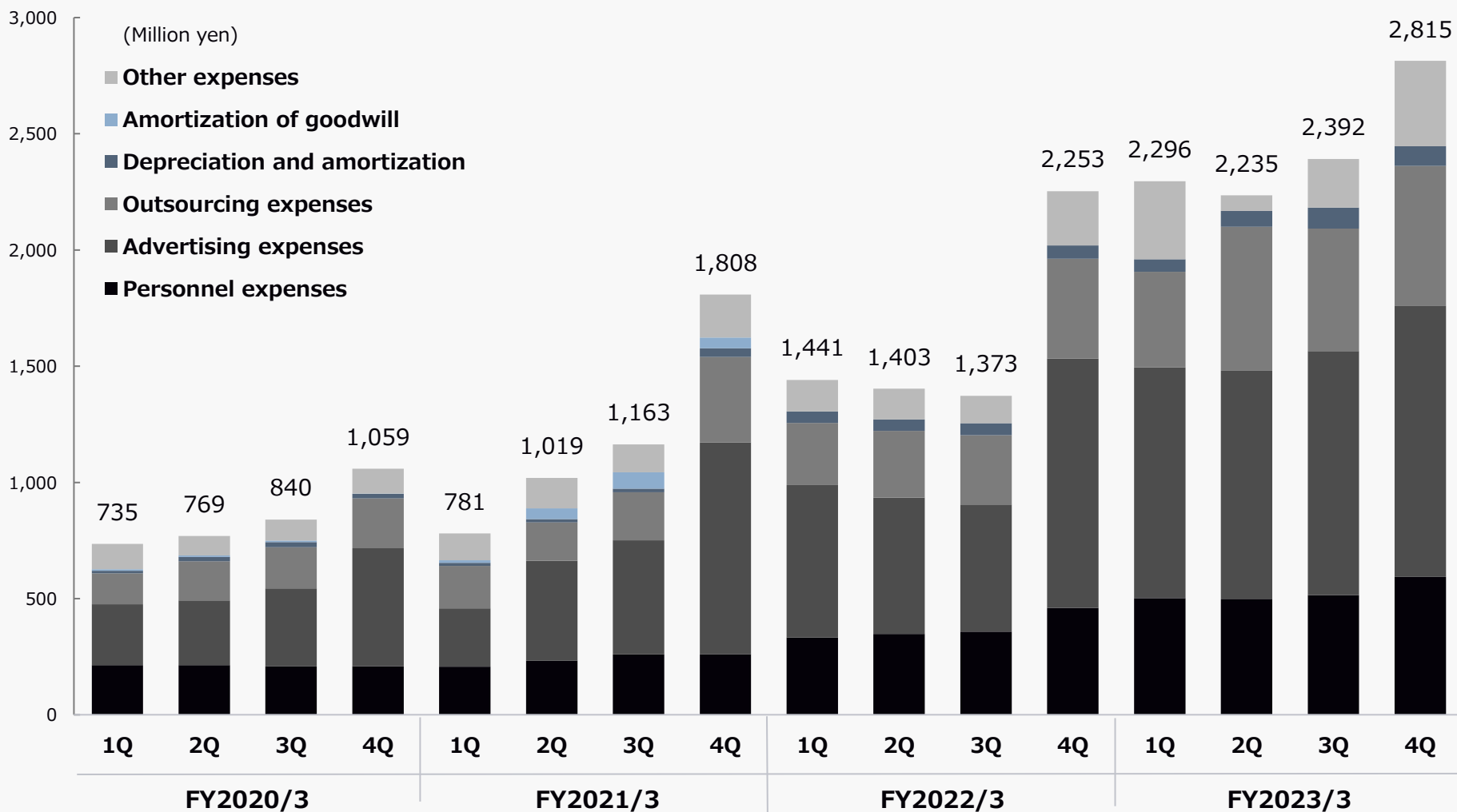
Trends in Quarterly Sales Revenue by Service Segment

Revenue hit a record high, surpassing the level for Q3 of the fiscal year ended March 2023 and having grown significantly year on year, by 31%.



Change in Major Expenses

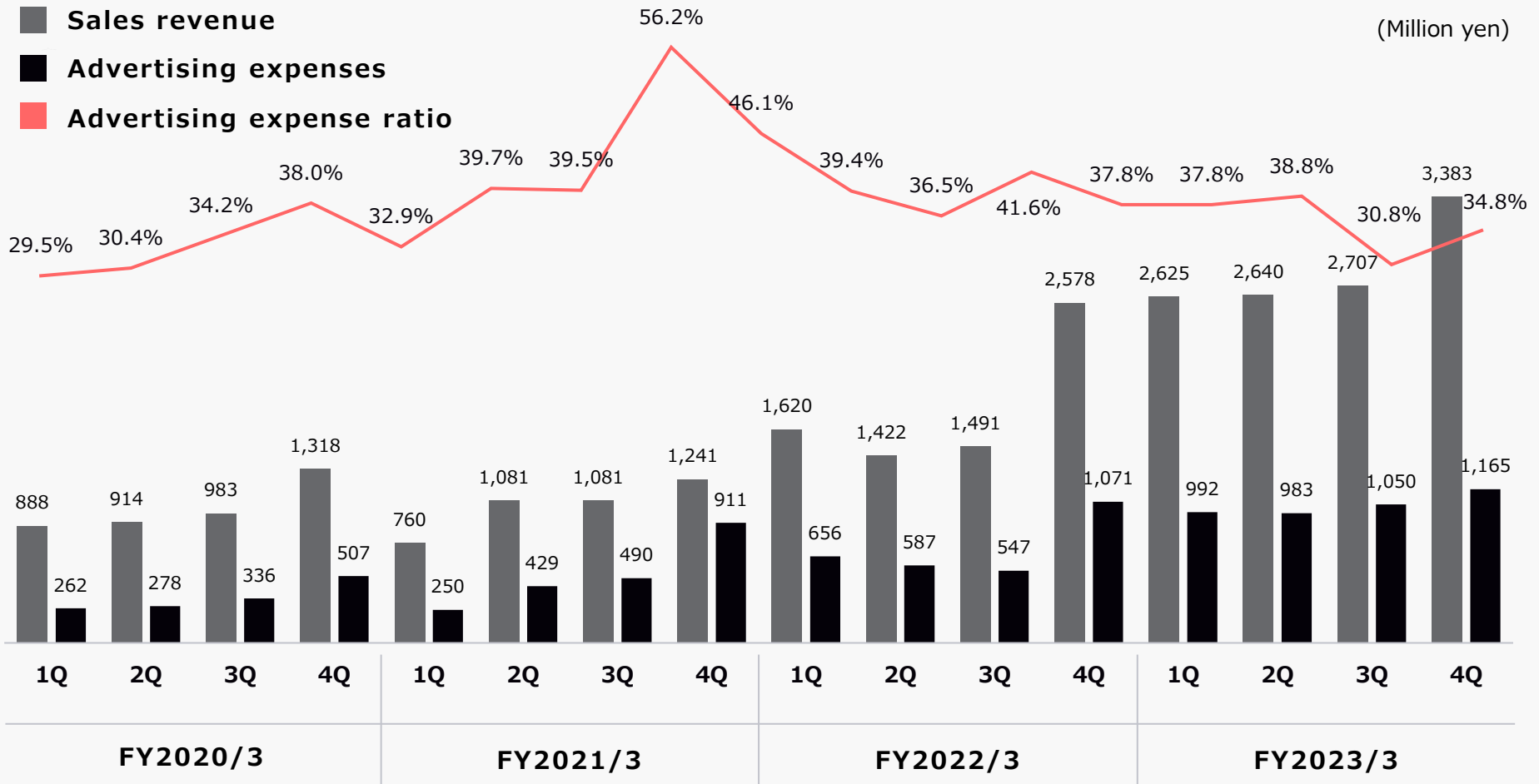
With the significant growth of revenue, values for expense items also increased accordingly. There is no significantly abnormal value.



* In and before the fiscal year ended March 31, 2021, Japan GAAP had been applied. From the fiscal year ended March 31, 2022, IFRS is applied.

Change in Ratio of Advertising Expenses to Sales Revenue

In the energy domain and card loans domain of the Sales Promotion Support Services, the ratio of advertising expenses increased quarter on quarter due to the demand season. However, efficiency improved from the previous fiscal year.



Progress on Investment

Total investment of 292 million yen was made.

	Investment amount	Investment details (in and after the year ended March 2021)	Additional investment details (started in FY2023/3 and later)
Content investment	41 million yen	<ul style="list-style-type: none"> - Creation of video content (Staffing Support and Sales Promotion Support (renovation)) - Creation of online learning content (Staffing Support) - Creation of job hunting diagnostic content (Staffing Support) - Creation of original content (Sales Promotion Support (renovation)) - Creation of alliance media content (Sales Promotion Support (card loans)) - Joint service development (Staffing Support) - Book publication (Sales Promotion Support (renovation)) - Port brand (all segments) 	<ul style="list-style-type: none"> - Creation of illustration content (Staffing Support) - Collection of job hunting data about people obtaining informal job offers (Staffing Support) - Development of new services (Sales Promotion Support (energy)) - Development of tools to deal with job hunting activities (Staffing Support) - Development of reskilling content (Staffing Support) - Development of alliance products (Staffing Support) - Development of an AI-based tool for job interview exercises (Staffing Support) - Development of QA-based content using ChatGPT (energy)
Account Investment	42 million yen	<ul style="list-style-type: none"> - New customer development (Staffing Support and Sales Promotion Support (renovation)) - R&D into new sales channels (Staffing Support and Sales Promotion Support (renovation)) - Development of alliances (all segments) 	<ul style="list-style-type: none"> - Development of partners (Sales Promotion Support (energy))
Matching system investment	207 million yen	<ul style="list-style-type: none"> - Strengthening of personnel for matching operations (Staffing Support) - Development of tools to reduce expenses (Staffing Support) - Development of tools to boost sales (Sales Promotion Support (card loans)) - Improvements to matching efficiency (Sales renovation (reform and card loans)) - Development of sales management system for member companies (Sales Promotion Support (renovation)) - Building of operational system for cross-selling (Sales Promotion Support (renovation)) - Creation of Port brand website (all segments) - Development of alliance media (Sales Promotion Support (renovation)) - Development of job hunting metaverse (Staffing Support) 	<ul style="list-style-type: none"> - Construction of an operation system for increasing the contract success rate (Sales Promotion Support (renovation and energy)) - Building of systems to strengthen recruiting operations (Staffing Support) - Verification of inside sales efficiency using ChatGPT (all segments) - Reforms to user management systems for clients (Staffing Support) - Building of a product recommendation system (Sales Promotion Support (card loans))

* Rounded down to the nearest million

Financial Position

With solid income results, financial indicators improved: The ratio of equity attributable to owners of parent* stood at 28.4%, up 5.5% year on year, and the ratio of goodwill to equity attributable to owner of parent at 105%, down 36% year on year.

(Million yen)

		Q4, Year Ended March 2023 (March 31, 2023)	Q3, Year Ended March 2023 (December 31, 2022)	Difference
	Cash and Cash Equivalents	3,872	3,900	▲27
	Total Current Assets	5,872	5,371	501
	Goodwill	3,399	3,399	—
	Total Non-current Assets	5,562	5,427	134
	Total Assets	11,435	10,798	636
	Total Current Liabilities	3,023	2,719	304
	Total Non-current Liabilities	4,392	4,435	▲43
	Total Liabilities	7,415	7,154	260
	Equity Attributable to Owners of Parent	3,242	2,908	341
	Total Equity	4,019	3,643	375

* Ratio of equity attributable to owners of parent (net worth ratio)

Aggressive Implementation of M&A

PMI made steady progress. At present, there is no sign of impairment or other change of goodwill.



Market	◎	Despite a declining trend in new construction projects, demand for renovation is strong. In addition, due to the development of online renovation applications, the market related to the Company is expanding.
Results	◎	Despite the range of issues that we faced in the fiscal year ended March 2022, sales revenue and operating income have been strong, aided by various PMI measures such as the improvement of marketing efficiency and the facilitation of DX to support contracting in the fiscal year ended March 2023.
Outlook	◎	Efficiency-focused management is expected to lead to a further increase in profit.

Market	△	The unit price for a successful contract is trending downward as the cost of acquiring customers incurred by electric power companies dropped for reasons including the increase of resource prices and wholesale electricity prices. However, soaring electricity rates are increasing people's need to change electric power companies.
Results	○	Despite being negatively impacted by the market to a degree, the impact was minimized and has not led to a material worsening of business performance, with a rise in the number of power contracts.
Outlook	○	An increase in both revenue and profit is expected to result from aggressive moves to acquire users by each company, with the increase in prices under regulation by regional electric power companies passed on appropriately to users overall.

05

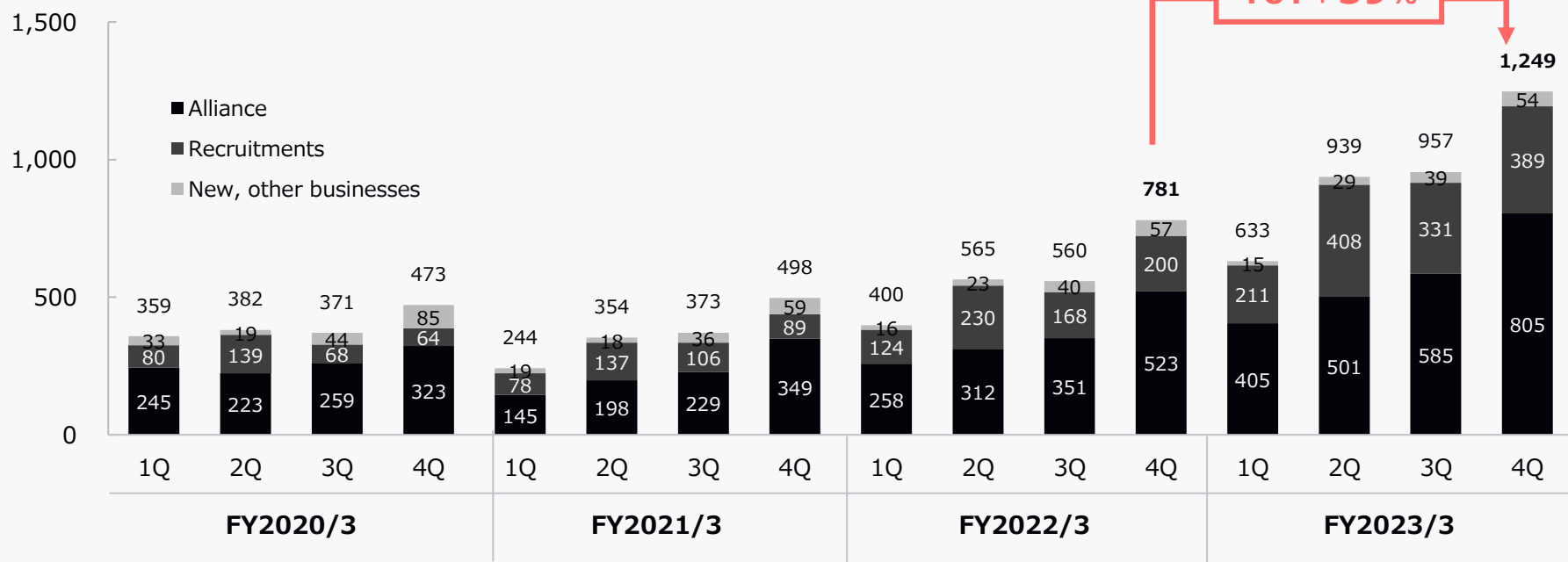
**Summary of Results in the Fourth Quarter
of Fiscal Year Ended March 31, 2023 by Service
Staffing Support Services**

Staffing Support Services: Sales Revenue

Revenue from both alliance services and personnel referral services increased significantly year on year, resulting in a record-high revenue achieved for the overall Staffing Support Services. Contracts for personnel with a science and engineering background, young human resources, and those through reskilling-oriented digital professionals training schools increased to help improve business results.

(Million yen)

	2023/3 Q4 results	2023/3 Full-year results	Forecast announced in February 2023	Versus forecast
Total	1,249 (YoY +59%)	3,779 (YoY +63%)	3,610	104%
Alliance	805 (YoY +53%)	2,297 (YoY +58%)	-	
Recruitments	389 (YoY +93%)	1,341 (YoY +85%)	-	
Other	54 (YoY -5%)	139 (YoY +1%)	-	

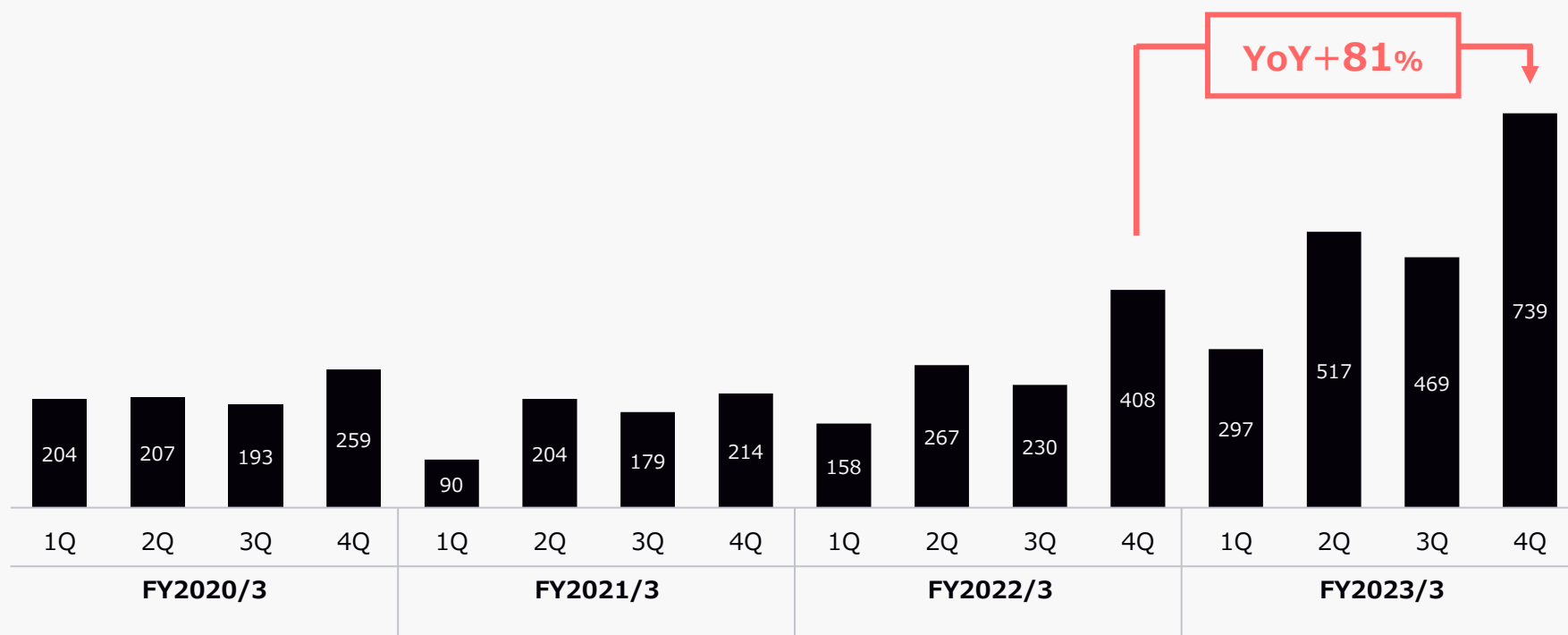


Staffing Support Services: Operating Income

Year-on-year growth of 81% was achieved in Q4 thanks to an improvement in client satisfaction, a hike in the number of contracts won as well as the contribution of increasingly fierce competition for human resources and a rise in prices for individual contracts.

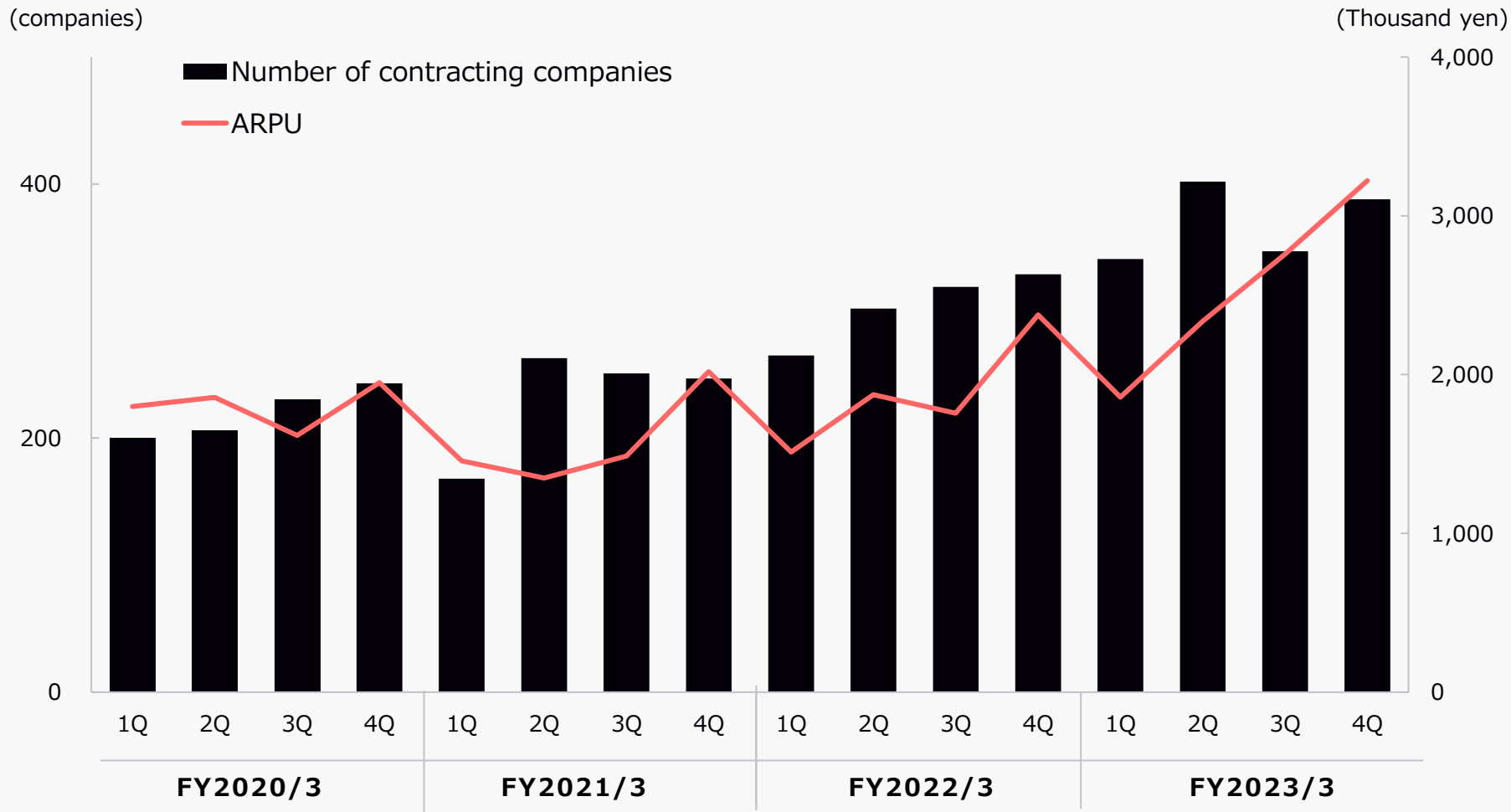
(Million yen)

2023/3 Q4 results	2023/3 Full-year results	Forecast announced in February 2023	Versus forecast
739 (YoY +81%)	2,023 (YoY +90%)	2,000	106%



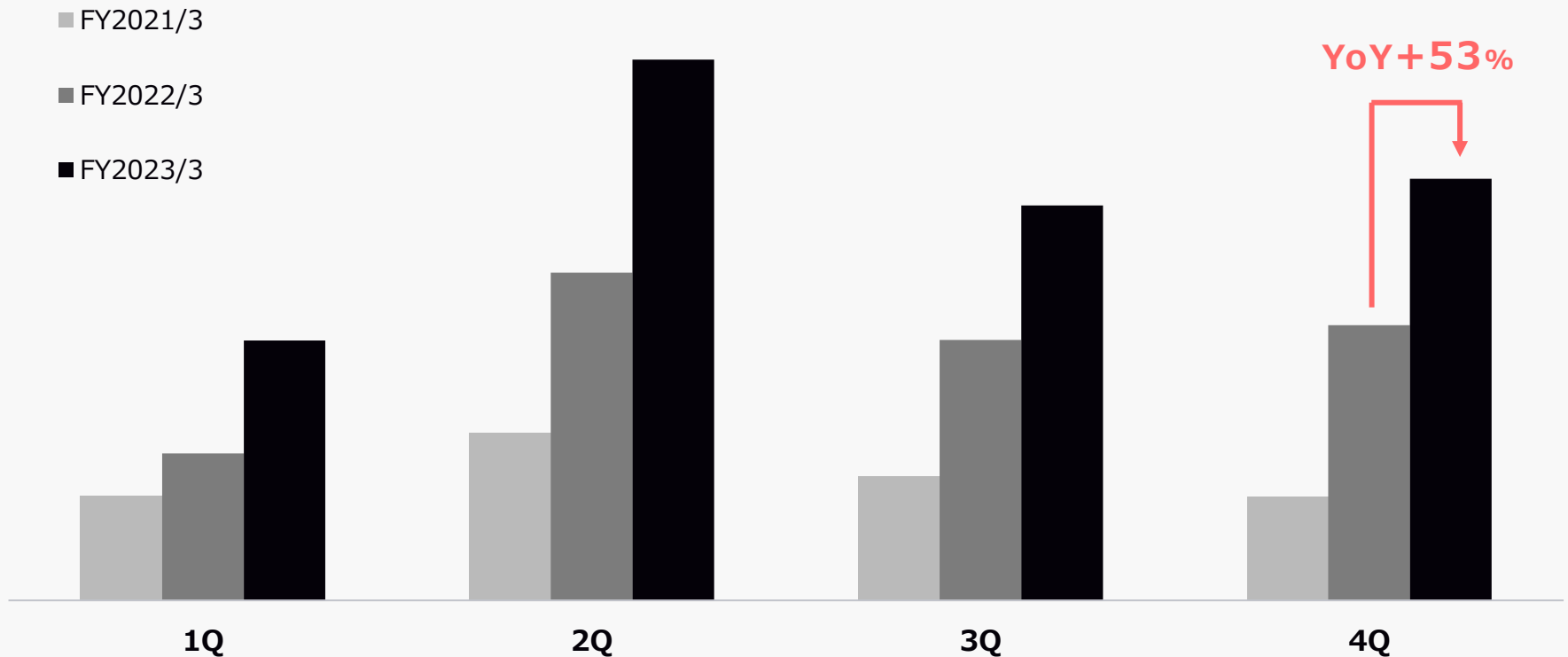
KPIs of Staffing Support Services: Number of Contracting Companies and ARPU

Growth in the number of contracting companies and budget negotiations with major clients made steady progress, resulting in an increase in budgets. Accordingly, unit prices and ARPU also rose.

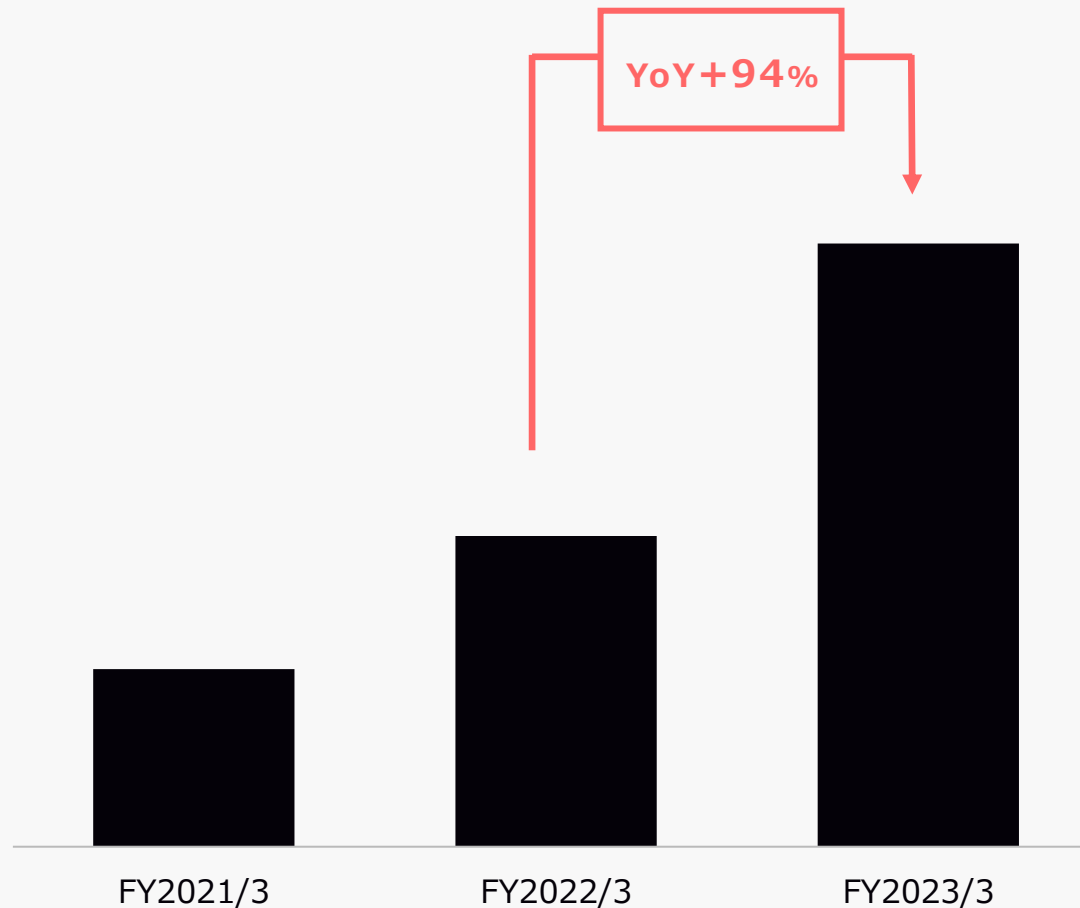


KPIs of Staffing Support Services: Number of Contracts Won in Personnel Referral Services

An increase in the number of career advisors helped increase the number of contracts for personnel with a science and engineering background, young human resources, and those through reskilling-oriented digital professionals training schools. While the rate of increase has been growing, the indicator for profitability per person has also remained strong due to enablement.



Cross-selling sales to operators of staffing services mainly for graduates, recent graduates, part-time workers and other young people grew 94% year on year. We expect to achieve results growth by continuously expanding the member base.



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**Summary of Results in the Fourth Quarter
of Fiscal Year Ended March 31, 2023 by Service**

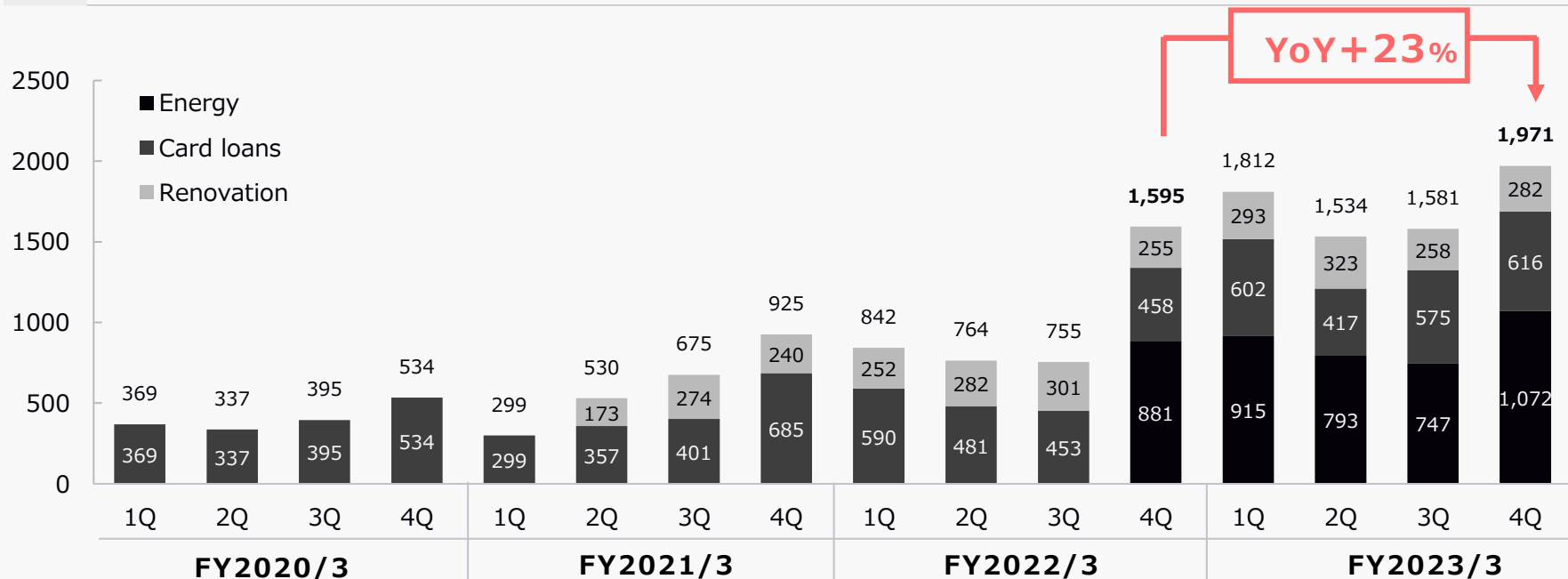
Sales Promotion Support Services

Sales Promotion Support Services Sales Revenue

Revenue increased significantly year on year, mainly in the energy and card loans domains. Both the number of contracts won and ARPU remained strong.

(Million yen)

	2023/3 Q4 Results	2023/3 Full-year results	Announced in Feb, 2023	Versus forecast
Total	1,971 (YoY +23%)	6,899 (YoY +74%)	6,820	101%
Energy	1,072 (YoY +21%)	3,528 (YoY +300%) ※	-	
Card loans	616 (YoY +34%)	2,212 (YoY +11%)	-	
Renovation	282 (YoY +10%)	1,158 (YoY +6%)	-	



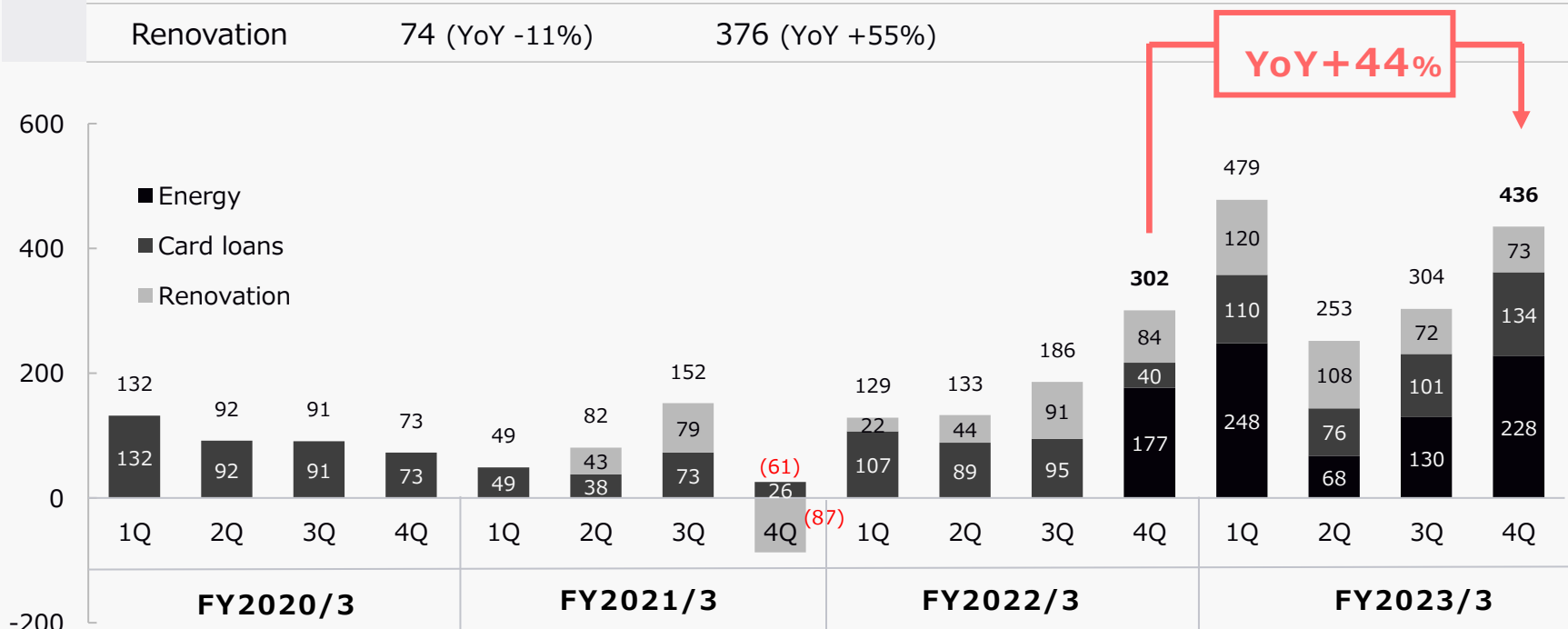
*In the energy domain, INE K.K. became a consolidated subsidiary in January 2022.

Sales Promotion Support Services Operating Income

In Q4, advertising optimization accelerated further in the card loans domain, which has led to a significant year-on-year profit increase of 231%.

(Million yen)

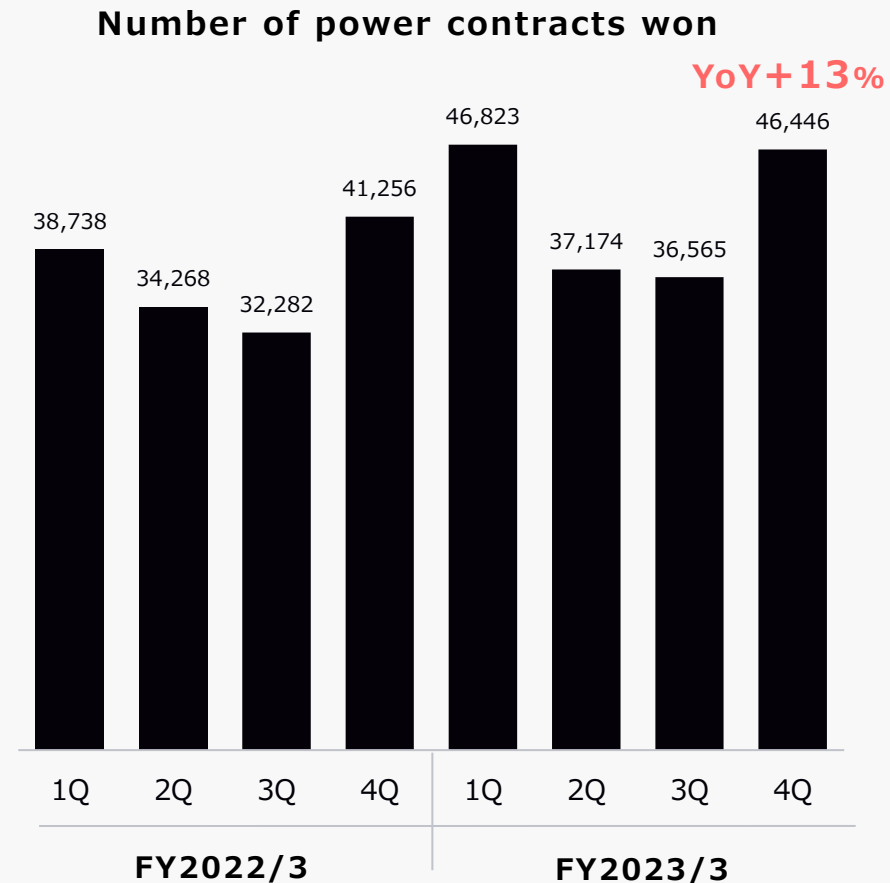
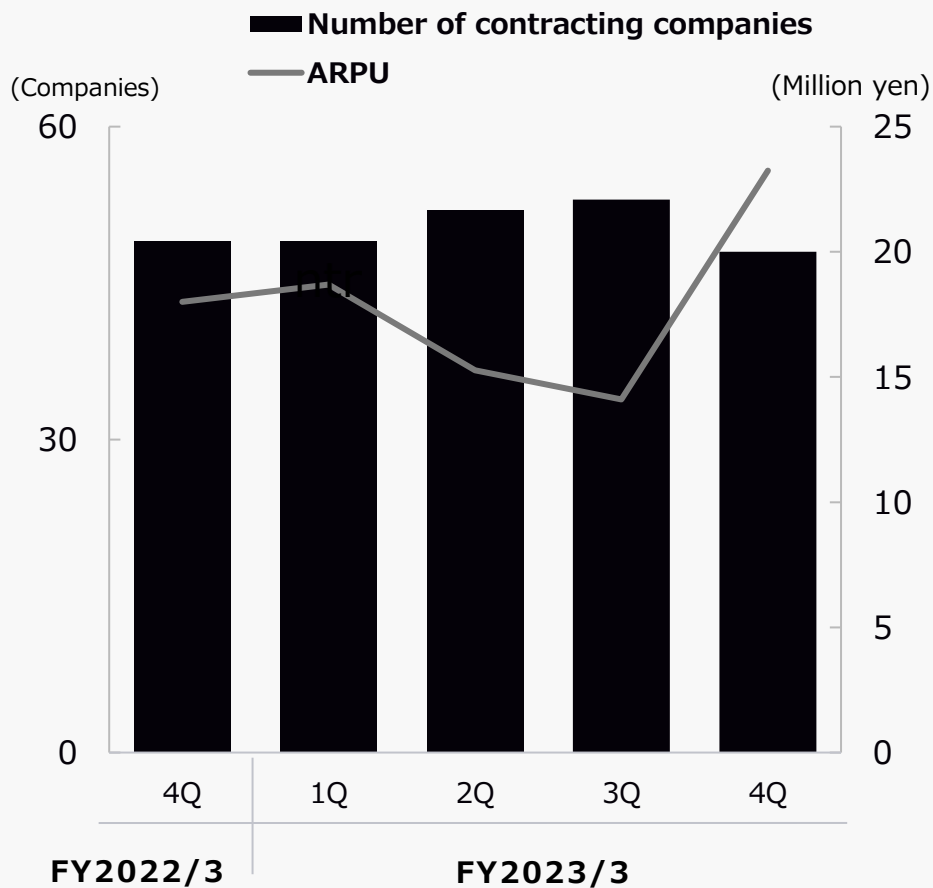
	2023/3 Q4 Results	2023/3 Full-year results	Announced in Feb, 2023	Versus forecast
Total	438 (YoY +44%)	1,476 (YoY +96%)	1,440	102%
Energy	228 (YoY +28%)	675 (YoY +280%)※		
Card loans	134 (YoY +231%)	424 (YoY +27%)		
Renovation	74 (YoY -11%)	376 (YoY +55%)		



*In the energy domain, INE K.K. became a consolidated subsidiary in January 2022.

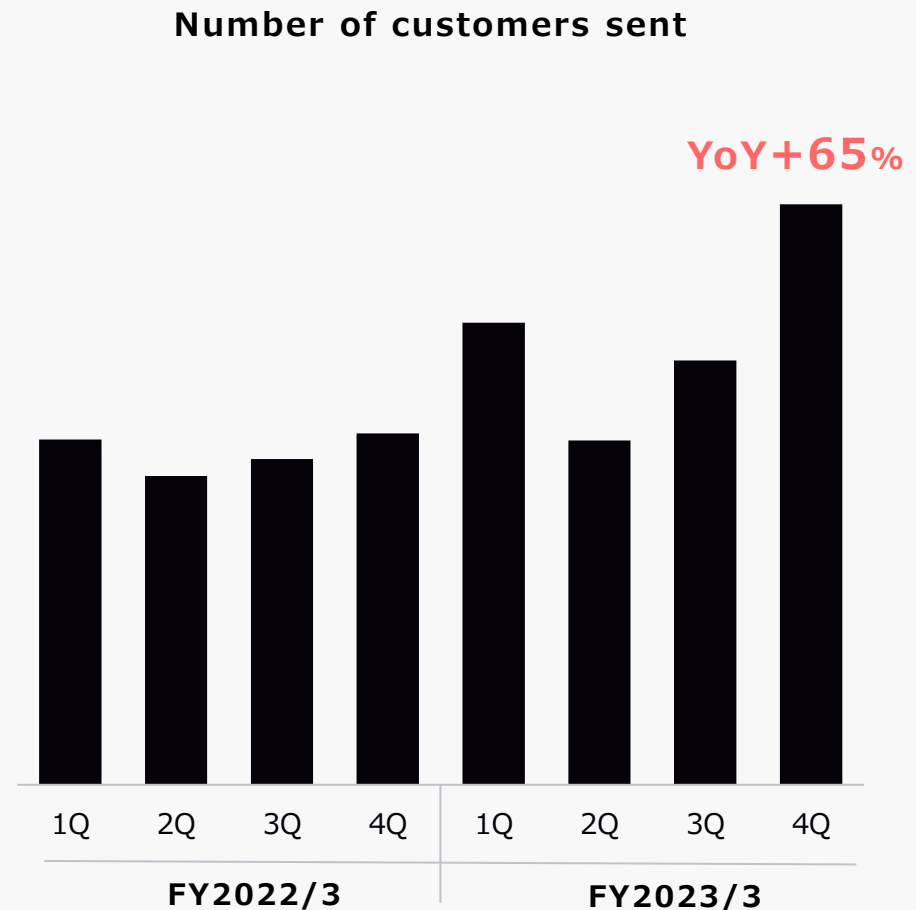
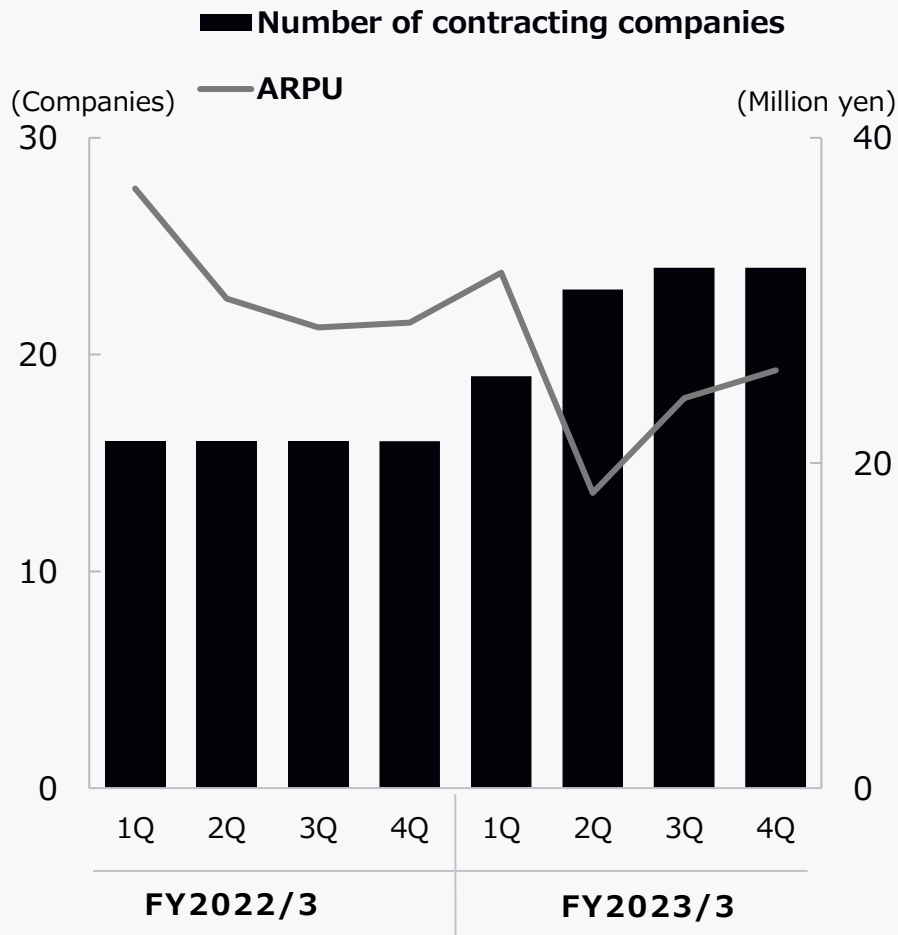
KPI for Energy in Sales Promotion Support Services

ARPU rose due to an increase in the probability of adding contracts for gas, etc. made at the time of contract conclusion. Due to a rise in the contract rate, the number of power contracts increased 13% year on year. For monitoring from the next fiscal year onward, the indicator will be changed to the total number of contracts, including contracts for gas.



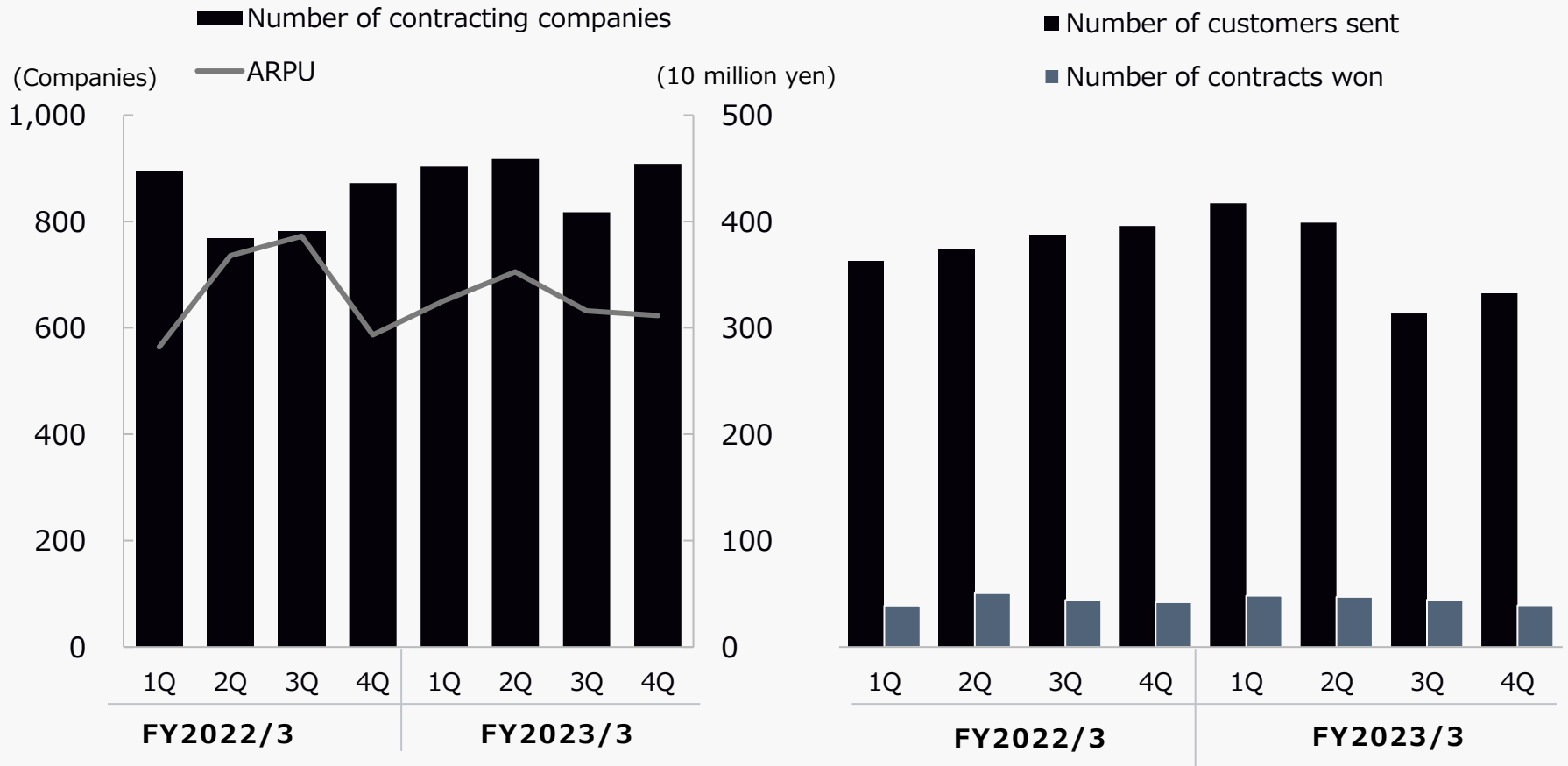
KPI for Card Loans in Sales Promotion Support Services

Despite the impact of the market environment, ARPU has been increasing since it bottomed out in Q2, given the improved efficiency of advertising acquisition. The number of customers sent also increased significantly, rising 65% year on year.



KPI for Renovation in Sales Promotion Support Services

The number of customers sent recovered on a quarter-on-quarter basis, but the number of contracts won declined slightly quarter on quarter and remained flat year on year. In the performance management of the overall Company, we were inactive in investments in advertising and investments of management resources in the second half, so we will strive to catch up from the next fiscal year onward.

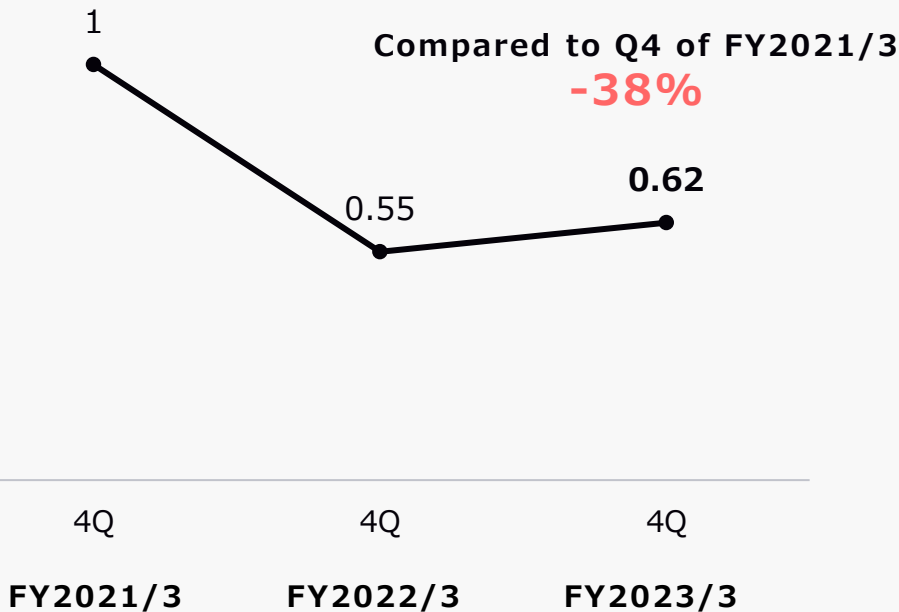


Renovation in Sales Promotion Support Services: Progress in PMI (DOORS)

In the fiscal year ended March 2021, when we conducted the M&A, we began to introduce expertise in the contract support business. We have succeeded in lowering the cost per user acquisition and increasing income efficiency.

Change in cost per acquisition (CPA)

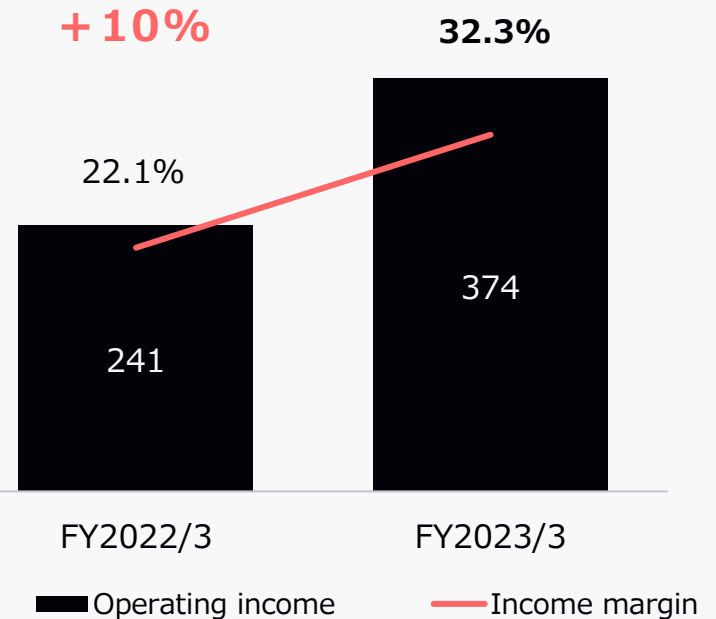
* Changes with Q3 FY2021/3 results indexed to 1



Change in the business profit rate

(Million yen)

Compared to FY2022/3



*DOORS Inc. became a consolidated subsidiary in the fiscal year ended March 31, 2021. (Acquired in: August 2020)

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**Summary of Results in the Fourth Quarter
of Fiscal Year Ended March 31, 2023 by Service**

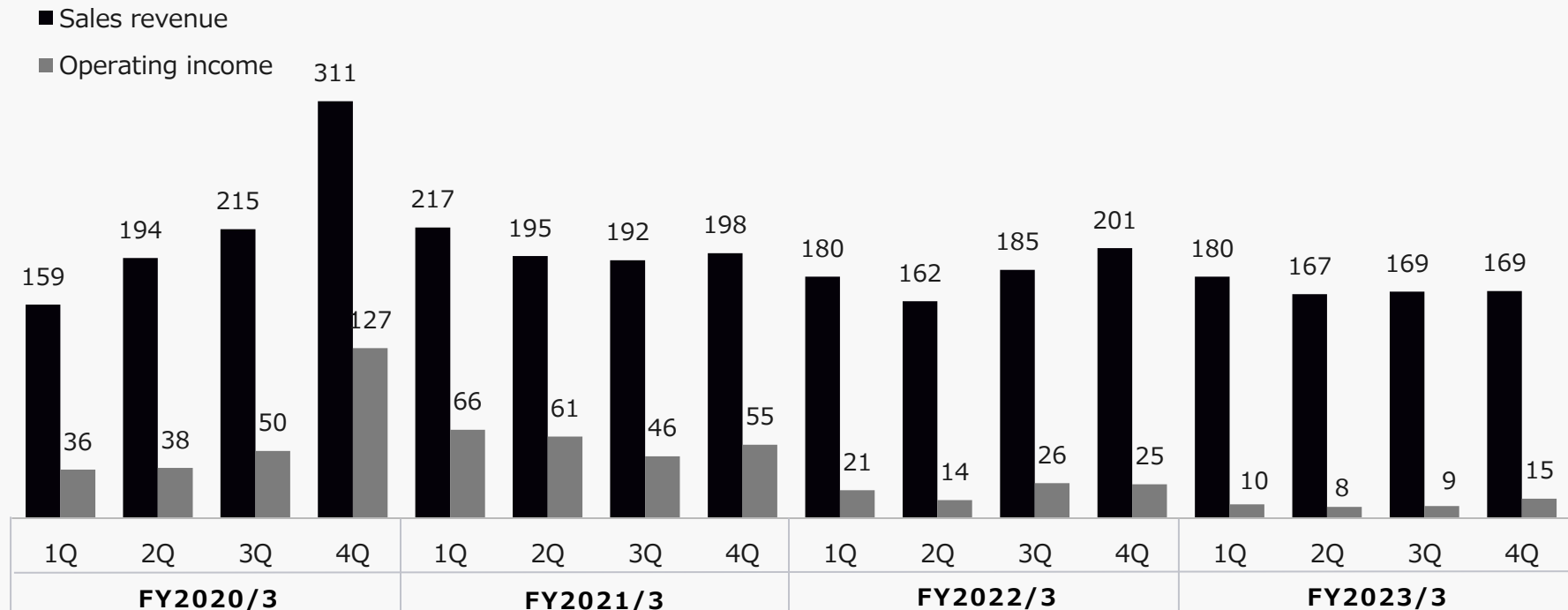
New, other businesses

New, Other Businesses: Revenue and Business Profit

Revenue and profit tumbled year on year, due to the revision of the business portfolio, including withdrawal from businesses.

(Million yen)

		2023/3 Q4 Results	2023/3 Full-year results	Announced in Feb, 2023	Versus forecast
Sales revenue		169 (YoY -15%)	685 (YoY -5%)	-	-
Operating income		14 (YoY -42%)	42 (YoY -50%)	-	-



06

**Full-year Results Forecast for the Fiscal Year
Ending March 31, 2024**

Policy of the Medium-term Management Plan

As stated in the material on the Medium-term Management Plan that we disclosed on May 12, 2023, we will take initiatives under the following policies.

Long-term policy

Maximizing free cash flow



Policy of the Mid-Term Management Plan

Maximizing EBITDA in the medium to long term

Organic investment

In huge markets, we will establish the position of the contract support business by combining technologies with real-life activities to make it possible to continue increasing market share.

Medium-term Growth Strategy

Establishing a portfolio of revenue sources

We attach importance to recurring revenue to establish a portfolio of revenue sources and increase the probability of continuous growth while assuming growth of revenue and profit.

Inorganic investment

To achieve 10.0 billion yen in a single business as soon as possible, we will implement aggressive, large-scale M&A in existing businesses or new domains and develop new businesses.

Making bold investments by assuming growth of revenue and profit

During the period of the medium-term management plan, we will make bold investments for the future, including organic investment for establishing the position of the contract support business, inorganic investment, and investment for establishing a portfolio of revenue sources, which are also aimed at acquiring long-term free cash flows, while assuming growth of revenue and profit.

Adding EBITDA including future earnings to key indicators

We will increase the probability of growth by increasing not only one-time revenue but also the ratio of recurring revenue in our revenue structure. For this purpose, we have added EBITDA including future earnings, which includes earnings to be generated in the future whose sources were acquired in the current fiscal year (earnings which would be generated in the current fiscal year under ordinary circumstances) as well as EBITDA for the fiscal year, to key indicators.

Limiting M&A to rollup M&A or M&A in new domains, in principle

Regarding M&A, we will concentrate on rollup M&A in existing domains, or in the domains of human resources and energy in particular, or large-scale M&A in new domains that will have an impact of at least 10% on the overall performance.

Management system with a clear investment policy

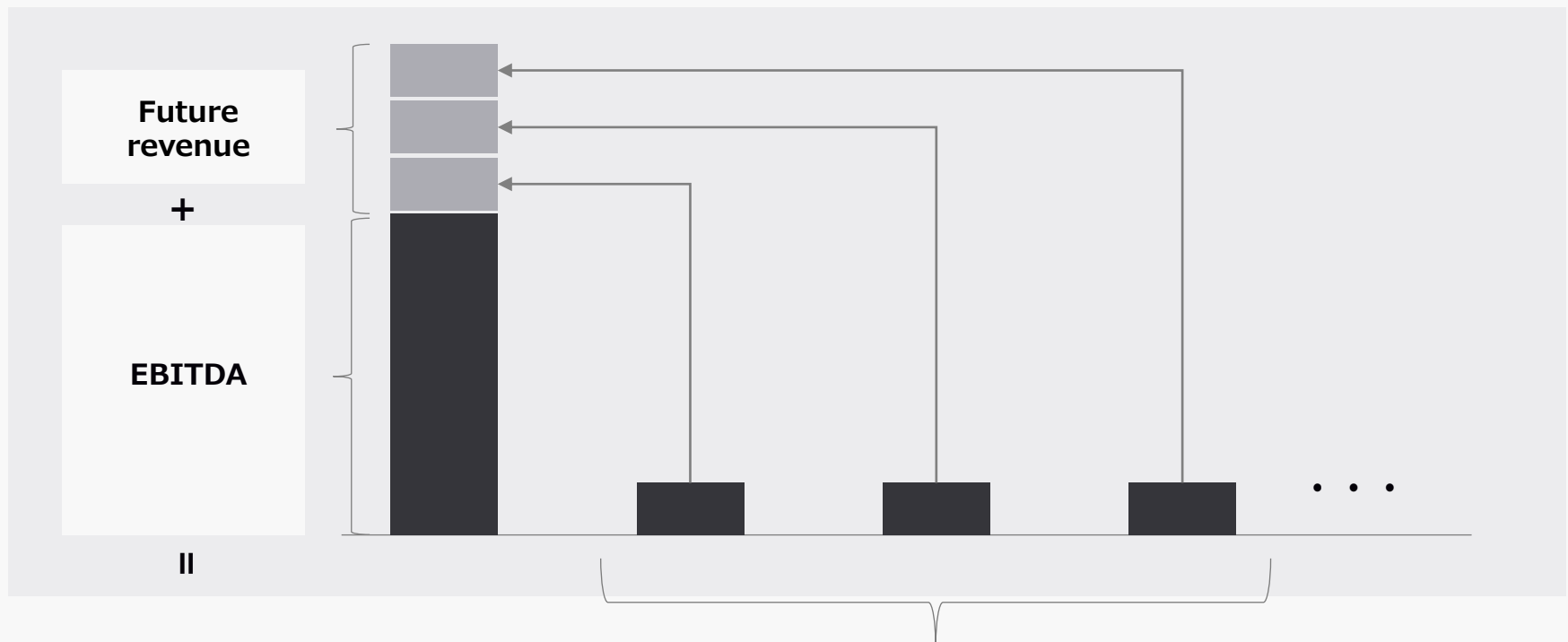
We will invest management resources intensively in businesses with a market share of 10% or more in the performance of the overall Company, which can grow continuously at a rate of 30%, including both existing and new businesses. We will strengthen the system for monitoring each company and each business for maintaining high growth.

Disclosure policy aimed at taking flexible corporate actions

To achieve the performance targets for the final fiscal year by taking the above and various other corporate actions speedily, we will not disclose quarterly performance plans for the current fiscal year, the performance plan for the second fiscal year, and the performance plan for each business.

What is EBITDA including future earnings?

- EBITDA including future earnings is calculated by adding to ordinary EBITDA the amount of future earnings from projects with recurring revenue for which contracts were concluded in the current fiscal year. The amount is one that can be reasonably expected based on the current contract cancellation rate, etc.
- We regard future earnings as similar to ordinary EBITDA because they would be posted in the current fiscal year if the contracts were based on one-time earnings under ordinary circumstances.



EBITDA including future earnings

Future earnings reasonably expected from projects with recurring revenue for which contracts were concluded in the current fiscal year

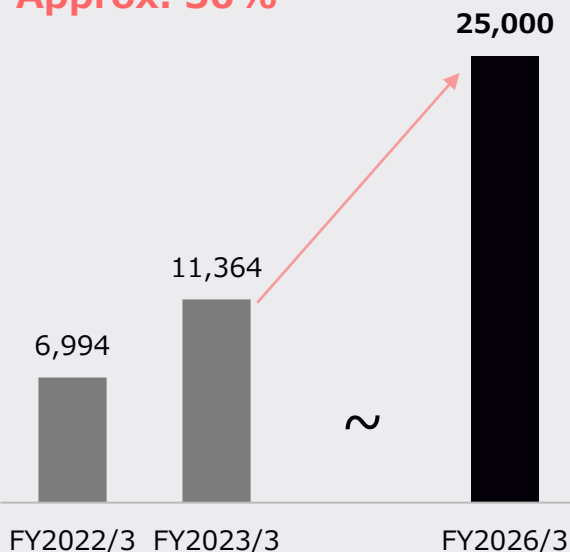
Medium-term Management Plan: Financial Guidance

We aim for significant growth in revenue and profit and set an ambitious plan. While we assume 30% growth of CAGR for revenue, we aim for 30% growth of EBITDA including future earnings because we will be conscious of future earnings during the period.

Sales revenue

(Million yen)

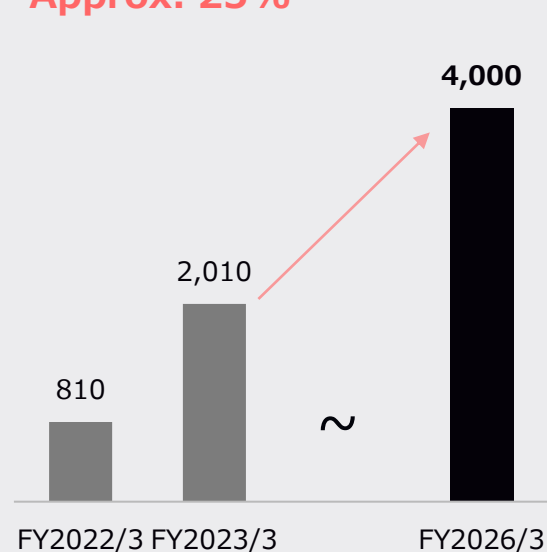
3-year CAGR:
Approx. 30%



EBITDA

(Million yen)

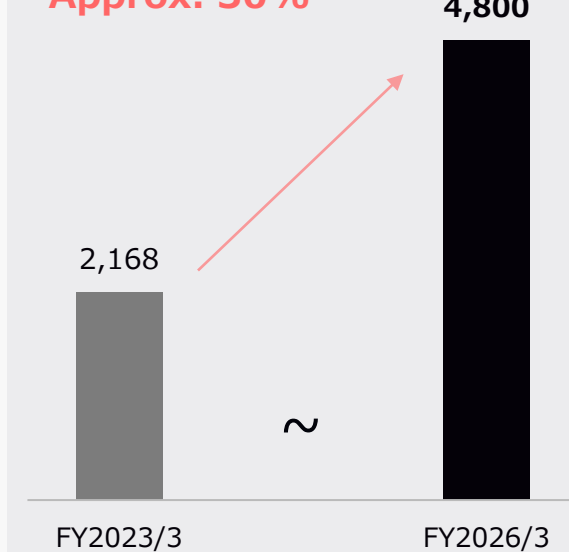
3-year CAGR:
Approx. 25%



EBITDA including future earnings*

(Million yen)

3-year CAGR:
Approx. 30%



*EBITDA including future earnings = EBITDA + Earnings which would be posted for the current fiscal year as one-time earnings under ordinary circumstances

Full-year Results Forecast for the Fiscal Year Ending March 31, 2024

We will make large-scale investments while assuming growth in revenue and profit. Above all, we aim to increase the ratio of recurring revenue by the final fiscal year of the medium-term management plan and focus our efforts on shifting to contracts with recurring revenue. As a result, we will maintain 31% growth of EBITDA including future earnings.

(Million yen)

	Full-year Results Forecast for the Fiscal Year Ending March 31, 2024	Results for FY Ended Ending March 2023	YoY
Sales revenue	13,800	11,364	+21%
EBITDA	2,230	2,010	+10%
EBITDA including future earnings	2,850	2,168	+31%
Operating profit	1,900	1,699	+11%
Profit before tax	1,850	1,658	+11%
Profit	1,375	1,232	+11%
Profit attributable to owners of parent	1,200	1,074	+11%

*Until fiscal year ended March 2023: EBITDA = Operating profit + Depreciation and amortization + Stock-based payment expenses

*From fiscal year ending March 2024 onward: EBITDA = Operating profit + Depreciation and amortization + Loss on retirement of fixed assets and valuation gain or loss

+ Stock-based payment expenses

*Future earnings: Total amount of earnings to be generated from a contract in the future. Because earnings that would be posted in the current fiscal year under ordinary circumstances will be posted into the future, the actual performance of the Company should be measured based on EBITDA including future earnings.

Note on forward-looking statements

- The materials and information provided in this presentation include so-called forward-looking statements.
- These statements are based on assumptions associated with current expectations, forecasts and risks, and include uncertainties that could cause actual results to differ substantially from them.
- These risk and uncertainties include regular economic conditions in Japan and overseas, including regular industry and market conditions, interest rates and currency fluctuations.
- The Company does not assume any obligations to update or revise the forward-looking statements contained in this presentation even in response to new information or future events.

PORT INC.

社会的負債を、次世代の可能性に。