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Notice Regarding the Formulation of the New Medium-Term Business Plan **“Connecting Growth - Origin/Next 50”**

Prestige International Inc. (hereinafter “the Company”) has formulated a new medium-term business plan covering the three-year period from the fiscal year ending March, 2025 to the fiscal year ending March, 2027. Details are as follows.

1. Background on the formulation of the new medium-term business plan

The economic environment surrounding the Group is shifting from a prolonged period of deflation to a virtuous cycle, as the Bank of Japan has ended its negative interest rate policy and raised interest rates for the first time in 17 years. On the other hand, the external environment is undergoing significant changes, with difficulties in hiring due to a shortage of workers caused by the declining birthrate and aging population, a sharp rise in wages, and soaring commodity prices due to the yen’s depreciation. As society becomes more respectful of diverse values, there is a greater need to promote diversity by reforming the way people work.

In the stock market, the “Action to Implement Management that is Conscious of the Cost of Capital and Stock Price” announced by the Tokyo Stock Exchange in March, 2023 requires each listed company to change its management’s awareness of the cost of capital and stock price in order to realize future corporate value enhancement. The new management practice is required to be conscious of capital profitability by adding capital efficiency and other factors based on the balance sheet to the previous business plan centered on business profit and loss.

Under these circumstances, the Group will celebrate its 40th anniversary in 2026. Considering the anniversary of the Company’s founding as the “Bridge between the Past and the Future”, we decided to take this new medium-term business plan not only as a simple celebration, but also as an opportunity to review our “Starting Point”, “Strengths”, and “Vision for the Future” and to seize the Company’s continued growth as an opportunity to connect it to the next 50 years. The Group has been respecting the rights and interests of all stakeholders, including employees, shareholders, and local communities, and striving to build a good relationship with them. In the new medium-term business plan, we will continue our efforts to be a company that earns the trust and empathy of our stakeholders. As the first half of our journey to become the next 50-year company expected by society, we will continue to develop niche and unique businesses in the spirit of the Group, refine our own strengths, contribute to the realization of a sustainable society, and strive for steady growth of the Group as a whole.

2. KPIs for the business management during the 8th medium-term business plan

| (unit: million yen) | FY2025.3 (actual) | FY2027.3 |
|---|----------------------|-------------|
| Sales | 58,738 | 75,000 |
| Operating profit | 7,921 | 10,000 |
| Equity attributable to owners of the parent company | 5,791 | 6,500 |
| ROE | 13.9% | 15% |
| Dividend payout ratio | 26.5% | 60% or more |
| Total Return Ratio | 35.1% | 70% or more |

3. Outline of the new medium-term business plan (the 8th medium-term business plan)

1. Creating growth potential
Aim to increase profit per person by 20% in three years by drastically managing revenues and expenses by project, selecting projects including withdrawing from low-profit projects, and reducing man-hours and improving productivity by driving DX using AI and other technologies.
2. Development of service platform-based revenue model
Develop a pay-per-use business model and a recurring revenue model that does not rely on human capital, while maintaining and growing the existing recurring revenue model.
3. Flexible expansion of the sites
Continue to invest in the Group's main scenario of establishing new large-scale BPO centers and expanding existing ones, as well as expanding on-site dispatch bases for roadside assistance or Home Assist and Park Assist services while also establishing and opening satellite BPO offices in a flexible and agile manner to rapidly expand contract capacity.

4. Shareholder Returns

The Company considers the return of profits to shareholders to be one of the most important management challenges. With regard to dividends, we had set a target total return ratio of 30% or more, taking into account the consolidated base earnings level and cash flow situation, as well as future business plans and the availability of funds to expand the scale of our business. In the new medium-term business plan, we believe that in order for the Group to continue to grow, it is necessary to assess the future value of tangible and intangible management resources and quickly reallocate resources to businesses with higher growth potential. The Company intends to invest underlying cash flow from operations in priority growth areas.

At the same time, as part of Management that is Conscious of Capital Efficiency, we also see improving ROE as a long-term challenge and goal for increasing corporate value, including a review of the current levels of capital and equity ratios.

Based on the above, the Company will double the current dividend of 12 yen per share to 24 yen per share for the fiscal year ending March, 2025, the first year of the plan, increase the dividend payout ratio to over 60% or more by fiscal year ending March, 2026, and target a total return ratio of over 70% or more by the final year, including share repurchases of up to 3 billion yen, and expand our shareholder returns policy and earnings to make the Company an attractive investment for investors.

For details, please refer to the materials to be announced at the "Medium-Term Business Plan Briefing" to be held on May 21.

The forward-looking statements contained in this document concerning the Company's future performance are based on the Company's projections in light of information currently available to the Company and involve risks and uncertainties. Accordingly, there can be no assurance that the Company will achieve its future projections.