

**PORT** INC.

# **Supplementary Materials Regarding Shareholder Return Policy and Revision of Dividend Forecast**

PORT INC. Securities Code: 7047

Feb. 13, 2024

# Assumptions for Improving Corporate Value

We have long been expected to achieve high growth in the Tokyo Stock Exchange Growth Market where our stock is listed. In addition, we will make proactive investments in growth to boost our corporate value and thereby to return profits to shareholders.

Make proactive investments for growth to **boost corporate value**

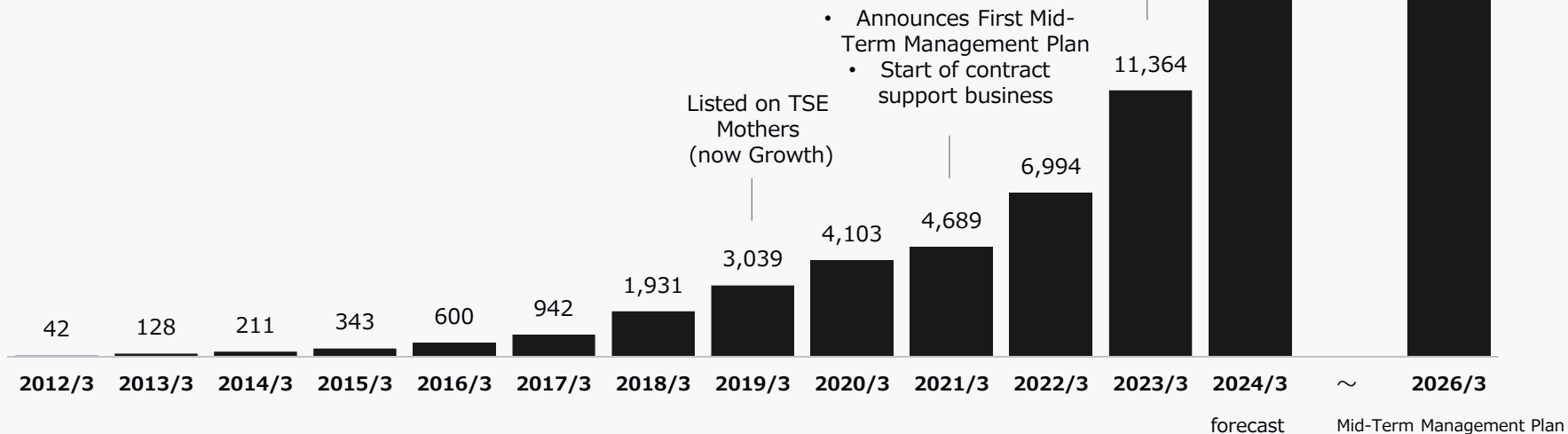


Offer maximum **profit returns** to shareholders

**CAGR 56%**



**25,000**



Maximizing cash flow over the long term is the most important factor in maximizing shareholder value, and to achieve this, we have expanded our business by maximizing EBITDA over the medium to long term as a mid-term management plan policy.

**Most important indicator**

**Maximizing Shareholder Value**



**Long-term policy**

**Maximizing EBITDA in the medium to long term**



**Policy of the Mid-Term Management Plan**

**Maximizing EBITDA in the medium to long term**

# Medium-term Growth Strategy

To increase the likelihood of continuous growth, we introduced a revenue portfolio in the current fiscal year. We will endeavor to ensure that recurring revenue accounts for around 20% of EBITDA of 4 billion yen for the final year of the Medium-term

**Policy of the Medium-term Management Plan  
Focus Points**

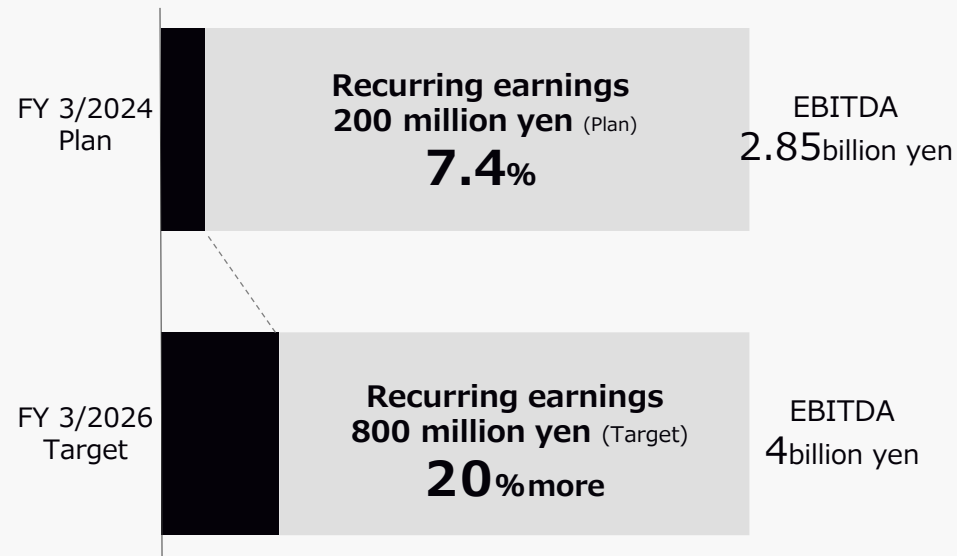
**Establishing a portfolio of  
revenue sources**

▼

**recurring earnings**

- Convert part of the one-time revenue into recurring earnings for increasing the likelihood of continuous growth
- Gain recurring earnings from business operators according to their monthly power consumption in the energy domain
- Obtain recurring earnings from business operators according to the loan balance in the finance domain

## Recurring earnings ratio

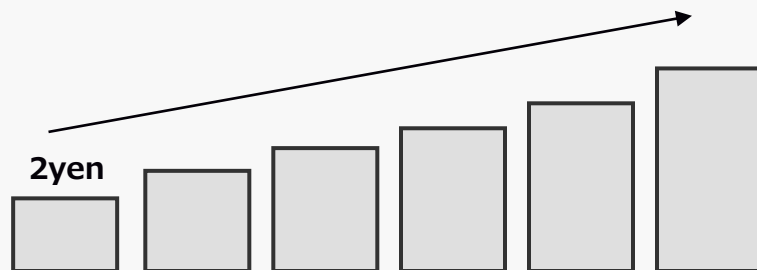


In view of the steady rise in recurring revenue and our financial standing, we will start to pay our first dividends from the end of the current fiscal year. We will be paying progressively increasing dividends from recurring revenue as the source funds, on the condition that consolidated operating profit remains positive even after subtracting the amount of dividends.

**Steadily Increasing Dividends**

**Continuous increases in dividends in step with the increase in recurring earnings**

- Policy of paying dividends once a year at the end of the fiscal year
- The General Meeting of Shareholders acts as a decision-making body for dividends (whereas interim dividends are subject to resolution of the Board of Directors).
- We will continue to use internal reserves for improving our financial structure for the long-term stabilization of our management foundations and for investing in business growth.



FY 3/2024

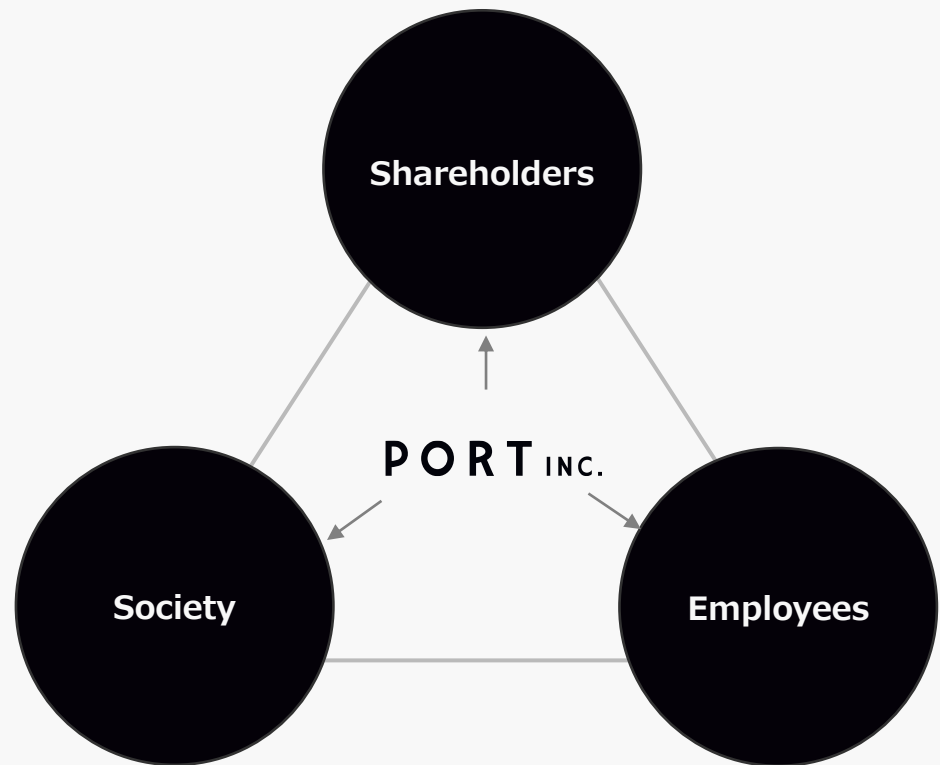
	Forecast for FY 3/2024	Medium-term Management Plan (FY 3/2026)
Recurring earnings (million yen)	200	800
Image of recurring earnings after tax (million yen)	140	560
Dividend per share (yen)	2	Will be paying increasing dividends
Total dividends (million yen)	26	Will be paying increasing dividends

\* This matter will be discussed at the Ordinary General Meeting of Shareholders that is scheduled to take place in June 2024.

We will carry out a three-in-one profit return program that benefits our particularly important stakeholders, namely shareholders, employees and society. Increasing the returns to different types of stakeholders according to total dividends to shareholders, we will strive to build long-term solid relationships.

## Three-in-one profit return program

- Offer returns to employees and society properly under the predetermined standards according to the returns to shareholders (total amount of dividends).
- Set up a sustainability committee as a decision-making body for destinations of returns to society and their methods.



## 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。