

English Translation

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Consolidated Financial Results for the Second Quarter Ended September 30, 2024 [IFRS]

November 13, 2024

Company name: PORT INC. Stock exchange listing: Tokyo Stock Exchange Growth,
Fukuoka Stock Exchange Q-Board
Securities code: 7047 URL: <https://www.theport.jp/>
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Annual securities report filing date (as planned): 2024-11-13
Dividend payable date (as planned): —
Supplemental material of annual results: Yes
Convening briefing of annual results: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Second Quarter Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results(cumulative)

(% indicates changes from the previous corresponding period.)

	revenue		EBITDA※1		EBITDA including future earnings ※2		Operating profit		Profit before tax		profit	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2024	9,917	42.1	1,890	30.0	2,666	55.5	1,567	24.2	1,539	25.0	958	12.2
September 30, 2023	6,979	—	1,454	—	1,714	—	1,262	—	1,231	—	853	42.0

	profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	diluted earnings per share
Six months ended	Million yen	%	Million yen	%	Yen	Yen
September 30, 2023	960	20.3	761	△12.7	72.69	70.92
September 30, 2022	798	49.3	872	45.2	68.87	65.81

※1 EBITDA=Operating income+Depreciation+Loss on disposal of fixed assets and valuation gains/losses + Share based compensation expense

※2 EBITDA including future earnings=EBITDA+ expected future income from stock deals closed in the current period

(Notes) Transactions relating to Doors Inc. has been classified as a discontinued operation from the second quarter ended September 30, 2024. Due to this, the amounts presented for revenue, EBITDA, EBITDA including future earnings, operating profit and profit before tax are the amounts from continuing operations from which the amounts from discontinued operation have been excluded. The amounts presented for profit and profit attributable to owners of parent are aggregates of continuing operations and discontinued operation. As the businesses have been similarly reclassified in the six months ended September 30, 2023, changes from the same period of the previous fiscal year are not presented.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Million yen	Million yen	Million yen	%
As of September 30, 2024	19,125	7,640	7,641	40.0
As of March 31, 2024	16,235	6,752	6,752	41.6

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2024	Yen —	Yen 0.00	Yen —	Yen 2.00	Yen 2.00
March 31, 2025	—	0.00			
Fiscal year ending March 31, 2025 (Forecast)			—	2.50	2.50

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	revenue		EBITDA		EBITDA including future earnings		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	21,100	35.4	3,850	45.3	5,550	50.1	3,150	42.1	3,080	43.5	1,965	28.4	1,965	34.9	148.71

(Notes) Transactions relating to Doors Inc. has been classified as a discontinued operation from the second quarter ended September 30, 2024. Due to this, the amounts presented for revenue, EBITDA, EBITDA including future earnings, operating profit and profit before tax are the amounts from continuing operations from which the amounts from discontinued operation have been excluded. The financial statements for the fiscal year ending March 2024 have been reclassified in the same way, so the percentage change from the previous fiscal year is the increase or decrease from the financial statements after reclassification.

***Notes:**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Minshu, Inc.)
Excluded: 1 company (Doors Inc.)
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies required by IFRS: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - As of September 30, 2024: 13,984,090 shares
 - As of March 31, 2024: 13,816,090 shares
 - 2) Total number of treasury shares at the end of the period:
 - As of September 30, 2024: 744,103 shares
 - As of March 31, 2024: 744,103 shares
 - 3) Average number of shares during the period:
 - Six months ended September 30, 2024: 13,213,891 shares
 - Six months ended September 30, 2023: 11,595,132 shares
- * Review of the Japanese-language original version of the Condensed Quarterly Consolidated Financial Statements by certified accountants or audit firms: None
- * Explanation of the proper use of financial results forecast and other notes
The forecasts above are based on the judgments made in accordance with information currently available. Forecasts therefore include risks and uncertainties. Actual figures may differ from these forecasts due to subsequent changes in circumstances.

[Condensed semi-annual consolidated financial statements]

(1) [Condensed semi-annual consolidated statements of financial position]

(Millions of yen)

	Previous consolidated fiscal year (As of March 31, 2024)	Condensed semi-annual consolidated fiscal year under review (As of September 30, 2024)
Asset		
Current assets		
Cash and cash equivalents	3,797	3,929
Trade and other receivables	3,133	2,354
Other financial assets	14	1,149
Other current assets	406	353
Total current assets	7,353	7,787
Non-current assets		
Property, plant and equipment	955	1,042
Right-of-use assets	811	1,009
Goodwill	3,995	4,952
Intangible assets	1,152	1,806
Other financial assets	1,543	2,066
Deferred tax assets	84	101
Other non-current assets	339	357
Total non-current assets	8,882	11,337
Total assets	16,235	19,125

	(Millions of yen)	
	Previous Consolidated Fiscal Year (As of March 31, 2024)	Condensed semi-annual consolidated fiscal year under review (As of September 30, 2024)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	146	158
Bonds and borrowings	1,462	1,648
Provisions	–	20
Other financial liabilities	1,660	1,512
Income taxes payable	409	476
Contractual liabilities	27	78
Lease liabilities	222	270
Refundable liabilities	69	175
Other current liabilities	452	535
Total current liabilities	4,451	4,876
Non-current liabilities		
Bonds and borrowings	3,858	5,103
Provisions	243	261
Lease liabilities	639	807
Deferred tax liabilities	221	374
Other financial liabilities	68	61
Total non-current liabilities	5,031	6,608
Total liabilities	9,482	11,485
Equity		
Share capital	2,323	2,405
Capital surplus	1,378	1,449
Retained earnings	3,662	4,596
Treasury shares	△594	△594
Other components of equity	△18	△215
Total equity attributable to owners of parent	6,752	7,641
Non-controlling interests	0	△1
Total equity	6,752	7,640
Total liabilities and equity	16,235	19,125

(2) [Condensed semi-annual consolidated statements of income and condensed semi-annual consolidated statements of comprehensive income]

[Condensed semi-annual consolidated statements of income]

(Millions of yen)

	Previous condensed semi- annual consolidated fiscal Year (April 1, 2023) September 30, 2023)	Condensed semi-annual consolidated fiscal year (April 1, 2024) September 30, 2024)
Continuing operations		
revenue	6,979	9,917
Cost of sales	1,338	1,569
Gross profit	5,640	8,348
Selling, general and administrative expenses	4,570	7,020
Other income	225	276
Other expenses	33	37
Operating profit	1,262	1,567
Finance income	0	6
Finance costs	31	34
Profit before tax	1,231	1,539
Income tax expense	471	590
Profit from continuing operations	760	949
Discontinued operations		
Profit from discontinued operations	93	8
Profit	853	958
Profit attributable to		
Owner of parent	798	960
Non-controlling interests	55	△2
Profit	853	958
Earnings per share		
Basic earnings per share		
Continuing operations	60.80	72.02
Discontinued operations	8.07	0.67
Basic earnings per share (yen)	68.87	72.69
Diluted earnings per share		
Continuing operations	58.11	70.27
Discontinued operations	7.71	0.65
Diluted earnings per share (yen)	65.81	70.92

[Condensed semi-annual consolidated statement of comprehensive income]

(Millions of yen)

	Previous condensed semi- annual consolidated fiscal year (April 1, 2023) September, 2023)	Condensed semi-annual consolidated fiscal year (April 1, 2024) September 30, 2024)
Profit	853	958
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Equity financial assets measured at fair value through other comprehensive income	18	△196
Total Other comprehensive income	18	△196
Comprehensive income	872	761
Comprehensive income attributable to		
Owner of parent	817	763
Non-controlling interests	55	△2
Comprehensive income	872	761

(3) [Condensed semi-annual consolidated statement of change in equity]

Previous Condensed semi-annual consolidated fiscal year (April 1, 2023 to September 30, 2023)

	Equity attributable to owners of parent							Non-Controlling interest	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		Total equity attributable to owners of parent		
					Equity financial assets measured at fair value through other comprehensive income	Total Components of Other Capital			
Balance at beginning of period	944	941	2,193	△800	△37	△37	3,242	776	4,019
Profit	-	-	798	-	-	-	798	55	853
other comprehensive income	-	-	-	-	18	18	18	-	18
Total comprehensive income	-	-	798	-	18	18	817	55	872
Issuance of new shares	235	225	-	-	-	-	461	-	461
Issuance of share acquisition rights	-	4	-	-	-	-	4	-	4
Expiration of stock acquisition rights	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	△0	-	-	△0	-	△0
Disposal of treasury shares	-	422	-	205	-	-	628	-	628
Dividends of surplus	-	-	-	-	-	-	-	-	-
Change in scope of consolidation	-	△1,110	-	-	-	-	△1,110	△791	△1,902
Transfer from accumulated other comprehensive income to retained earnings	-	-	6	-	-	-	6	-	6
Total transaction with owner	235	△458	6	205	-	-	△10	△791	△801
Balance at end of period	1,180	483	2,999	△594	△19	△19	4,049	40	4,089

Condensed semi-annual consolidated fiscal year under review (April 1, 2024 to September 30, 2024)

	Equity attributable to owners of parent							Non-Controlling Interest	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		Total equity attributable to owners of parent		
					Equity financial assets measured at fair value through other comprehensive income	Total Components of Other Capital			
Balance at beginning of period	2,323	1,378	3,662	△594	△18	△18	6,752	0	6,752
Profit	-	-	960	-	-	-	960	△2	958
other comprehensive income	-	-	-	-	△196	△196	△196	-	△196
Total comprehensive income	-	-	960	-	△196	△196	763	△2	761
Issuance of new shares	81	70	-	-	-	-	151	-	151
Issuance of share acquisition rights	-	0	-	-	-	-	0	-	0
Expiration of stock acquisition rights	-	△0	-	-	-	-	△0	-	△0
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Disposal of treasury shares	-	-	-	-	-	-	-	-	-
Dividends of surplus	-	-	△26	-	-	-	△26	-	△26
Change in scope of consolidation	-	-	-	-	-	-	-	-	-
Transfer from accumulated other comprehensive income to retained earnings	-	-	0	-	-	-	0	-	0
Total transaction with owner	81	70	△26	-	-	-	125	-	125
Balance at end of period	2,405	1,449	4,596	△594	△215	△215	7,641	△1	7,640

(4) Condensed semi-annual consolidated statement of cash flows

	Previous condensed semi- annual consolidated fiscal year (April 1, 2023) September 30, 2023)	Condensed semi-annual consolidated fiscal year (April 1, 2024) September 30, 2024)
Cash flows from operating activities		
Profit before tax	1,231	1,539
Profit before tax from discontinued operations	132	56
Depreciation and amortization	198	327
Finance income and finance costs	31	33
Decrease(increase) in trade and other receivables	△305	772
Increase(decrease) in trade and other payables	△31	△165
other	△236	△238
Subtotal	1,022	2,326
Interest paid	△29	△39
Income taxes paid	△214	△393
Net cash provided by (used in) operating activities	777	1,892
Cash flows from investing activities		
Purchase of property, plant and equipment	△88	△120
Purchase of intangible assets	△95	△710
Payments for loans receivable	-	△1,140
Purchase of investment securities	△144	△577
Proceeds from sale of investment securities	66	-
Proceeds from sale of businesses	-	250
Payments for acquisition of shares in subsidiaries resulting in change in scope of consolidation	△65	△2,280
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	245	1,374
Payments for guarantee deposits and lease	△50	-
other	△23	8
Net cash provided by (used in) investing activities	△156	△3,195
Cash flows from financing activities		
Proceeds from short-term borrowings	-	100
Repayments of short-term borrowings	-	△47
Proceeds from long-term borrowings	2,340	2,720
Repayments of long-term borrowings	△628	△1,238
Repayments of lease liabilities	△91	△123
Purchase of treasury shares	△0	-
Dividends paid	-	△26
Proceeds from issuance of shares by exercising stock acquisition rights	△101	△101
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	467	151
other	△1,571	-
Net cash provided by (used in) financing activities	4	0
Net increase(decrease) in cash and cash equivalents	420	1,434
Cash and cash equivalents at beginning of period	1,041	131
Cash and cash equivalents included in assets of disposal groups classified as for sale	3,872	3,797
Cash and cash equivalents at end of period	4,914	3,929