May 15, 2025

Company name:	Net Protections Holdings, Inc.
Representative:	Shin Shibata, President and Representative Director
(Security code:	7383 the Prime Market of TSE)
Contact:	Kazuharu Watanabe, CFO and Director
Telephone:	+81-3-4530-9235

Notice Regarding the Rolling Update of the Medium-Term Management Plan

Net Protections Holdings, Inc. (the "Company") previously announced the Medium-Term Management Plan (for the fiscal years ending March 2025 to March 2027) in the "Notice Regarding Medium-Term Business Plan" dated May 15, 2024. The Company has adopted a rolling plan approach, under which the Company reviews and updates the Medium-Term Management Plan every year, reflecting the latest business results and changes in the business environment.
At the Board of Directors meeting held today, the Medium-Term Management Plan for the fiscal years ending March 2026 to March 2028 was approved. The Company hereby announce the details as follows.

1. Overview of the Medium-Term Management Plan

As announced in today's financial results, the Company has achieved operating profit target of JPY 2.0 billion for the fiscal year ending March 2027 ahead of schedule, reaching this milestone in the fiscal year ended March 2025. Aiming for further growth, the Company has updated the management targets as follows:

・GMV to exceed JPY 1 trillion and operating profit to reach JPY 4.0 billion in the fiscal year ending March 2028
・Operating profit CAGR of 25% over the next three years

For further details, please refer to the "Financial Results Presentation for Q4 and Fiscal Year Ended March 31, 2025" disclosed today.

2. Reference Materials

Please see the attached document for details.

Medium-Term Management Plan

(FY3/26 - FY3/28)

Net Protections

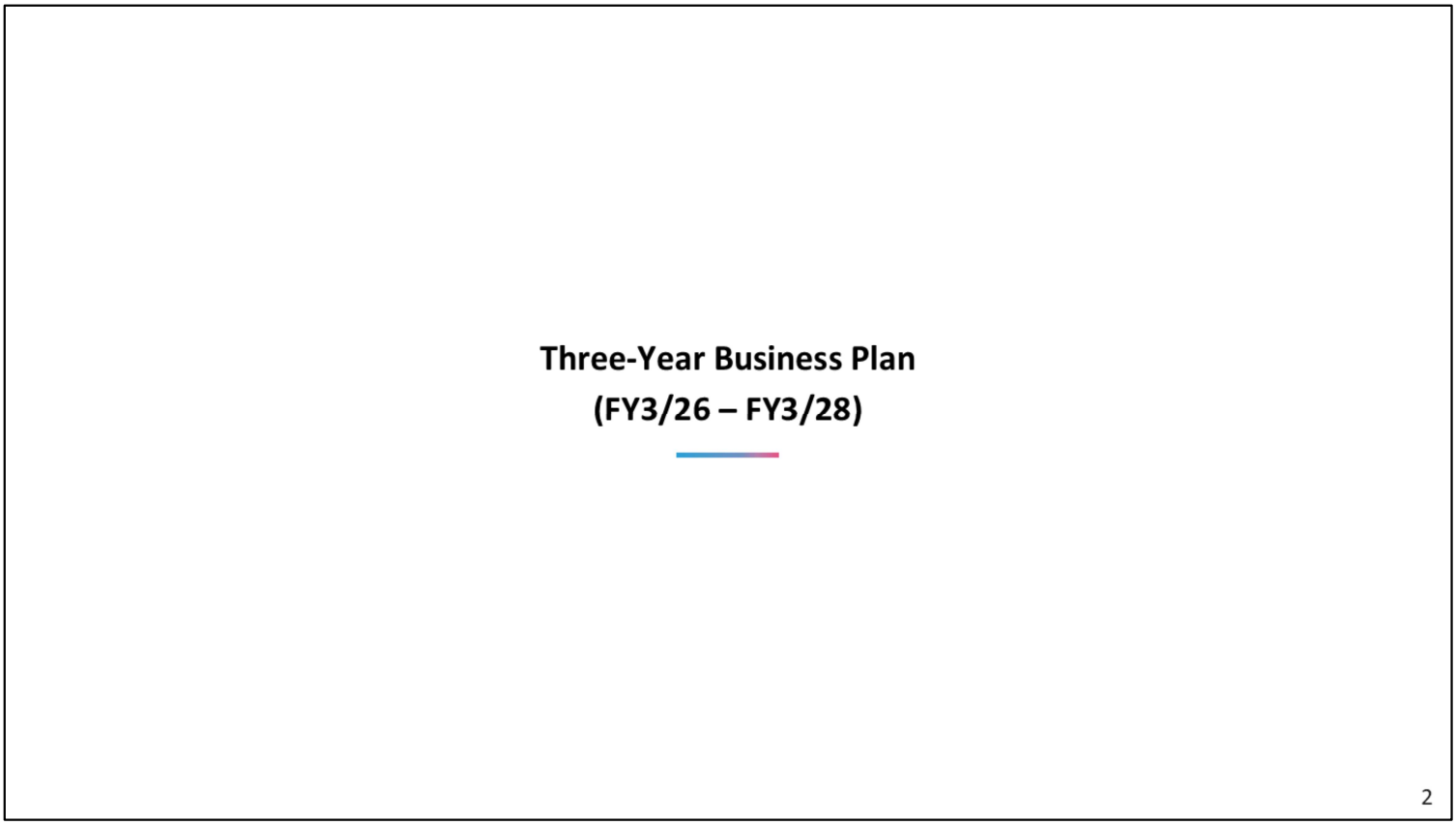
Net Protections Holdings

Net Protections Holdings, Inc.

(TSE Prime Market: 7383)

Although we previously announced the Medium-Term Management Plan (for the fiscal years ending March 2025 to March 2027), we have adopted a rolling plan approach, under which we review and update the Medium-Term Management Plan every year, reflecting the latest business results and changes in the business environment.

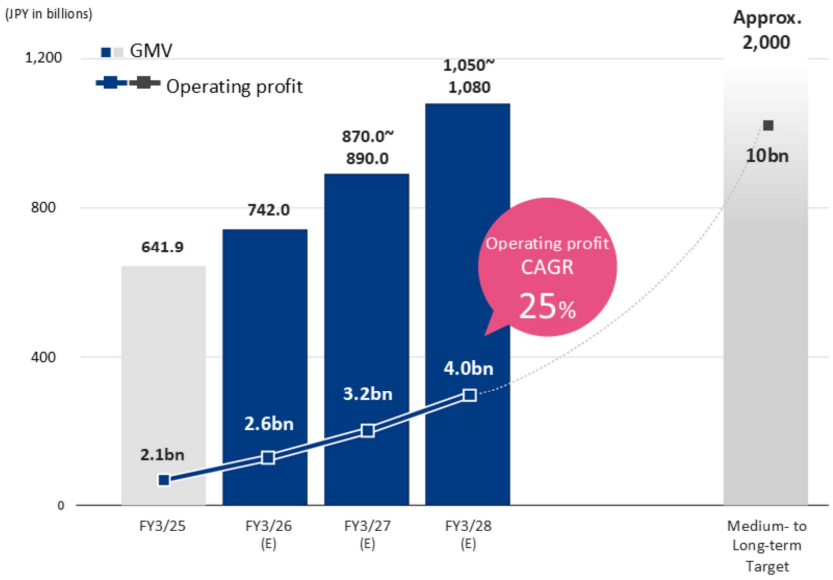
We hereby announce the updated Medium-Term Management Plan for the fiscal years ending March 2026 to March 2028.



First, I will present our three-year business plan.
We rolled forward the three-year plan announced a year ago, and extended it to the fiscal year ending March 31, 2028.

Three-Year Financial Policy (GMV & Operating Profit)

For FY3/28, we target GMV over JPY1tn and operating profit of JPY4bn.
The three-year operating profit CAGR is projected to be 25%.



Medium-term plan
(3 years from now: FY3/28)

GMV
JPY1,050bn - 1,080bn
(three-year CAGR: 16% - 19%)
Operating profit
4.0bn
(CAGR25%)

Medium-to long-term target

GMV: Approx. **JPY2tn**

Operating profit: JPY10bn

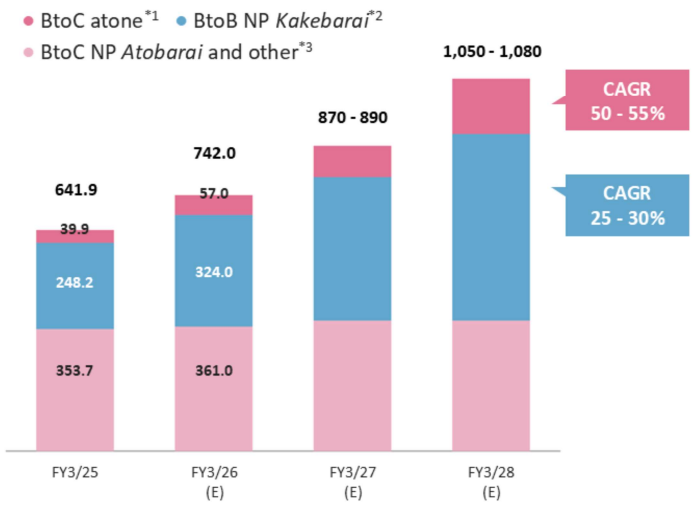
3

We are targeting GMV of 1 trillion yen and operating profit of 4 billion yen for the fiscal year ending March 2028, three years from now.
We expect GMV to achieve robust growth with a compound annual growth rate (CAGR) of 16 - 19%, and operating profit CAGR is projected to be 25%.

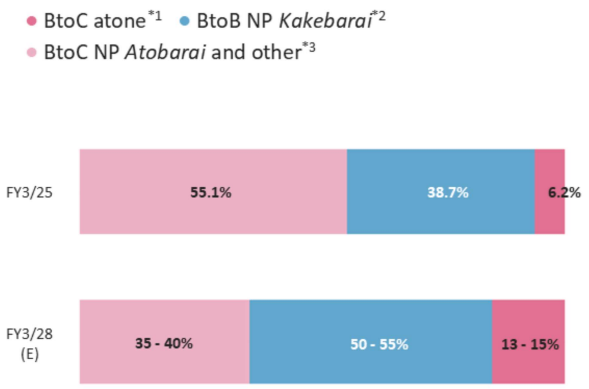
Portfolio (GMV Growth Rate and GMV Composition by Service)

For BtoC, we aim for a CAGR of 50 - 55% for atone while maintaining NP *Atobarai* as a stable profitable business.
For BtoB, we aim to achieve a CAGR of 25–30%, establishing a dominant No.1 position in the market.

GMV growth rate by business segment (JPY in billions)



Composition in FY3/28 (vs. to FY3/25)



*1 Total amount of payments (including consumption tax) made through atone provided by the Group
*2 Total amount of payments (including consumption tax) made through NP *Kakebarai* provided by the Group
*3 Total amount of payments (including consumption tax) made through NP *Atobarai*, NP *Atobarai air*, and AFTEE provided by the Group

The chart on the left shows the GMV growth and growth rates for each service, while the chart on the right illustrates the composition ratio.

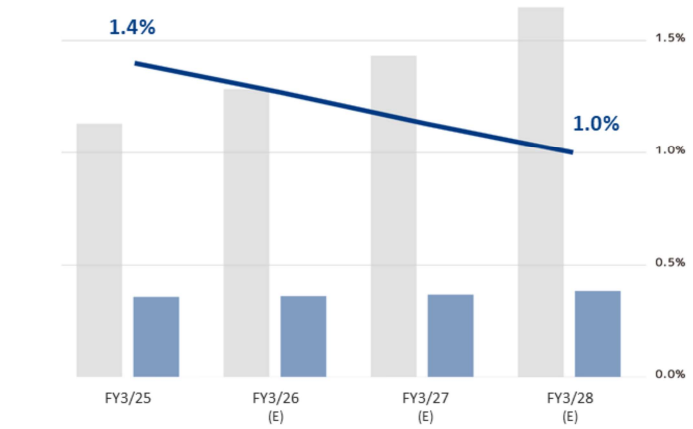
Despite the increasing scale of our BtoB business, we expect it to maintain a strong compound annual growth rate (CAGR) of 25–30%,
and project that BtoB will account for over 50% of the Group total GMV in the fiscal year ending March 2028.

For BtoC, atone is expected to achieve growth of over 50%, and together with BtoB, will serve as a key driver of overall growth.

SG&A Expense Policy

We will continue to maintain a cost structure with strong operating leverage.
As GMV increases, we plan to keep SG&A expenses to a minimal increase, thereby driving further profit growth.

Trend of SG&A ratio (vs. GMV)
(illustrative)



Major SG&A Expense Policy

Total Expense Control

We plan to limit the annual increase in total SG&A expenses to approx. JPY500mn, with adjustments made as necessary based on progress toward profit targets.

Sales & Marketing

While personnel and outsourcing costs are expected to rise as transaction volumes expand, these increases will remain moderate relative to GMV growth. Marketing investments will be made in a disciplined manner, focusing on initiatives that drive growth.

Tech & Development

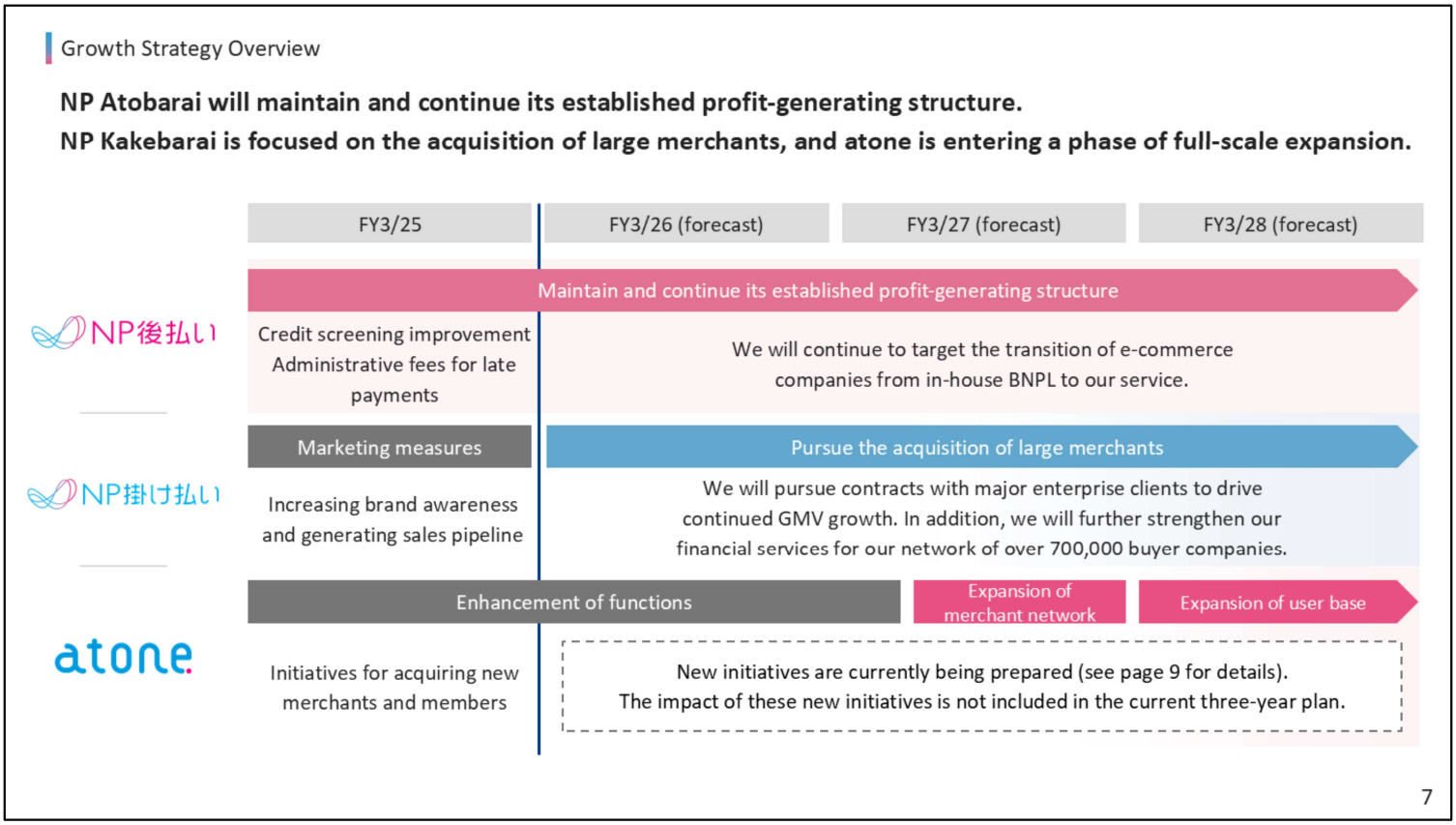
We do not anticipate any significant increases in development costs. Maintenance and operational expenses are also expected to increase moderately in line with GMV growth.

Next, let me explain our SG&A expense policy.

While GMV continues to grow, we will keep SG&A increases to a minimum, further lowering the SG&A-to-GMV ratio and driving additional profit growth.
Our organizational structure is already in place, and operational efficiency initiatives are well advanced, resulting in a cost structure that is easy to control.
In addition, we are actively exploring the utilization of generative AI.

Growth Strategy

Next, I will explain our growth strategies for each business segment that underpin our three-year business plan.

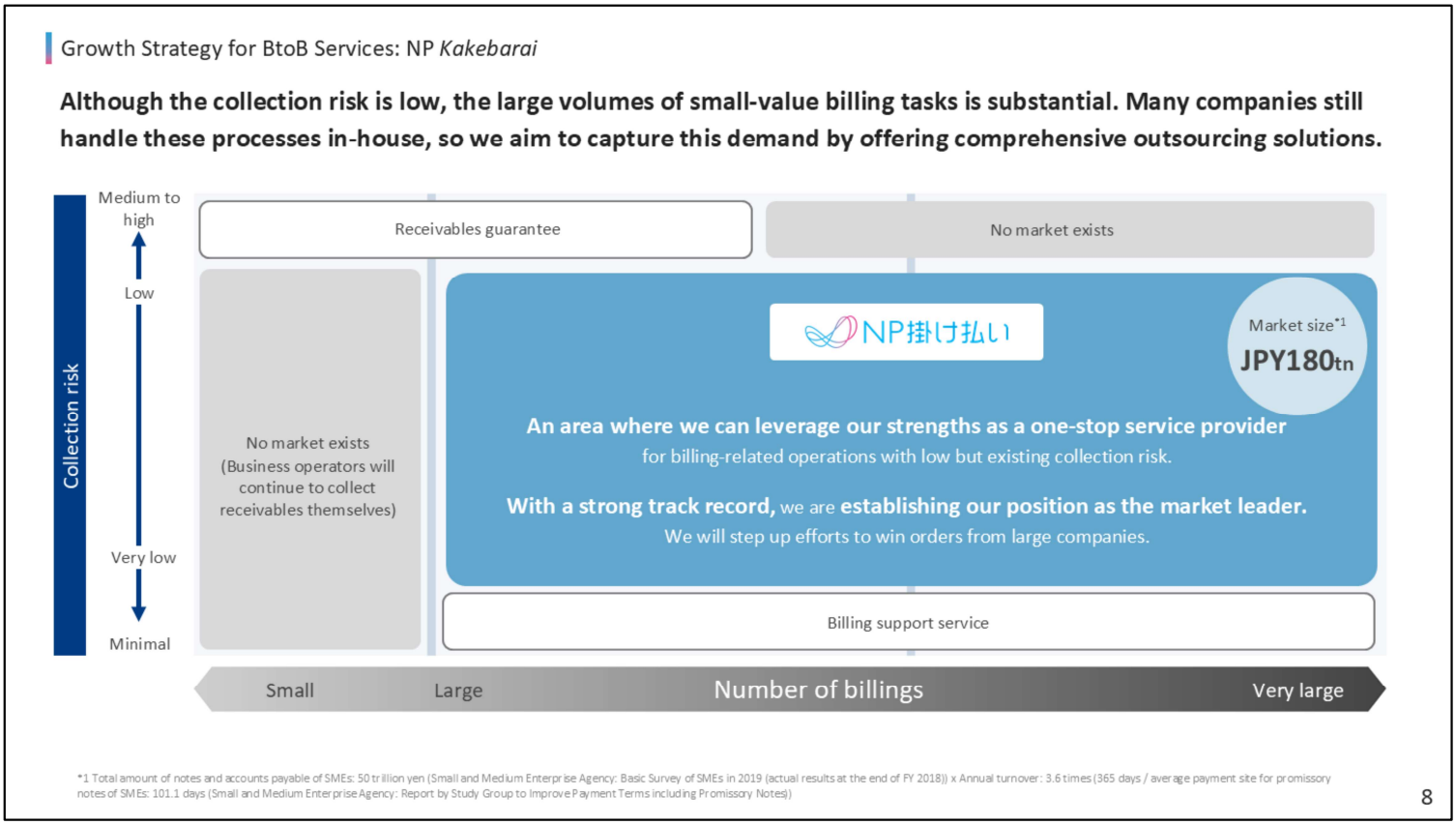


Let me begin by outlining the overall direction of our growth strategy.

For our BtoC NP Atobarai, a series of credit screening improvements and the implementation of late payment administrative fees in FY3/25 have enabled us to establish a stable profit structure.
Looking ahead, we aim to maintain this profitability while also encouraging e-commerce companies to transition from their in-house BNPL to our service.

For BtoB, NP Kakebarai continues to show strong growth and has already established a leading position in the market. We plan to further accelerate GMV growth by actively pursuing contracts with major enterprise clients.
In addition, we will strengthen our financial services for our network of over 700,000 buyer companies.

For our BtoC atone, it is expected to maintain its current growth trajectory, and our three-year business plan reflects this outlook. Furthermore, we are preparing new initiatives that are not yet factored into the plan; details will be provided on page 9.

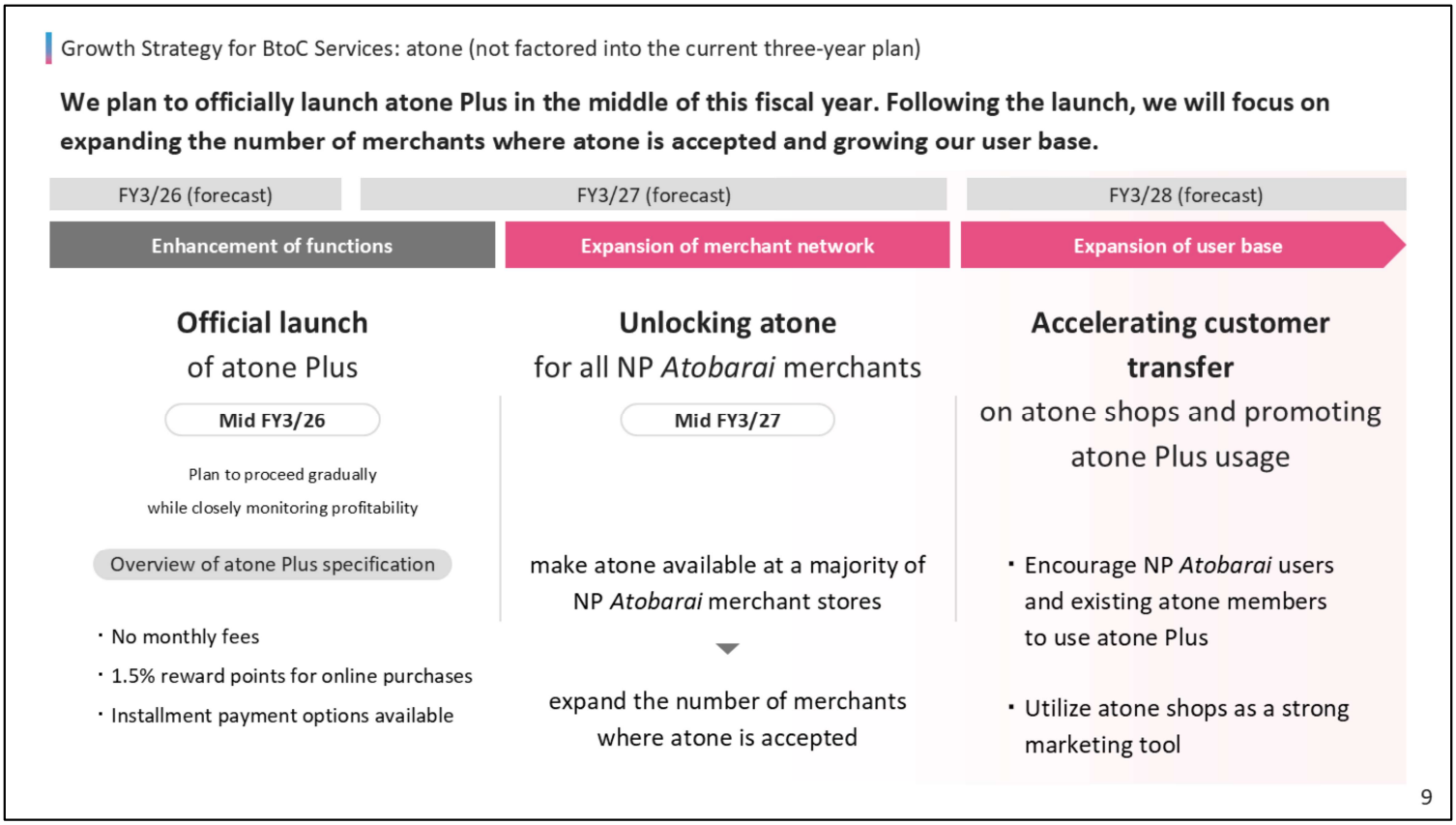


This is our growth strategy for NP Kakebarai, our BtoB solution.

There is a vast market for managing large volume of small-value invoices that carry inherent collection risks.
Many companies still handle these billing and collection tasks internally, and when sales teams are responsible for collections, it often leads to significant challenges in terms of both time and motivation.

Only few providers can offer an end-to-end solution that seamlessly manages the entire accounts receivable process-including risk management.
We take pride in being one of the very few companies with this capability, honed over more than a decade of experience. This unique strength positions us well to continue driving growth.

Recently, we have seen a notable increase in opportunities with major enterprise clients, further strengthening our confidence in the outlook for this business.



Finally, regarding our BtoC service, atone, I would like to introduce a new initiative that is currently under preparation, although it is not included in our current three-year plan.

First, we are working toward the mid-year launch of “atone plus.” We have already conducted tests with over 1,000 users, and progress has been going well.
While we ask for your patience regarding further details until the official release, the key features will include no monthly fees, 1.5% reward points for online purchases, and the availability of installment payment options.

By the middle of the fiscal year ending March 2027, we plan to make atone available at the majority of NP *Atobarai* merchant stores. This will allow us to rapidly expand the number of merchants where atone is accepted.

Following this expansion, around the fiscal year ending March 2028, we intend to strengthen our outreach to 15 million NP *Atobarai* users and 7 million existing atone members, encouraging them to use atone Plus.
At the same time, we will enhance atone shops as a platform for driving customer referrals to our partner merchants.

Please look forward to the expansion of atone services.

This concludes our financial results presentation for the fiscal year ended March 31, 2025.

Subscribe to our IR Newsletter

The following information is delivered via email:

- Announcement of financial results presentation and IR seminars
- Notice of financial statements uploads
- News releases

If you would like to receive our newsletter, please register using the form below or the QR code on the right.

https://www.magicalir.net/7383/mail/index_en.php

Disclaimer

- This document was prepared by Net Protections Holdings, Inc. (referred to as the “Company” or “we” herein) solely for informational purposes. This document does not constitute an offer to sell or a solicitation of an offer to buy any security of the Company in the United States, Japan or any other jurisdiction.
- This document contains forward-looking statements, which reflect the Company's assumptions and outlook for the future and estimates based on information available to the Company and the Company's plans and expectations as of the date of this document or other date indicated.
- Please note that significant differences between the forecasts and other forward-looking statements and actual results may arise due to various factors.
- Accordingly, readers are cautioned against placing undue reliance on any such forward-looking statements.
- The Company has no obligation to update or revise any information contained in this document based on any subsequent developments except as required by applicable law or stock exchange rules and regulations.