

# PORT ODYSSEY 800

## Medium-Term Management Plan

(Matters concerning business plan and growth potential)

PORT INC. Securities code: 7047

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**About Us**

## PURPOSE

### Change social debt into possibilities for the next generation.

Our society has always given priority to the present.

Meanwhile, debts have been put off and handed off to the next generation.

Distortions in many different areas generate complex friction patterns and the situations are becoming more serious.

However, due to the complexity, the problem is still to be addressed.

We must address it now and not in the future.

Instead of putting off the debts for a century, we should identify social issues ourselves and advance process, from proposal to implementation, using people and technology.

We will implement things that are necessary for society, not things that are merely nice to have.

We will do this to eliminate as much social debts as possible and expand the potential of future generations.

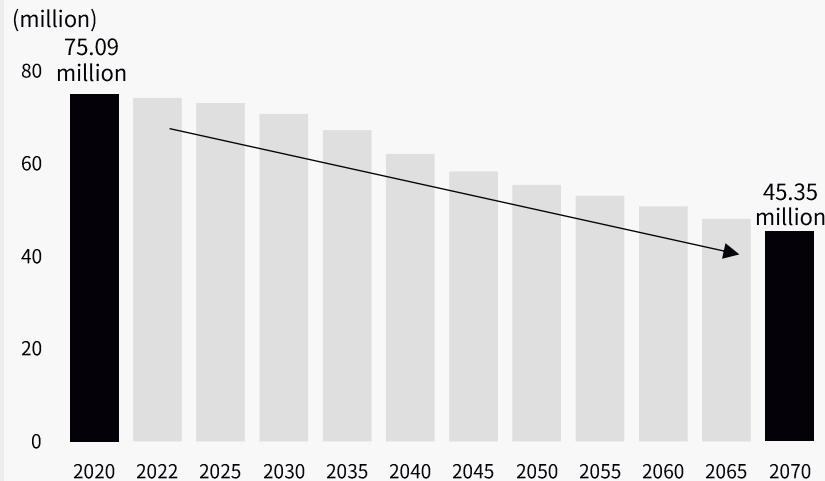
Company name	PORT INC.
Established	April 18, 2011
Head office address	5th Floor, Shinjuku Front Tower, 2-21-1 Kitashinjuku, Shinjuku-ku, Tokyo
Share capital	2.4 billion yen (as of March 31, 2025)
Representative	Hirofumi Kasuga, Representative Director, President and CEO
Business	Contract support business
Number of employees	677 (as of March 31, 2025; consolidated)
Average age of employees	Approx. 28 (as of March 31, 202)
Ratio of men to women	6:4
Securities code	7047 (TSE Growth; listed on December 21, 2018)
Major group companies	INE Inc. / Five Line Inc. Minshu, Inc.

While the decrease in the working population will continue to accelerate, comparative labor productivity is also declining. The sustainability of today's social system as a whole is threatened.

## Declining working population (working-age population)

The working-age population of Japan will decrease due to the declining birthrate and aging population.<sup>1</sup>

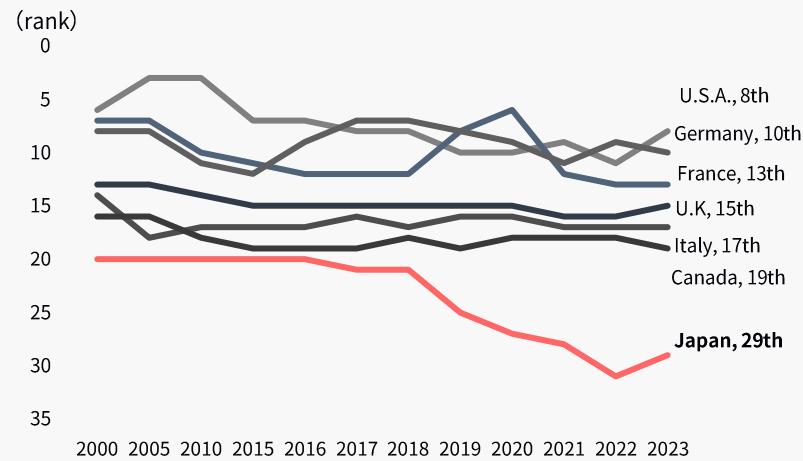
### Forecast changes in working-age population (15 to 64 years old)



## Low labor productivity

Japan's labor productivity was ranked 29th among 38 OECD countries, the lowest among the G7 nations.<sup>2</sup>

### Evolution of hourly labor productivity rankings in major developed countries



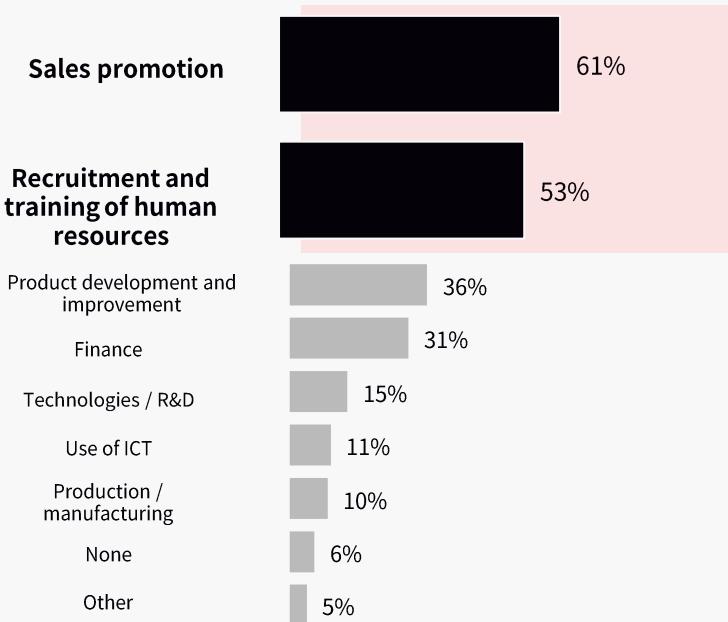
<sup>1</sup> White Paper on Aging Society 2024, Cabinet Office, Government of Japan

<sup>2</sup> Japan Productivity Center, "International Comparison of Labor Productivity 2024," December 16th, 2024.

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Overcoming sales promotion and recruitment challenges, which are among the greatest management issues companies face, has the greatest impact on improving productivity. However, when investing in these domains, the ROI is uncertain and there is the risk that it may be zero. Which is why they remain issues.

## Top Management Issues: Sales Promotion and Recruitment



## Approaches to Resolution

### Issue/Cause

- The return on investment (ROI) is uncertain, meaning that the risk of no return on the investment is high.
- This results in people being hesitant to invest aggressively in growth.

### Approach

Completely eliminating the risk of no return by clarifying ROI

### Effects

Encourage companies to accelerate growth investments to help them achieve earnings growth

Improve company productivity and society as a whole

## Business policy

### To completely eliminate the risk of no return for companies by clarifying ROI

We will address the decline in working population as a social debt by providing services with a clear ROI. We will thus completely eliminate the risk of no return for companies and help improve the productivity of companies and overall society.

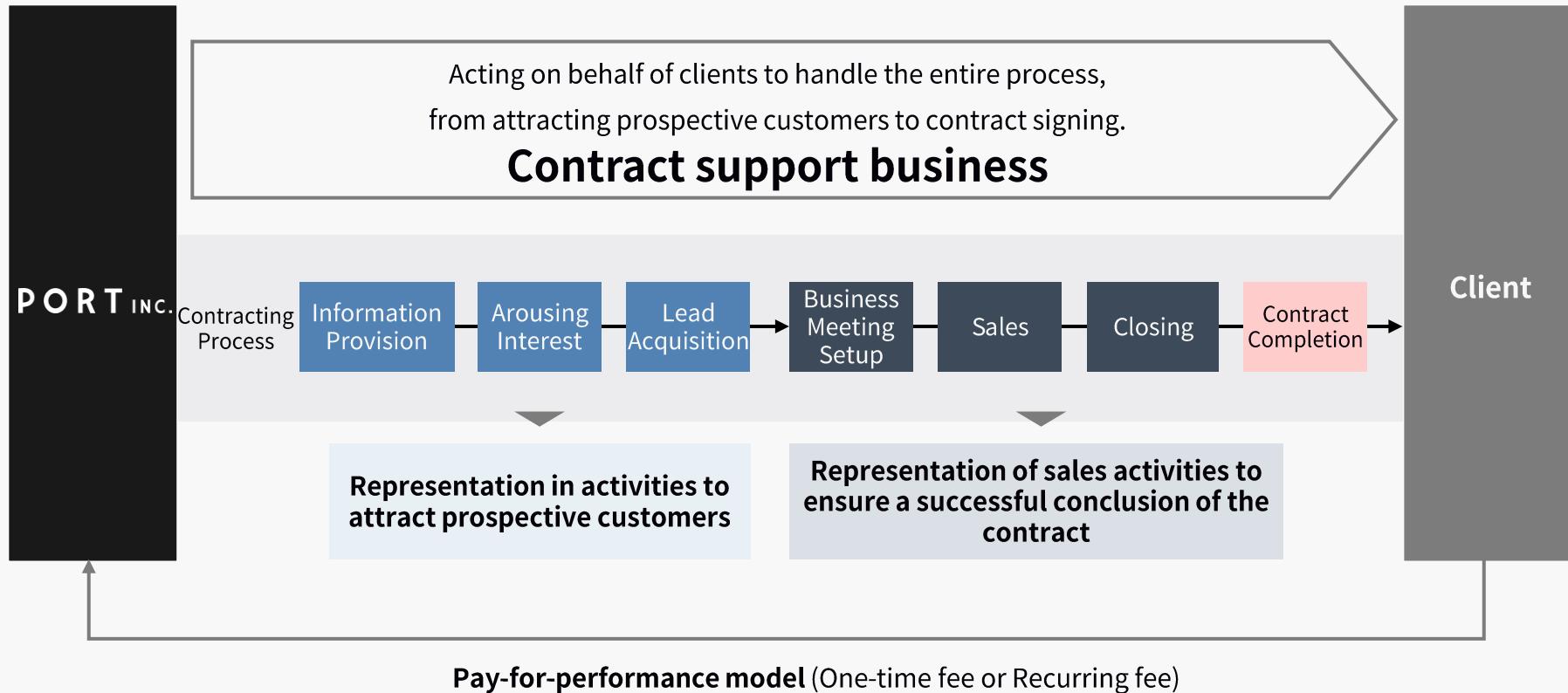
## Business model

### Contract support business

Contracting activity is a management issue for companies. We use our strong contract-winning skills and multi-channel marketing capabilities to address this and take KPI responsibility from customer attraction to signing contracts. While eliminating the risk of no return for corporate clients through such efforts, we adopt a pay-for-performance business model in which rewards are generated only when contracts are successfully signed.

# Business Model of Contract Support Business

An integrated business model in which we combine multi-channel marketing and sales activities to support client companies in the process from attraction of users as their potential customers to signing of contracts with a pay-for-performance reward structure.



02

# Competitive Advantage

# Our Competitive Advantage

1

**Vast market size and horizontal expandability**

2

Pay-for-performance fee structure with zero risk of no return

3

Contract-winning capabilities backed by a contract support organization with a high contract signing rate

4

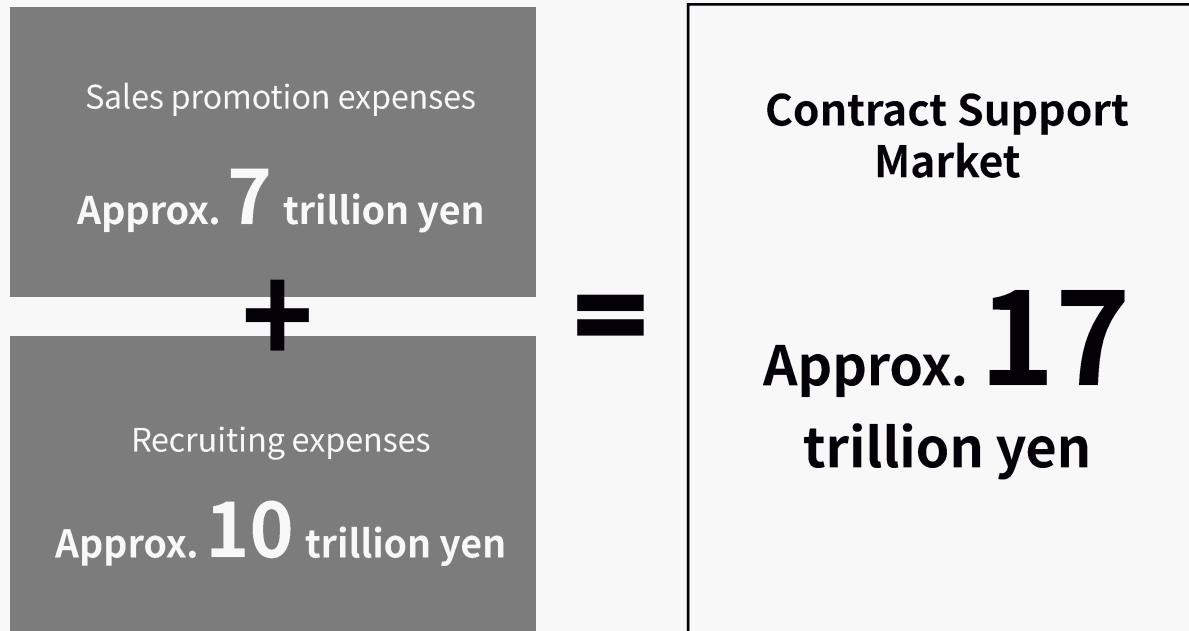
Ability to attract customers using multi-channel marketing

5

There is a market structure based on volume incentives in which the maximization of the number of contracts won leads to a competitive advantage

## 1. Vast market size and horizontal expandability

There is huge potential in the sales promotion and recruitment market as these are management issues companies face. Therefore, there is an extremely large amount of room for our contract support business to grow by increasing our market share.



Sales promotion expenses = Advertising Spending Market<sup>1</sup>

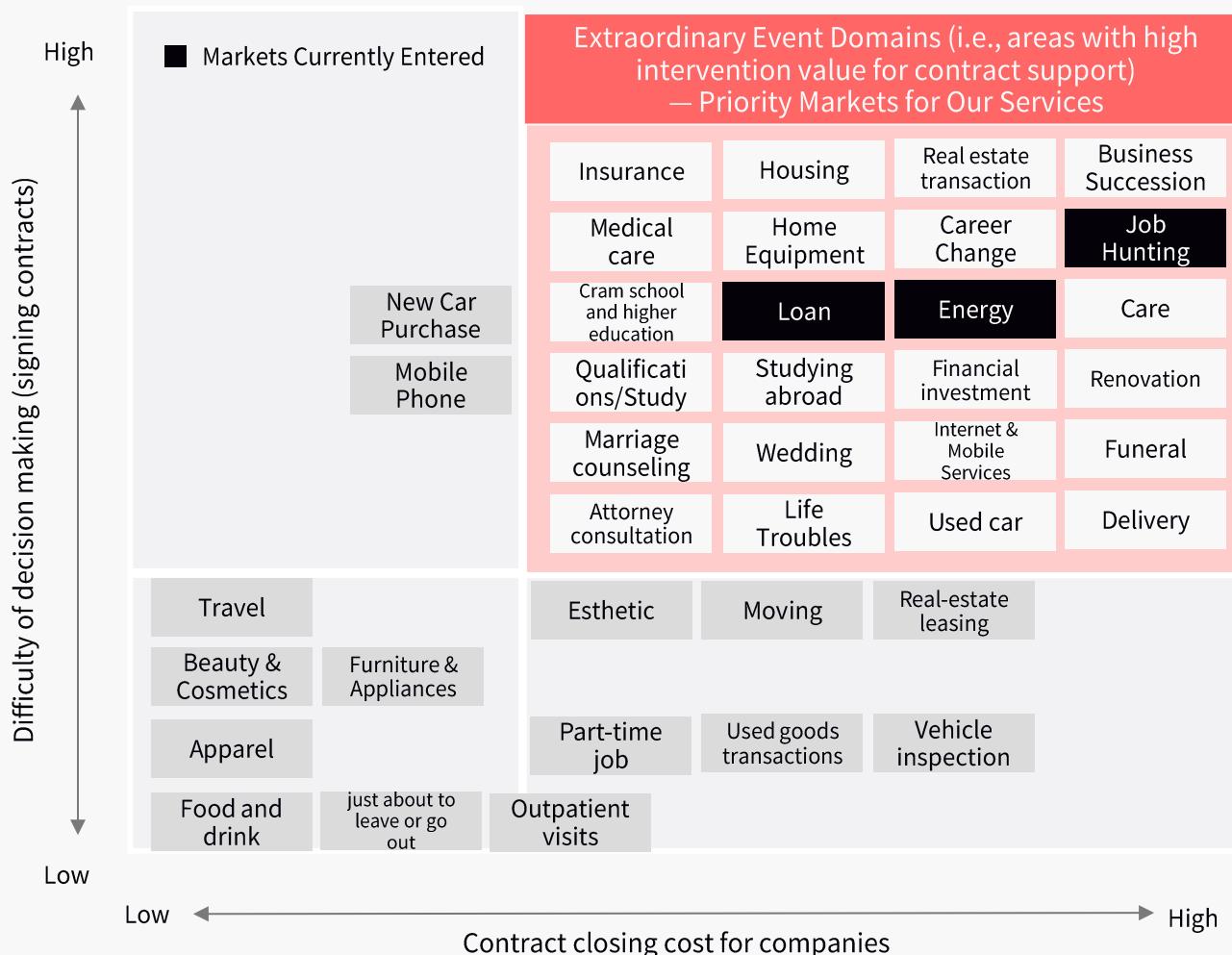
Recruiting expenses = Job ad market<sup>2</sup> + Job placement market<sup>2</sup> + Temporary staffing market<sup>2</sup> + Contracting market<sup>2</sup>

<sup>1</sup> Dentsu Inc., "2024 Advertising Expenditures in Japan," February 27, 2025.

<sup>2</sup> Japan Association of Human Resource Services Industry, "The Labor Market in 2030 and the Role of the Human Resource Services Industry," November 7, 2019.

# 1. Vast market size and horizontal expandability

We consider markets where companies incur high costs to win contracts and where users face high decision-making difficulty as extraordinary event domains. These are the markets we prioritize in our contract support business.



## 1. Vast market size and horizontal expandability

We take the contract support approach to solve sales promotion and recruitment issues, which are management issues that companies face. There is huge potential in the contract support market.

Market size of contract support

Approx. **17** trillion  
yen

Overall market size of the energy and human resources domain<sup>2</sup>

Approx. **1.5** trillion  
yen

Market size of our existing business<sup>1</sup>

Approx. **350** billion yen

Human resources domain: New graduate recruitment support market  
Energy domain: Electricity contract support market for individual consumers

<sup>1</sup> Total of the electric power market for individuals and the new graduate recruitment support service market

<sup>2</sup> Total of the overall electricity market for individuals and corporations and the overall human resource recruitment support market

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## Our Competitive Advantage

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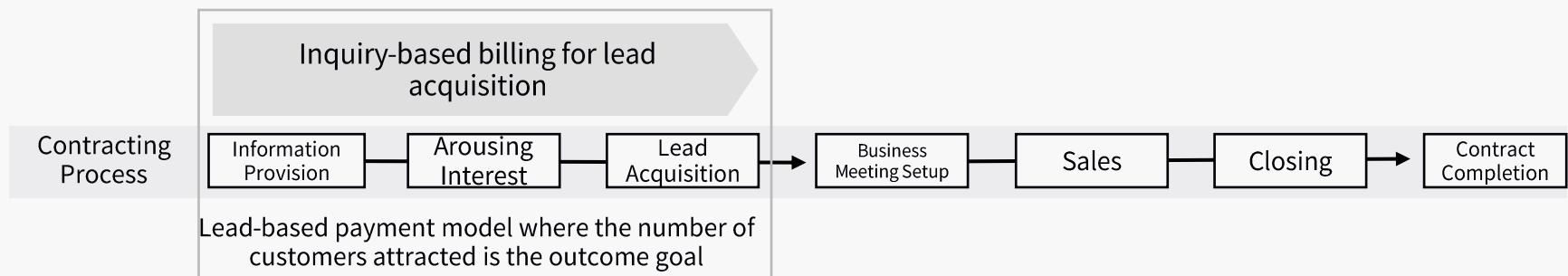
There is a market structure based on volume incentives in which the maximization of the number of contracts won leads to a competitive advantage

## 2. Pay-for-performance fee structure with zero risk of no return

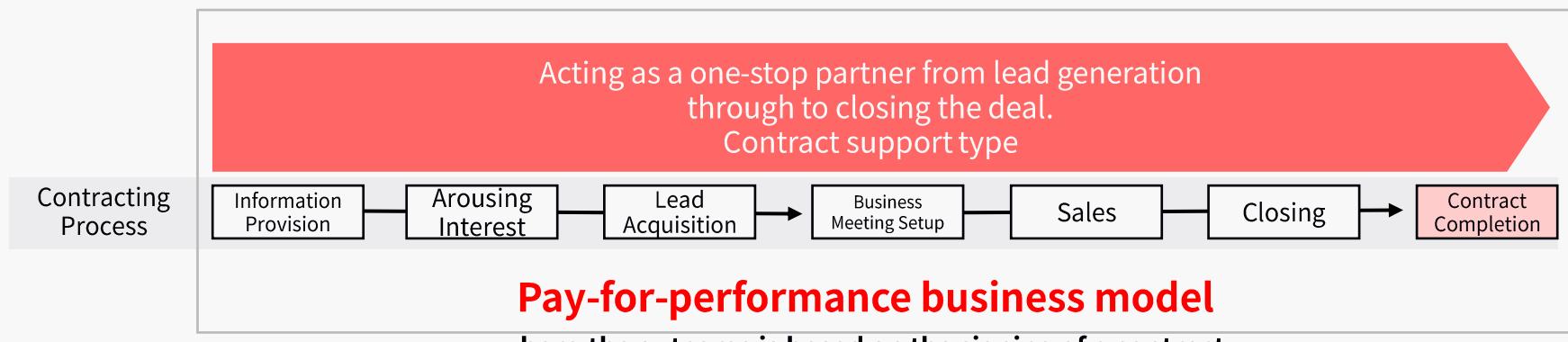
P O R T INC.

Conventionally, businesses do not go further than supporting companies' activities to attract customers. In many cases, support is not provided continuously until the final goal is achieved. In contrast, we have adopted a clear fee structure with zero risk that companies will receive no return in which rewards are generated when contracts are signed.

### Traditional Internet Media Business



### Contract support business



## 2. Pay-for-performance fee structure with zero risk of no return

PORT INC.

We use a pay-for-performance reward structure, in which fees are paid when a contract is signed, and assign staff who are responsible for the relationships and are committed to achieving results. In our business model, we build long-term relationships with customers by lowering barriers to their introduction of our services, thus increasing sales per customer.

### Pay-for-performance model

Fees based on contracts signed

Dedicated relationship officers committed to customer success

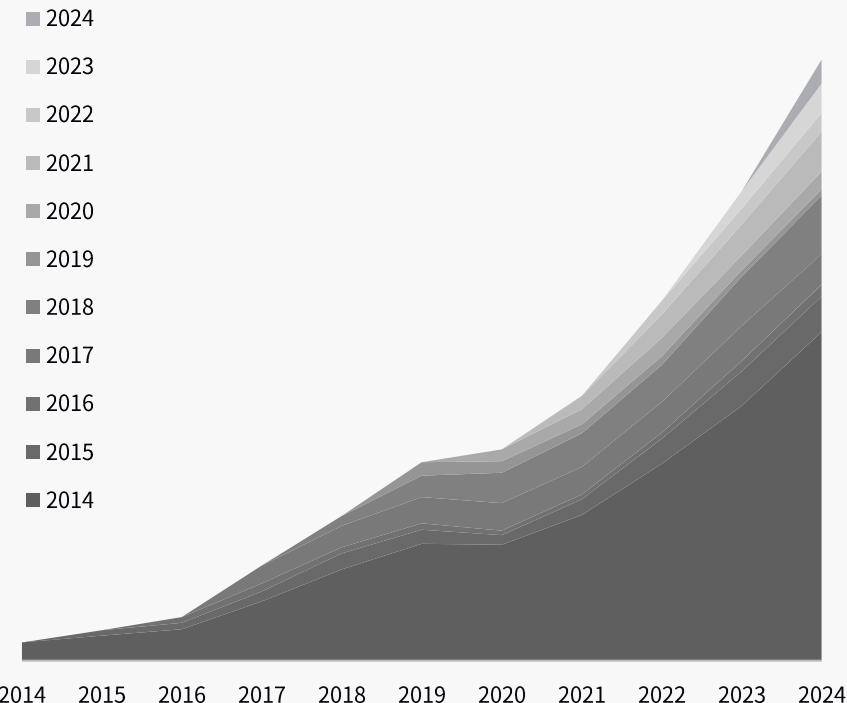
### Benefits of Implementation

Lowering service adoption barriers  
**expands the customer base**

Building long-term relationships  
**increases contract numbers and unit price**

### Sales by year of Transaction Start<sup>1</sup>

The pay-for-performance fee system facilitates the maintenance of long-term customer relationships, which has contributed to increases in both the number of contracts and the unit price per contract, resulting in a rise in LTV.



<sup>1</sup> Calculated based on non-consolidated results of PORT.

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Ability to attract customers using multi-channel marketing

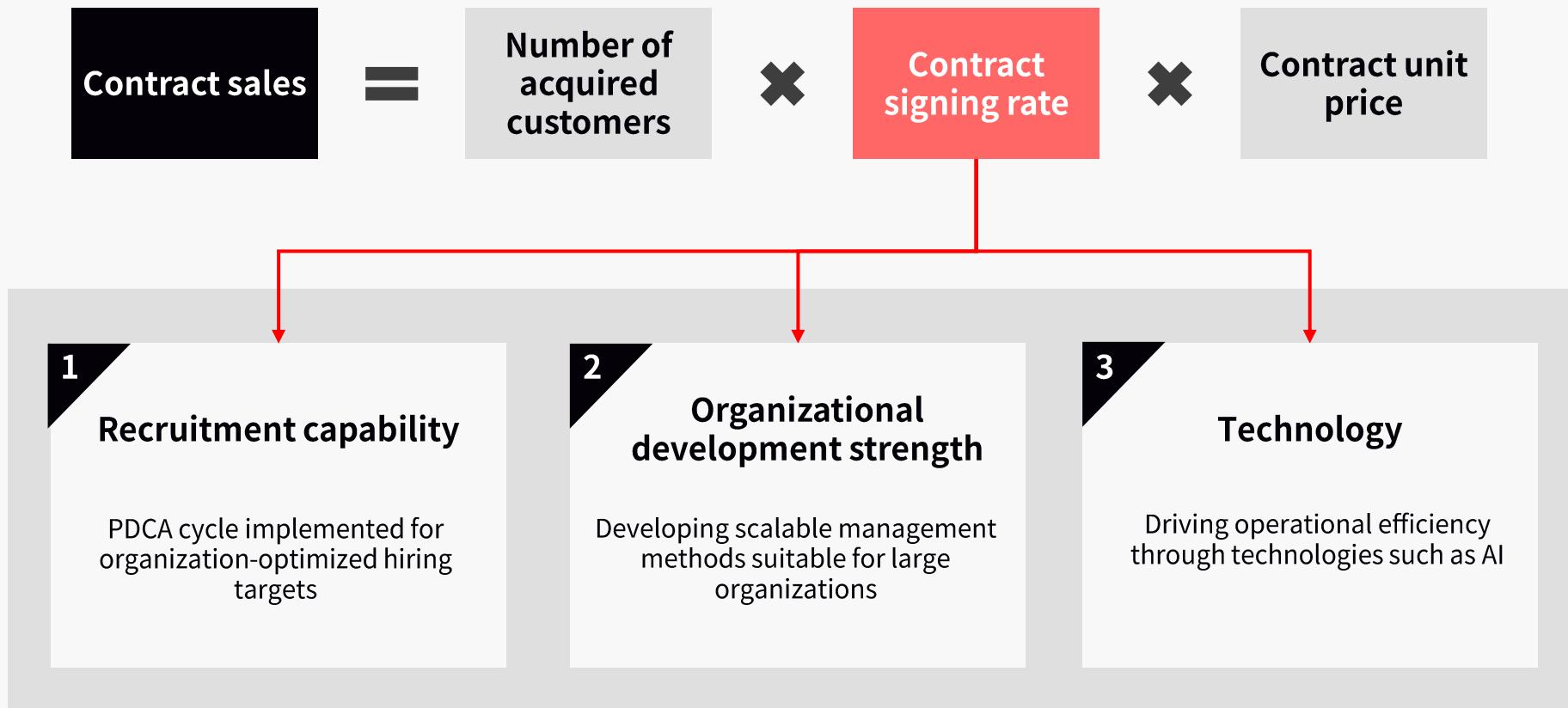
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There is a market structure based on volume incentives in which the maximization of the number of contracts won leads to a competitive advantage

### 3. Contract-winning capabilities backed by a contract support organization with a high contract signing rate

PORT INC.

We have an internal contract support organization and built a system, in which thorough improvements are continuously made to acquire users at a high contract signing rate.



### 3. Contract-winning capabilities backed by a contract support organization with a high contract signing rate

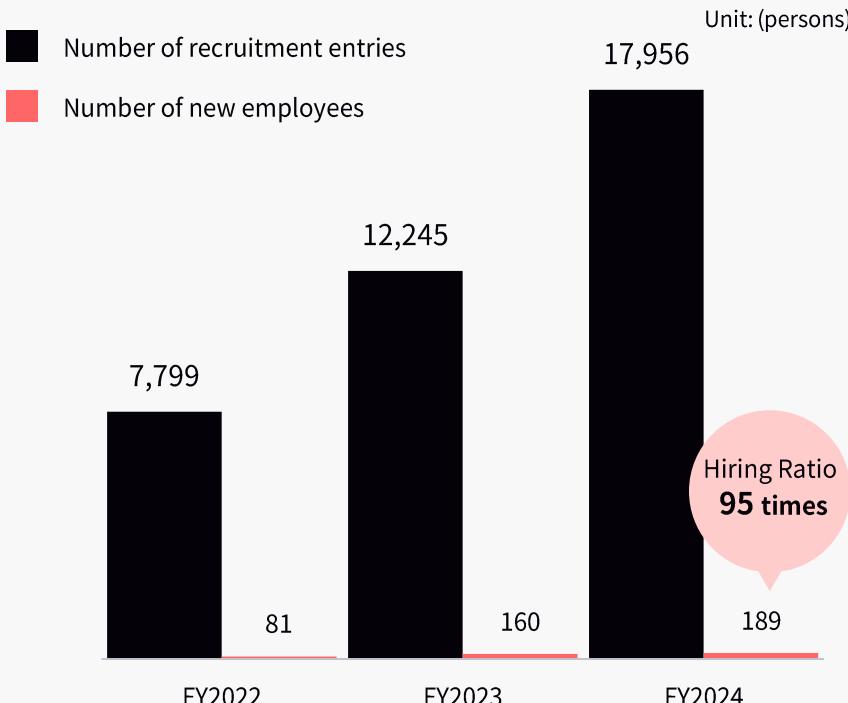
PORT INC.

The number of applications from both new graduates and mid-career candidates has been increasing every year, and our strong recruitment capabilities are our competitive advantage.

A fast PDCA recruitment cycle, which reflects achievements made after new employees join companies help improve contract-winning capabilities.

#### Ability to establish a talent pool

Increasing the number of entries to our services and acquire excellent human resources



#### Fast recruitment activity PDCA cycle

A recruitment system under which the people in charge of businesses are concurrently recruitment managers



People in charge of businesses are involved in the recruitment of their own companies' employees, which facilitates the improvement of the quality and speed of checking achievements and reviewing performance to optimize recruitment targets.

\*The number of entries and hires for new graduates and mid-career hires are calculated as a total.

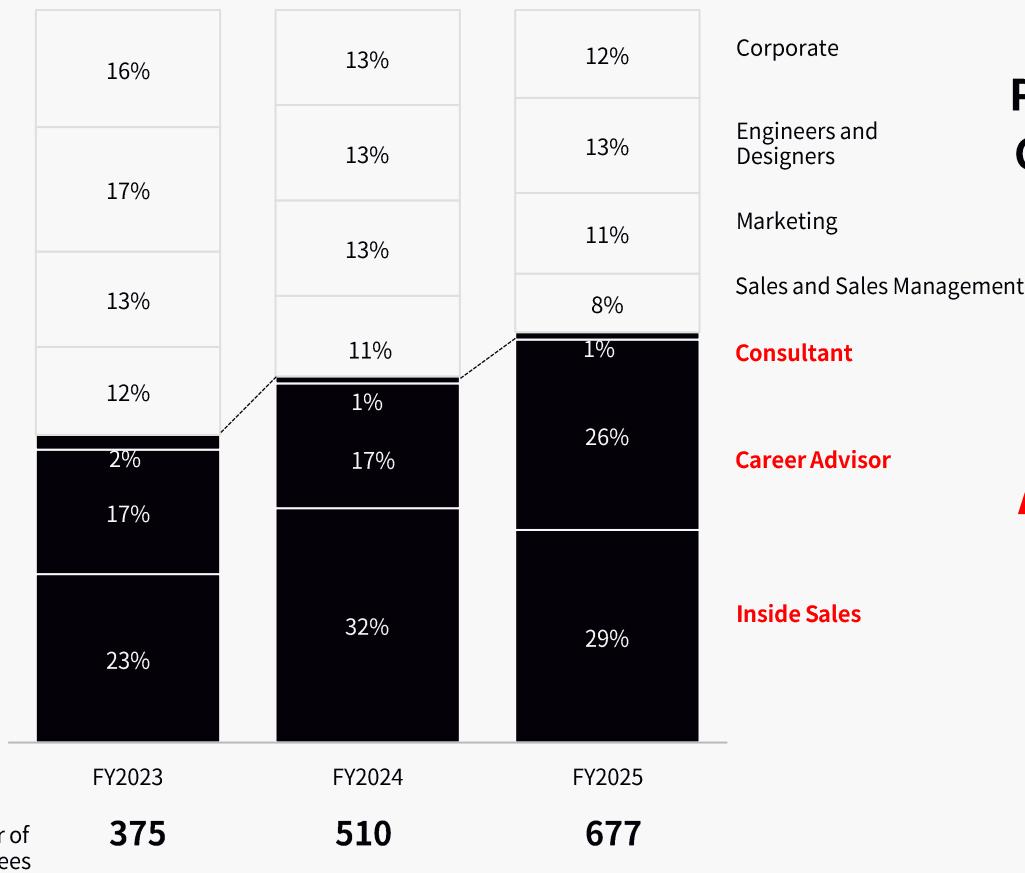
### 3. Contract-winning capabilities backed by a contract support organization with a high contract signing rate

PORT INC.

We are expanding staff aggressively to achieve the growth of business performance.

Above all, the strengthening of the contract support organization is a key point, and currently a majority of our company's employees are members of it.

Percentage of total group by job category



Percentage of Employees in the Contract Support Organization

(As of March 31, 2025)

Approx. 56%

### 3. Contract-winning capabilities backed by a contract support organization with a high contract signing rate

PORT INC.

We have built organizations that produce results and continue to do so by focusing our efforts on organizational development as well as the expansion of organizations.  
Our firm organizational structure enables a high contract signing rate.

#### Organizational development method

Focusing efforts on the development of organizations which can produce results and ensure high customer retention rates

##### (1) Management system based on small teams

Meticulous performance management, a follow-up system and the development of an environment facilitating competition between teams

##### (2) Thorough hands-on management

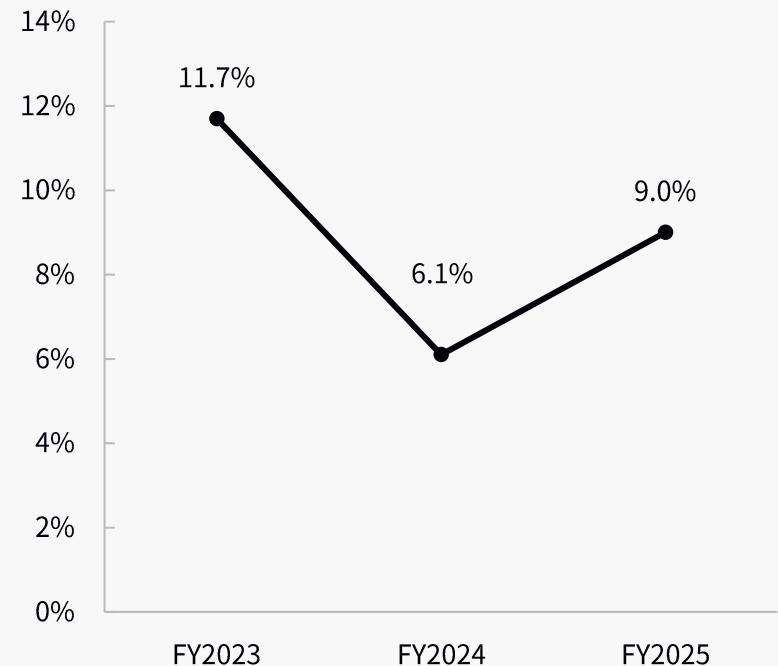
Regular meetings held to share best practices and knowledge and the creation of a mechanism facilitating the acquisition of know-how, including the use of video content

##### (3) Employee engagement is set as a key indicator

Implementing a regular engagement survey, one-on-one meetings between supervisors and their subordinates, cross-sectoral interviews beyond the boundaries between departments, a quarterly employee award program, etc.

#### High employee retention rate

While the number of employees has been increasing, the turnover rate has been kept below 10%.

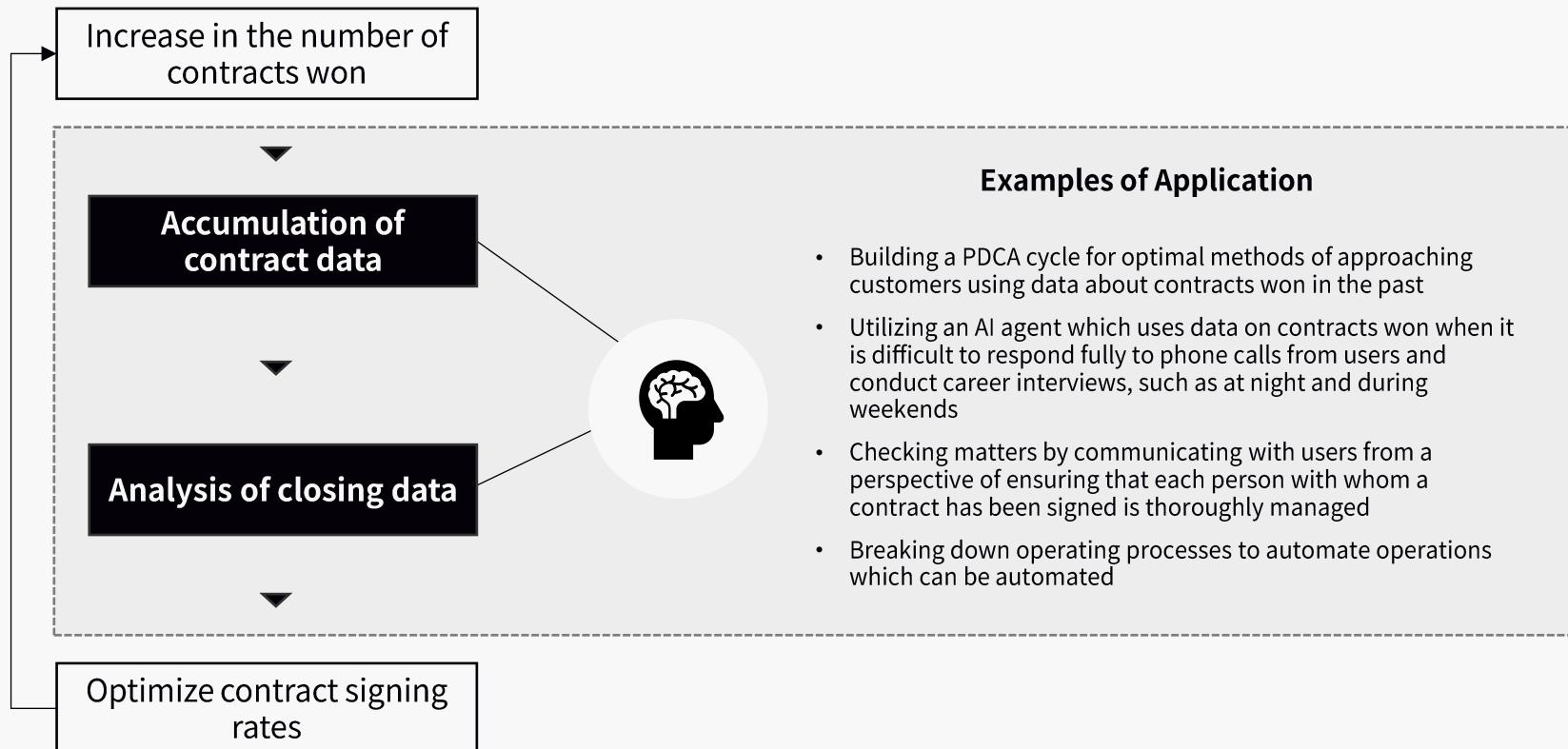


### 3. Contract-winning capabilities backed by a contract support organization with a high contract signing rate

PORT INC.

We boast a large number of contracts won, which has improved the precision of analysis and the verification of effects. Maximizing the number of contracts won and technologies enables the establishment of barriers to entry.

#### Cycle of increasing the contract signing rate using technologies



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**Ability to attract customers using multi-channel marketing**

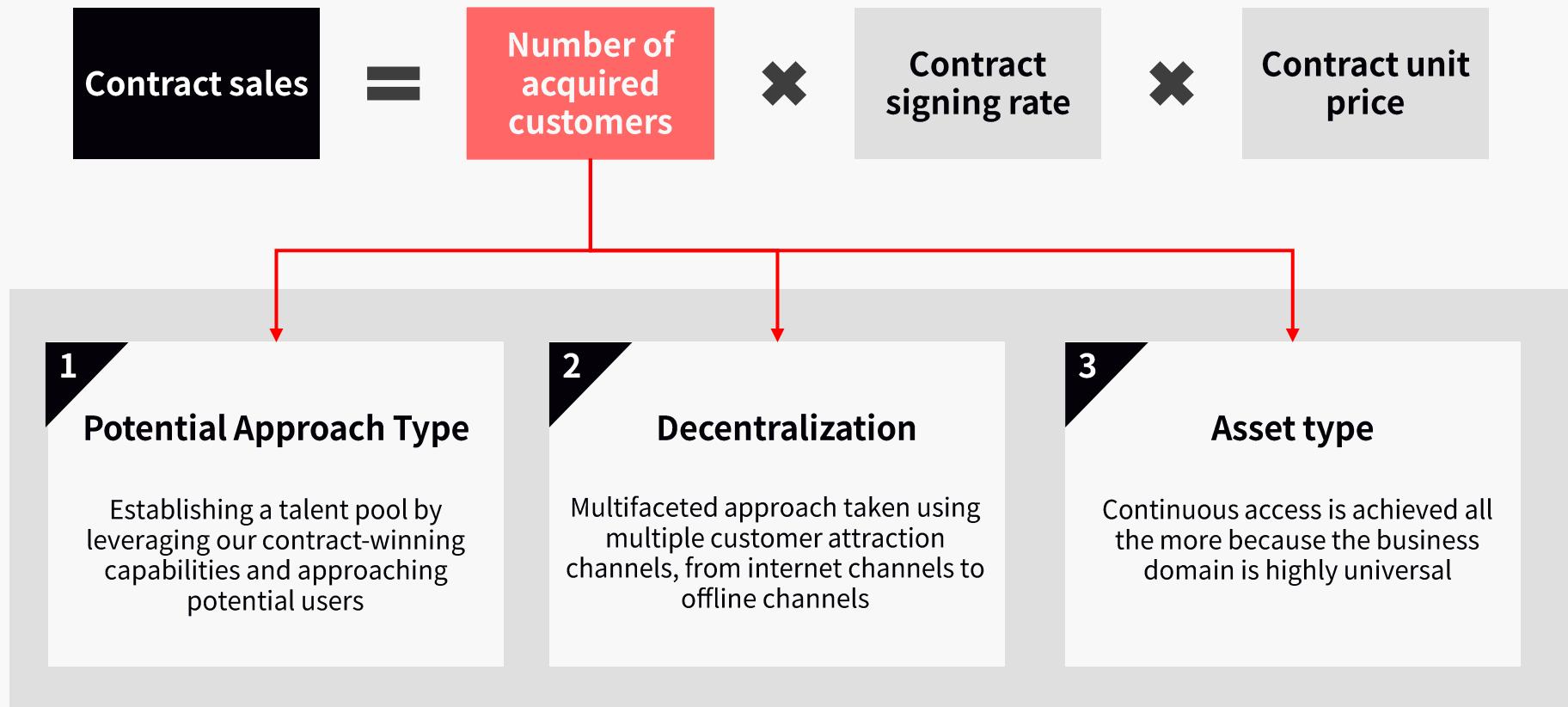
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There is a market structure based on volume incentives in which the maximization of the number of contracts won leads to a competitive advantage

## 4. Ability to attract customers using multi-channel marketing

P O R T INC.

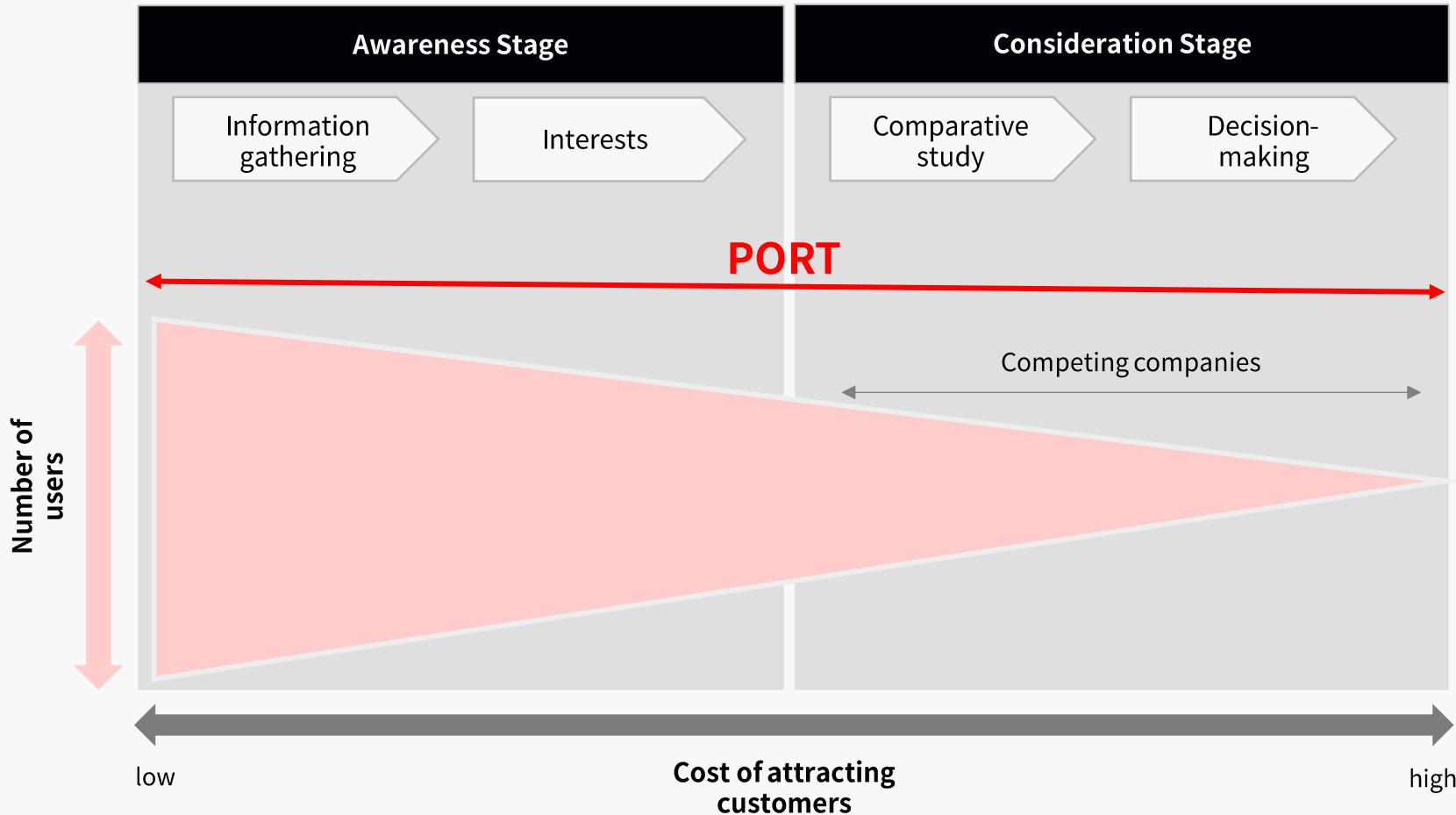
Acquisition of a huge number of potential customers is made possible by creating touchpoints with a wide range of users using our dedicated customer attraction products and our expertise in internet marketing.



#### 4. Ability to attract customers using multi-channel marketing

P O R T INC.

Since we can win contracts with our high contract-winning capabilities, we have a large number of users and can attract customers even from among potential users with a low customer attraction cost.



## 4. Ability to attract customers using multi-channel marketing

PORT INC.

We maximize the number of customers attracted using a wide range of customer attraction channels. We reduce business risks by lowering dependence on a single channel.

		Human Resources Domain				Energy Domain	
Channels to attract customers	Online	WEB	app	SNS	Advertisement	WEB	
	 就活会議  みん就  キャリアパーク!  就活の未来 		 Matcher  Diary		Listing ads, Display ads and Affiliate ads		
	Off-line	Universities & Events		Flyer distribution, Newspaper ads, etc.		Real estate brokers, property managers, moving service providers, sales partners and affiliated business partners	
					 エネチョイス  引越し手続き.com		

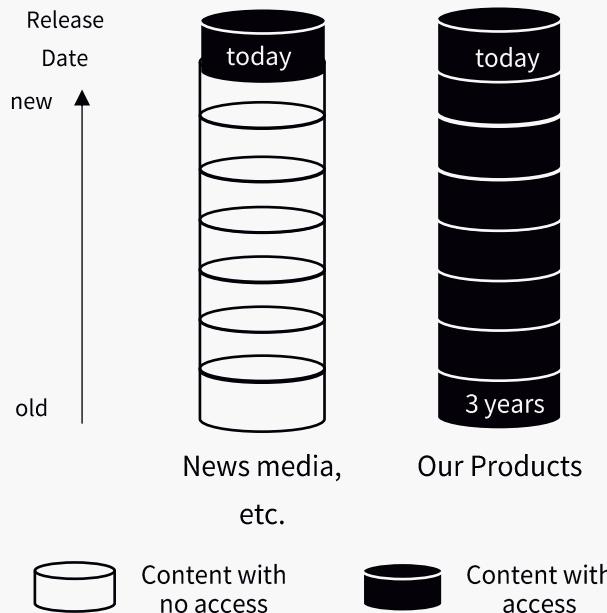
#### **4. Ability to attract customers using multi-channel marketing**

**P O R T INC.**

Since the domains of extraordinary events we operate within are highly universal, we have accumulated high-quality content that enables us to stably attract customers and ensure continuous access.

## Features of asset-type content

Investment in content which continues to demonstrate its value over several years



## **Image of the content we provide**

## **(1) Provision of primary information**

Users' word-of-mouth communication, sharing of their experiences, etc.

## **(2) Provision of specialized information**

Content prepared under the supervision of experts, etc.

### **(3) Provision of specialized tools**

AI for interview assessment, tools  
for creating self-promotion  
materials, tools for assessing  
electricity plans, etc.

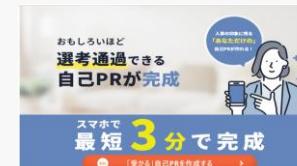
## **More than 3 million job hunting selection experiences in total**



**More than 7,000 specialized contents**



## **Providing tools to activate user access**



## Our Competitive Advantage

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Vast market size and horizontal expandability

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Pay-for-performance fee structure with zero risk of no return

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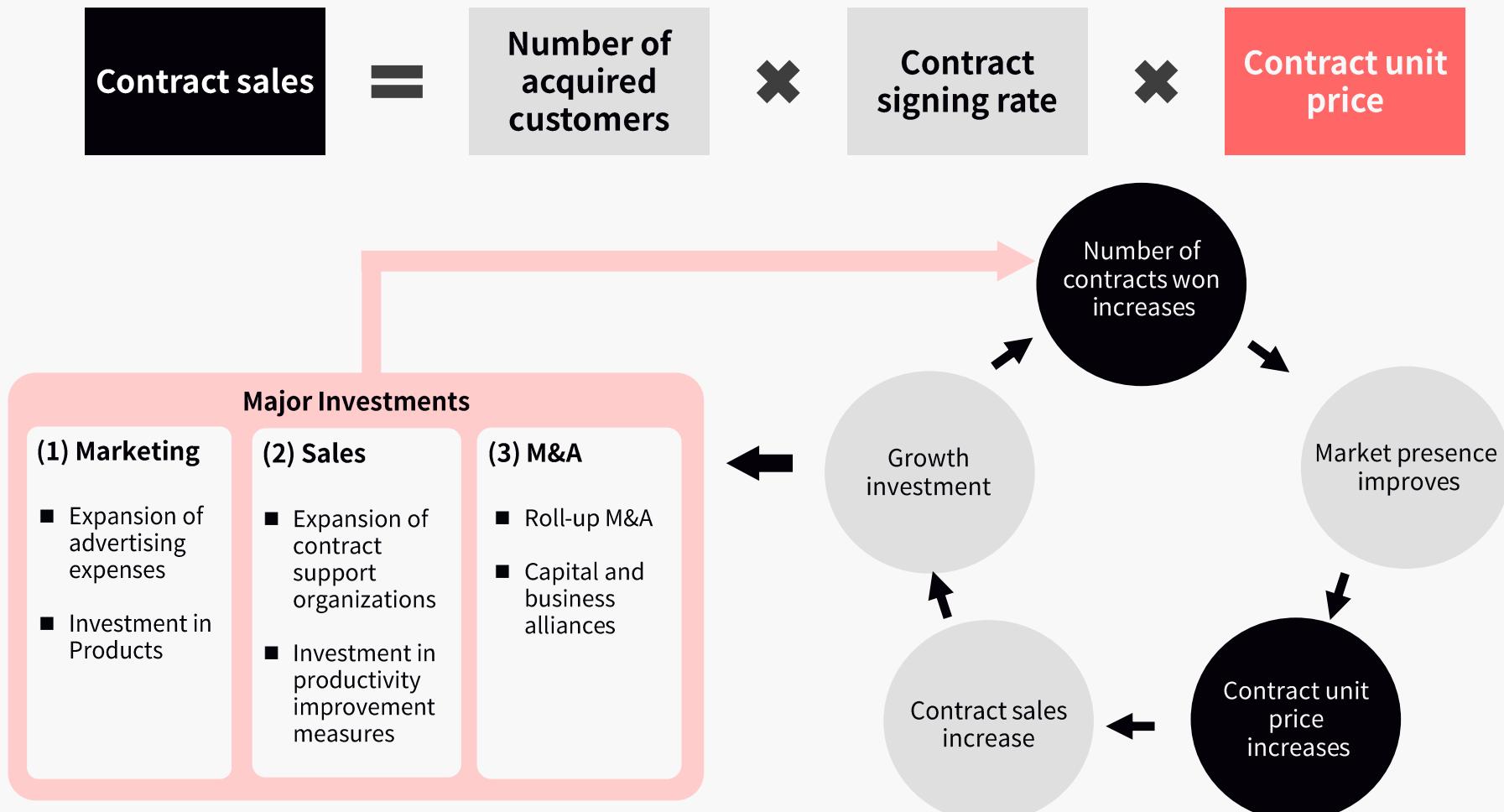
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**There is a market structure based on volume incentives in which the maximization of the number of contracts won leads to a competitive advantage**

## 5. There is a market structure based on volume incentives in which the maximization of the number of contracts won leads to a competitive advantage

Market structure based on volume incentives in which an increase in the number of contracts won enhances our presence in the market and results in higher unit prices for contracts won.

Higher unit prices for contracts won increases the tolerable CPA of customer attraction measures, so market competitiveness increases in this structure.



03

## **Business Model and Market Environment of Each Business**

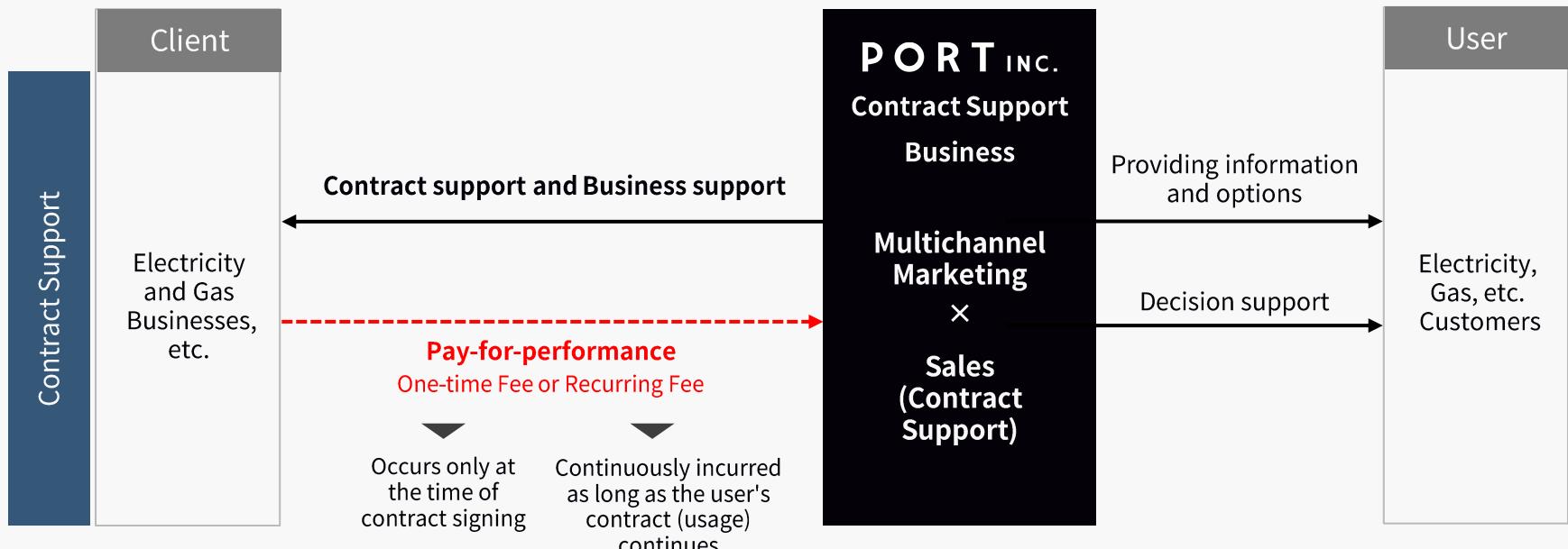
# Energy Domain Business Model

We primarily provide contract support services for electric power companies, supporting the sale of electricity and gas utilities services to individual customers, leveraging our unparalleled contract-winning capabilities and multi-channel marketing to attract customers.

**1 Contract support services for electricity and gas, etc. (no electricity procurement risks)**

**2 A revenue model in which a one-time fee is paid by the power provider when a contract is signed, and a recurring fee is paid as long as the use of electricity continues**

**3 Top runner in contract support for electric power sales to individuals**



# Energy Domain Market Characteristics

The full liberalization of the electricity retail market in 2016 has intensified competition among power companies for acquiring users. In addition, given the diversification of electricity rate plans and services, our value as a provider of contract support services has increased.

## Markets created by electricity liberalization

Since the full deregulation of retail electricity in April 2016, the number of new entrants to the market has increased. Along with the creation of a competitive environment, the level of decision-making difficulty for users has increased.

## Increase in the number of electric power providers

- As of 2016: 10 companies
- As of 2024: approx. 720 companies

## Diversification of electricity rate plans and services

The scope of users' choices has expanded due to the availability of a range of plans, including bundled services with gas or mobile phone plans, decarbonization-focused options, and pricing plans linked to market fluctuations.

## Examples of Partner Companies

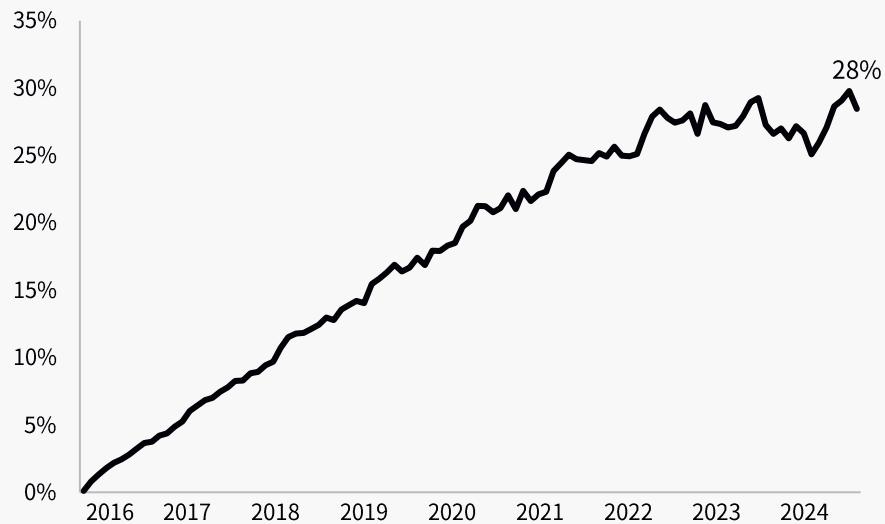
Earth Infinity, OSAKA GAS, KANSAI Electric Power, CD Energy Direct, Shirokuma-Denryoku, Japan Electric Power, TOKYO GAS, Toho GAS, NIPPON GAS, HTB Energy, etc.

\*Japanese alphabetical order

## New electric power market share is on a gradual upward trend

As of the end of October 2024, the share of new electric power in the low-voltage residential electricity market was approximately 28%. Competition for users is expected to accelerate in the future.

## Share of new electricity in low-voltage<sup>1</sup>.



## Energy Domain Market Size

Our main target is the market of services supporting individuals signing new contracts for power, gas, etc. or services supporting contracts for switching between service providers.

By expanding into contract support for corporate clients, the target market will be expanded.

**Overall Electricity Market for Individuals  
and Corporate Customers**

**Approx.  
500 billion** yen<sup>1</sup>

**Individual Electricity Market**

**200 billion** yen<sup>2</sup>

Year ended March 31, 2025  
**Our Energy Domain  
Achievements**

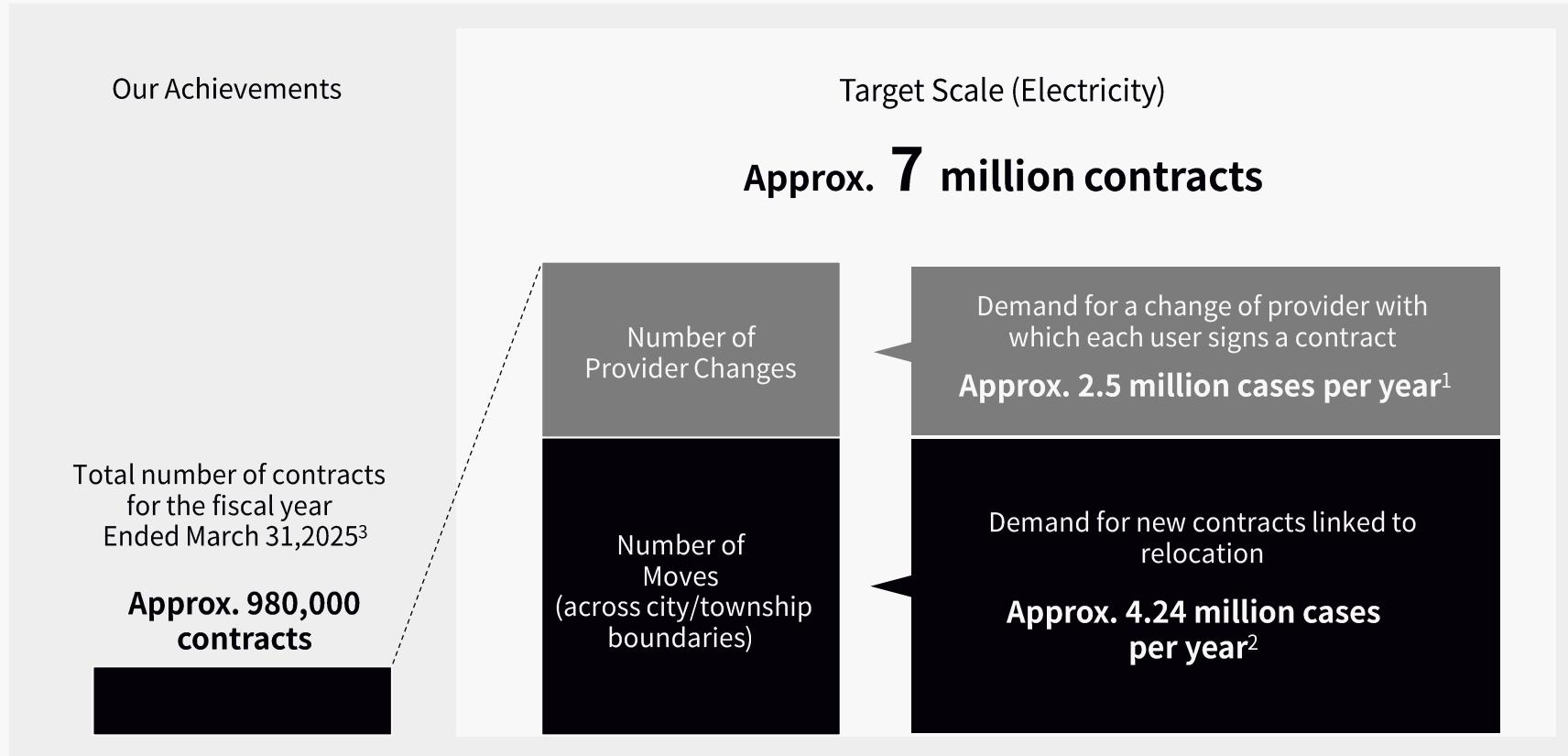
**Approx. 10 billion** yen

<sup>1</sup> Calculated by multiplying total electricity sales of 18 trillion yen in 2023 (compiled by the Electricity and Gas Market Surveillance Commission) by the actual stock margin ratio of 3%.

<sup>2</sup> Calculated by multiplying total low-voltage electricity sales of 7 trillion yen out of total electricity sales of 18 trillion yen in 2023 (compiled by the Electricity and Gas Market Surveillance Commission) by the actual stock margin ratio of 3%)

## Energy Domain Market Size

Based on relocation-related new contracts and contracts from provider switches, the potential demand for electricity contracts is estimated at approximately 7 million annually. There is enormous scope for us to increase the market share.



<sup>1</sup> Data calculated from "New Electricity Net" by Energy Information Center, Inc. Source: Electricity and Gas Market Surveillance Commission

<sup>2</sup> Calculated by us based on "Housing Market and Issues in 2040," June 13, 2024, Nomura Research Institute, Ltd.

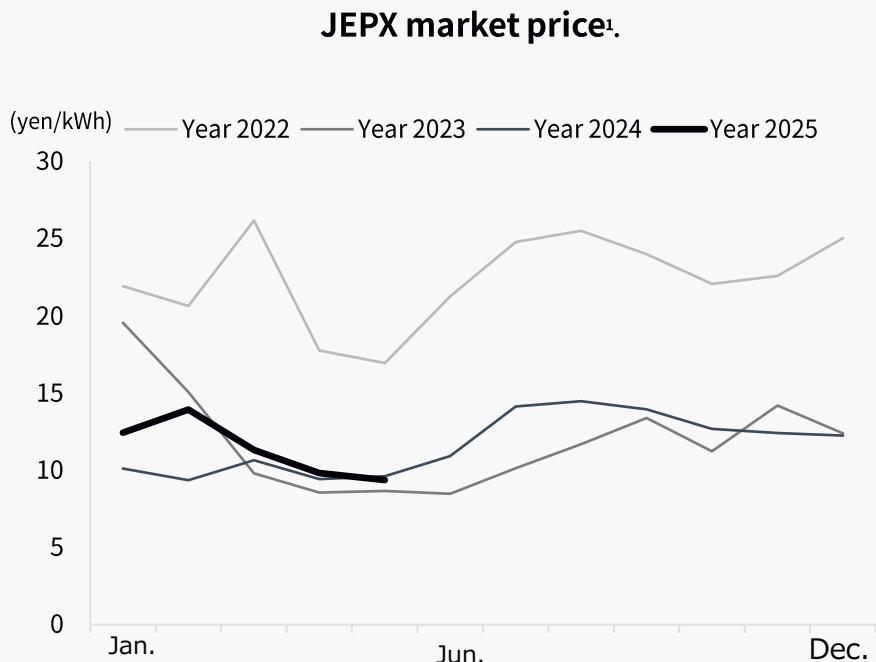
<sup>3</sup> Total number of contracts includes the number of contracts for gas and other ancillary services other than electricity.

# Energy Domain Most Recent Market Environment

In 2022, despite a significant increase in JEPX market prices due to soaring resource prices and other reasons, prices have remained stable since 2023. Additionally, power companies have become better able to hedge risks associated with price fluctuations than before, accelerating the resumption and strengthening of promotional activities.

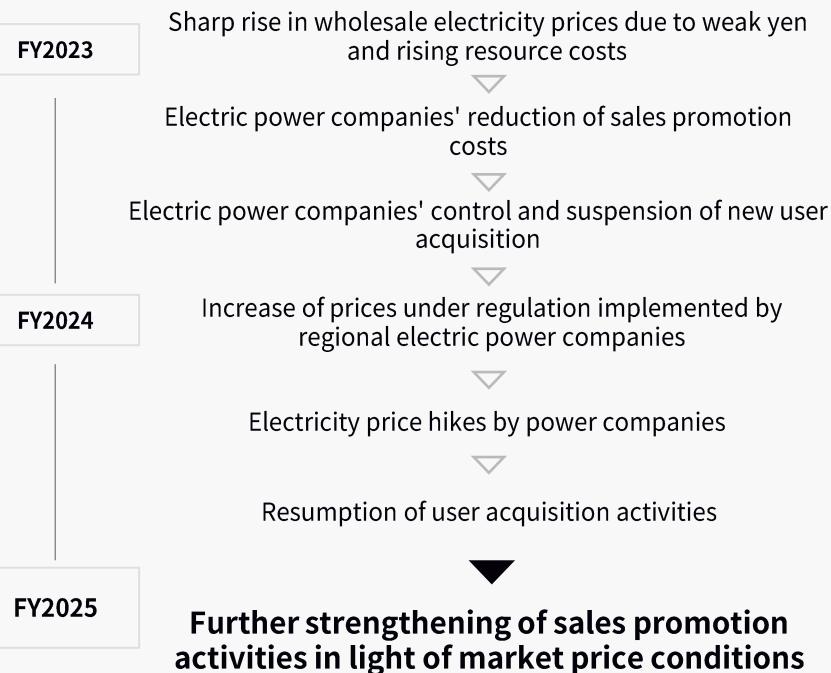
## JEPX market price tends to stabilize

In 2022, JEPX market prices rose significantly due to soaring resource prices and other reasons. Though we need to continue to watch the prices, have remained at the stable level since 2023.



## Sales promotion activities of electric power companies, etc. strengthened

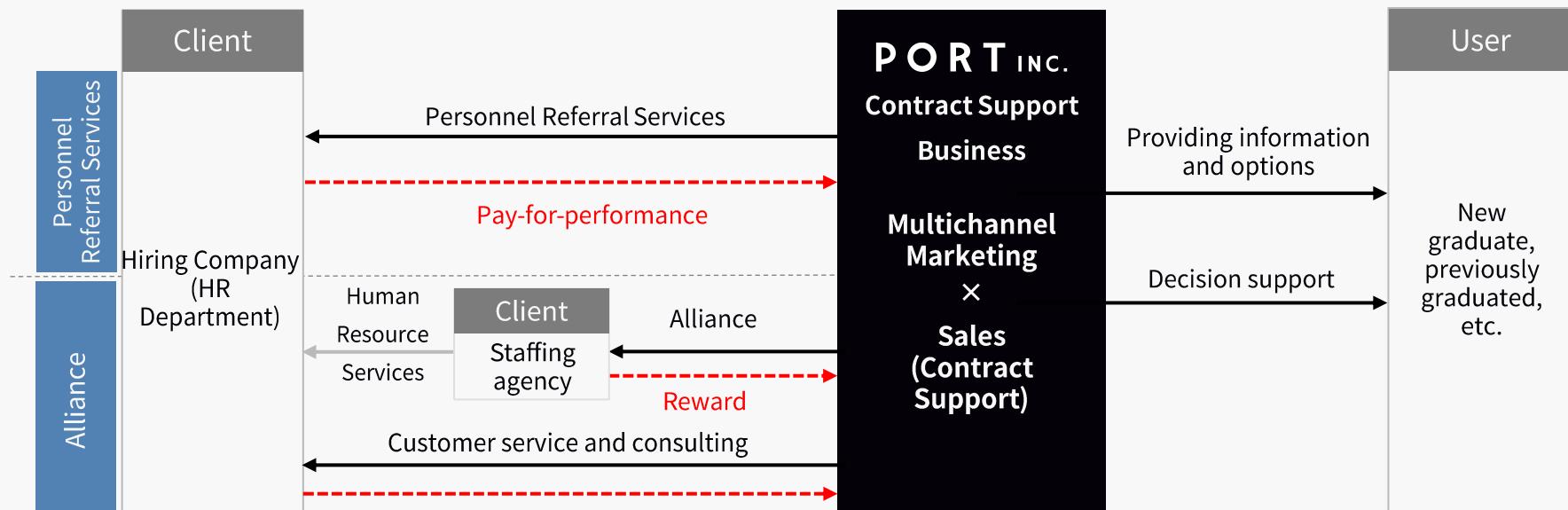
Market-linked pricing plans, proper price pass-through to users, and other reasons have reduced the risk burden on the part of power companies compared to the past, and sales promotional activities have been resumed and strengthened.



# Human Resources Domain Business Model

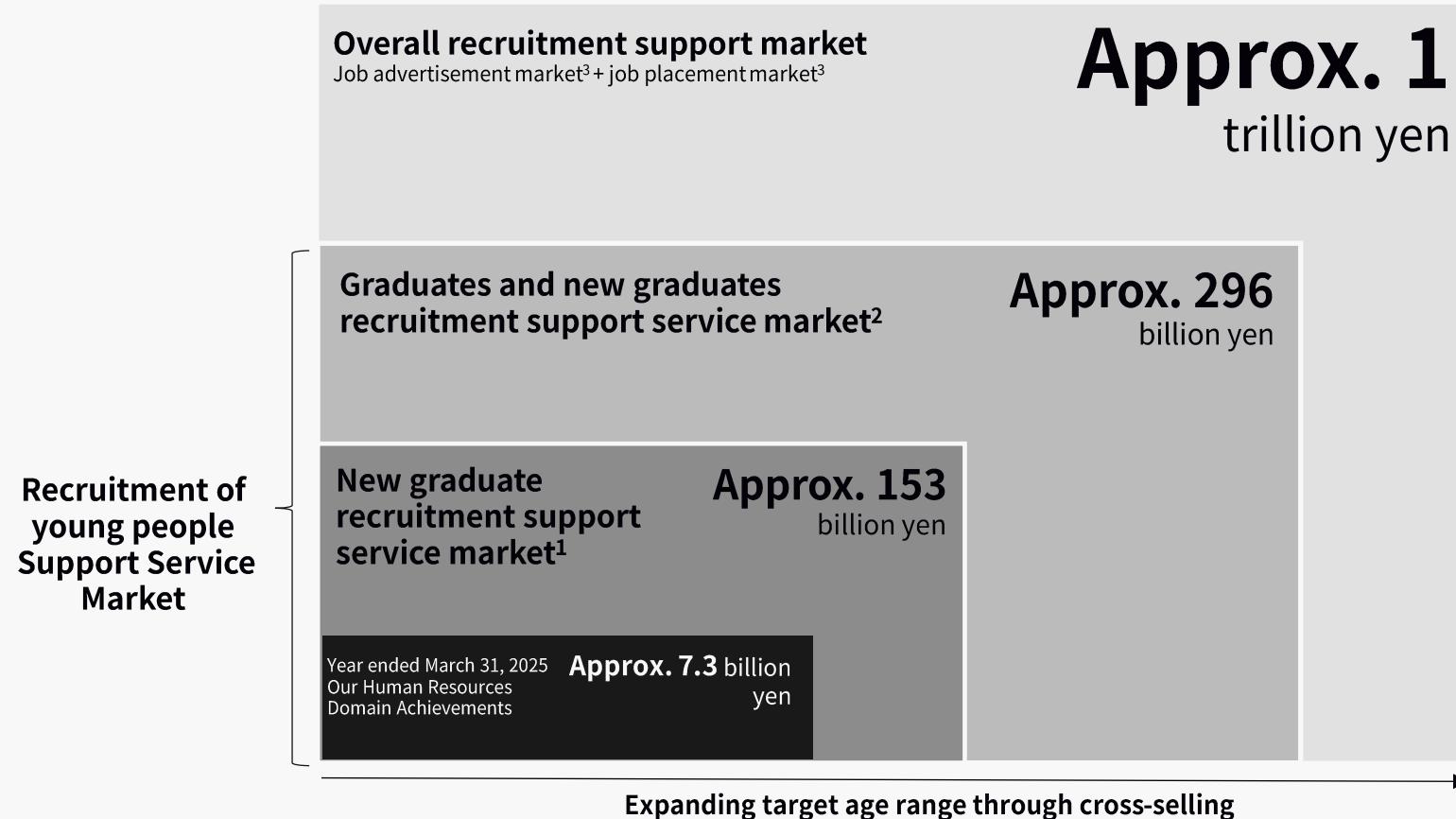
We primarily provide new graduate recruitment support services, leveraging our unparalleled contract-winning capabilities and multi-channel marketing to attract customers. We also operate personnel referral services for companies with job openings, and an alliance business that includes customer referral and consulting services for both companies with job openings and recruitment agencies alike.

- 1** Personnel referral services for companies with job openings, and customer referral and consulting services for recruitment agencies and companies with job openings
- 2** Marketing capabilities, capable of reaching over 90% of new graduates, with a unique user base
- 3** Top runner in the new graduate recruitment market



## Human Resources Domain Market Size

Our primary target is the new graduate recruitment support service market. The target market is expanding as new graduates gradually move into the young job hunter market over the years.



1 Yano Research Institute Ltd. "Research on New Graduate Recruitment Support Service Market (2025)" (announced on May 1, 2025), forecast for FY2025, based on service provider sales.

2 The size of the job ad market + job placement market is 1 trillion yen, multiplied by the ratio of job changers aged 15-34 from the Ministry of Health, Labour and Welfare's Labor Force Survey. Calculated by the Company based on the assumption that the ratio of inexperienced job seekers is 35% from [https://www.reruit.co.jp/newsroom/pressrelease/2021/0805\\_9201.html](https://www.reruit.co.jp/newsroom/pressrelease/2021/0805_9201.html).

3 [https://j-hr.or.jp/wp/wp-content/uploads/JHR\\_JHR\\_2030\\_report\\_20210125.pdf](https://j-hr.or.jp/wp/wp-content/uploads/JHR_JHR_2030_report_20210125.pdf)

## Human Resources Domain Market Size (New Graduate Support Market)

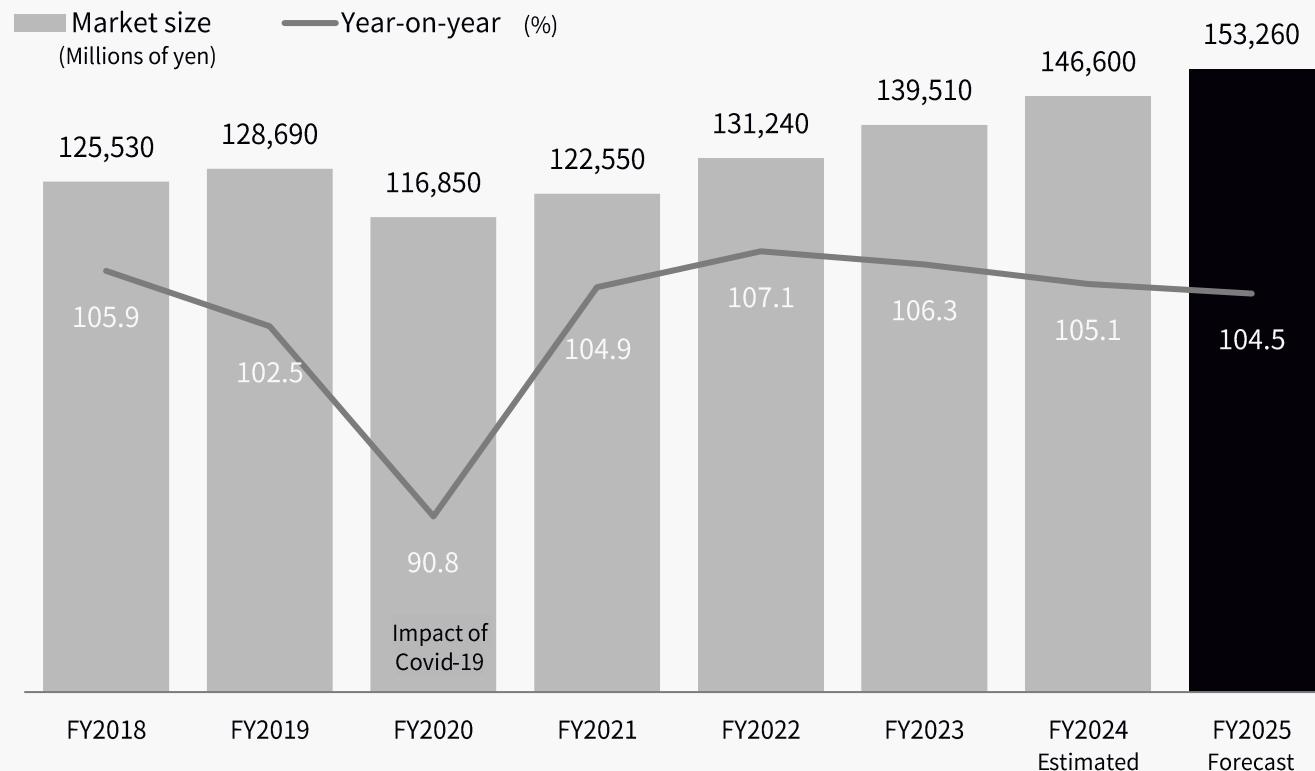
Due to the ongoing chronic labor shortage, companies are increasingly willing to hire new graduates.

As competition for talent intensifies and labor costs rise, recruitment costs have also been trending upward.

As a result, the overall size of the new graduate recruitment support market is expanding, and this trend is expected to continue.

Note: The analysis covers seven market segments: job information websites, event and seminar markets, new graduate introduction services, new graduate recruitment outsourcing, new graduate assessment tools, follow-up services for prospective hires, and direct recruiting services for new graduates. The calculation is based on the sales of service providers across seven market segments.

**Market size of new graduate recruitment support services<sup>1</sup>**

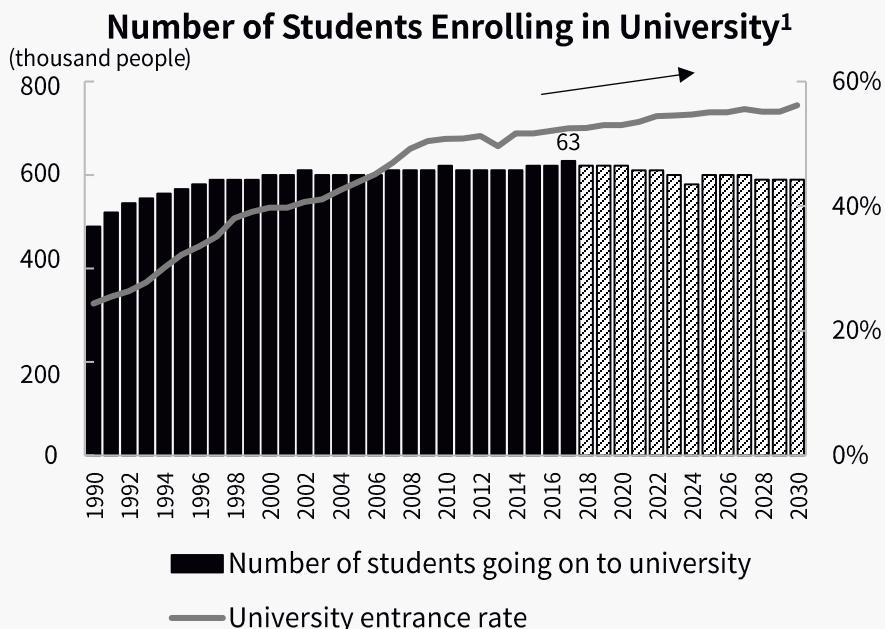


## Human Resources Domain Market Size (New Graduate Support Market)

The number of university entrants, which constitutes the target population, is expected to remain flat for the time being, as the increase in university enrollment rates offsets the impact of population decline. Additionally, the job-offer-to-applicant ratio for university graduates has significantly recovered to pre-Covid-19 levels due to the recovery in corporate hiring demand.

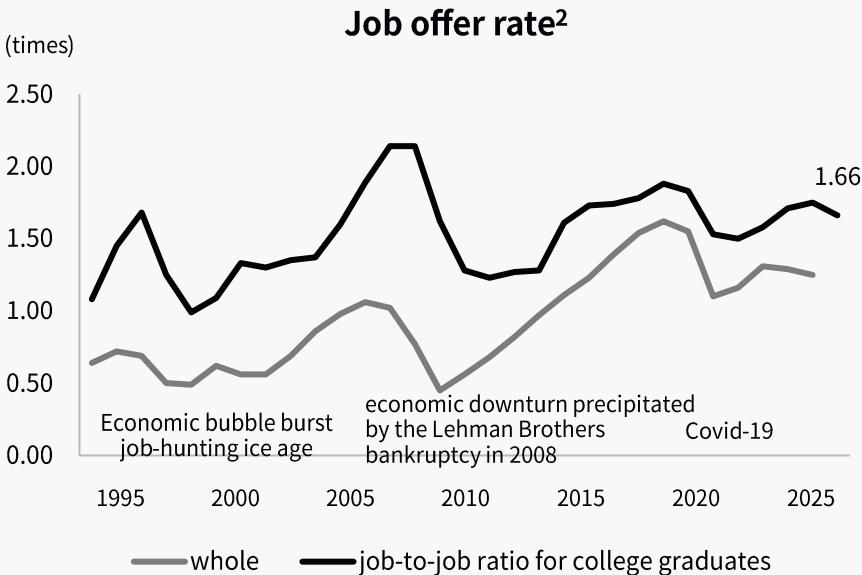
The population of new graduates is expected to remain relatively stable for the time being

The increase in the university enrollment rate offsets the impact of the decrease in the youth population. The number of new graduates is projected to remain stable or slightly decrease until around 2030.



Job offer rate for university graduates is rising, with limited impact from economic fluctuations

The post-Covid-19 job-to-applicant ratio for university graduates is showing an upward trend due to increased hiring motivation as the economy recovers. Furthermore, this ratio is consistently higher than the overall job offer rate and remains above 1.0 regardless of economic conditions.



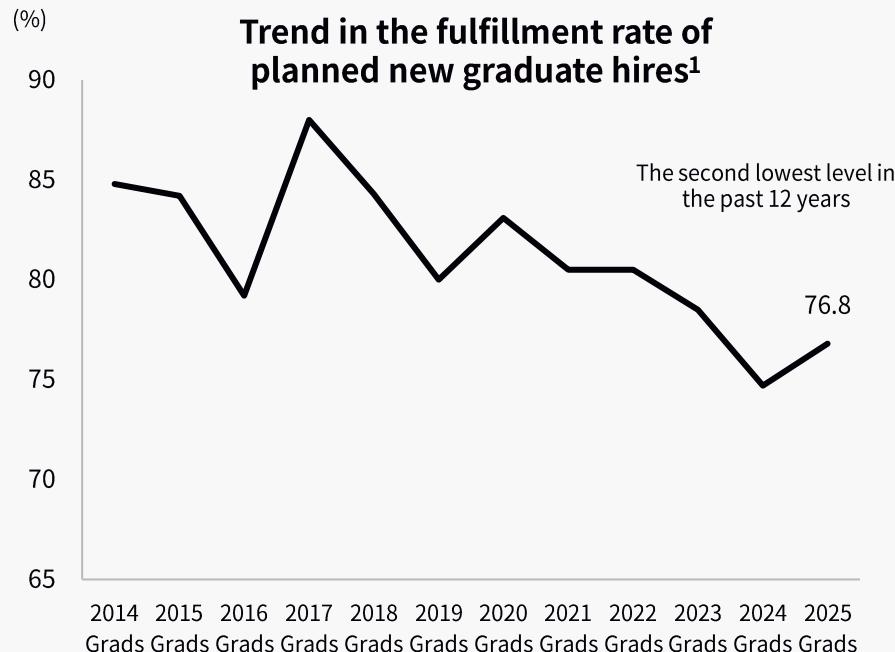
<sup>1</sup> Ministry of Health, Labour and Welfare, "Future Estimates of the Number of Students Enrolling in Universities"; Ministry of Education, Culture, Sports, Science and Technology, "Basic Survey of Schools and Colleges, Survey of Post-Graduation Status of Higher Education Institutions."

<sup>2</sup> Ministry of Health, Labour and Welfare, "General Employment Placement Situation," Recruit Works Research Institute, "The 42nd WORKS University Graduate Job Openings Survey (2026 Graduates)," released April 24, 2025.

The recruitment market is expected to become increasingly competitive, and a rise in the unit cost of hiring is considered inevitable. These market conditions are expected to work strongly in our favor, particularly for our personnel referral services to employers and alliances with staffing firms.

## Difficulty in recruiting new graduates is increasing

The rate of successful new graduate recruitment is declining due to an increase in the number of companies starting new graduate hiring and the rise in the number of new graduates accepted by existing companies.



## Forecast of unit cost of hiring for new graduates

The unit cost of hiring new graduates is expected to continue increasing, driven by intensifying competition under a student-favorable hiring market.

### Trend of recruitment unit costs in the new graduate recruitment support market

1. Intensification of competition in new graduate recruitment, increase in the number of companies starting new graduate hiring
2. Rising candidate acquisition costs for staffing agencies due to the seller's market
3. Increase in salary levels (starting salaries) aimed at strengthening recruitment competitiveness

**The recruitment unit cost per hire is expected to inevitably increase going forward.**

<sup>1</sup> Recruit Works Institute "Works Recruitment Outlook Survey (New Graduates: 2026 Graduates)" released on December 20, 2024; number of job offers as of October 1, 2024 divided by the number of planned hires as of April 2024.

# Human Resources Domain Market Size (New Graduate Support Market)

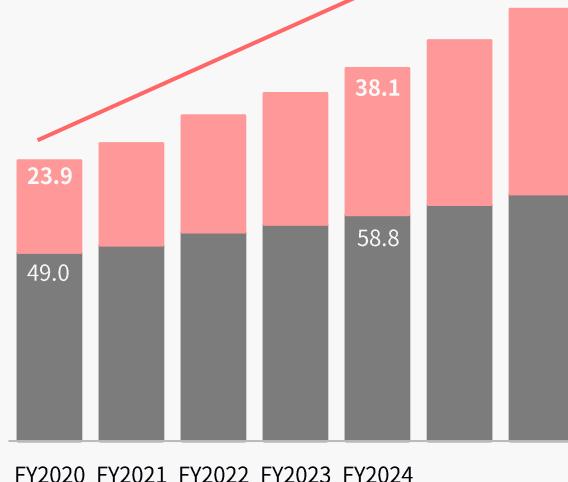
In the new graduate recruiting support market, demand is expected to increase significantly for pay-for-performance type services that enable efficient recruiting without the risk of no return. As the top runner in pay-for-performance services, we are driving the growth of the new graduate recruitment support market.

## Market Size Forecast for Each Service<sup>1</sup>

~ Shift to a Market Dominated by Pay-for-Performance Services ~

- Pay-for-performance type  
(Personnel Referral Service, direct recruiting)
- Advertising type (Employment information sites, events)

Pay-for-performance market  
CAGR: Approx. 10%

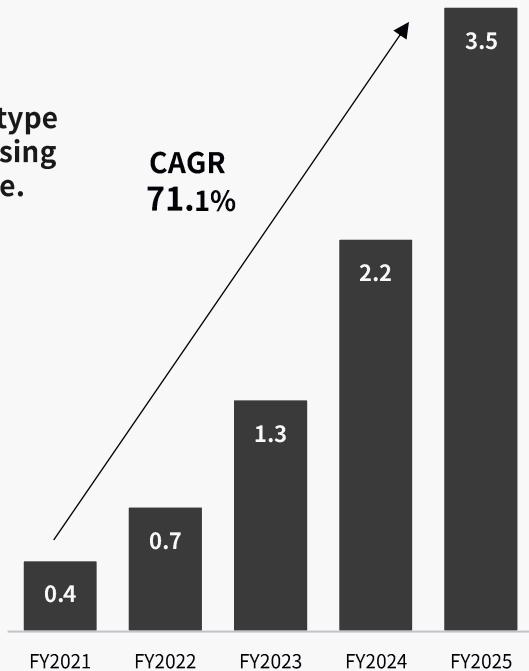


(Billions of yen)

## PORT Personnel Referral Service Revenue Trends

(Billions of yen)

CAGR  
71.1%



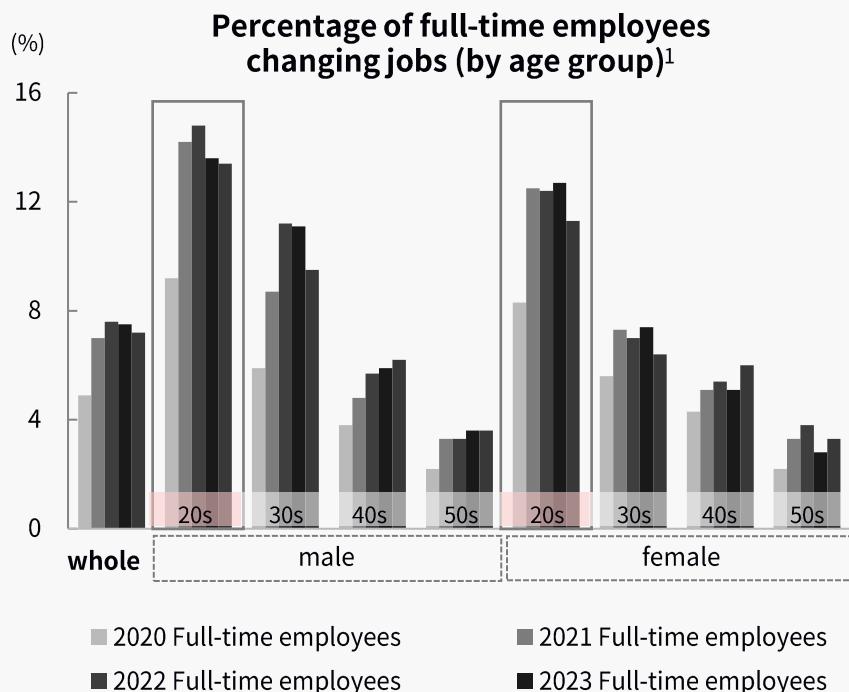
Pay-for-performance type  
surpassed the advertising  
type in market share.

## Human Resources Domain Market Environment (New Graduate Support Market)

The rate of job change among young people remains high<sup>1</sup>, and the need to hire inexperienced young talent is expected to increase further as companies face labor shortages.

### The job change rate is highest among young people

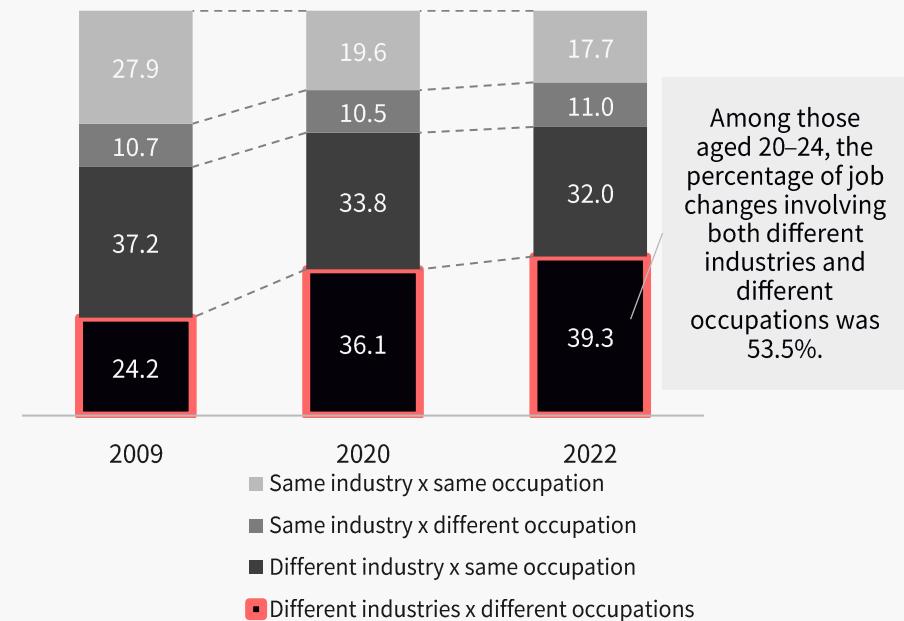
In 2024, the overall job change rate stands at 7.2%, maintaining a high level above the pre-Covid period, with the rate for full-time employees in their 20s exceeding 12%



### Growing demand for hiring inexperienced personnel, especially young people

The mobility of inexperienced human resources, particularly those in their 20s, is accelerating, due in part to government-led efforts to promote human resource mobility and the growing need for DX human resources in the corporate sector.

### Percentage of different industries and occupations at the time of job change<sup>2</sup>



<sup>1</sup> Based on "Job Change Trend Survey 2025 (2024 Results)," Mynavi Corporation, released March 12, 2025.

<sup>2</sup> [https://www.reruit.co.jp/newsroom/pressrelease/assets/20231129\\_hr\\_01.pdf](https://www.reruit.co.jp/newsroom/pressrelease/assets/20231129_hr_01.pdf)

# 04

## Medium-Term Management Plan Review

### Definitions

**Projected net recurring earnings:** Calculated as an estimate of earnings for a reasonable period into the future, considering and subtracting the monthly cancellation rate, recurring expenses, discount rates and other factors from monthly sales. For the energy domain, the period is limited to five years (60 months). For other domains, projected net recurring earnings are calculated for a reasonable period.

**EBITDA:** Operating profit + depreciation and amortization + loss on retirement of fixed assets and valuation gain or loss + stock-based compensation expenses

**EBITDA including projected net recurring earnings :** Projected net recurring earnings + EBITDA

**Recurring earnings:** Earnings calculated by deducting recurring expenses from monthly recurring sales (earnings directly linked to EBITDA and operating profit)

Starting from the fiscal year ending March 2024, we will pursue growth strategies based on the following policies under our second medium-term management plan.

Long-term  
policy

**Maximize free cash flow**

Medium-Term  
Management  
Plan

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

Medium-Term  
Growth  
Strategy

## 1    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.

## 2    Revenue Portfolioization

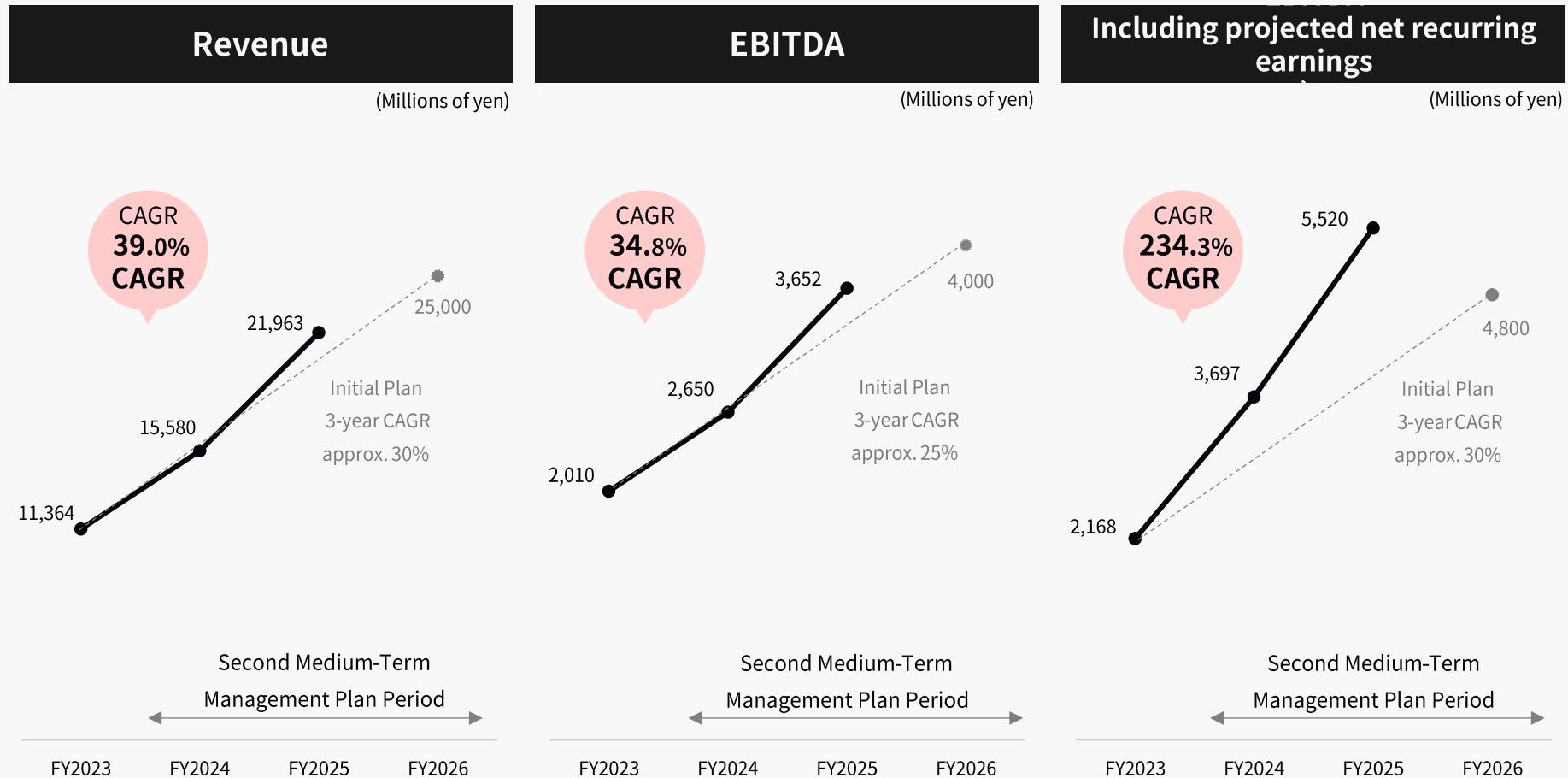
We attach importance to recurring earnings to establish a portfolio of revenue sources and increase the probability of continuous growth while assuming growth of revenue and profit.

## 3    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.

# Review of Financial Guidance Results

During the second Medium-Term Management Plan, both revenue and EBITDA were above the initial target due to organic and inorganic growth in the human resources and energy domains. It is necessary to formulate a new Medium-Term Management Plan starting from the fiscal year ending March 31, 2026.



# Growth Led by the Human Resources and Energy Domains

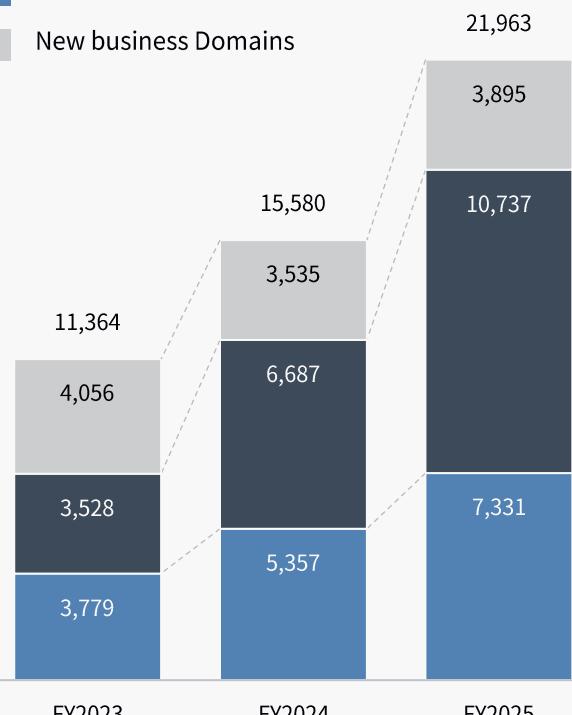
Due to a favorable market environment, growth exceeding the targets in each domain was achieved.

Most notably, the growth achieved in the energy domain was significant.

## Revenue

(Millions of yen)

- Energy Domain
- Human resources Domain
- New business Domains

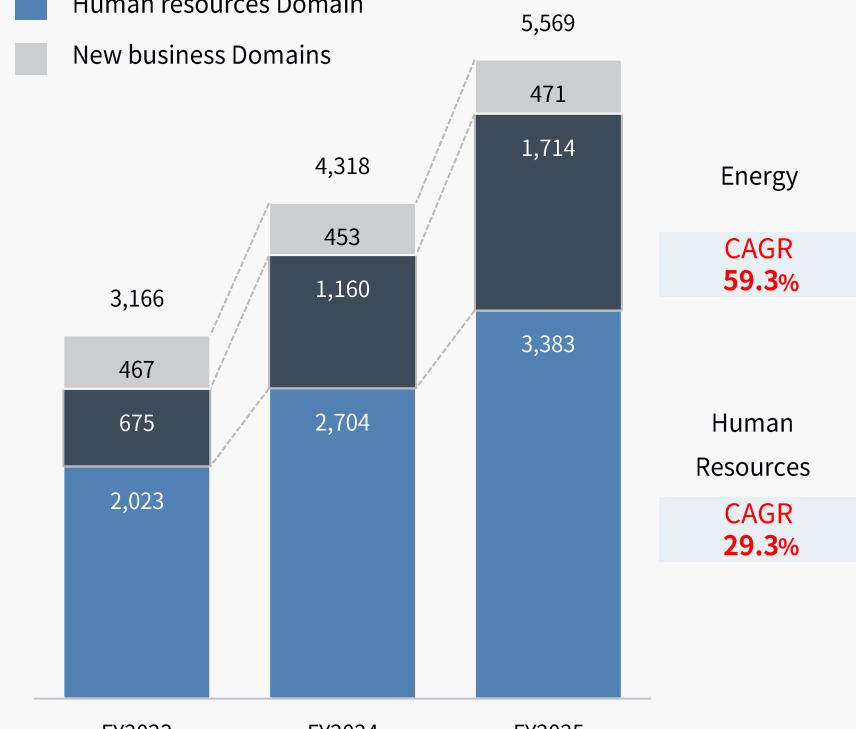


Second Medium-Term  
Management Plan Period

## Operating profit for the domain

(Millions of yen)

- Energy Domain
- Human resources Domain
- New business Domains



Energy

CAGR  
59.3%Human  
ResourcesCAGR  
29.3%

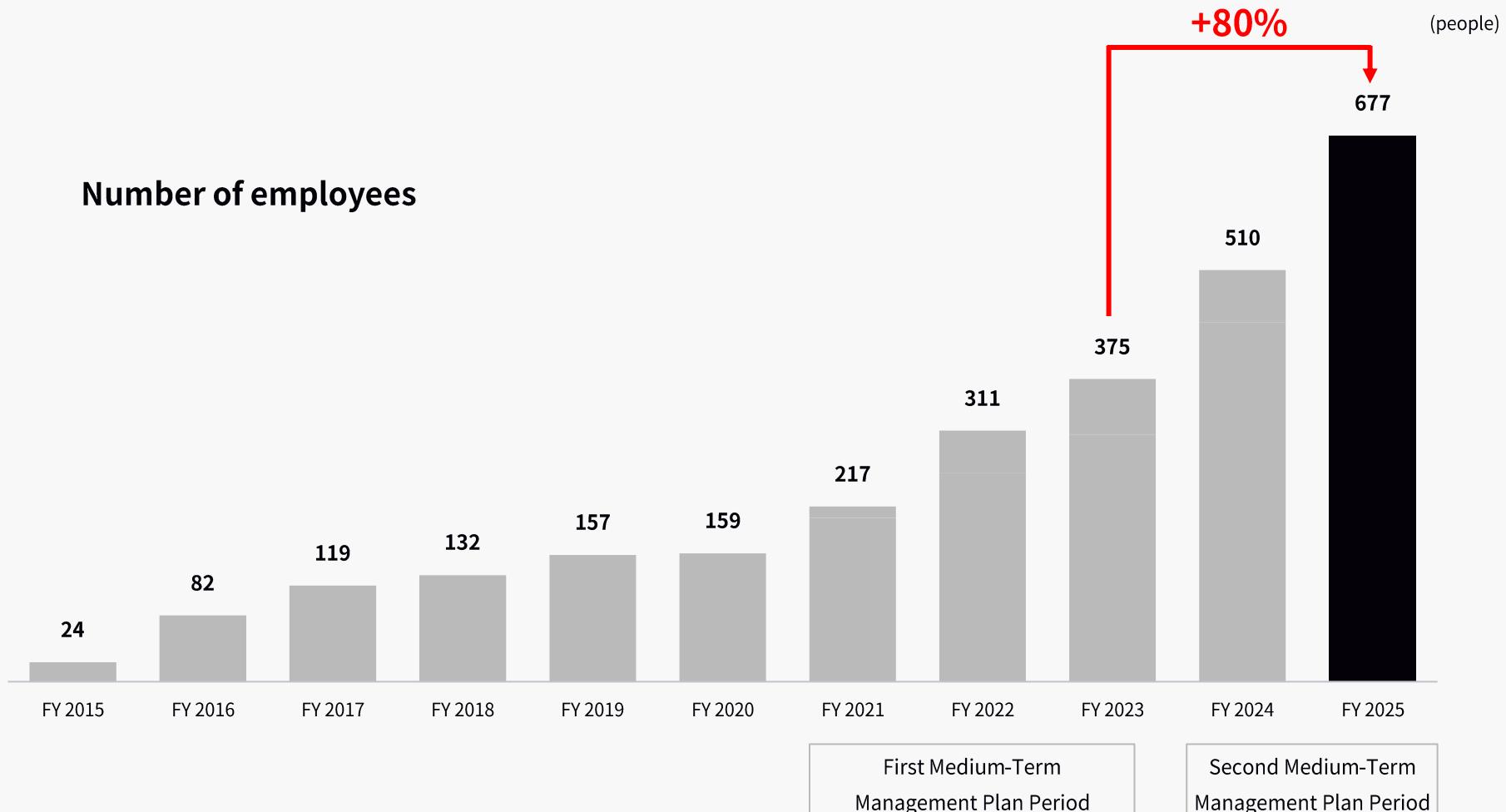
# Review of Our Growth Strategy

In response to the three policies set forth in the Medium-Term Growth Strategy, the following initiatives were implemented.

Medium-Term Growth Strategy	Review
1 <b>Organic Investment</b>	<p><b>As a result of aggressive growth investments, including investments to expand the organization and marketing investments, we continued to grow with a CAGR of 30%.</b></p> <ul style="list-style-type: none"><li>• In personnel referral services, we achieved a more than two-fold increase in the number of personnel with whom contracts were signed, such as career advisors. We strengthened regional offices such as the offices in Osaka, Nagoya and Fukuoka.</li><li>• In the energy domain, we implemented aggressive marketing investments. The annual total number of contracts won increased to approx. three times the number in the initial fiscal year of the Medium-Term Management Plan (to approx. 970,000) and revenue exceeded 10 billion yen for the single business.</li></ul>
2 <b>Revenue Portfolioization</b>	<p><b>The percentage of EBITDA that is recurring earnings increased to 23.9% (recurring earnings of 870 million yen) in as short as two years.</b></p> <ul style="list-style-type: none"><li>• In energy and new domains (Card Loans), we proactively drove the conversion of some earnings from non-recurring earnings to recurring earnings.</li><li>• While aiming to increase sales and profit as a prerequisite, we proactively accumulated projected net recurring earnings that contribute to future recurring earnings. As a result, the percentage of recurring earnings in EBITDA increased significantly, contributing to the continuous growth of earnings.</li></ul>
3 <b>Inorganic Investment</b>	<p><b>We implemented a series of corporate actions, including nine M&amp;A activities and capital and business alliances and three divestitures.</b></p> <ul style="list-style-type: none"><li>• We positioned human resources and energy domains as focus businesses and clarified investment criteria. We sold off businesses that did not fulfill our investment criteria, thus building a framework which enables us to concentrate on our focus businesses.</li><li>• In the energy domain, we implemented capital and business alliances aimed at integrating distribution channels. We thus increased our market share using a unique approach. In the human resources domain, we enhanced our product line through an M&amp;A activity involving Minshu, Inc. and other measures. Our products grew into a product line boasting approx. 630,000 unique members.</li></ul>

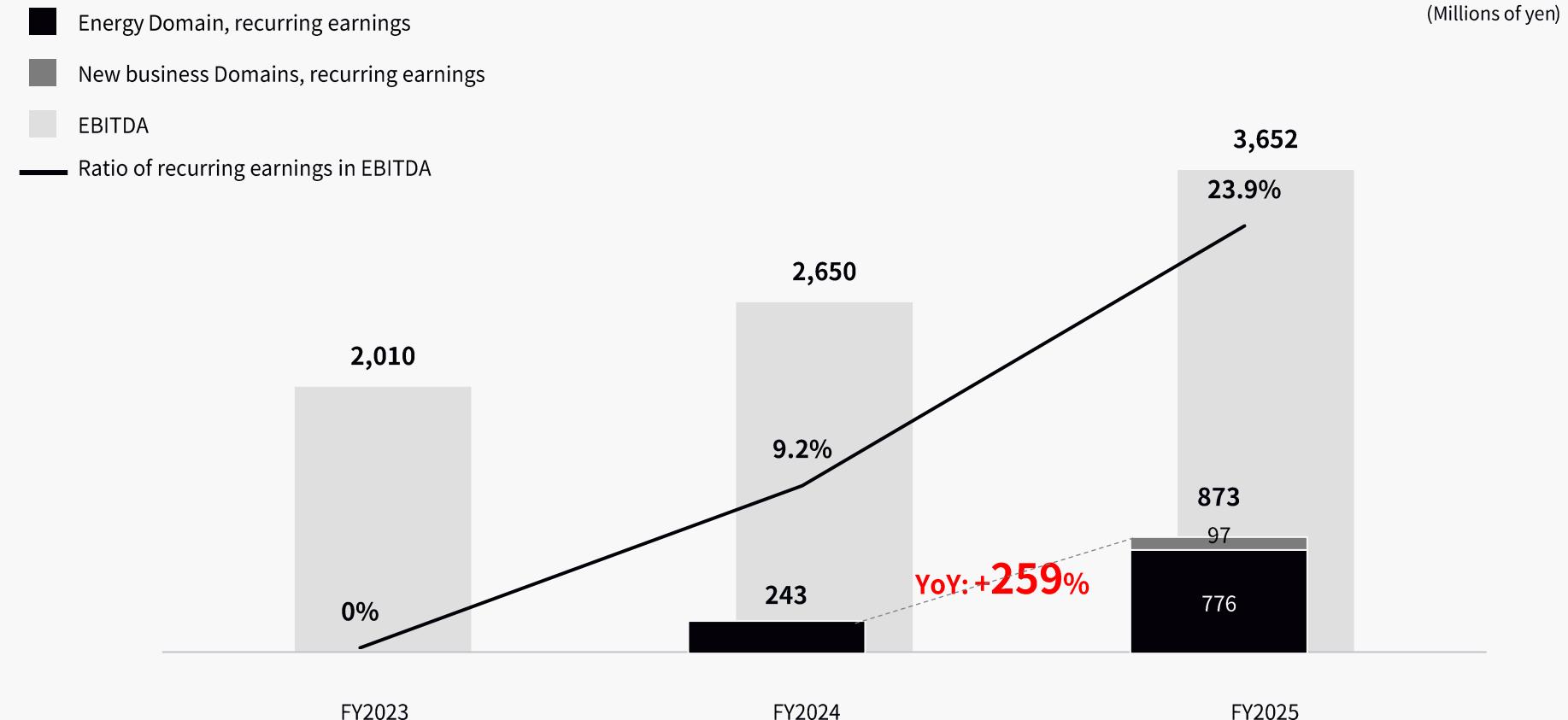
## Record-high Number of Employees (Consolidated)

We strengthened investments for expanding the size of the organization on an ongoing basis. We increased the number of staff members mainly in the contract support organization. Additionally, approx. 130 new graduates and employees hired mid-career joined us in April 2025.



# Significant Increase of Recurring Earnings, an Important KPI

To maximize EBITDA over the medium to long term, we strengthened measures to increase the percentage of recurring earnings in EBITDA. Due to the aggressive accumulation of projected net recurring earnings, recurring earnings increased at a rate exceeding the initial forecast, and the percentage of recurring earnings in EBITDA increased significantly to 23.9%.



# Review of Inorganic Investments: List of Mergers, Acquisitions and Capital and Business Alliances

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During the (two-year) period of the previous Medium-Term Management Plan, we implemented a total of eight mergers, acquisitions and capital and business alliances. In addition, we concentrated proactively on focus businesses through selection and consolidation.

## Human Resources

M&A	 就活会議	100%	July 2020
Capital and business alliances			JAIC October 2022 (1.79%)

## Previous Medium-Term Management Plan Period

 みん就	100%	April 2024
 HR team	20%	October 2023
 Matcher	39.2%	February 2024
 youth	33.2%	February 2025
 Diary	19.0%	February 2025

(Additional acquisition in December 2024)

## Energy

M&A	 ine	100%	January 2022
Capital and business alliances			(Additional acquisition in June 2023)

 Five Line	100%	July 2023
		(Additional acquisition in January 2024)

## IT engineer

 Futurizm	Started new business		
			January 2018

 Futurizm	Sale	
		July 2023

Withdrawal and sales through selection and consolidation

## School

 net vision Academy	100%	September 2019

 net vision Academy	Sale	
		May 2024

Withdrawal and sales through selection and consolidation

## Renovation (Housing)

 DOORS	100%	July 2020

 DOORS	Sale	
		May 2024

Withdrawal and sales through selection and consolidation

## Review of the Previous Public Stock Offering

In September 2023, we procured funds through our first public stock offering since we became listed, aiming to achieve the Medium-Term Management Plan. As initially planned, the appropriation was completed within the fiscal year ended March 31, 2025.

Use of Funds / Purpose of Procurement	Amount Raised	Planned Disbursement Timing	Implementation Status
<b>(1) Repayment of loans to reinforce financial stability</b> Acquisition of funds for agile growth investments aimed at achieving the medium-term management plan	<b>777 million yen</b>	FY2024	Completed
<b>(2) M&amp;A standby fund</b> Secure roll-up M&A funds, mainly for the human resources and energy domain	<b>1,000 million yen</b>	FY2025	Completed
<b>(3) Reinforcement of contract support system</b> Invest in expanding recruitment and enhancing productivity in the contract support team	<b>500 million yen</b>	FY2024 ~ FY2025	Completed

**Total 2,277 million yen**

# PORT ODYSSEY 800

05

## New Medium-Term Management Plan

### Definitions

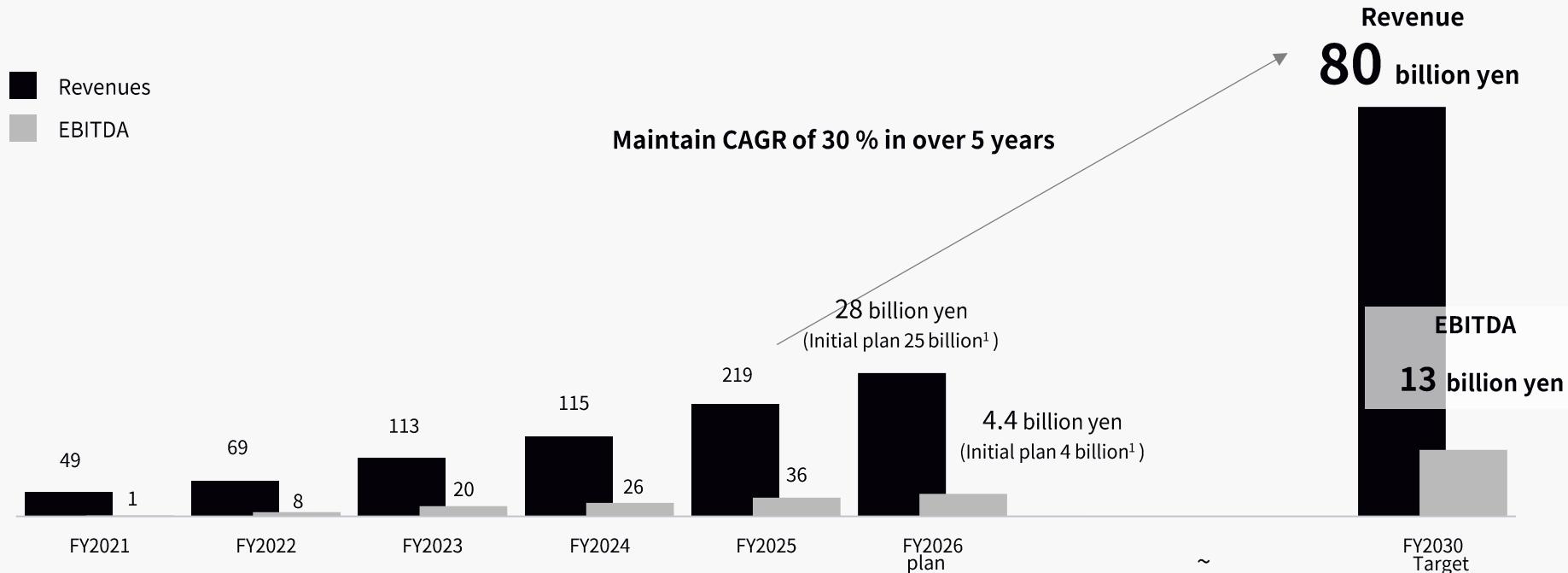
**Projected net recurring earnings:** Calculated as an estimate of earnings for a reasonable period into the future, considering and subtracting the monthly cancellation rate, recurring expenses, discount rates and other factors from monthly sales. For the energy domain, the period is limited to five years (60 months). For other domains, projected net recurring earnings are calculated for a reasonable period.

**EBITDA:** Operating profit + depreciation and amortization + loss on retirement of fixed assets and valuation gain or loss + stock-based compensation expenses

**EBITDA including projected net recurring earnings :** Projected net recurring earnings + EBITDA

**Recurring earnings:** Earnings calculated by deducting recurring expenses from monthly recurring sales (earnings directly linked to EBITDA and operating profit)

We aim to achieve full-year net sales of 80 billion yen and an EBITDA of 13 billion yen in the fiscal year ending March 31, 2030. Five-year targets and a growth strategy for maintaining CAGR of 30% or higher over a medium- to long term (a five-year span)



## Five-year growth strategy goals

### (1) Conversion to recurring earnings

Increasing the probability of continuous growth by pushing forward with the acquisition of future earnings to convert them into recurring earnings while aiming for a year-on-year increase in sales and profit

### (2) Establishing overwhelming positions in existing businesses

Uncompromisingly implement organic and inorganic investments aiming to establish overwhelming positions in existing businesses (the human resources and energy domains) and establish barriers to entry

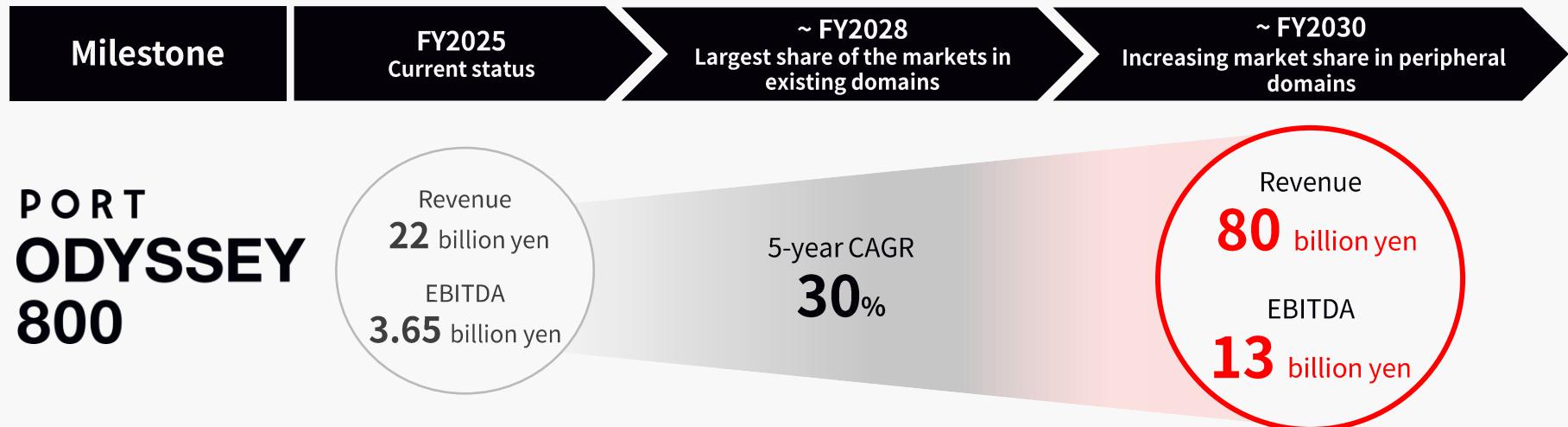
### (3) Mergers and acquisitions aimed at entering new domains

Aggressively pushing forward with mergers and acquisitions with the goal of entering contract support businesses in new domains which will be the next primary sources of earnings, as well as roll-up mergers and acquisitions in existing businesses

<sup>1</sup> Compared to the targets set for the fiscal year ending March 31, 2026, in the second medium-term management plan, the company has experienced significant growth, particularly in the human resources and energy sectors, and has accordingly revised upward its performance forecasts for both revenue and EBITDA.  
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# Medium-Term Management Plan PORT ODYSSEY800

We will push forward with the conversion of the increase of profit into recurring earnings without lowering profit below the current level. We will increase the recurring earnings ratio over a three- to five-year span, aiming to transform the earnings structure into one that increases the probability of long-term continuous growth.



(1) Recurring Earnings Ratio <sup>1</sup>	<b>23.9%</b>	<b>30% or more</b>	<b>40% or more</b>
(2) Energy Domain		Largest share <sup>2</sup> of the low-voltage electricity for individual customers contract support market	<ul style="list-style-type: none"> <li>Further increasing market share in the corporate domain</li> <li>Further expanding business support activities (support activities for power distribution, power procurement, etc.) for electric power companies</li> </ul>
(2) Human resources Domain		Largest share of the new graduate recruitment and referral market <sup>2</sup>	<ul style="list-style-type: none"> <li>Increasing share of the new graduate recruitment support market</li> <li>Increasing share of the markets in peripheral domains including support for the employment of young people (graduates without careers, recent graduates with careers, and people in their 20s)</li> </ul>
(3) New Business	Creating new businesses which will be new primary sources of earnings Expanding into new domains through mergers and acquisitions		

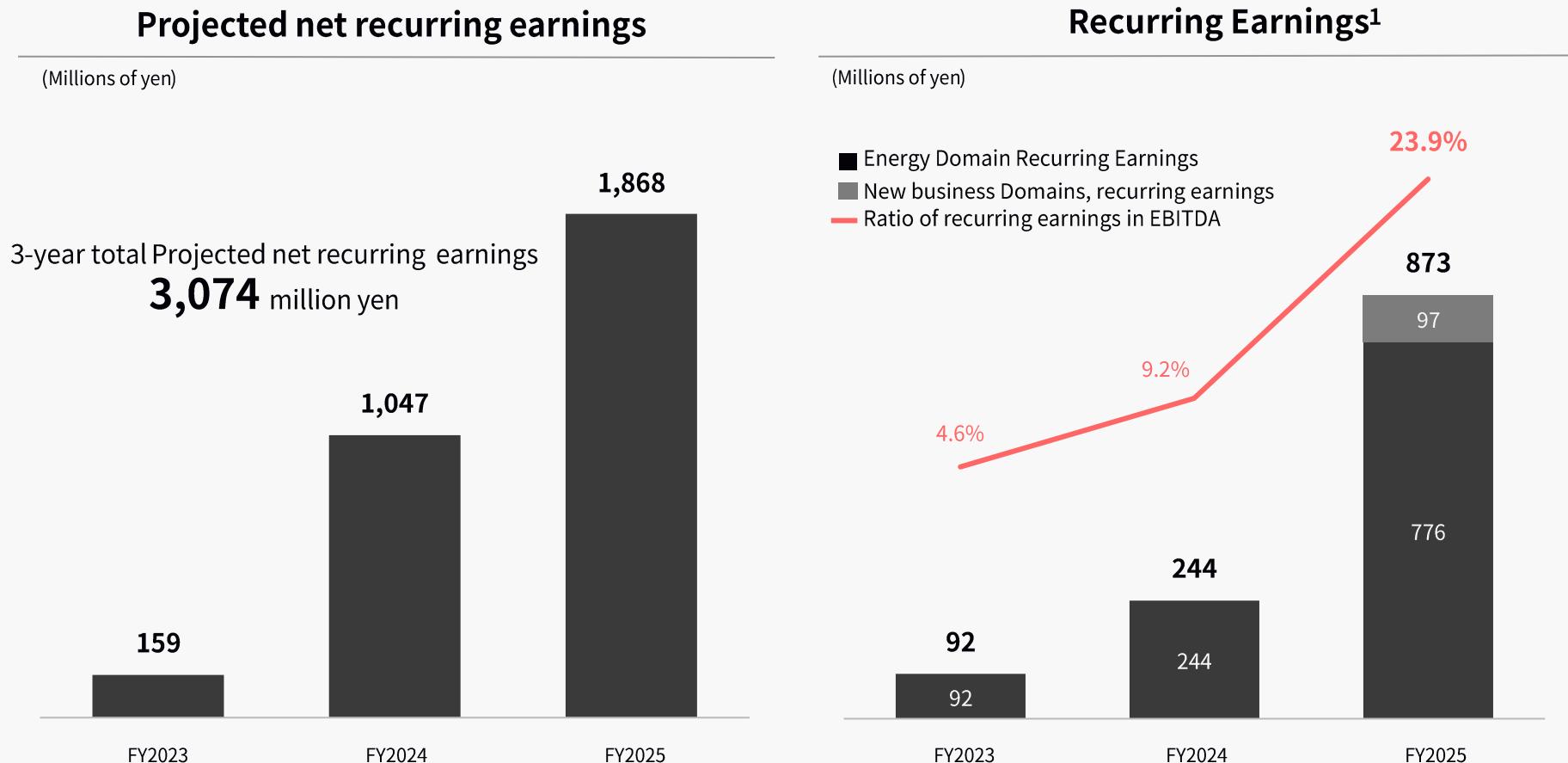
\*1 Ratio of recurring earnings to company-wide EBITDA.

\*2 Based on the number of contracts won.

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## Five-Year Target Policy (1): Conversion to recurring earnings

The acquisition of future earnings has steadily led to the accumulation of recurring earnings, and a foundation for the long-term growth of profit is being built. We intend to increase the annual recurring earnings ratio to 40% by the fiscal year ending March 31, 2030.



<sup>1</sup> Until FY2024, only recurring earnings from the energy domain included. From FY2025 onward, recurring earnings from new businesses domain are also included.

# Five-Year Target Policy (2): Establish a position in the energy domain

PORT INC.

## Action plan for increasing market share in the energy domain

1

### Maximizing the total number of contracts won to have the largest share<sup>1</sup> of the contract support for individual customers market

- Further expanding marketing investments in existing customer attraction channels
- Diversifying customer attraction channels by promoting the multi-channel marketing strategy
- Increasing the contract signing rate by expanding the organization, strengthening management and using technologies
- Enhancing incidental products such as gas to maximize earnings per person
- Expanding the target layer by tapping into demand for switching between service providers in addition to winning new contracts (demand related to relocation)

2

### Launch a vertically integrated electricity and gas contract support business for corporate customers and expand the business

- Early enhancement of the product line to be achieved leveraging our pipeline which has been cultivated through our business with electric power companies targeting individual customers
- Horizontal deployment of know-how cultivated through businesses targeting individual customers
- Increasing contract-winning capabilities using strong recruitment and management capabilities and expanding them to offices all over Japan

3

### Deep exploration of electric power companies' value chains

- Using technologies to improve the efficiency of business processes, such as arrangements for power distribution (development of services combining BPO and AI)
- Developing new products, including incidental services which increase earning power
- Developing services supporting power procurement and other operations that support stable operations

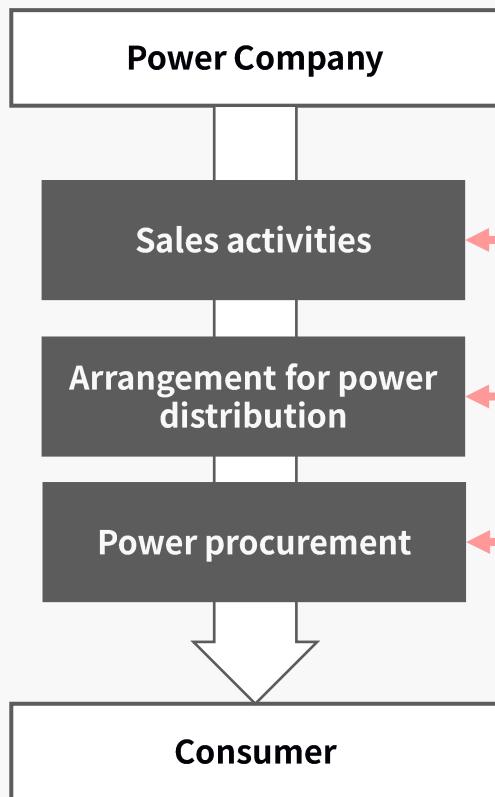
<sup>1</sup> Based on total number of contracts won.

# Five-Year Target Policy (2): Vertical support plan in the energy domain

PORT INC.

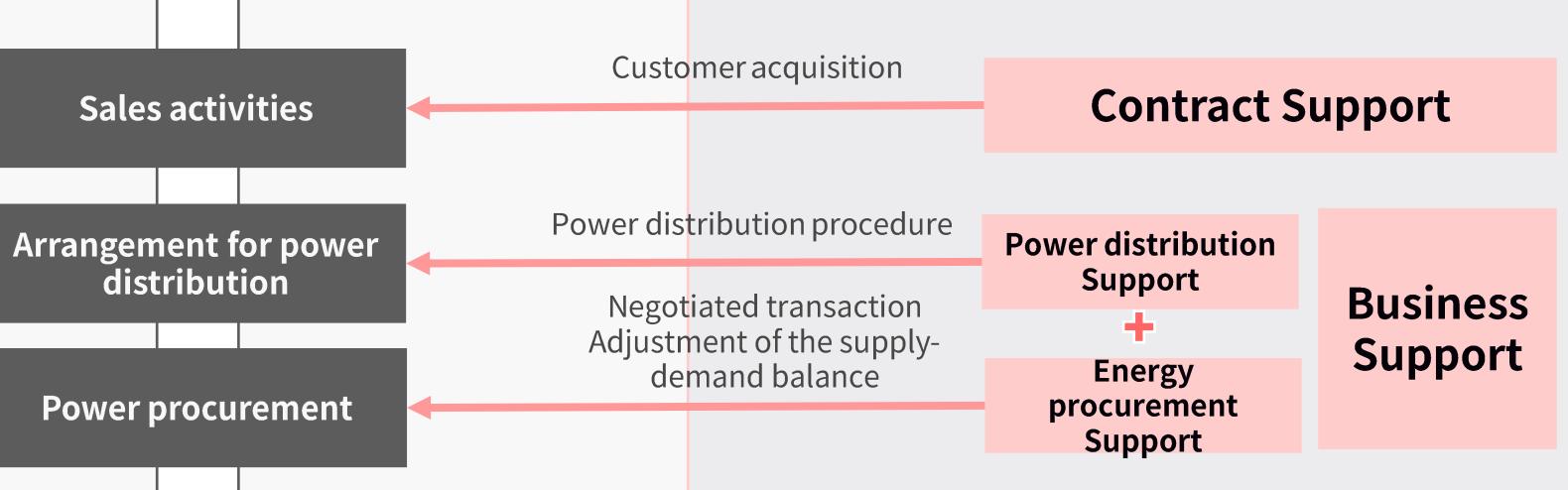
We will provide contract support related to sales activities and business support related to power distribution and procurement activities in an integrated manner. We will get deeply involved in electric power companies' value chain, aiming to be an entity which is essential to electric power companies.

## Process up to power supply by power company



## Expansion from contract support to operational support

PORT INC.



# Start of verification of grid energy storage facility business as part of business support initiatives

PORT INC.

To perform the validation of our full-scale entry into the grid energy storage facility business, we proceeded with the development of grid energy storage facilities in the following three locations in the fiscal year ended March 31, 2025, in addition to building a business development organization. They are planned to begin operating in the fiscal year ending March 31, 2026.

## (1) Establishment of a business development organization

Hired several people from major energy business companies to build a business development organization.

## (2) Development of three grid energy storage facilities

- Gunma Ota Energy Storage Plant (scheduled to start in June 2025)
- Gunma Isesaki Energy Storage Plant (1) (scheduled to start in June 2025)
- Gunma Isesaki Energy Storage Plant (2) (scheduled for October 2025)

Storage battery output: approx. 2 MW, storage battery capacity: approx. 8 MWh

## (3) Investment amount

Approx. 1 billion yen (cash on hand + bank loans)

\*When fully entering the market, the company plans to utilize green loans and other loans that do not impact growth investments for M&A, capital and business alliances, and so on.



In the energy domain of the contract support business that we operate, a stable power supply contributes to ensuring the soundness of the business and its continuous development. We aim to expand the business further through activities such as supporting the power procurement of the electric power companies who are our clients.

## (1) Business support for electric power companies

## (2) Entry into a huge market

## (3) Strengthening of the business portfolio

### Support for clients' power procurement

Getting deeply involved in their value chain to further expand our business in the energy domain

### Acquiring opportunities for overwhelming growth

Achieving growth by increasing earnings in a huge market which is expected to continue to expand in the future

### Increasing recurring earnings

Earnings from the grid energy storage facility business is expected to be highly recurring, which therefore increases the probability that profit will grow

# Five-Year Target Policy (2): Establish a position in the human resources domain

PORT INC.

## Action plan for establishing market share in the human resources domain

1

### Taking the largest share of the new graduate recruitment and referral markets as quickly as possible by leveraging our overwhelming membership base

- Aggressive organizational expansion and continued expansion of bases across the entire country
- Increasing unit prices for contracts won by maximizing the number of contracts won (targeting a level equivalent to the mid-career market)
- Maintaining and increasing the contract signing rate and sales per person by fully utilizing AI and organizational management capabilities
- Expanding the target layer by developing agent services dedicated to specific industries and types of business
- Further enhancing the ability to attract customers by pushing forward with a multi-channel strategy

2

### Entering the young personnel referral service market as quickly as possible and launching a vertically integrated business

- Fully utilizing the customer base and membership data accumulated in the new graduate recruitment and referral markets
- Entering the market as quickly as possible by first entering the domains of graduates without careers, recent graduates with careers and people in their 20s, which are closest to the market
- Developing a unique brand of personnel referral services for new graduates and young people

3

### Entering the business of supporting the HR-related operations of companies with job openings

- Developing services for improving recruitment capabilities, such as strategic consulting and training services
- Support for operations related to recruitment activities, including aptitude testing, support for interviews, and recruitment management
- Support for operations for maximally leveraging human capital after they join the company

# Concept of No. 1 Pay-for-performance services market in the human resources domain

PORT INC.

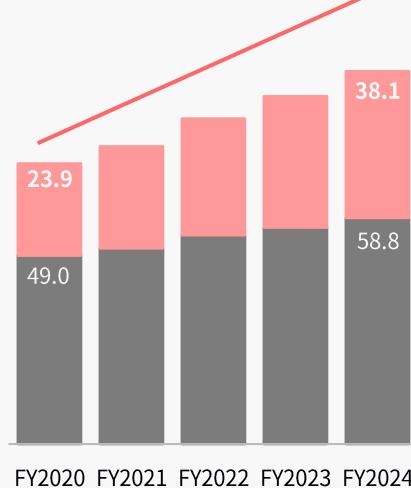
We expect demand for pay-for-performance type services, which enable efficient recruitment with the risk of no return from expenses, to grow in the new graduate recruitment support market. We aim to become the market leader in the domain of young human resources, which is shifting to pay-for-performance services.

## Market Size Forecast for Each Service<sup>1</sup>

~ Shift to a Market Dominated by Pay-for-Performance Services ~

- Pay-for-performance type  
(Personnel Referral Service, direct recruiting)
- Advertising type (Employment information sites, events)

Pay-for-performance market  
CAGR: Approx. 10%



(Billions of yen)

Pay-for-performance type  
surpassed the advertising  
type in market share.

FY XXXX

## PORT Personnel Referral Service Revenue Trends

(Billions of yen)

CAGR  
71.1%



<sup>1</sup> Our own calculation based on "Research on New Graduate Recruitment Support Service Market (2024)" (released on April 26, 2024) by Yano Research Institute Ltd.

## Five-Year Target Policy (3): Investment Discipline in M&A

Clarify the investment and withdrawal criteria for different areas of business and ensure disciplined business operations and optimal resource allocation with the aim of achieving continuously high growth. The following three quantitative requirements will be considered as important during the current Medium-Term Management Plan period.

### Example criteria for making decisions regarding investments and the withdrawal from them

Growth requirement	Contribution requirement	Size requirement
<b>Revenue CAGR 30% or more</b>	<b>Contribution to Group performance 10% or more</b> <small>(Revenue and profit basis)</small>	<b>Targeting single business sales of 10 billion yen or more</b> <small>(Considering future potential in terms of both market size and business viability)</small>

\*In principle, the above requirements will be checked and determined

\*However, a comprehensive judgment will be made, taking into account the importance of the cash flow contribution of so-called cash cow businesses with high profit margins and the importance of compatibility with other businesses, etc.

## Five-Year Target Policy (3): Target Areas for M&A

We will aggressively pursue M&A opportunities with the goal of strengthening customer attraction channels, with a focus on roll-up mergers and acquisitions involving existing businesses. We will also implement mergers and acquisitions involving peripheral businesses with medium- to long-term growth potential, and also in new businesses domains.

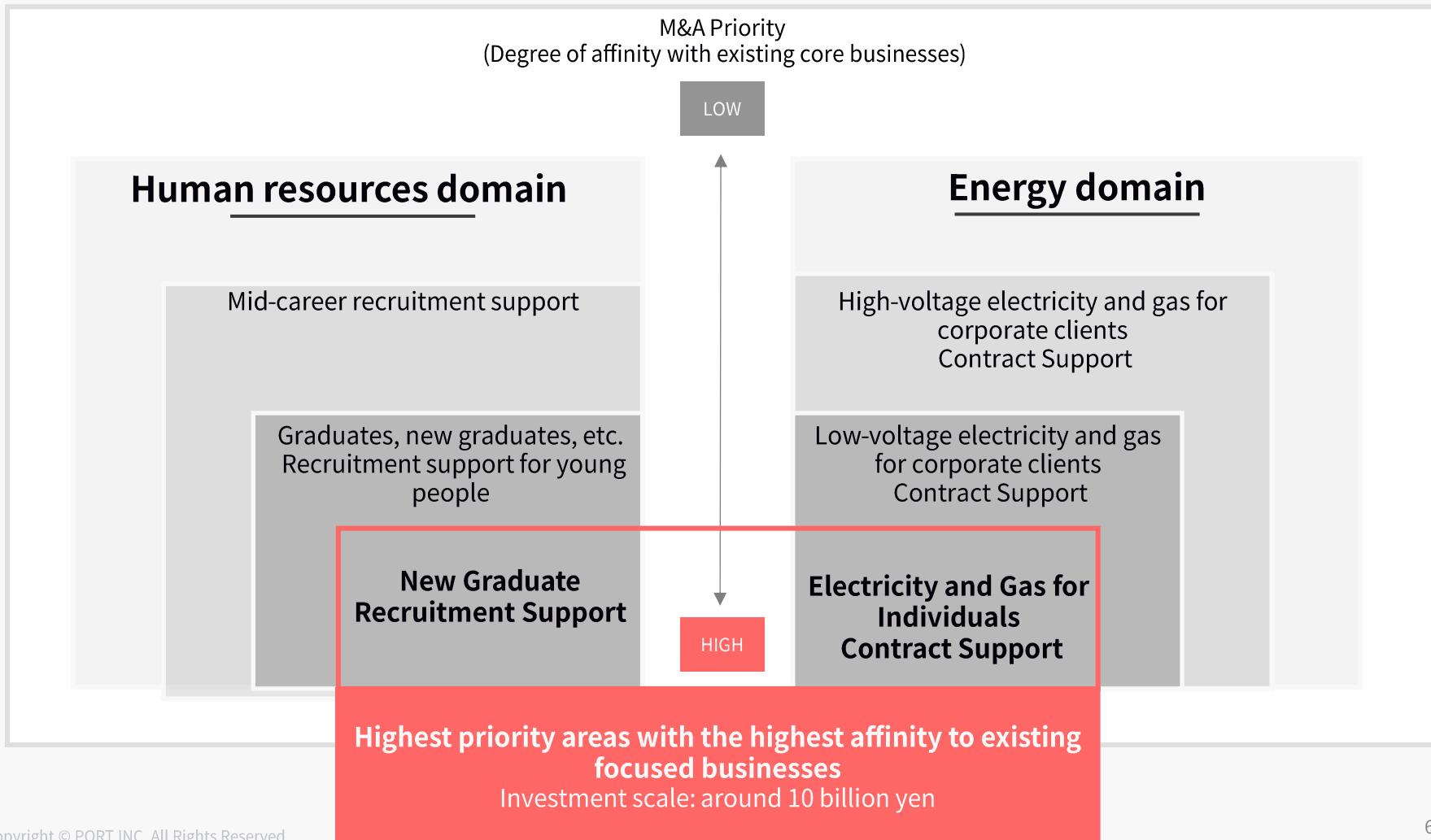
Top priority domains (existing and peripheral businesses)			New Businesses
Priority	Human Resources <sup>1</sup>	Energy	
Priority			
Target Markets	<ul style="list-style-type: none"> <li>Support for the recruitment of new graduates</li> <li>Support for the recruitment of young people</li> </ul>	<ul style="list-style-type: none"> <li>Contract support for electricity, gas, etc. for individual customers</li> <li>Contract support for electricity, gas, etc. for corporate customers</li> </ul>	<ul style="list-style-type: none"> <li>Other contract support</li> </ul>
Eligible Businesses	<ul style="list-style-type: none"> <li>New graduate recruitment and referral</li> <li>Direct recruiting</li> <li>Mid-career personnel referral<sup>1</sup></li> <li>Main target: Young people (graduates without careers and recent graduates with careers)</li> </ul>	<ul style="list-style-type: none"> <li>Support for sales of electricity, gas, etc. for individual customers</li> <li>Support for sales of electricity for corporate customers</li> <li>Incidental services, etc.</li> <li>Operational support, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Domains of extraordinary events, where the cost of winning contracts is high for companies and the level of difficulty of making decisions is high for users</li> <li>Domains which could be the next pillar of business</li> </ul>
Expected Synergy	<ul style="list-style-type: none"> <li>Acquiring new customer attraction channels (strengthening multi-channel marketing)</li> <li>Enhancing our presence in the market and increasing unit prices for contracts won by increasing the number of contracts won</li> <li>Expanding TAM by entering peripheral businesses leveraging our contract-winning capabilities</li> </ul>		<ul style="list-style-type: none"> <li>Entering new markets by leveraging our expertise in contract support in existing businesses</li> </ul>

<sup>1</sup> Staffing services and recruitment management systems do not fall under M&A in existing areas, but are considered as entry into new areas.

# Five-year target policy (3): Top priority areas for M&A (existing and peripheral businesses)

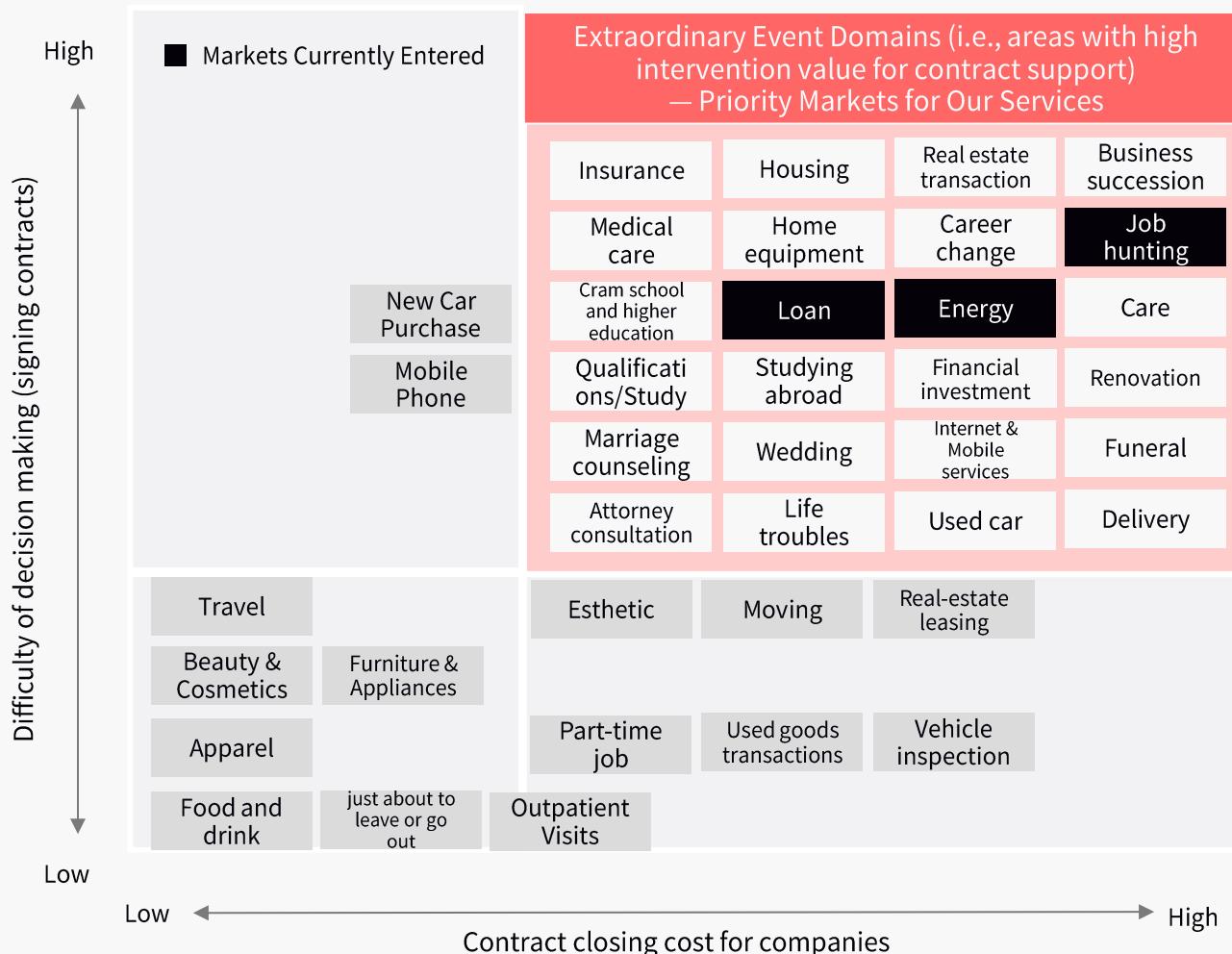
PORT INC.

Conscious of selection and concentration, during the current period of Medium-Term Management Plan, our top priority is roll-up M&A activities aimed at enlarging the existing contract support businesses.



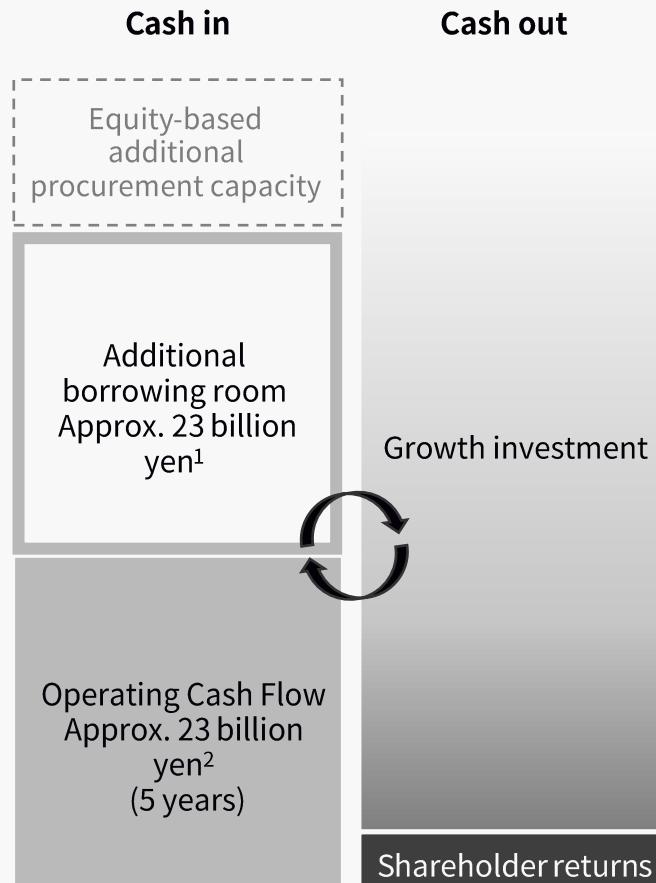
## Five-Year Target Policy (3): M&A Targets in New Businesses domain

Regarding M&A activities in new domains, we aim to expand to contract support business in the domains of extraordinary events. We will pursue M&A activities involving businesses which could be pillars of our business by leveraging our expertise in contract support in existing businesses.



# Capital allocation

We assume that due to the sustainable growth of operating cash flows, our additional borrowing capacity will also increase. We expect to make growth investments of 45 billion yen or more using operating cash flows in those five years, our borrowing capacity and treasury shares.



## M&A, New business

- Proactively moving forward with roll-up M&A activities and capital and business alliances in existing businesses, aiming to achieve non-continuous growth in the human resources and energy domains
- Developing new domains to further expand the contract support business
- Creating new sources of revenue including the grid energy storage facility business, which is in the validation phase

## Growth investment in existing businesses

- Improving contract winning capabilities and productivity through products and AI investments
- Enhancing the ability to attract customers using a multi-channel strategy

## Dividends and Share buybacks

- Enhancing shareholder returns through progressive dividends funded by recurring earnings and the acquisition of treasury shares

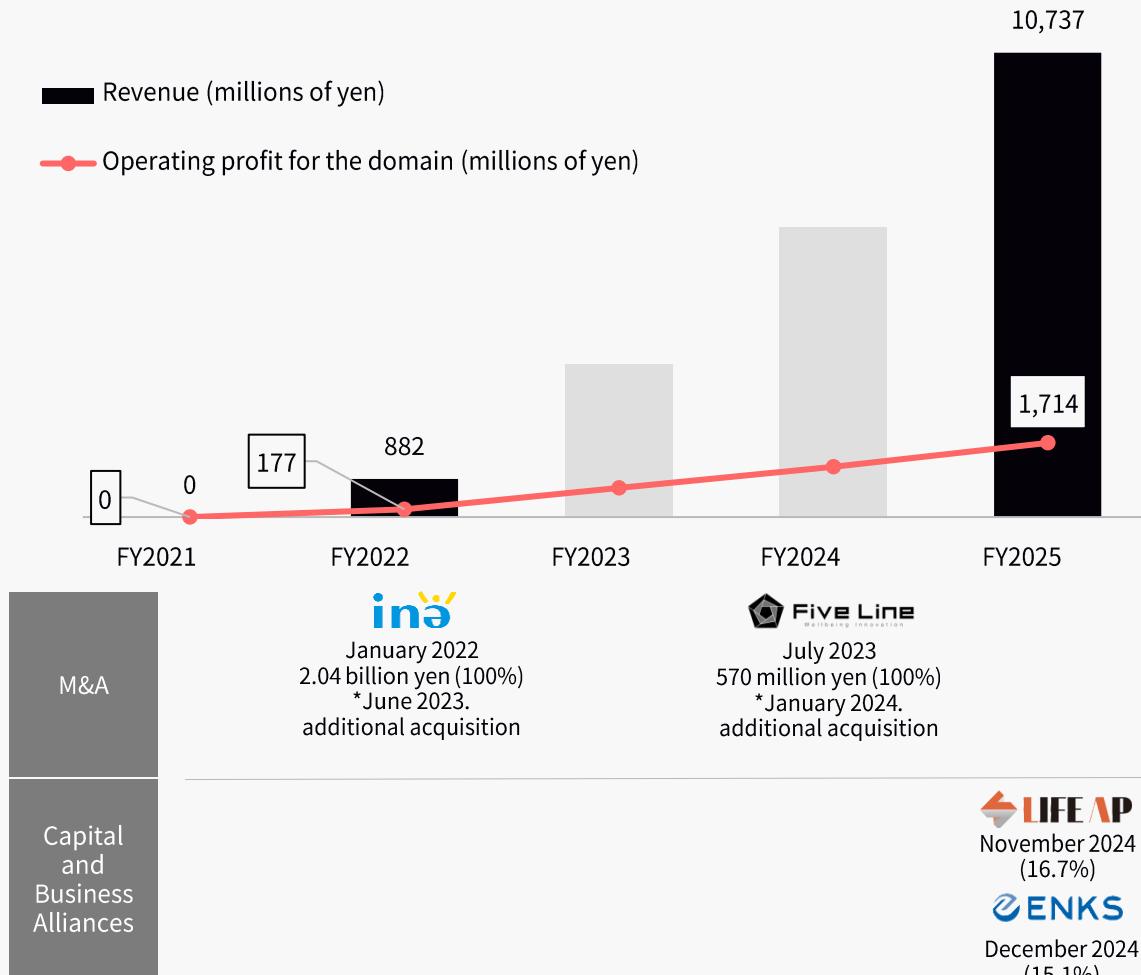
<sup>1</sup> Additional borrowing capacity is calculated based on the assumption of 1x total operating cash flow.

<sup>2</sup> The total operating cash flow is calculated based on the assumption of a 30% CAGR growth.

# Five-Year Target Policy (3): M&A and PMI Status in Energy Domain

PORT INC.

Since we acquired INE in the fourth quarter of the fiscal year ended March 31, 2022, we have been proactively implementing roll-up M&A activities to expand business in the energy domain. Cooperation within the Group was strengthened through hands-on PMI, which resulted in the significant growth of both revenue and Operating profit for the domain.



## Changes from FY2021 to FY2025

Revenue Growth

**+10,737** million yen

Operating Profit for domain Growth

**+1,714** million yen

Total Investment (M&A only)

**4.71** billion yen

Weighted Average Investment Period

**2.4** years

### Amount Incorporated at the M&A

Total revenue: 5,286 million yen

- Of which, INE: 3,299 million yen (FY2021)
- Of which, Five Line: 1,987 million yen (FY2022)

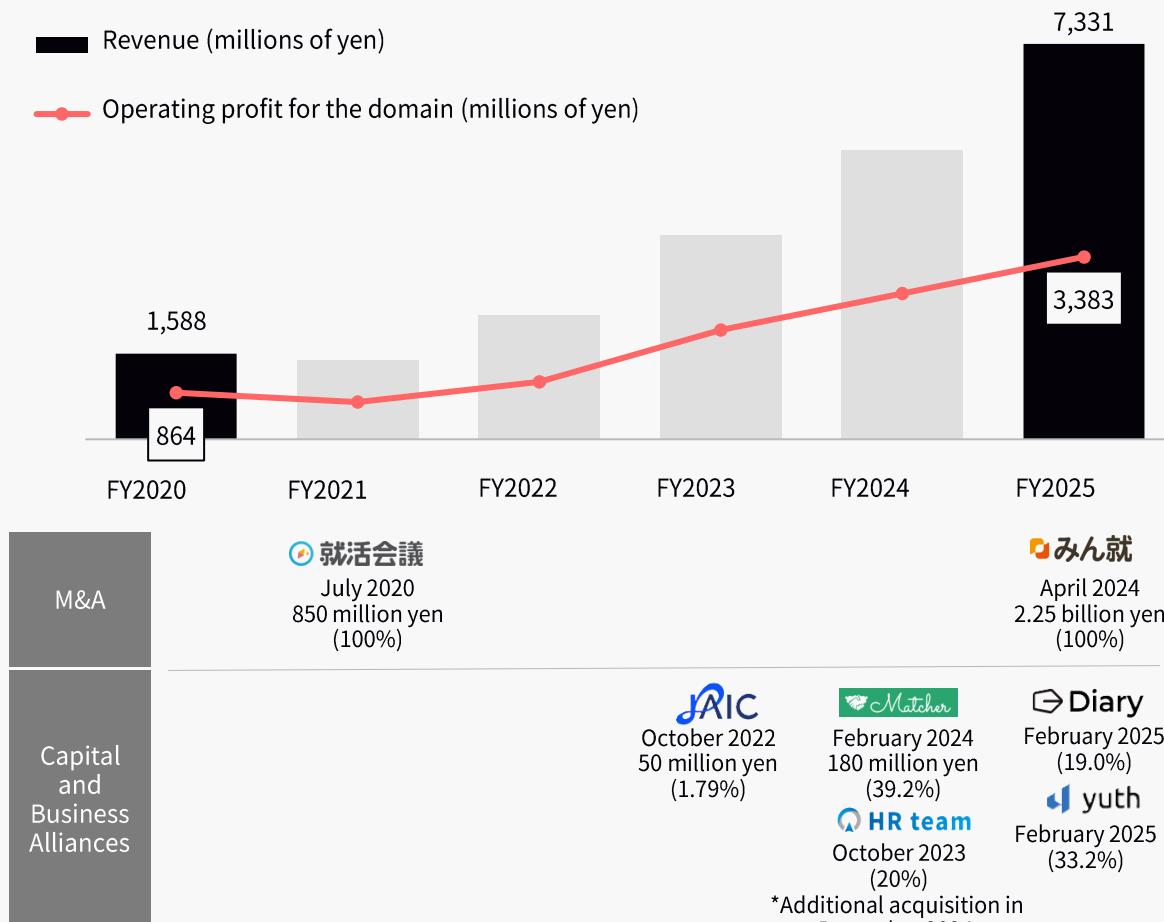
Total operating profit for domain: 666 million yen

- Of which, INE: 592 million yen (FY2021)
- Of which, Five Line: 74 million yen (FY2022)

# Five-Year Target Policy (3): M&A and PMI Status in Human Resource Domain

PORT INC.

In the fiscal years ended March 31, 2021 and March 31, 2025, we implemented large-scale roll-up M&A activities involving Shukatsu-Kaigi and Minshu, further expanding our business in the human resources domain. Cooperation within the Group was strengthened through hands-on PMI, which resulted in the significant growth of both revenue and operating profit for domain.



## Changes from FY2020 to FY2025

Revenue Growth

**+5,743** million yen

Operating Profit for domain Growth

**+2,519** million yen

Total Investment (M&A only)

**3.1** billion yen

Weighted Average Investment Period

**2.1** years

### Amount Incorporated at the M&A

Total revenue: 1,067 million yen

- Of which, Shukatsu-Kaigi: 217 million yen (FY 12/2019)
- Of which, Minshu: 850 million yen (FY 12/2022)

Total operating profit for domain

- Of which, Shukatsu-Kaigi: Not disclosed
- Of which, Minshu: Not disclosed

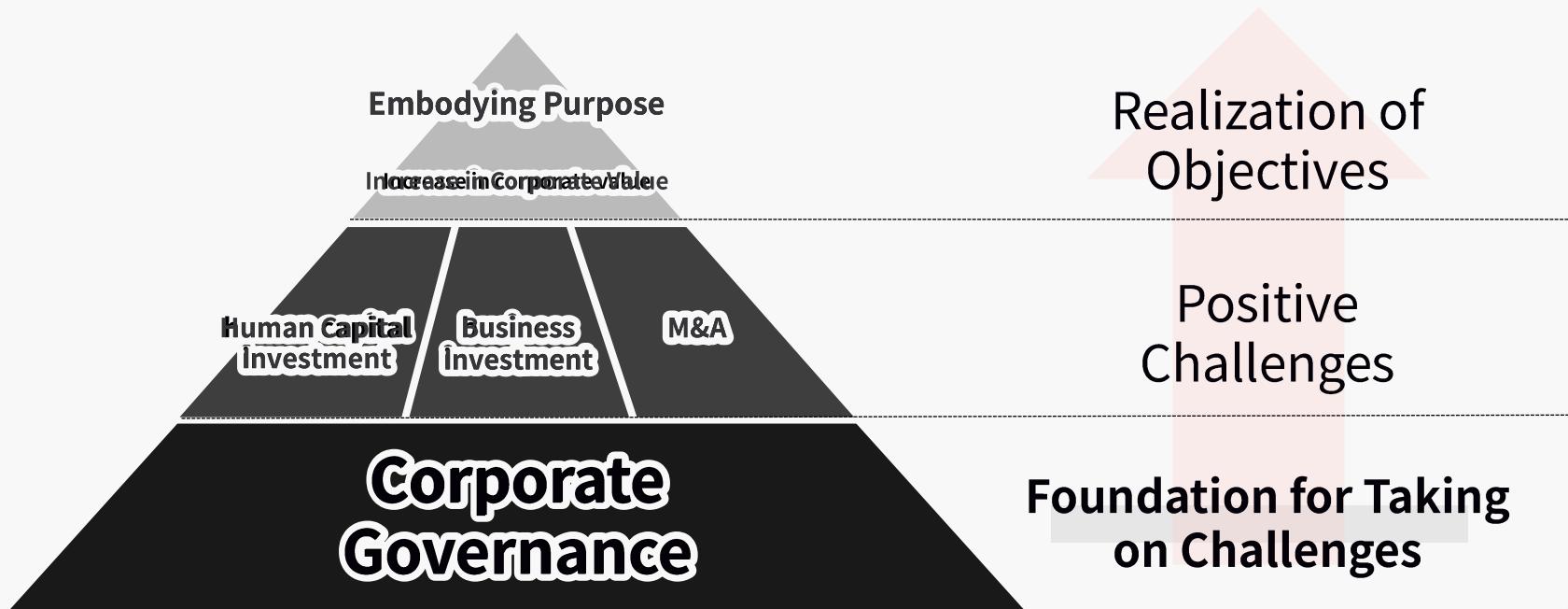
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## Governance and Risk Information

# Corporate Governance as a Foundation for Taking on Challenges

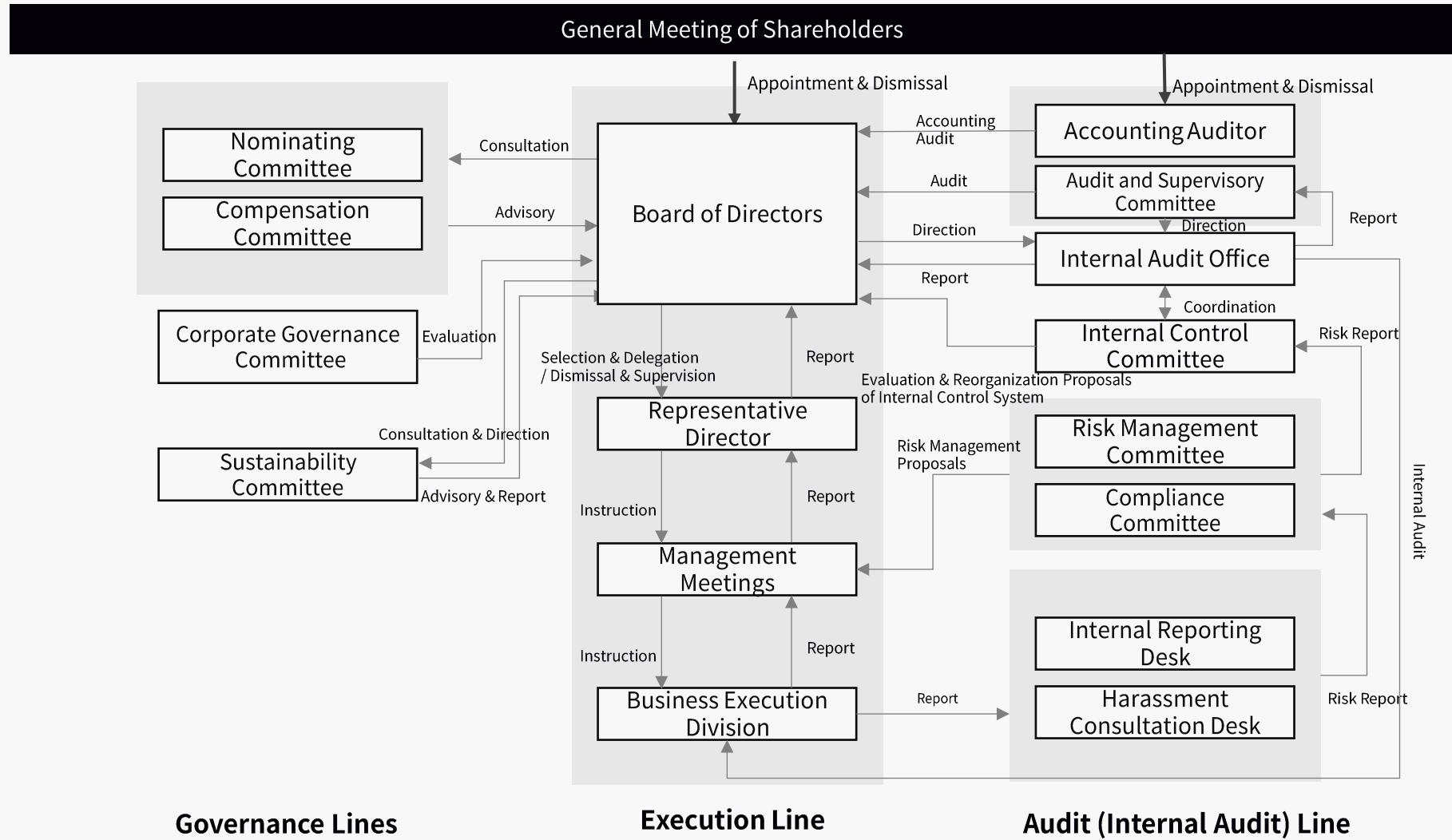
We will maintain a policy of appropriate and proactive risk-taking to embody our corporate purpose.

We will invest proactively in corporate governance and risk management as a foundation for taking on challenges to enhance sustainable corporate value while meeting stakeholder expectations.



# Corporate Governance Structure

Based on the strengthening of risk management and the operational framework of internal control systems, our corporate governance structure is as follows.



# Major ESG Topics for the Fiscal Year Ended March 31, 2025

To build a corporate governance framework that supports proactive challenges, we have been promoting the “Corporate Governance Reform 1.0” since the fiscal year ended March 31, 2023.

The main topics for the fiscal year ended March 31, 2025 are as follows.

## Board of Directors' Skills Matrix Update

While performance was steadily being enhanced towards the achievement of the second Medium-Term Management Plan, we understood that we needed to improve our ability to communicate with the capital market to further enhance our corporate value. Therefore, we updated the skills matrix of the Board of Directors.

## Materiality Identification

The Sustainability Committee, established in the fiscal year ended March 31, 2024, identifies the materiality of the Group.

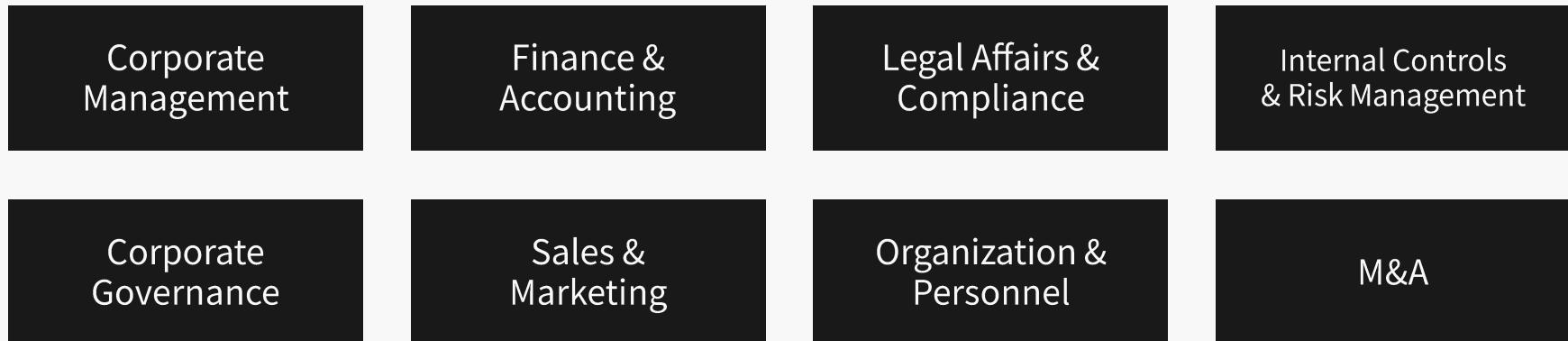
## Strengthen Risk Management System

We pushed forward with the reinforcement of our risk management system. We established dedicated working groups to make risk assessments more concrete and effective. Our whistleblowing system has strengthened our ability to self-regulate by enabling early risk detection and building a highly reliable environment.

# Board of Directors' Skills Matrix Update

While performance was steadily being enhanced towards the achievement of the second Medium-Term Management Plan, we understood that we needed to improve our ability to communicate with the capital market to further enhance our corporate value. Therefore, we updated the skills matrix of the Board of Directors.

## Current Skill Set



## Skills to add based on the policy

IR and Market dialogue skills

# Candidate for New Director (Audit & Supervisory Committee Member)

PORT INC.

To have the skills required of our Board of Directors as described above, we have selected a new candidate for Director (Audit & Supervisory Committee Member). We plan to submit this proposal at the general meeting of shareholders for the 14th term.



**Ms. Yumi Kimura**

## Career Profile

April 2000	Joined Nomura Securities Co.,Ltd
August 2003	Joined UBS Securities Japan Co., Ltd.
April 2010	Joined Merrill Lynch Japan Securities Co., Ltd.
February 2014	Joined SMBC Nikko Securities Inc.
July 2019	Joined Frontier Management Inc.
November 2020	Joined Rothschild & Co Japan Ltd.
October 2024	Appointed CFO of IVRY Inc. (current)

Reasons for selecting this Outside Director who will be an Audit & Supervisory Committee Member, process for selecting her and roles that she is expected to fulfill

Ms. Kimura has been engaged in financial advisory services in the investment bank divisions of multiple Japanese and foreign-financed financial institutions. Specifically, she has experience in the formulation of business strategies including medium-term management plans, M&A activities, the formulation of financial strategies, finance, and the proposal and implementation of shareholder measures and IR activities aimed at improving corporate value, among other activities. She also has deep insight and experience as a team leader and deal head in the technology domain. We have selected her as a candidate for Director, as we believe these experiences and her knowledge are essential for us to powerfully push forward with initiatives to enhance our corporate value and strengthen our IR and market communication capabilities.

## Materiality Identification

The Sustainability Committee which was established in the fiscal year ended March 31, 2024 has identified the Group's material issues. The Group's Purpose, "Change social debt into possibilities for the next generation," is oriented toward the sustainability of society. We therefore have identified top-priority issues (material issues) for the achievement of our Purpose.

- 1 Building a governance system so that challenges can be taken on promptly, decisively and in a disciplined manner**
- 2 Reinforcing the risk management system for safe, reliable business operations**
- 3 Expanding and strengthening human resources which are the core of competitiveness**
- 4 Contributing to the sustainable development of industries and businesses**
- 5 Respect for human rights**
- 6 Responsibilities and initiatives for the global environment**

## Strengthen Risk Management System

We are driving the reinforcement of our risk management system that supports our sustainable growth. We established dedicated working groups (including groups focused on labor, marketing legal affairs and information security) to make risk assessments more concrete and effective. At the same time, we have also improved the effectiveness of our whistleblowing system and strengthened our ability to self-regulate by enabling early risk detection, implementing continual institutional improvement and building a highly reliable whistleblowing environment.

### **Working groups specialized in specific domains established under the Risk Management Committee**

To address corporate risks that are becoming increasingly complicated and specialized, we have established the working groups dedicated to specific areas under the Risk Management Committee. The working groups have begun activities in specialized areas that are especially important, including labor, marketing legal affairs and information security. Each working group assesses individual risks taking advantage of their specialized knowledge and formulates and implements highly effective preventive measures and countermeasures. Through these activities, the working groups improve the effectiveness of our risk management system, helping enhance our ability to address company-wide risks and sustainably improve our corporate value.

### **Ensuring effectiveness of the whistleblowing system as an internal control system**

We are driving three measures to improve the effectiveness of the whistleblowing system. First, we conduct strategic, mandatory questionnaire surveys of all employees to detect potential risks at an early stage, prevent them, continually improve workplace environments and increase the visibility of the system. Second, we have introduced an annual internal control system effectiveness evaluation. We ensure the transparency and reliability of the system using a comprehensive evaluation based on objective indicators, such as the number of reported incidents and the promptness with which they are handled. Third, we have established and are reinforcing a system which enables third parties, supervisors and others to submit whistleblowing reports by proxy to reduce the psychological burdens on the whistleblowers and prevent people from not submitting whistleblowing reports when necessary.

# Major Business and Other Risks

The following is a list of major risks that may significantly affect the achievement of our growth and the implementation of our business plan. We plan to describe other risks in the Business and Other Risks section of our securities report.

Significant risks in business execution	Likelihood of Manifestation / Impact / Measures to Address Risks
<b>Risks involved in acquisitions, investment activities, etc.</b>  Situations where the expansion of business does not progress as planned after a merger, acquisition or investment is implemented and it becomes necessary to record an impairment loss regarding the investment value of the target business, etc.	Likelihood of Manifestation: Medium Impact: High  Reducing various risks by doing our due diligence for mergers and acquisitions and introducing PMI packages leveraging our accumulated expertise in our efforts to stabilize organizations and achieve the growth of business
<b>Risks related to technological innovations, etc.</b>  Situations where the Group is late in adapting to rapid technological innovation, such as generative AI, making our services or products obsolete or causing other problems	Likelihood of Manifestation: Medium Impact: High  Considering the introduction of generative AI and other new technologies in many areas in pursuit of the possibility of improving the efficiency of business and providing new value
<b>Risks related to internal management systems and internal control</b>  Situations where we fail to establish timely and appropriate internal management systems and internal control in line with the expansion of the business and the corporate group	Likelihood of Manifestation: Medium Impact: High  Strengthening the Group's internal auditing, ensuring the effectiveness of the whistleblowing system and establishing various regulations, etc. related to Group management to enhance employee training in accordance with the basic policy on internal control systems
<b>Risks related to hiring and the development of human resources</b>  Situations where the human resources needed by the Group cannot be hired when they are needed and where the development of human resources does not progress as planned	Likelihood of Manifestation: Medium Impact: High  Diversifying channels for recruiting both new graduates and people who are mid-career to facilitate the hiring of human resources, and at the same time, retaining human resources and improving their capabilities by enhancing training programs and improving the training framework

## Disclaimer

### 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.

### Future Disclosure

- The progress of the management indices disclosed in this document is planned to be reported in the quarterly financial results briefing materials. In addition, disclosure regarding the "Business Plan and Matters Relating to Growth Potential" is planned to be made by the announcement date of the full-year financial results for the fiscal year ending March 31, 2026 (May 2026).

### Contact

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Contact form: <https://www.theport.jp/contact?purpose=ir>

# PORT INC.

Change social debt into possibilities for the next generation.