



TRYT Inc.

Tokyo Stock Exchange Growth Market (9164)

FY2024 Q2 Financial Results



TRYT

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1.

Shareholder Returns

Based on the current stock price, we have changed our policy to implement more proactive shareholder return going forward

Shareholder return policy for year-end dividend

- According to the above proactive shareholder return policy, we plan to begin a year-end dividend payment based on a payout ratio of 30% from FY2024, since we believe that our business structure allows us to continue generating abundant free cash flow and profit, and we have steadily reduced net debt (down by JPY4.3BN YoY)
- We plan to pay a dividend of JPY11 per share as a year-end dividend for FY2024
- Given the structural tailwind in the industry with increasing elderly population and decrease in labor force, as well as our favorable positioning, we plan not to reduce but to maintain or increase dividends in principle

Special shareholder return taking into account of the current stock price (separate from the above)

- We considered share buyback in light of the current share price, however, we have decided to pay a dividend of JPY10 per share as an alternative, with consciousness to maintain and improve the liquidity of our shares in the stock market
- This dividend is separate from the year-end dividend mentioned above and corresponds to the current stock price
- We intend to continue flexible shareholder return including share buyback, taking into consideration of the balance among share price, financial soundness, and investment for growth

	Dividend per share		
	FY2024 Q2	FY2024 Q3 (Special shareholder return)	FY2024 Q4 (Regular year-end dividend)
After revision (FY2024)	JPY0.00	JPY10.00	JPY11.00
Before revision (FY2024)	JPY0.00	-	JPY0.00
Actual results of previous year (FY2023)	JPY0.00	-	JPY0.00



2.

Summary of FY2024 Q2 Financial Results

FY2024 Q2 Financial Results (Apr-Jun)

- Revenue in FY2024 Q2 was JPY20.1BN (+9% YoY), operating profit was JPY7.3BN (+3% YoY), and EBITDA was JPY7.7BN (+3% YoY), which were limited growth
- While each business' revenue grew, the healthcare placement was below our expectation
- The cost per acquisition for registered healthcare/welfare professionals in the elderly care / nursing care fields rose sharply since April due to expectations of a recovery in the job market for healthcare/welfare professionals. As a result, the number of registered healthcare/welfare professionals fell short of our expectation
- In addition, the elderly care placement business was also affected by the web page malfunction occurred in FY2024 Q1, which will not have any impact on FY2024 Q3 onwards
- Growth in healthcare placement business fell short of our expectation. As a result, the company-wide operating profit and EBITDA growth also fell short of our expectation
- Financial expenses increased as the financial impact of IFRS adjustments (decrease in expenses) incurred in FY2023 Q2 was reduced from refinancing, although it halved the interest expenses. As a result, a profit was JPY5.1BN (+2% YoY)

Unit: JPY MM	FY2023 Q2	FY2024 Q2	YoY
Revenue	18,473	20,106	+9%
Operating profit	7,142	7,349	+3%
EBITDA* ¹	7,479	7,721	+3%
Financial income	263	223	-15%
Financial expenses	60	117	+93%
Profit before tax	7,345	7,455	+1%
Profit	4,973	5,089	+2%

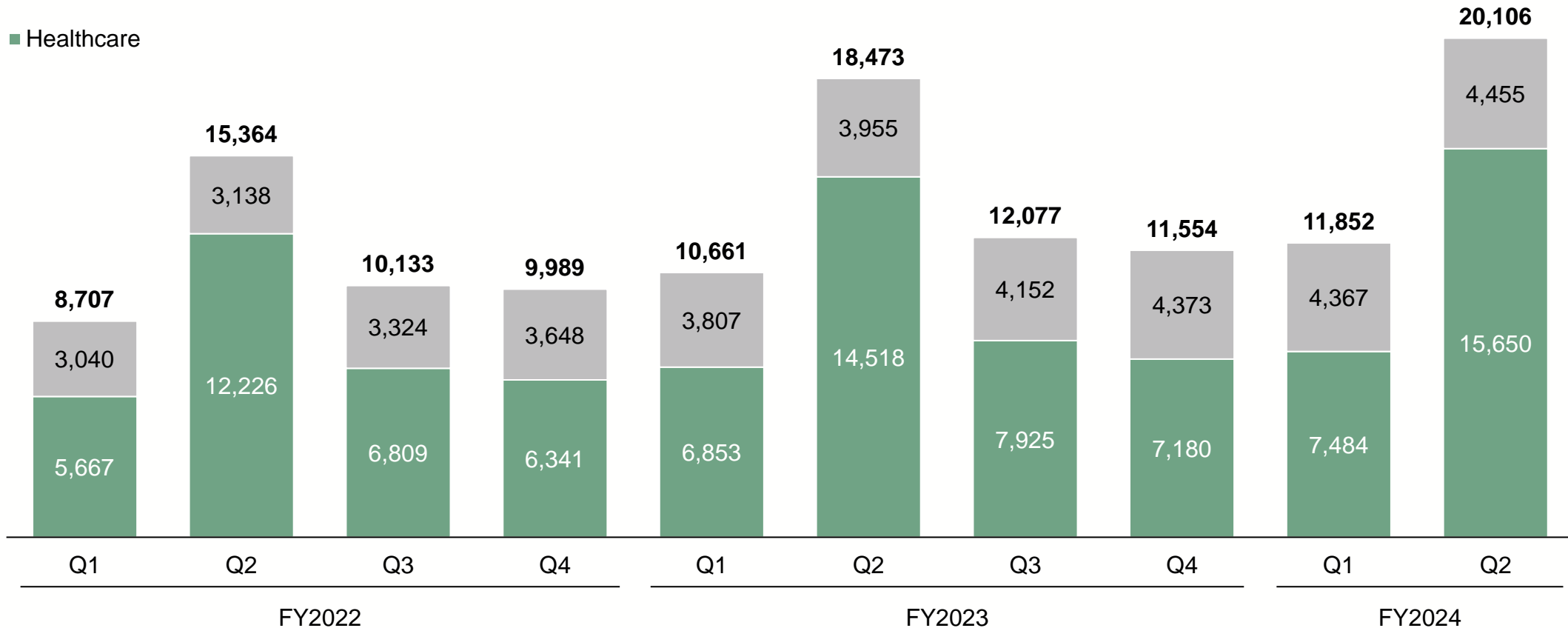
*1: EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets

Company-wide: Revenue (quarterly trend)

Revenue for FY2024 Q2 increased by 9% YoY. Non-healthcare achieved higher-than-expected revenue growth of 13% YoY while growth for healthcare was limited to 8% YoY

Revenue by business (JPY MM)

- Non-healthcare
- Healthcare



FY2024 Q2 vs. FY2023 Q2

- +9%
- +13%
- +8%

Healthcare business: Revenue by healthcare business sub-segments (quarterly trend)

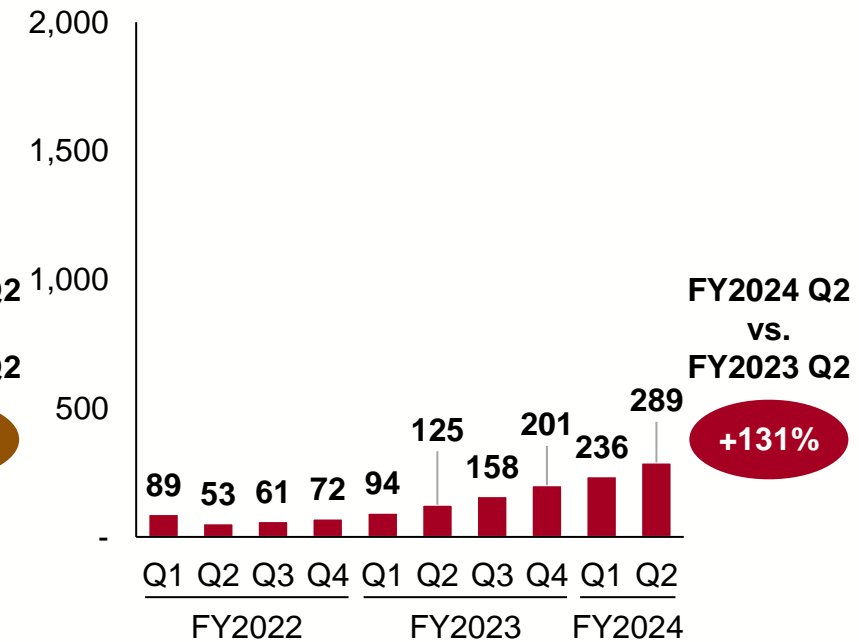
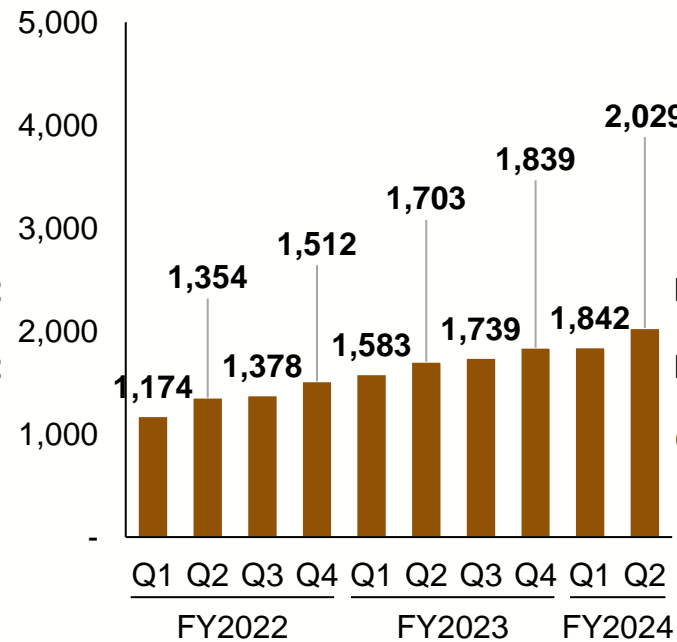
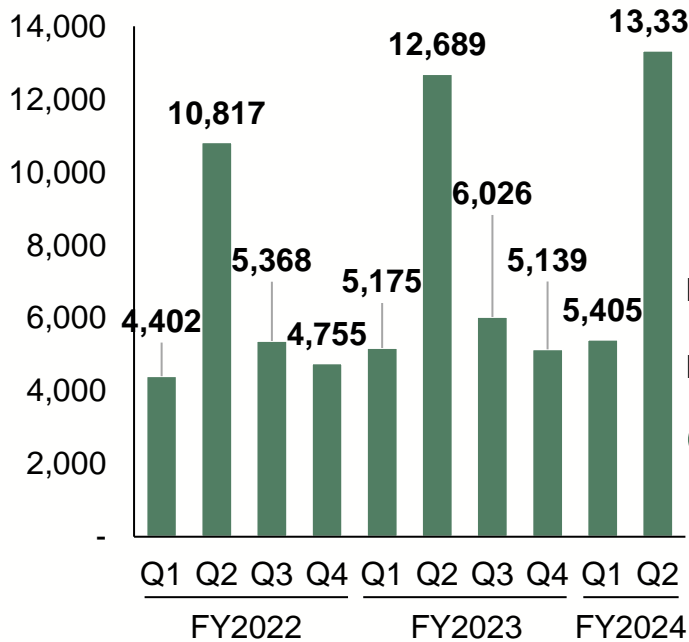
Revenue growth (YoY) in the sub-segments of the healthcare business was only 5% in the healthcare placement, while healthcare staffing achieved 19% and the healthcare new businesses achieved 131% which highly exceeded previous year's results. The healthcare placement business fell short of our expectation due to the web page malfunction occurred in Q1, as well as shortage of healthcare/welfare professionals in the elderly care and nursing care fields

Breakdown of revenue in the healthcare business (JPY MM)

■ Healthcare placement

■ Healthcare staffing

■ Healthcare new businesses *1
(including others)



*1: Healthcare new businesses refer to DR business and ICT solution business

- Revenue for FY2024 H1 was JPY32.0BN (+10% YoY), operating profit was JPY6.7BN (-4% YoY), EBITDA was JPY7.4BN (-2% YoY), and profit was JPY4.2BN (-10% YoY)
- Revenue growth was driven by the non-healthcare business and the healthcare staffing business
- Company-wide operating profit and EBITDA declined since growth in the healthcare placement business which was the most profitable among our businesses fell short of our expectation

FY2024 H1 Financial Results (Jan-Jun)

Unit: JPY MM	FY2023 H1	FY2024 H1	YoY
Revenue	29,135	31,958	+10%
Operating profit	6,962	6,695	-4%
EBITDA* ¹	7,613	7,445	-2%
Financial income	310	411	+33%
Financial expenses	369	972	+163%
Profit before tax	6,903	6,135	-11%
Profit	4,673	4,190	-10%
(Reference) Profit excl. one-time cost related to refinancing	4,673	4,630	-1%
Free cash flow* ²	6,205	4,972	

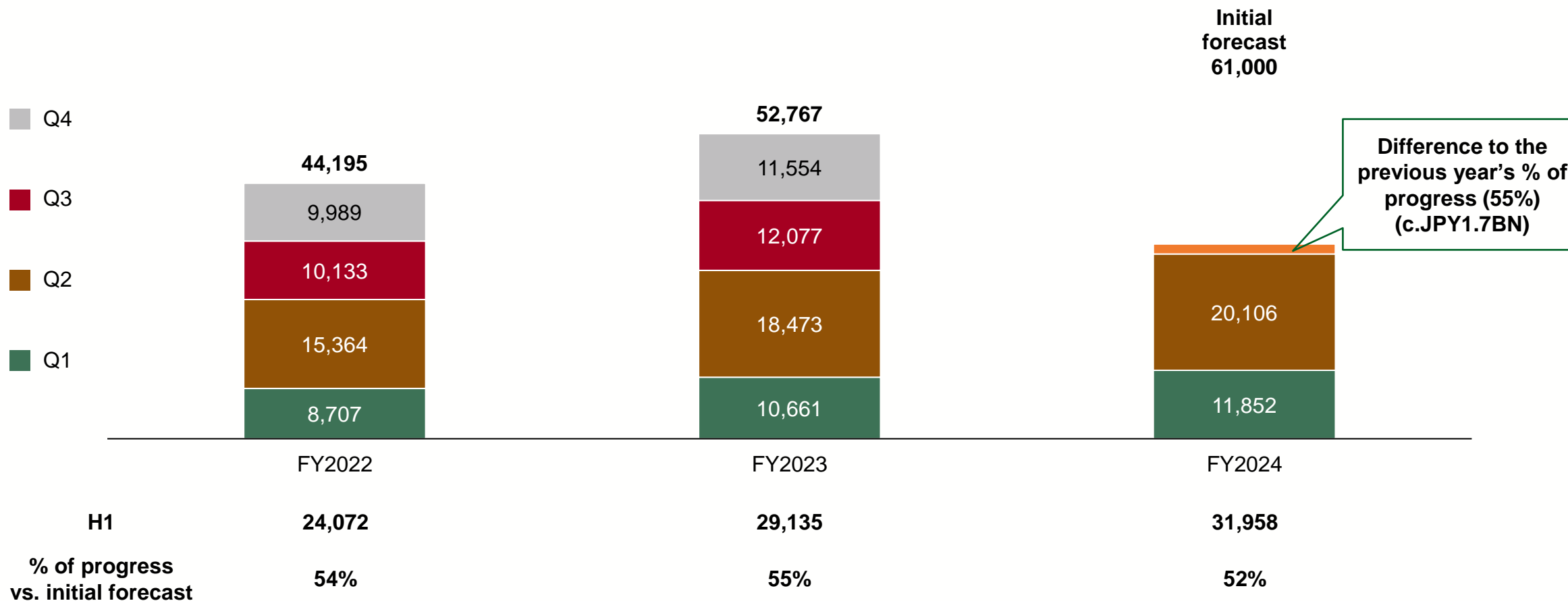
*1: EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets

*2: Free cash flow = operating cash flow - capital expenditures (purchase of property, plant and equipment + purchase of intangible assets)

Company-wide: Progress on FY2024 initial financial forecast (revenue)

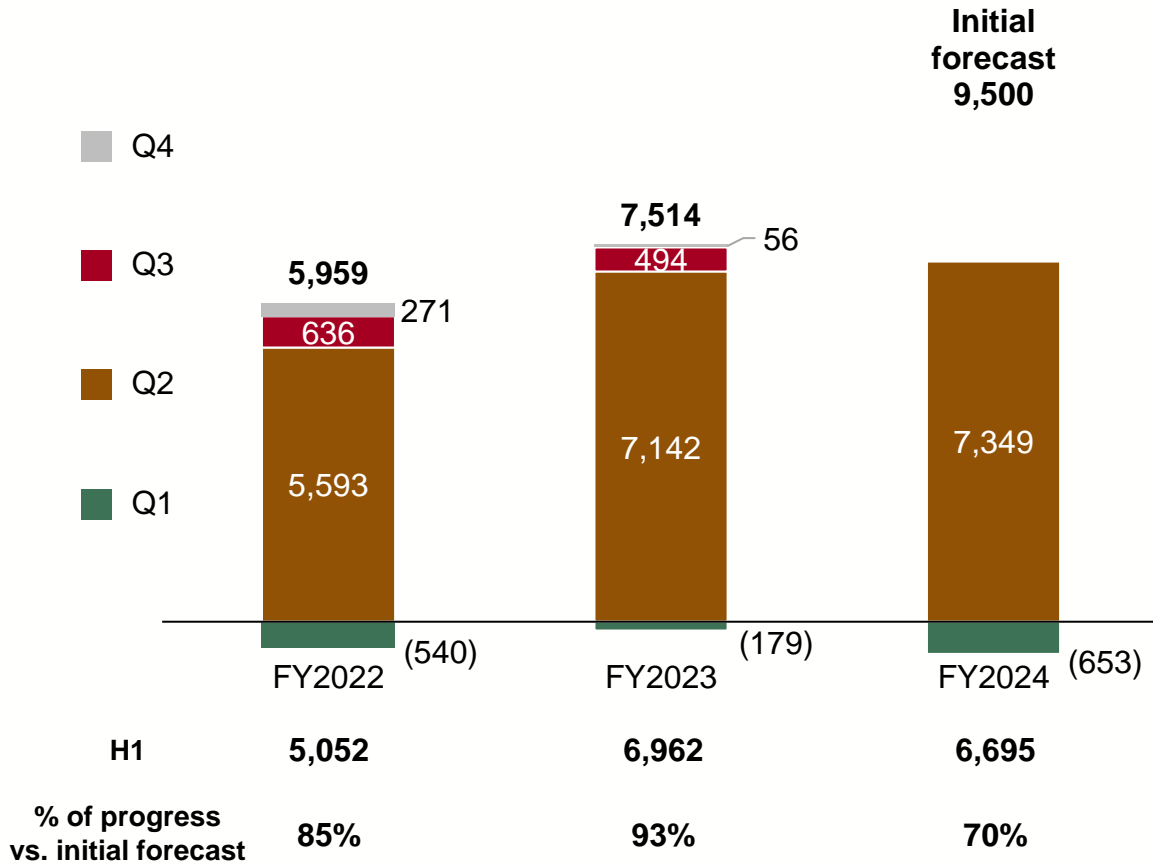
While revenue grew by 10% YoY, FY2024 H1 progress against initial full-year financial forecast remained at 52%

Quarterly revenue (JPY MM)

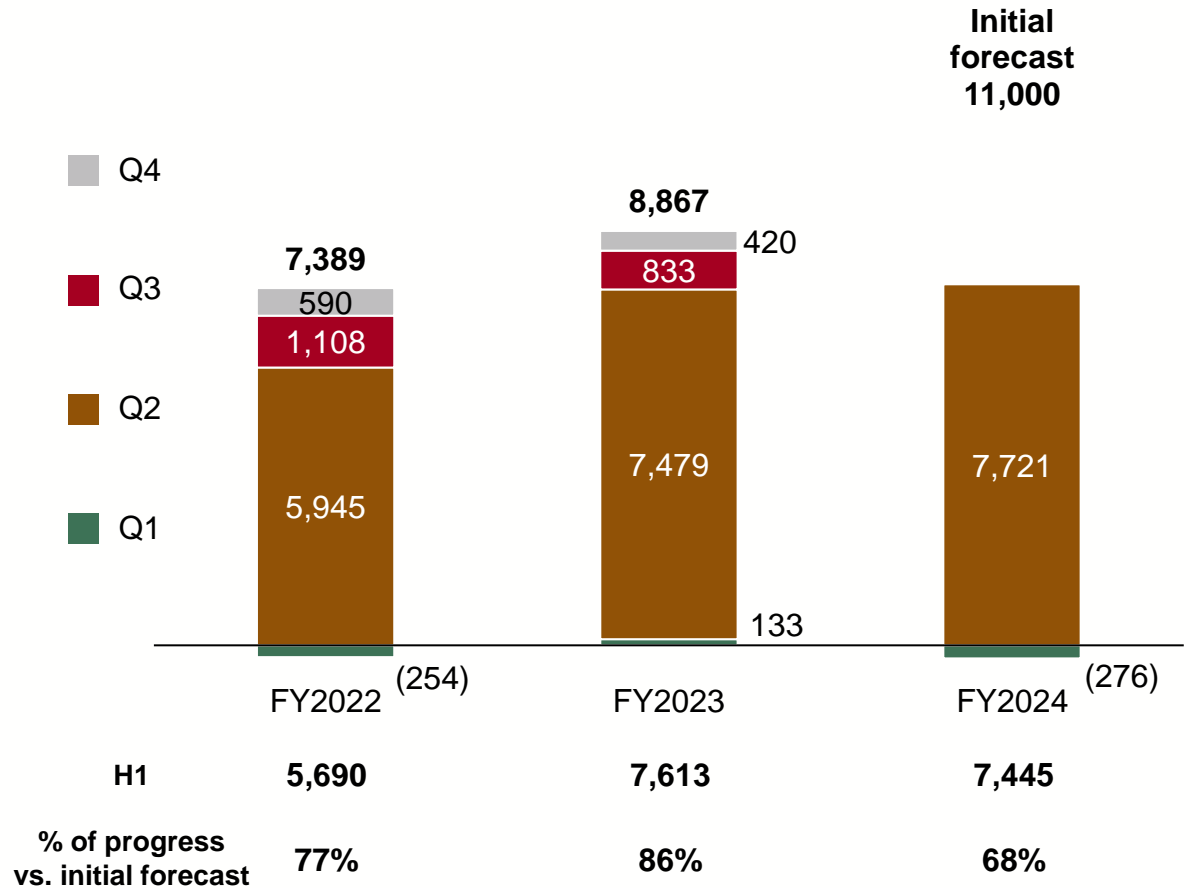


As of FY2024 H1, the operating profit and EBITDA's rates of progress were 70% and 68% against FY2024 initial full-year financial forecast, which fell short from the past two years

Quarterly operating profit (JPY MM)



Quarterly EBITDA (JPY MM)*1



*1: EBITDA = profit (loss) + income tax expense + financial expenses - financial revenue + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on disposal of fixed assets



3.

FY2024 Financial Forecast and Measures for FY2024 H2

- **Market growth**
 - The healthcare/welfare industry faces a serious labor shortage. The government-led measures are expected to continue in the future, hence the market growth will also remain high going forward
 - We have top-class market shares in the industry and can benefit from the growth of the market
- **Our situation**
 - In FY2024 H1, the growth in the healthcare placement business was below our expectation due to the impact of the web page malfunction and the sharp rise in cost per acquisition for registered healthcare/welfare professionals
 - We expect the acquisition cost rise for registered healthcare/welfare professionals to continue in FY2024 Q3 onwards, however, there will be no impact of the web page malfunction in FY2024 H2
- Based on the above, we have revised our full-year financial forecasts for FY2024 as the below table
- The current medium-term management plan will be revised following this financial forecast revision
- The conversion rate from EBITDA to free cash flow (FCF) is expected to be around 50%, and FCF is expected to be around JPY4.0BN, hence the revision will have no impact on goodwill impairment risk^{*1}

Unit: JPY MM	FY2023	FY2024 financial forecast		Revised forecast vs. initial forecast		Revised forecast vs. FY2023
		Initial	Revised	Amount change	% change	YoY
Revenue	52,767	61,000	57,500	-3,500	-6%	+9%
Operating profit	7,514	9,500	6,200	-3,300	-35%	-17%
EBITDA ^{*2}	8,867	11,000	7,800	-3,200	-29%	-12%
Profit before tax	7,050	8,300	5,300	-3,000	-36%	-25%
Profit	4,901	5,500	3,500	-2,000	-36%	-29%
(Reference) Profit excl. one-time cost related to refinancing	4,901	6,000	3,900	-2,100	-35%	-20%

*1: Free cash flow = operating cash flow - capital expenditures (purchase of property, plant and equipment + purchase of intangible assets)

*2: EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets

Revenue

- **Healthcare placement business:** Decreased by JPY3.3BN due to the previously mentioned reasons
- **Healthcare staffing business:** Decreased by JPY0.1BN as we will connect existing staffing employees to the placement business more proactively
- **Healthcare new businesses:** Decreased by JPY0.4BN due to revised business outlook for the DR business
- **Non-healthcare business:** Increased by JPY0.3BN as the decrease in staffing unit price is smaller than expected

SG&A expenses

- **Personnel expenses:** Decreased by JPY1.2BN due to sales personnel recruitment restriction as the number of registered healthcare/welfare professionals are decreasing. Each sales personnel has room to handle more registered professionals
- **Advertising expenses:** Increased by JPY1.0BN in order to increase the number of registered healthcare/welfare professionals for growth in the next fiscal year onwards

Unit: JPY MM	FY2023	FY2024 financial forecast		Revised forecast vs. initial forecast		Revised forecast vs. FY2023
		Initial	Revised	Amount change	% change	YoY
Revenue	52,767	61,000	57,500	-3,500	-6%	+9%
Healthcare business	36,478	43,000	39,200	-3,800	-9%	+7%
Healthcare placement business	29,030	33,400	30,100	-3,300	-10%	+4%
Healthcare staffing business	6,867	7,900	7,800	-100	-1%	+14%
Healthcare new businesses* ¹ (including others)	580	1,600	1,200	-400	-25%	+107%
Non-healthcare business	16,288	17,900	18,200	+300	+2%	+12%
Gross profit	34,969	40,800	37,300	-3,500	-9%	+7%
SG&A expenses	27,582	31,500	31,300	-200	-1%	+13%
Personnel expenses	13,260	15,500	14,300	-1,200	-8%	+8%
Advertising expenses	8,641	9,700	10,700	+1,000	+10%	+24%
Others	5,680	6,300	6,300	-	-	+11%
Other income/expenses	127	200	200	-	-	+57%
Operating profit	7,514	9,500	6,200	-3,300	-35%	-17%
EBITDA*²	8,867	11,000	7,800	-3,200	-29%	-12%

*1: Healthcare new businesses refer to DR business and ICT solution business

*2: EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets

Company-wide: Breakdown of FY2024 revised financial forecast by half year

For growth in FY2025 onwards, in addition to our conventional marketing methods, we plan to increase the number of registered healthcare/welfare professionals by placing our advertisements on media that include more healthcare/welfare professionals with higher motivation for job changes. However, since the effect will be limited during FY2024, the revenue growth in FY2024 H2 is expected to be 8%, resulting in a decrease in profit YoY

Unit: JPY MM	H1 (Jan-Jun)			H2 (Jul-Dec)		
	FY2023	FY2024	YoY	FY2023	FY2024 revised forecast	YoY
Revenue	29,135	31,958	+10%	23,632	25,500	+8%
Healthcare business	21,372	23,135	+8%	15,106	16,100	+7%
Healthcare placement business	17,864	18,737	+5%	11,166	11,300	+1%
Healthcare staffing business	3,287	3,871	+18%	3,579	4,000	+12%
Healthcare new businesses* ¹ (including others)	220	526	+139%	360	700	+94%
Non-healthcare business	7,763	8,823	+14%	8,525	9,400	+10%
Gross profit	20,666	22,223	+8%	14,303	15,100	+6%
SG&A expenses	13,757	15,624	+14%	13,824	15,700	+14%
Personnel expenses	6,660	7,275	+9%	6,600	7,000	+6%
Advertising expenses	4,515	5,315	+18%	4,125	5,400	+31%
Others	2,581	3,033	+18%	3,099	3,300	+6%
Other income/expenses	54	97	+79%	72	100	+38%
Operating profit	6,962	6,695	-4%	551	(400)	n.a.
EBITDA*²	7,613	7,445	-2%	1,253	300	-76%
Profit before tax	6,903	6,135	-11%	146	(800)	n.a.
Profit	4,673	4,190	-10%	227	(600)	n.a.

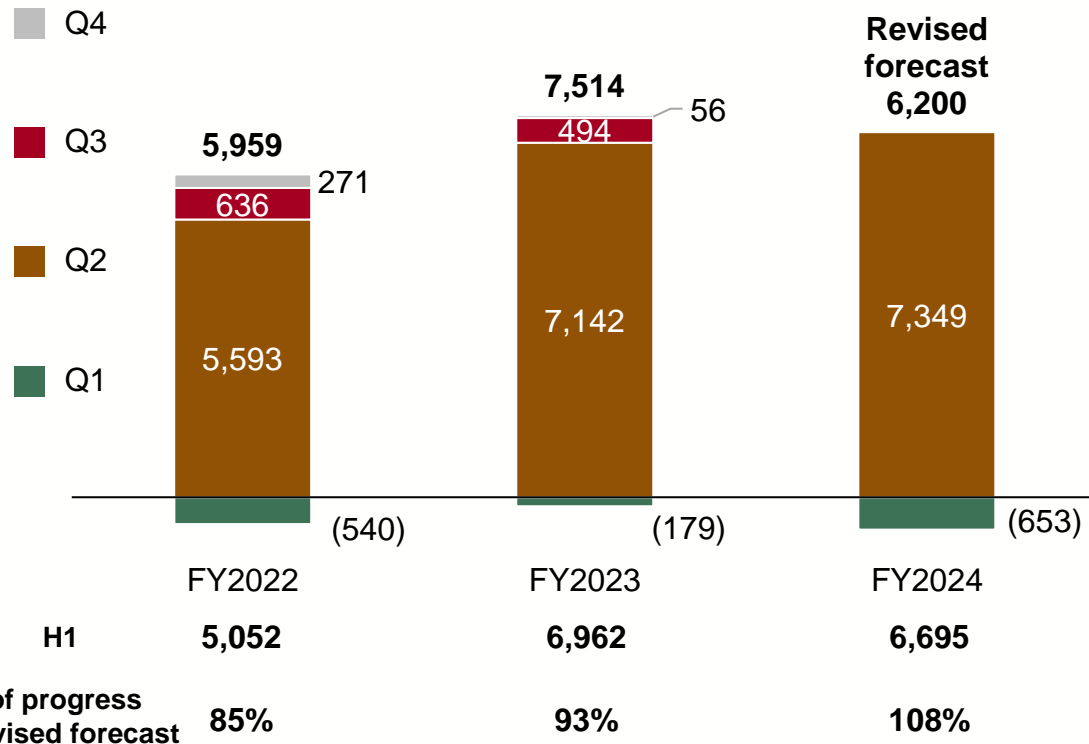
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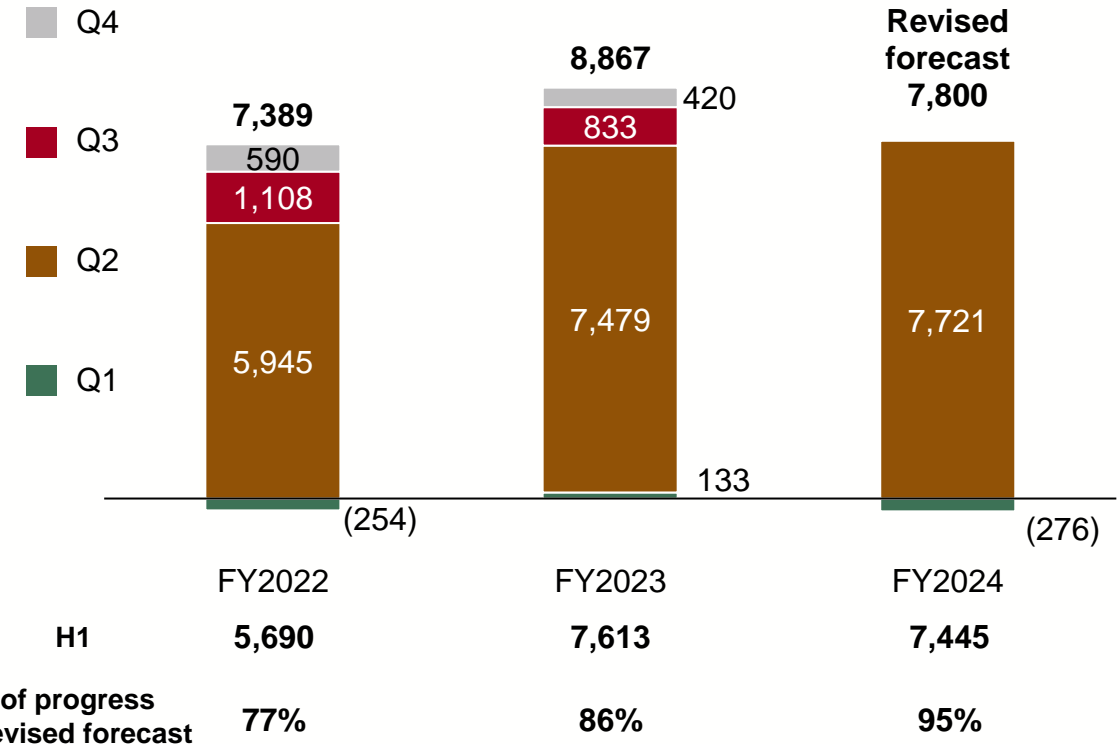
Company-wide: Progress on FY2024 revised financial forecast (operating profit, EBITDA)

The operating profit and EBITDA's rates of progress in FY2024 H1 have already reached 108% and 95% against the FY2024 revised full-year financial forecast

Quarterly operating profit (JPY MM)



Quarterly EBITDA (JPY MM)*1



*1: EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets

In addition to our conventional marketing methods, we plan to place our advertisements on media that include more healthcare/welfare professionals with higher motivation for job changes. Although the cost per acquisition will be higher, we will be able to maintain the overall profitability of the placement business by raising the closing ratio. However, as it takes time for effects to realize, the contribution to revenue growth is not expected within FY2024

Conventional

- By utilizing job proposition ability of our high quality career advisors, we were able to control both cost per acquisition and the number of registered healthcare/welfare professionals

Market change

- The sharp rise in the cost per acquisition due to an expected recovery in the job market for healthcare/welfare professionals

Reinforcement plan

- Listings (paid search inflow of e.g. advertisements, etc.)
 - In addition to our conventional marketing methods, we plan to increase the number of registered healthcare/welfare professionals by placing advertisements on media that include more healthcare/welfare professionals with higher motivation for job changes
 - Although the cost per acquisition will be higher, we will be able to maintain the profitability of the overall placement business by raising the closing ratio
- Other routes to acquire healthcare/welfare professionals
 - Promote utilization of the registrant database by establishing daily touch points with registered healthcare/welfare professionals
 - Secure healthcare/welfare professionals through SEO

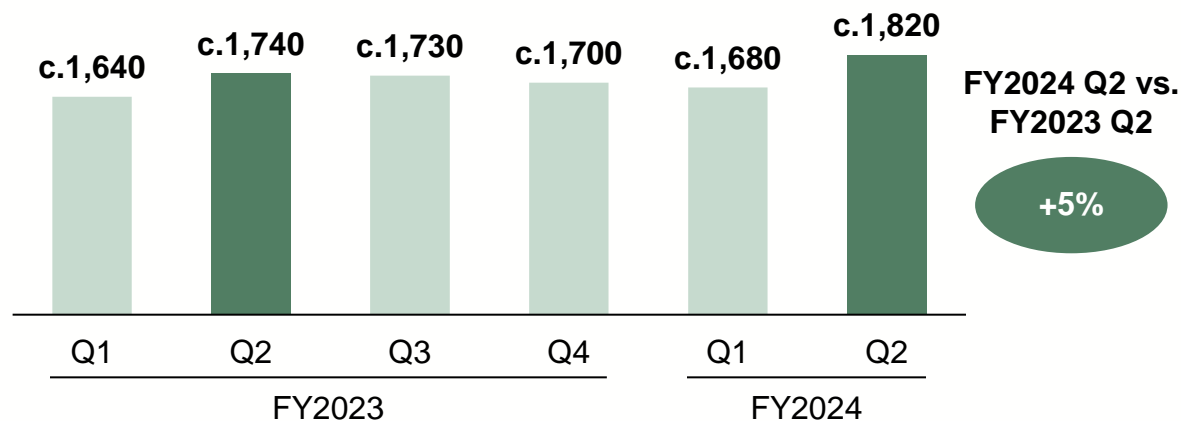
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Appendix

As of the end of FY2024 Q2, the number of sales personnel in the placement business increased by 5% YoY. Revenue per sales personnel was at the same level as FY2023 H1 due to the shortage of registered healthcare/welfare professionals. The recruitment will be restricted in FY2024 H2 because the skills of sales personnel are improving and as they have room to handle more registrants

of sales personnel as of the end of each quarter (persons)^{*1,2}
(incl. sales planning team, etc. in addition to career advisors)

Unit: persons	FY2023	FY2024 forecast	
		Initial	Revised
# of sales personnel (annual average)	c.1,700	c.1,800	c.1,750

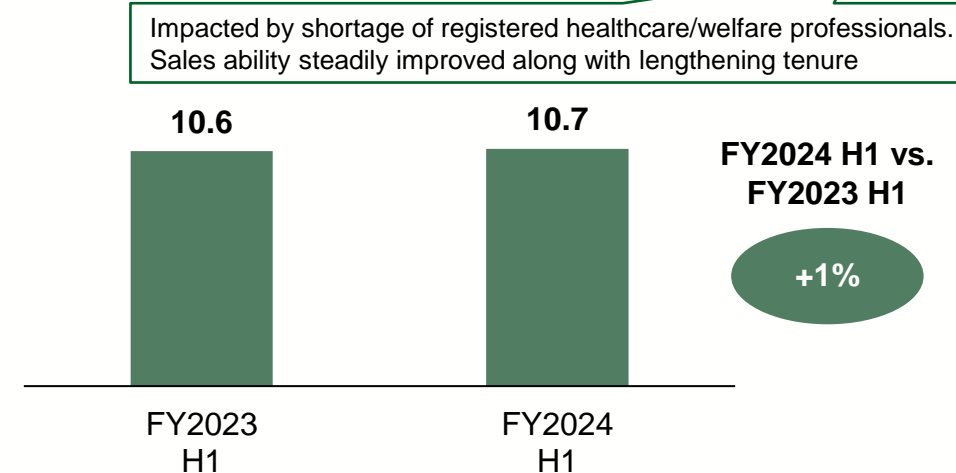


Career advisor turnover rate^{*3,4}



Average revenue per sales personnel in each period (JPY MM)^{*5}

Unit: JPY MM	FY2023	FY2024 forecast	
		Initial	Revised
Annual revenue per sales personnel	c.17	c.18	c.17



% of career advisors with tenure over 1 year^{*6}



*1: Rounded to the nearest ten

*2: Figures are for sales personnel engaged in the healthcare placement business only

*3: Figures are for career advisors engaged in the healthcare placement business only

*4: Turnover rate = number of leavers in the last 12 months since the end of each period / (number of career advisors as of the beginning of each period + number of new employees in the last 12 months since the end of each period)

*5: Calculated by dividing the revenue of the healthcare placement business by the average number of sales personnel for the respective period

*6: Percentage of career advisors with tenure over 1 year in the healthcare placement business as of the end of each period

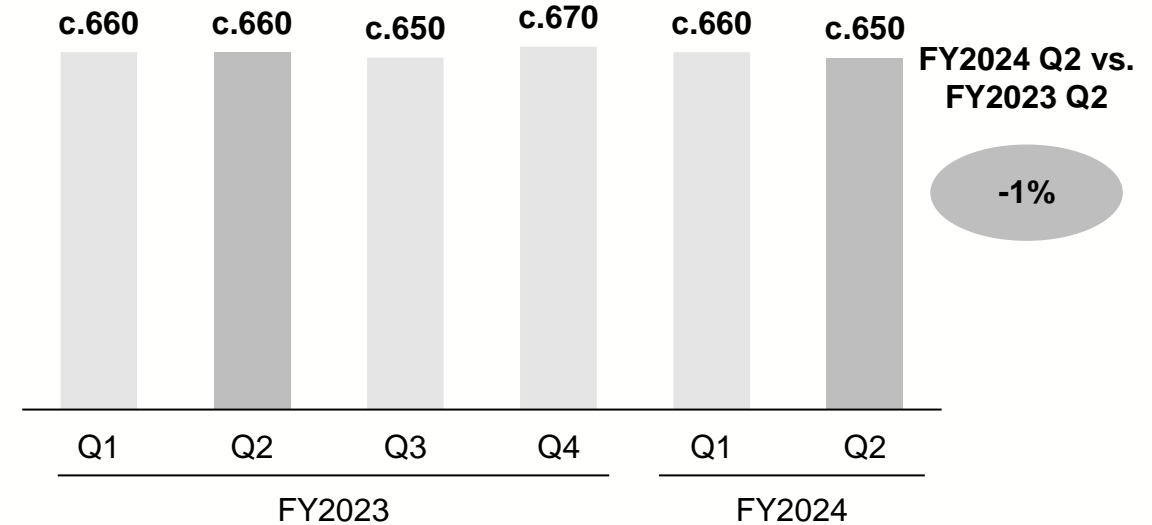
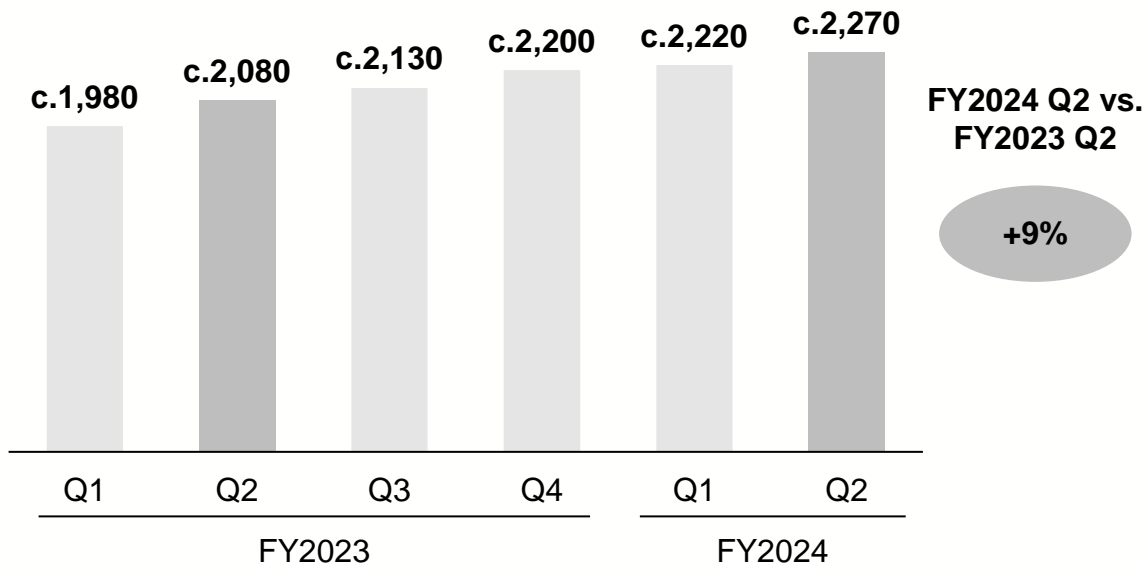
As of the end of FY2024 Q2, the number of staffing employees in the non-healthcare business increased by 9% YoY. Staffing unit price remained at the same level as FY2023 Q2 as a result of sales effort, even under the overtime regulations introduced in April 2024

of staffing employees as of the end of each quarter (persons)^{*1}

Unit: persons	FY2023	FY2024 forecast	
		Initial	Revised
# of staffing employees (annual average)	c.2,000	c.2,300	c.2,300

Monthly average staffing unit price for the last month of each quarter (JPY K)^{*2,3}

Unit: JPY K	FY2023	FY2024 forecast	
		Initial	Revised
Staffing unit price (annual average)	c.650	c.630	c.660



*1: Rounded to the nearest ten

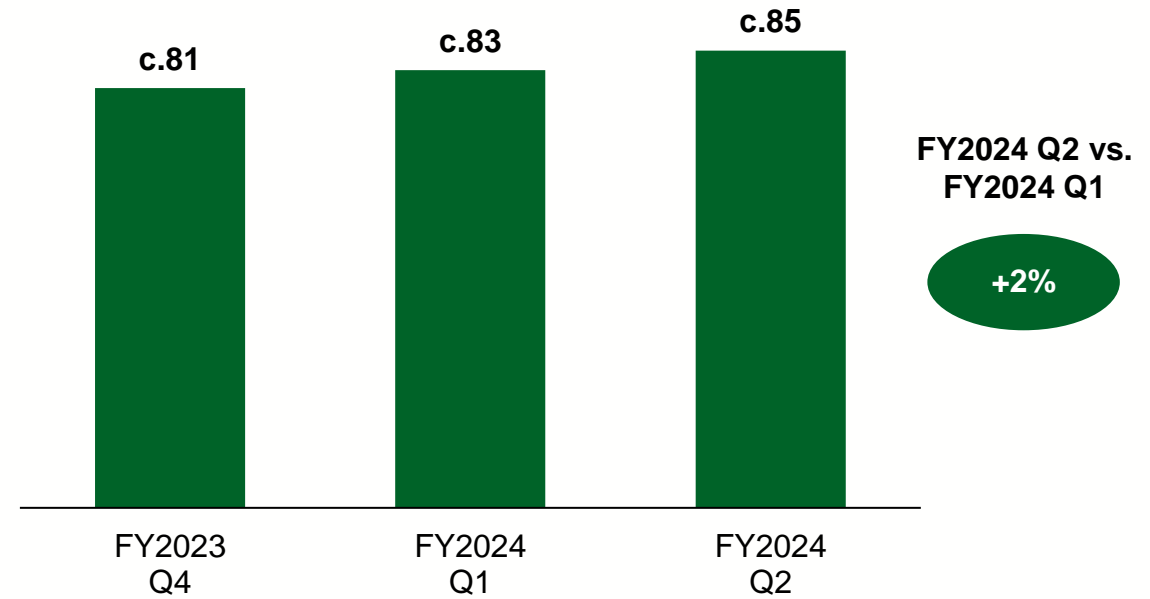
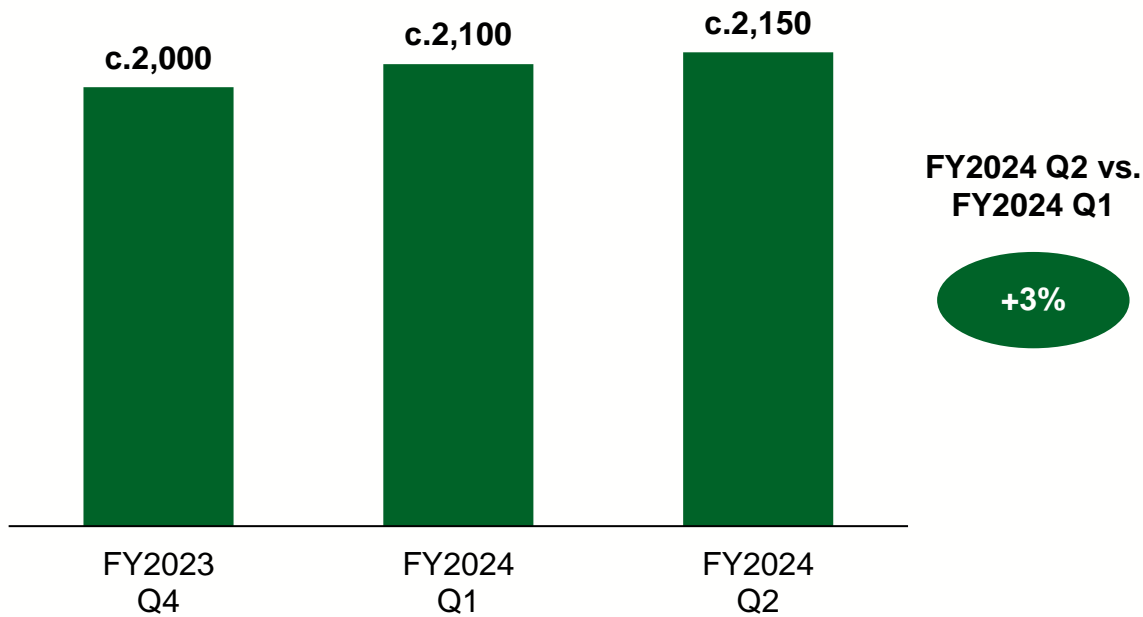
*2: Rounded to the nearest ten thousand

*3: Monthly average staffing unit price for the last month of each quarter = staffing revenue for the relevant month / number of working staffing employees for the relevant month

The number of registered healthcare/welfare professionals at the end of FY2024 Q2 increased by approximately 50K compared to FY2024 Q1 (+3% QoQ). The number of contract healthcare/welfare institutions showed steady increase

of healthcare/welfare professionals in our database (K)*1

of contract healthcare/welfare institutions (K)*1

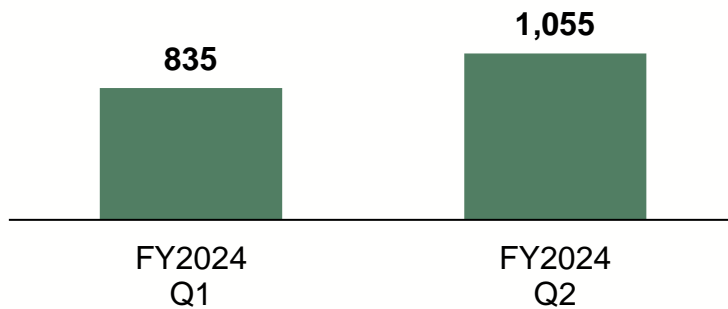


*1: As of the end of each quarter

In FY2024 Q2, we steadily increased the number of targets for recruiting and job openings, which were our major KPIs for the DR business to provide a platform where healthcare/welfare professionals and institutions with hiring needs can match. However, due to a lack of resources in healthcare/welfare institutions, there were an increasing number of cases where the recruitment process did not proceed, leading to limited revenue compared to our initial expectation. On the other hand, the ICT solution business expanded steadily

DR business

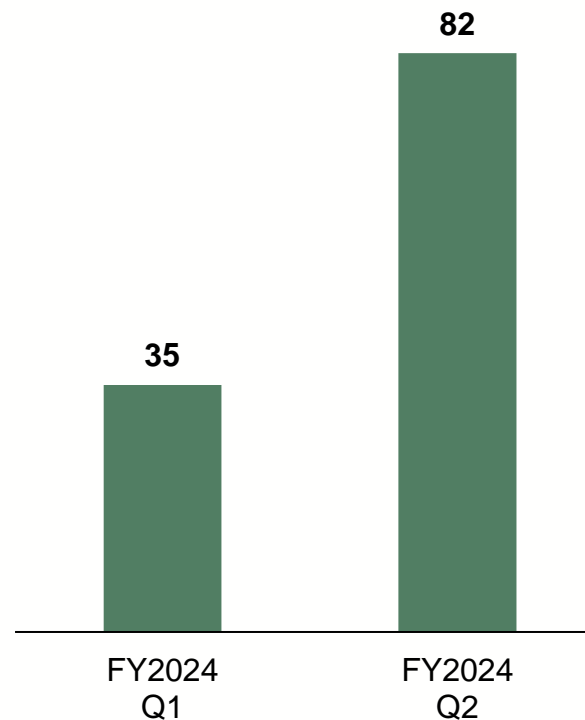
of targets for recruiting (K)*1



of job openings (K)*1

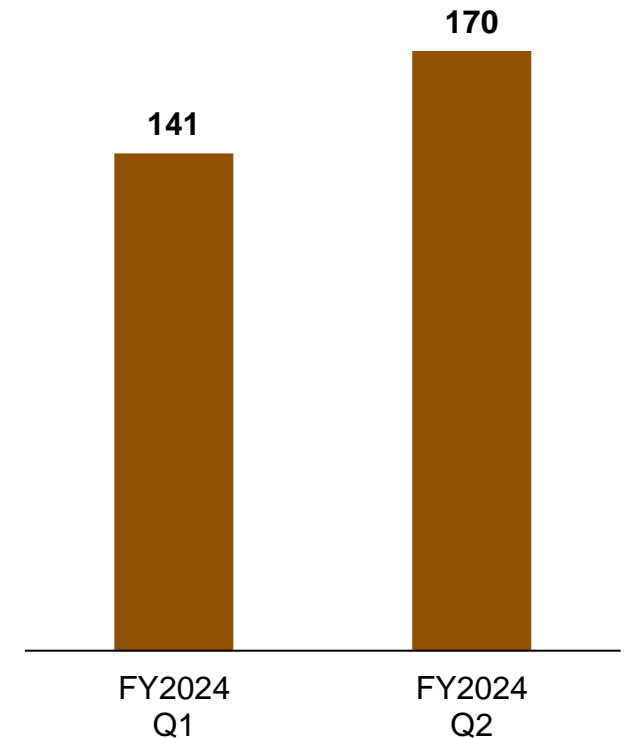


Revenue (JPY MM)



ICT solution business

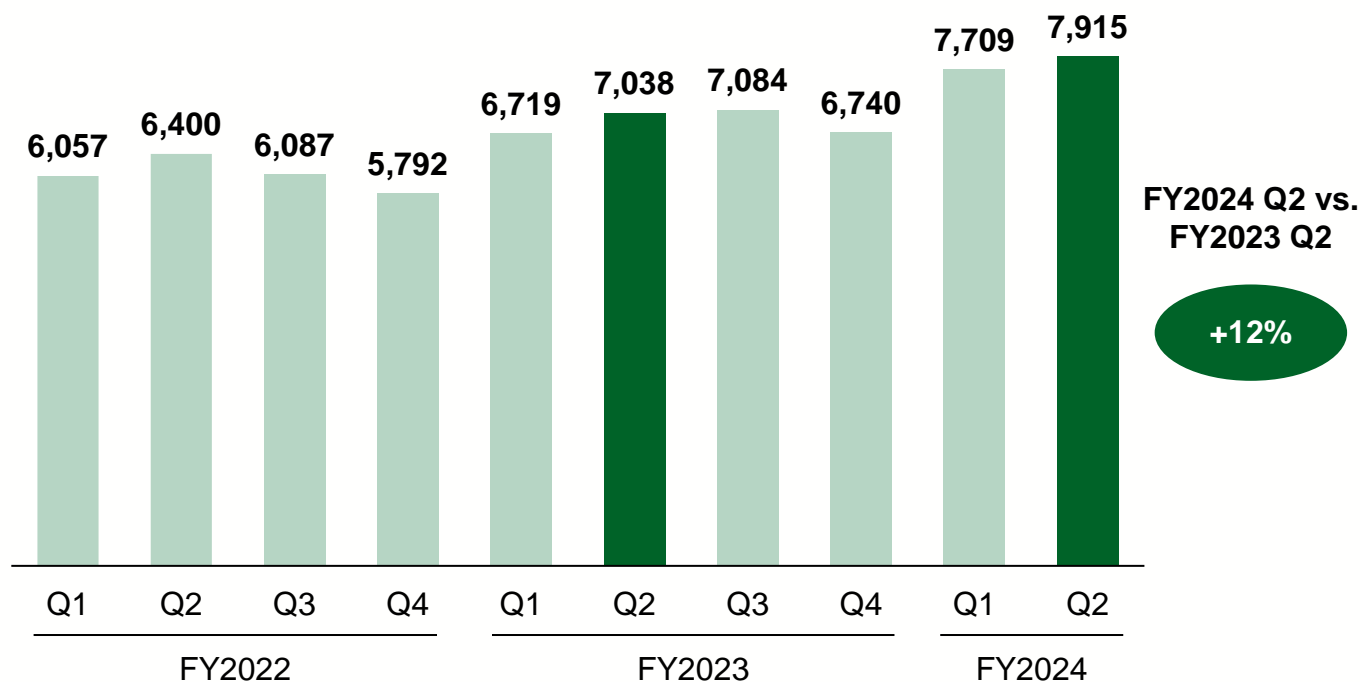
Revenue (JPY MM)
(total of ICT HR related business and BRIGHTVIE)



*1: As of the end of each quarter

SG&A expenses increased by 12% YoY in FY2024 Q2. Advertising expenses increased by 22% due to the sharp rise in the cost per acquisition for registered healthcare/welfare professionals in the elderly care and nursing care fields in the healthcare placement business. On the other hand, personnel expenses increased by only 8% due to smaller-than-expected sales personnel expenses, as the revenue in healthcare placement business fell short of our expectation

SG&A expenses (JPY MM)



Major expense items

Unit: JPY MM	FY2023 Q2	FY2024 Q2	YoY
Personnel expenses	3,613	3,886	+8%
Advertising expenses	2,053	2,505	+22%
System-related expenses	242	295	+22%
Others	1,128	1,228	+9%

Company-wide: Summary of FY2024 Q2 consolidated statement of financial position

Net debt decreased by JPY4.3BN YoY due to abundant operating cash flow in FY2024 Q2. Regarding goodwill, based on the auditor, a significant impairment is unlikely to occur even if the group's revenue growth drops to around 5%

Unit: JPY MM	FY2023 Q2	FY2023 Q3	FY2023 Q4	FY2024 Q1	FY2024 Q2
Cash and cash equivalents	6,066	6,305	5,476	2,227	6,590
Trade receivables	4,431	4,474	4,070	4,570	5,014
Other	673	560	464	887	813
Total current assets	11,171	11,339	10,011	7,685	12,418
Property, plant and equipment	11,603	11,735	11,688	11,500	11,181
Goodwill	52,056	52,056	52,009	52,009	52,009
Intangible assets	3,418	3,488	3,587	3,605	3,601
Other	2,597	2,743	2,650	2,824	3,047
Total non-current assets	69,676	70,024	69,936	69,940	69,840
Total assets	80,848	81,364	79,947	77,625	82,258
Accounts payable - other	2,293	1,801	1,681	2,364	2,699
Short-term borrowings	-	-	-	-	-
Current portion of long-term borrowings	1,500	1,500	1,700	2,000	2,000
Lease liabilities	868	935	937	939	934
Other	7,940	8,477	8,054	7,822	8,297
Total current liabilities	12,602	12,714	12,373	13,126	13,932
Long-term borrowings	30,599	30,738	29,648	27,653	26,669
Lease liabilities	10,118	10,206	10,152	9,969	9,692
Other	1,827	1,831	1,845	1,847	1,845
Total non-current liabilities	42,545	42,776	41,646	39,470	38,207
Total liabilities	55,148	55,490	54,019	52,596	52,139
Total equity	25,699	25,873	25,927	25,028	30,118
Total liabilities and equity	80,848	81,364	79,947	77,625	82,258
Net debt ^{*1}	37,020	37,075	36,961	38,335	32,705
EBITDA ^{*2}	9,312	9,037	8,867	8,457	8,699
Net debt / EBITDA	4.0x	4.1x	4.2x	4.5x	3.8x

*1: Net debt = borrowings + lease liabilities - cash and cash equivalents

*2: EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets. Sum of last 12 months

Free cash flow conversion rate remains high, although it varies depending on the timing of tax payments

Unit: JPY MM	FY2023 H1	FY2024 H1
Profit before tax	6,903	6,135
Depreciation and amortization	648	747
Financial income	(310)	(411)
Financial expenses	369	972
Other	(618)	(569)
Interest and dividends received	0	0
Interest paid	(402)	(269)
Income taxes paid	(346)	(1,327)
Proceeds from compensation	216	-
Net cash provided by (used in) operating activities	6,460	5,276
Purchase of property, plant and equipment	(61)	(46)
Purchase of intangible assets	(192)	(258)
Other	(392)	(3)
Net cash provided by (used in) investing activities	(647)	(308)
Net increase (decrease) in short-term borrowings	(800)	-
Proceeds from long-term borrowings	-	29,650
Repayments of long-term borrowings	(798)	(33,020)
Repayments of lease liabilities	(435)	(471)
Other	(11)	(12)
Net cash provided by (used in) financing activities	(2,046)	(3,854)
Net increase (decrease) in cash and cash equivalents	3,766	1,114
Cash and cash equivalents at beginning of period	2,300	5,476
Cash and cash equivalents at end of period	6,066	6,590
Free cash flow^{*1}	6,205	4,972
Free cash flow conversion ratio^{*2}	82%	67%

*1: Free cash flow = operating cash flow - capital expenditures (purchase of property, plant and equipment + purchase of intangible assets)

*2: Free cash flow conversion ratio = free cash flow / EBITDA

Company-wide: Summary of consolidated statement of profit or loss

Unit: JPY BN	FY2020* ¹	FY2021* ²	FY2022	FY2023	FY2024 revised forecast
Revenue	33.0	36.7	44.2	52.8	57.5
Cost of sales	10.4	11.6	14.2	17.8	20.2
<i>ratio to revenue</i>	31.4%	31.5%	32.1%	33.7%	35.1%
Gross profit	22.6	25.2	30.0	35.0	37.3
<i>margin</i>	68.6%	68.5%	67.9%	66.3%	64.9%
SG&A expenses	16.9	19.0	24.3	27.6	31.3
<i>ratio to revenue</i>	51.2%	51.7%	55.1%	52.3%	54.4%
Personnel expenses	7.5	8.4	11.6	13.3	14.3
<i>ratio to revenue</i>	22.7%	22.9%	26.2%	25.1%	24.9%
Advertising expenses	6.5	6.9	7.6	8.6	10.7
<i>ratio to revenue</i>	19.6%	18.7%	17.2%	16.4%	18.6%
Others	2.9	3.7	5.2	5.7	6.3
<i>ratio to revenue</i>	8.9%	10.1%	11.7%	10.8%	11.0%
Other income/expenses	(0.0)	0.1	0.3	0.1	0.2
Operating profit	5.7	6.3	6.0	7.5	6.2
<i>margin</i>	17.3%	17.1%	13.5%	14.2%	10.8%
EBITDA*³	6.5	7.2	7.4	8.9	7.8
<i>margin</i>	19.8%	19.7%	16.7%	16.8%	13.6%
Financial income	0.5	0.5	0.4	0.3	0.2
Financial expenses	0.2	0.2	0.8	0.8	1.2
Interest expenses (excl. IFRS adjustments)* ⁴	0.1	0.1	0.9	0.8	0.5
IFRS adjustments	-	0.1	(0.0)	(0.1)	0.7
Others	0.1	0.0	0.0	0.0	0.0
Profit before tax	6.0	6.6	5.6	7.1	5.3
Profit	4.2	4.4	3.6	4.9	3.5
<i>margin</i>	12.8%	11.9%	8.2%	9.3%	6.1%

- 1 Cost of sales: Increased due to growth in non-healthcare business
- 2 Personnel expenses: Plan to maintain the same level as of FY2023
- 3 Advertising expenses: Expect to increase compared to FY2023 in order to acquire healthcare/welfare professionals for growth in FY2025 onwards
- 4 Operating profit margin: Expect to decrease due to prior investment in advertising expenses, however it is forecasted to improve in FY2025 onwards
- 5 Financial expenses: Plan a decrease in interest expenses as a result of refinancing from LBO loans to corporate loans. However, the IFRS adjustment costs will temporary increase due to the one-time amortization of the LBO loans' arrangement fees over the remaining term of the LBO loans and amortized cost from the difference between the market value and book value of the LBO loans

*1: FY2020 figures are on audited basis of former TRYT

*2: Current TRYT merged former TRYT on December 1, 2021. FY2021 figures are a simple aggregate of FY2021 financials of current TRYT and financials of the former TRYT from January 1, 2021 to November 30, 2021 (unaudited)

*3: EBITDA = profit (loss) + income tax expense + financial expenses - financial income + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on retirement of fixed assets

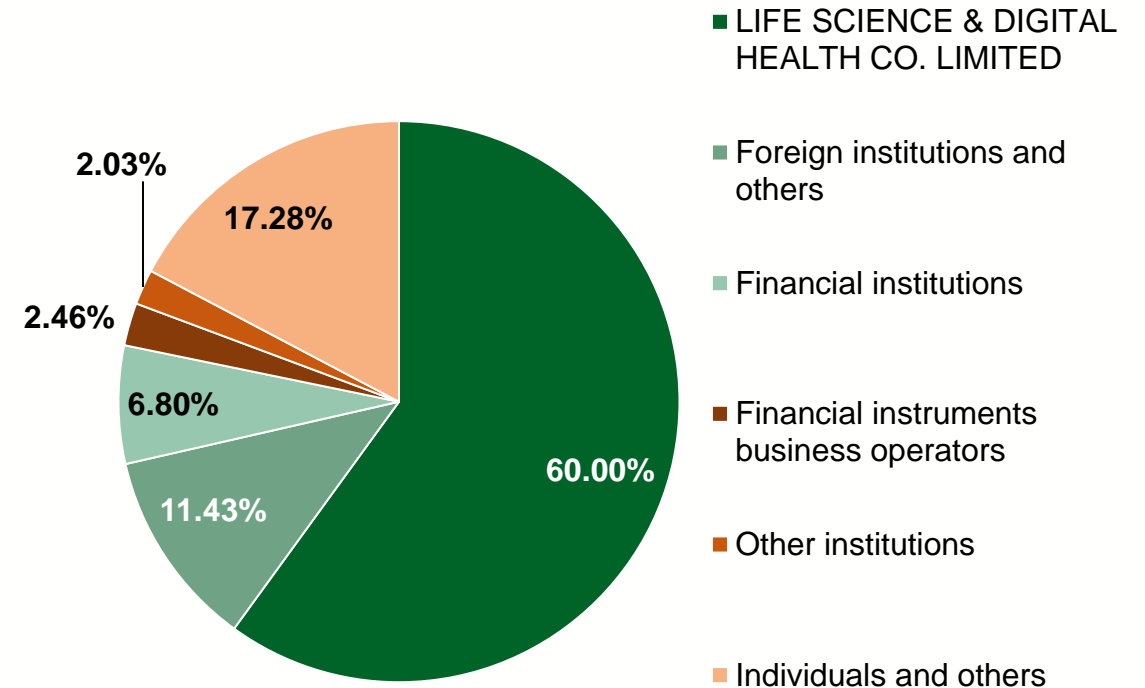
*4: Interest expenses include lease liabilities

Company-wide: Shareholder distribution (as of June 30, 2024)

Major shareholders

Name of shareholders	# of shares (K)	Shareholding ratio
LIFE SCIENCE & DIGITAL HEALTH CO. LIMITED	60,000	60.00%
Custody Bank of Japan, Ltd. (Trust account)	4,950	4.95%
NORTHERN TRUST CO.(AVFC) RE NON TREATY CLIENTS ACCOUNT	2,054	2.05%
J.P. MORGAN BANK LUXEMBOURG S.A. 381572	2,038	2.03%
Goldman Sachs Bank Europe SE, Luxembourg Branch	1,458	1.45%
BBH BOSTON FOR NOMURA JAPAN SMALLER CAPITALIZATION FUND 620065	1,156	1.15%
JP JPMSE LUX RE JEFFERIES INTL LTD EQ CO	1,000	1.00%
Nomura Securities Co., Ltd.	878	0.87%
JP MORGAN CHASE BANK 380072	831	0.83%
The Master Trust Bank of Japan, Ltd. (Trust account)	604	0.60%

Voting rights ratio^{*3,4}



*1: Rounded down to the nearest thousand shares

*2: Rounded down to 2 decimal place

*3: Rounded to 2 decimal place

*4: Ratio based on the total number of issued shares

Category	Question	Answer
Market environment	<ul style="list-style-type: none"> Will the demand for childcare workers increase in the future despite the declining birthrate? 	<ul style="list-style-type: none"> We recognize that the number of children which one childcare worker oversees is significantly high in Japan relative to other countries The government is seeking to improve current difficult situation and we believe that the strong demand for childcare workers will continue
Business details (Healthcare)	<ul style="list-style-type: none"> Why is healthcare placement revenue largely recorded in April? 	<ul style="list-style-type: none"> In the childcare placement business, the beginning of the fiscal year in Japan is April, causing tendency for employees to join new workplace in April As our revenue is recorded on the first date when new employees start working at new places, it becomes significant in April Nevertheless, the company-wide revenue has less seasonality compared to healthcare placement business
Business details (Healthcare)	<ul style="list-style-type: none"> How do you plan to increase the number of contract healthcare/welfare institutions for healthcare business? 	<ul style="list-style-type: none"> Since we are prioritizing to secure the number of candidates, the number of contract institutions are increased while looking at the overall balance The key is to secure the number of registered healthcare/welfare professionals
Business details (Healthcare)	<ul style="list-style-type: none"> Do you disclose number of placements for healthcare placement business? 	<ul style="list-style-type: none"> Although we do not disclose the breakdown by occupation, the total number of placements is disclosed on the website operated by Employment Security Bureau, Ministry of Health, Labour and Welfare
Business details (Healthcare)	<ul style="list-style-type: none"> What are the specific ways to secure job seekers? 	<ul style="list-style-type: none"> We primarily attract job seekers through digital marketing
Business details (Healthcare)	<ul style="list-style-type: none"> How can you say that the web page malfunction, which occurred in FY2024 Q1 will have no influence in FY2024 Q3 onwards? 	<ul style="list-style-type: none"> Revenue in FY2024 Q3 onwards will be generated mainly by assisting job change for healthcare/welfare professionals who registered during FY2024 Q2 Since this web page malfunction occurred in FY2024 Q1, we do not expect to have any impact in FY2024 Q3 onwards

Category	Question	Answer
Business details (New/Other)	<ul style="list-style-type: none"> When did TRYT start DR business? 	<ul style="list-style-type: none"> Childcare started in 2022 after the acquisition of Welks. Elderly care and nursing care started in February 2023
Business details (New/Other)	<ul style="list-style-type: none"> How is the progress of BRIGHTVIE, which was acquired in June 2023? 	<ul style="list-style-type: none"> Collaboration with NTT East (Nippon Telegraph and Telephone East Corporation) began in March 2024. We are currently providing an elderly care ICT demonstration environment at NTTe-City Labo, using BRIGHTVIE's product as core technology
Business details (New/Other)	<ul style="list-style-type: none"> Are BRIGHTVIE's products specialized for elderly care facilities? What kind of data can TRYT obtain through BRIGHTVIE's products? 	<ul style="list-style-type: none"> They specialize primarily in private elderly care homes, elderly care and welfare facilities, special elderly care homes, and serviced housing for the elderly The data can be obtained through various sensors such as fall detection and vital data, etc. By analyzing the data acquired, we are considering the utilization for operation improvement, prevention field, etc.
Regulation	<ul style="list-style-type: none"> Will there be any impacts from the reconsideration of the criteria for the reimbursement of fees regarding leavers within 6 months as a part of the certification criteria for "Certification system for appropriate fee-charging employment placement business provider in the medical, elderly care and childcare fields"? 	<ul style="list-style-type: none"> Currently, most of our contracts include reimbursement of placement fees for resignations within 6 months of employment, and we do not anticipate any significant impact from the revision of this criteria
Financials	<ul style="list-style-type: none"> What is the breakdown of goodwill? 	<ul style="list-style-type: none"> Goodwill incurred as a result of the acquisition of TRYT by a private equity fund, which is the current major shareholder, and is related to the existing business
Shareholder distribution	<ul style="list-style-type: none"> What kind of shareholder is LIFE SCIENCE & DIGITAL HEALTH CO. LIMITED? 	<ul style="list-style-type: none"> Specific purpose company for investment purposes, held by a private equity fund, which is our major shareholder
Equity market	<ul style="list-style-type: none"> When will TRYT transfer to the TSE Prime Market? 	<ul style="list-style-type: none"> Preparations for the change of market category have just started, and no specific timing has been set at this time We will disclose the details in a timely manner as the timing is decided

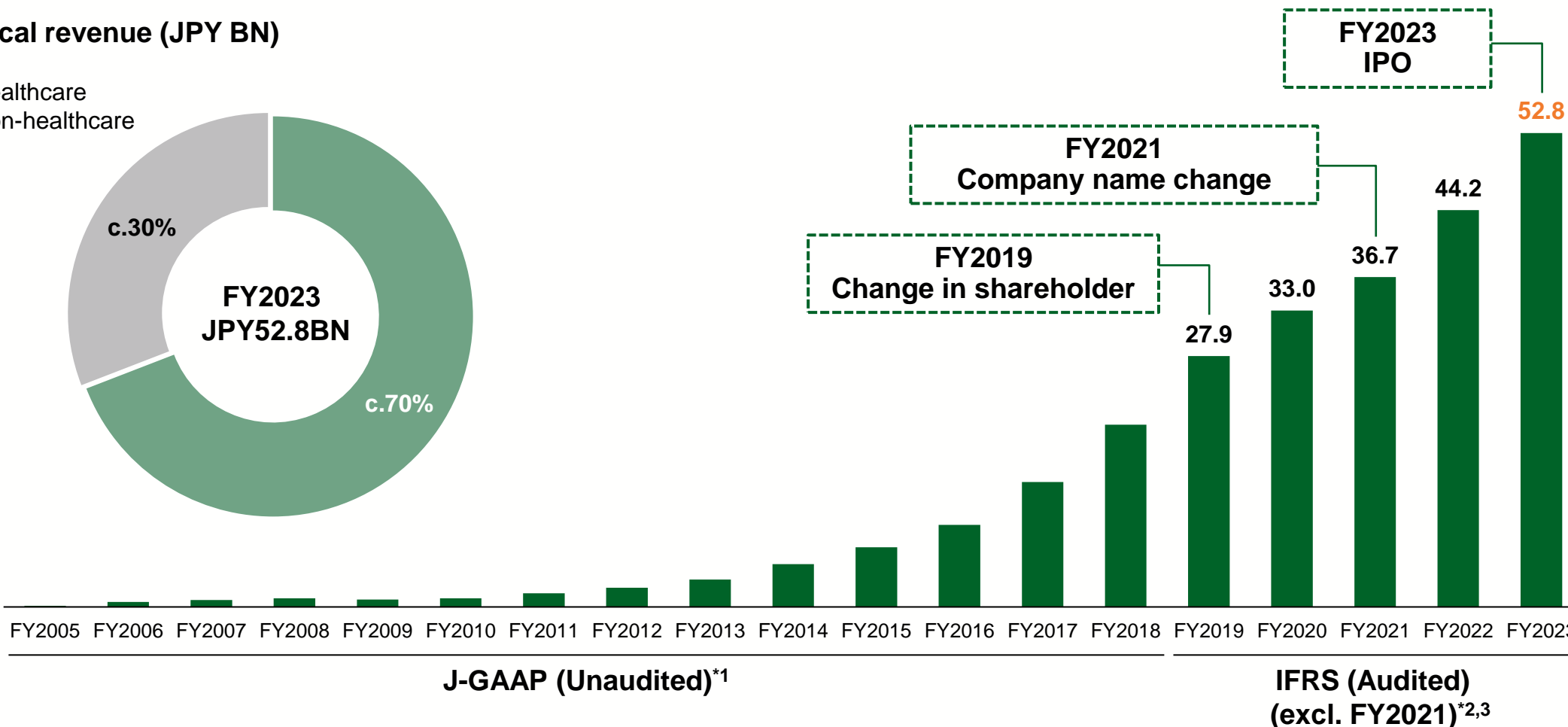
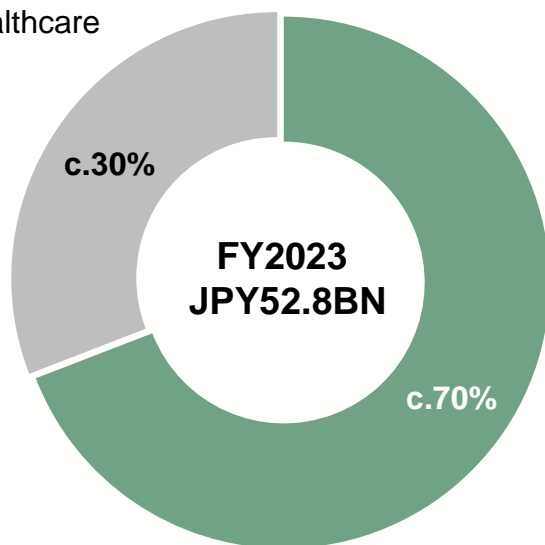


**(Reference)
Company Overview**

Continuously exhibited growth by focusing on the healthcare business in the c.20 years of history

Historical revenue (JPY BN)

■ Healthcare
■ Non-healthcare



*1: Financials from FY2005 to FY2013 were calculated by summing up the yearly financials of group companies without adjusting fiscal year periods and are based on Japanese tax accounting standards. FY2014 to FY2018 were calculated on a proforma basis as if group companies' close of accounts being December, by summing up their monthly financials and are based on Japanese tax accounting standards

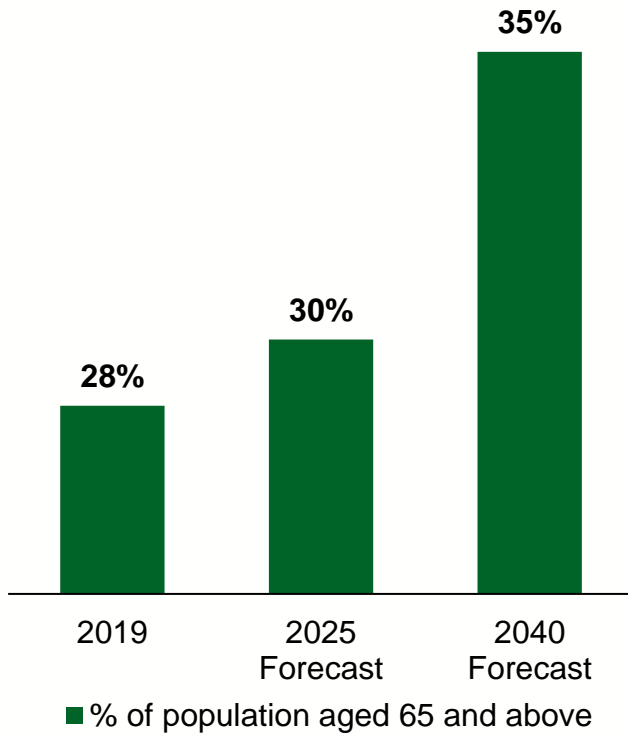
*2: FY2019 and FY2020 figures are on audited basis of former TRYT

*3: Current TRYT merged former TRYT on December 1, 2021. FY2021 figures are a simple aggregate of FY2021 financials of current TRYT and financials of the former TRYT from January 1, 2021 to November 30, 2021 (unaudited)

We create a future where everyone has a fulfilling life by solving the issues faced by essential industries with a focus on healthcare and welfare industry

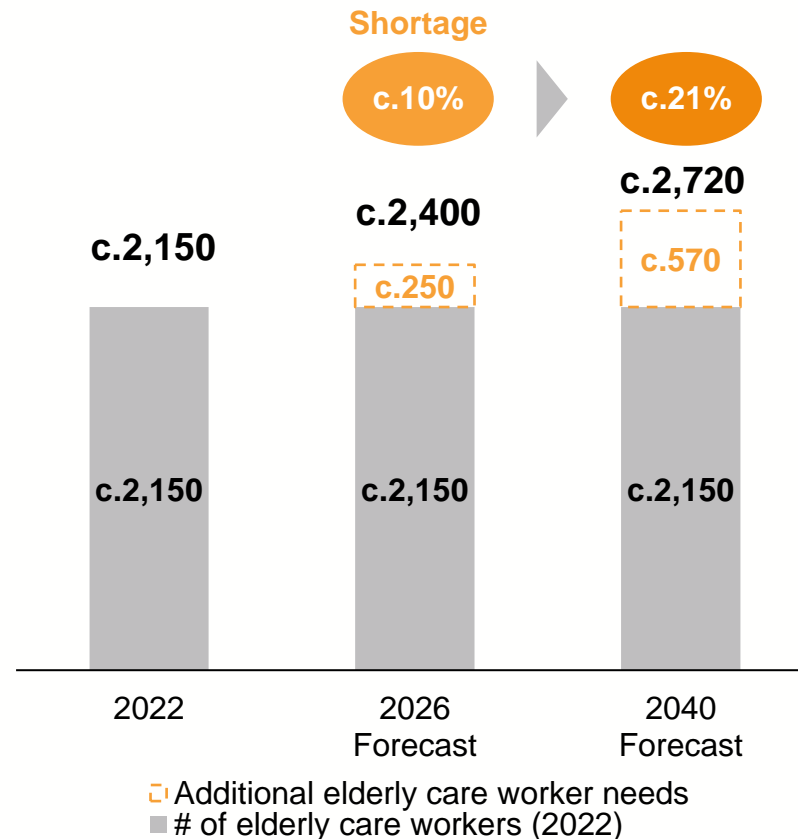
Following aging population, innovation is needed for the Japanese elderly care industry. Securing human resources and ICT promotion are required

Increase in % of population aged 65 and above*1



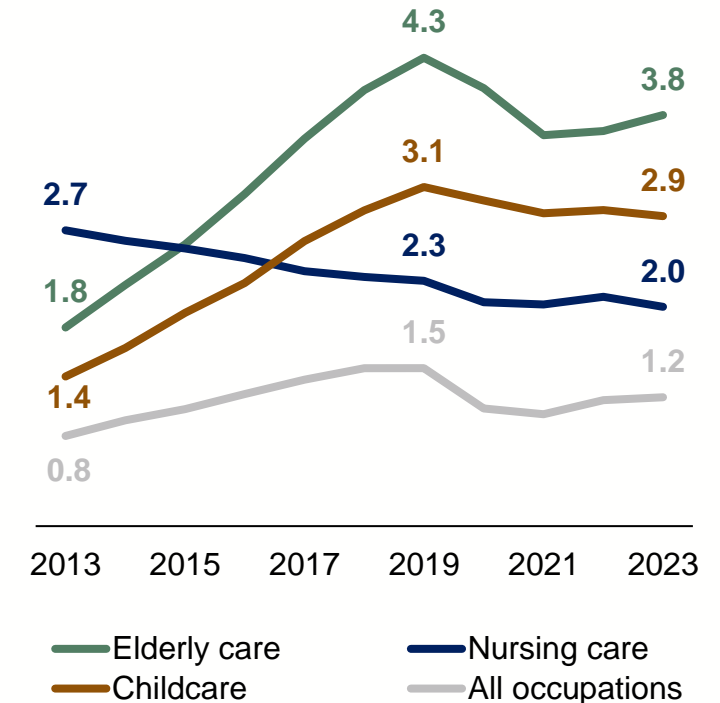
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Chronic and growing shortage of elderly care workers (K)*2



>>

Consistent high demand for healthcare and welfare workers
Jobs-to-applicants ratio (x)*3



*1: Ministry of Internal Affairs and Communications, "Population estimates": percentage of population aged 65 and above among total population as of October 1, 2019;

Cabinet Office, "2024 White paper on aging society (summary)": percentage of population aged 65 and above among total population as of October 1, 2025, and October 1, 2040

*2: Ministry of Health, Labour and Welfare, "Number of elderly care workers required based on the 9th elderly care insurance business plan"

*3: Ministry of Health, Labour and Welfare, "Labor market related index by general employment placement occupation (actual number)" (permanent employment including part-time). The elderly care refers to "occupations in elderly care services", nursing care refers to "public health nurses, maternity nurses, nurses", and childcare refers to "professional occupations in social welfare"

To resolve the shortage of human resources, in addition to 1) healthcare placement business, we are expanding 2) ICT solution business which will improve efficiency in the healthcare and welfare field. In the mid-to-long term, we aim to establish 3) data solution business to enhance people's quality of life by analyzing various data collected from the ICT solution business



Realizing “speed” and “appropriate matching”, which are critical for healthcare/welfare institutions by utilizing “Unitary management system” and sales offices (28 prefectures). Under our “Unitary management system”, a career advisor handles both healthcare/welfare professionals and healthcare/welfare institutions

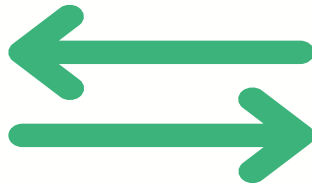
Unitary management system

Registered healthcare/welfare professionals



c.2,150K registrants*1

Efficient access to extensive number of candidates



Nationwide service

Sales offices located in 28 prefectures*1



Contract healthcare/welfare institutions



c.85K contracted institutions*1

Utilizing our strong relationships with contract institutions

✓ **Enables fast and accurate job matching**

Average of 18 days to receive a job offer*2 / 80% retention rate during the first 6 months of employment*3

✓ **Realizing efficient operations**

Each career advisor concludes 2.8 contracts on average per month*4

*1: As of June 30, 2024

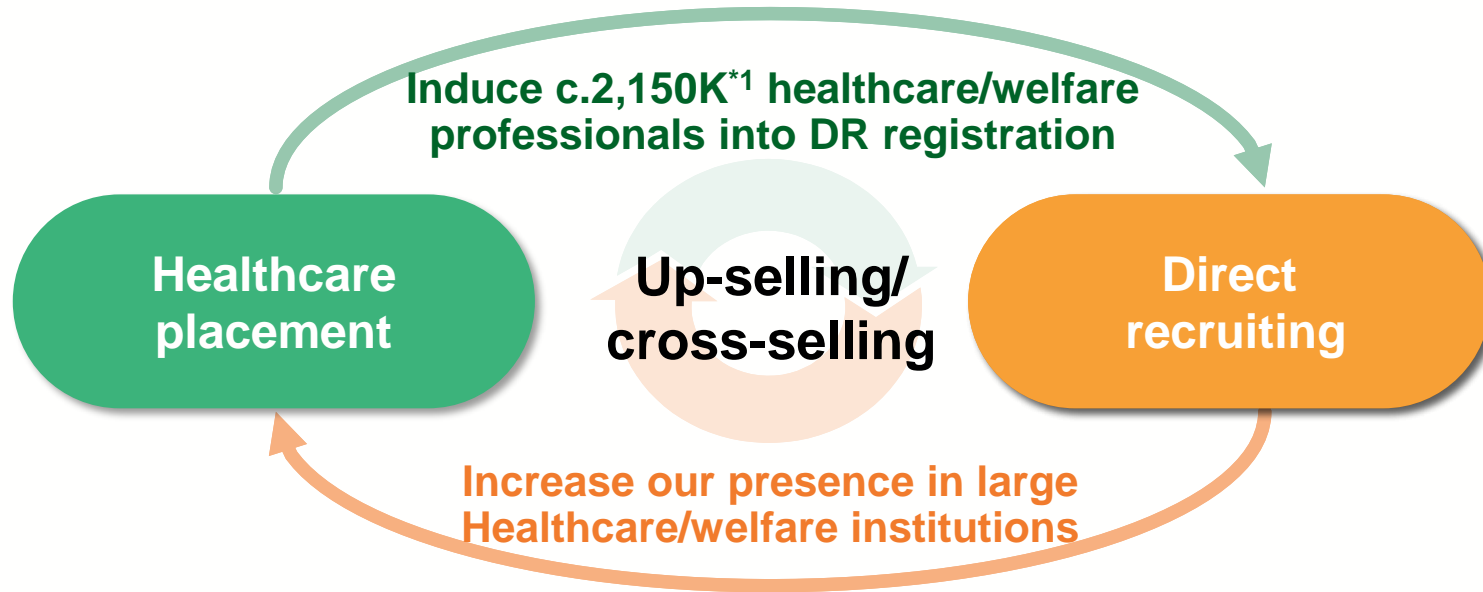
*2: Average number of days from the day our career advisors were able to contact registered healthcare/welfare professionals until they receive a job offer (average of the last 12 months as of June 30, 2024)

*3: Retention rate during the first 6 months of employment for candidates whose entry date was between January 1, 2023, and December 31, 2023. Retention rate = 1 - turnover rate (turnover rate = number of leavers within the first 6 months of employment / number of employment)

*4: Calculated by dividing the annual average number of concluded contracts by 12 months. Annual average number of concluded contracts is calculated by dividing the total number of concluded contracts between July 2023 and June 2024 in the elderly care, nursing care, and childcare fields of the healthcare placement business by the total of average number of career advisors for each field during the same period

As the database cultivated through placement business can be utilized for DR business, having both businesses enables us to fulfill various needs of the corporate clients while saving the advertising expenses

Unique synergy between two businesses



- 1 Number of registered healthcare/welfare professionals: c.2,150K
- 2 Detailed understanding of needs through consulting with our career advisors

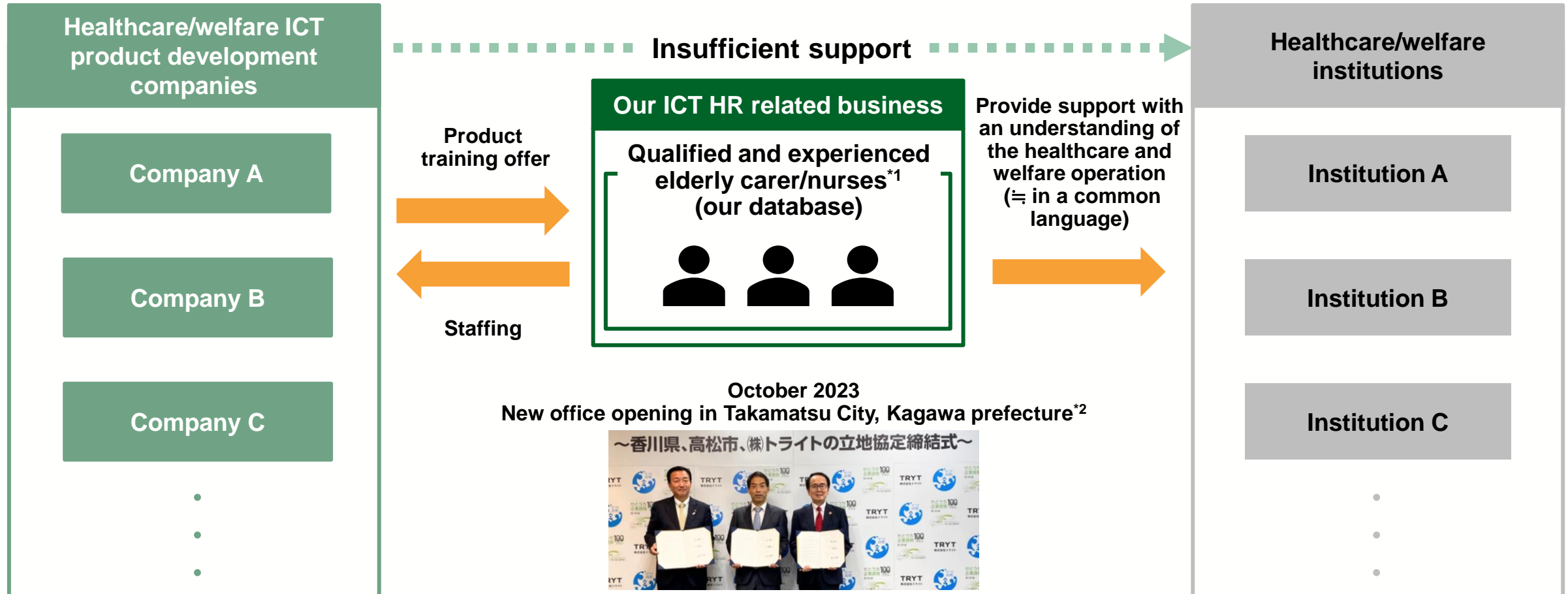
- 1 Meet diversified needs of healthcare/welfare institutions that aim to save on recruiting costs
- 2 Encourage these healthcare/welfare institutions to utilize our placement

DR target segment

	Mid-to-small institutions (with limited HR function)	Large institutions (with HR function)
Veteran	Healthcare placement (support to cover limited HR function)	Healthcare placement (qualified talent needs)
Inexperienced		Direct recruiting (low cost hiring needs)

*1: As of June 30, 2024

By dispatching healthcare/welfare professionals registered in our database to the software companies, it allows us to save training costs while securing the revenue. We can promote ICT implementation in the healthcare and welfare industry and provide reskilling opportunities to healthcare/welfare professionals at once

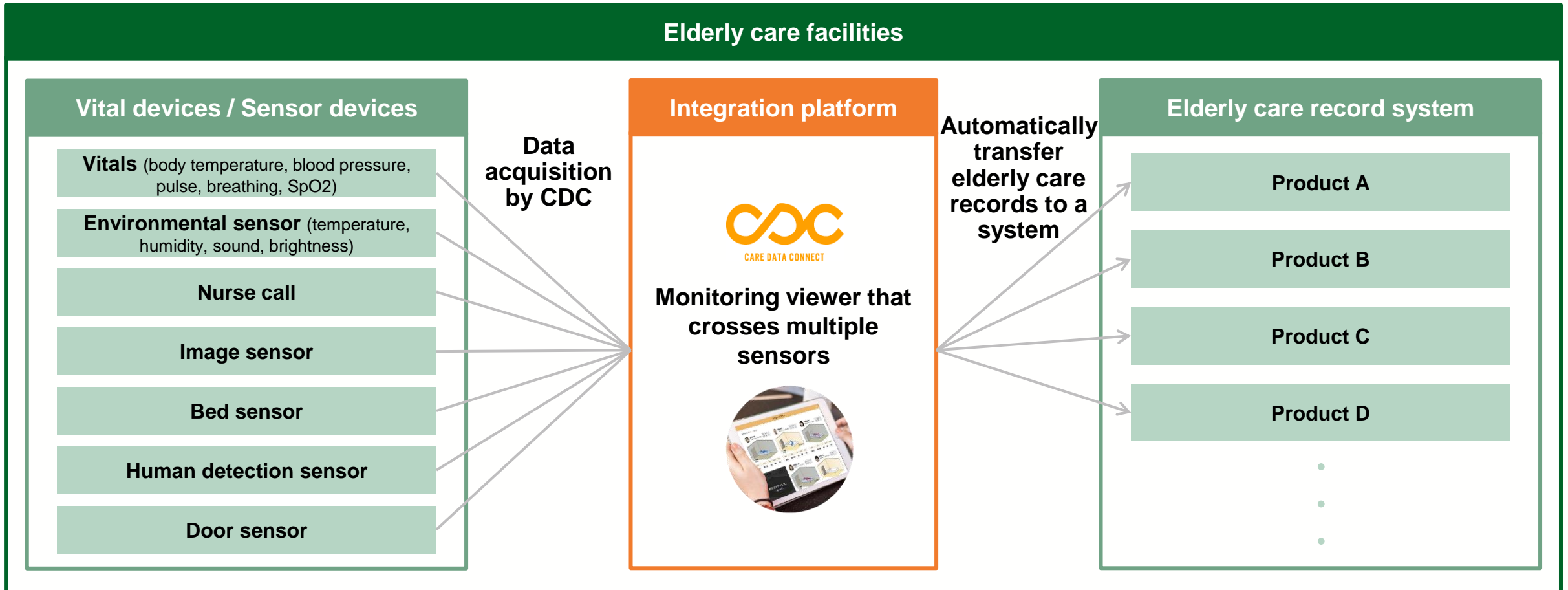


*1: Includes inexperienced workers in some auxiliary roles

*2: From left to right: Hideto Onishi, Mayor of Takamatsu City; Hidetaka Sasai, Representative Director of TRYT; Toyohito Ikeda, Governor of Kagawa Prefecture

Through BRIGHTVIE's (our subsidiary) "Care Data Connect," elderly carers can access to a consolidated data obtained from devices, such as monitoring sensors, provided by domestic and overseas companies, and check the status of multiple residents on a single screen. In addition, a collaboration with major elderly care record system manufacturer is starting to take place, which is contributing to significant reduction of the time to input physical data

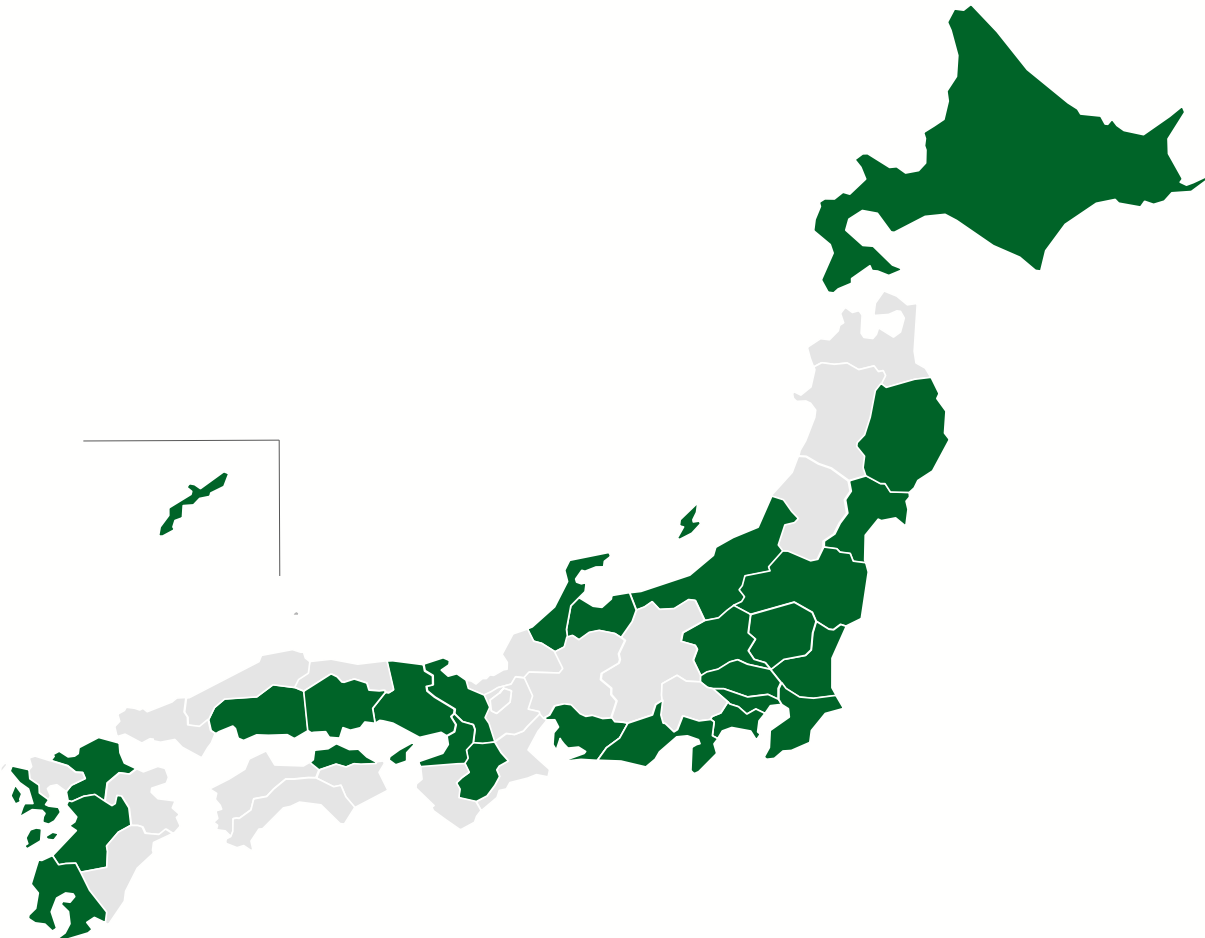
Image of an elderly care facility environment that uses ICT for elderly care



Proven track record in executing M&A and partnerships in-line with our growth strategy

	Target	Services	Achievements post acquisition/partnership
M&A	Aug 2021 	HR tech	<ul style="list-style-type: none"> ✓ Experienced engineering team ✓ Developed basic function for direct recruiting
	Jan 2022 	Childcare placement	<ul style="list-style-type: none"> ✓ Contributed to forming top position in the childcare placement industry ✓ Developed childcare direct recruiting business
	Jun 2023 	ICT platform & back-office software provider in the healthcare and welfare industry	<ul style="list-style-type: none"> ✓ ICT/IoT platform, back-office cloud system focused on elderly care
Partnership	Feb 2022 ND Software	Elderly care reimbursement claim system	<ul style="list-style-type: none"> ✓ Entered into digital service area ✓ Demonstrated the ability to cross-sell our services following the cross-sale of ND Software products
	Jan 2023 Rehab	AI-based rehabilitation planning	<ul style="list-style-type: none"> ✓ Increased digital service lineup

Sales office locations in the healthcare business (prefecture basis)*1



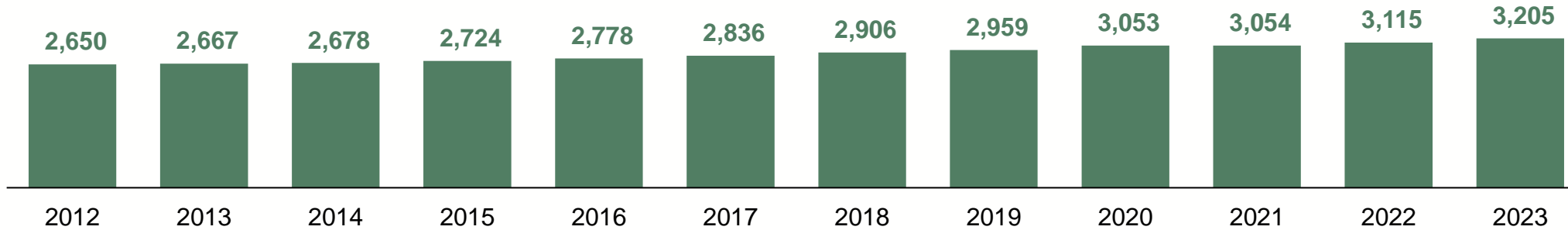
Sales offices
in **28**
prefectures

*1: As of June 30, 2024

Healthcare business: Average base salary trends in the healthcare and welfare industry

Average base salary trends by occupation (JPY K)*1

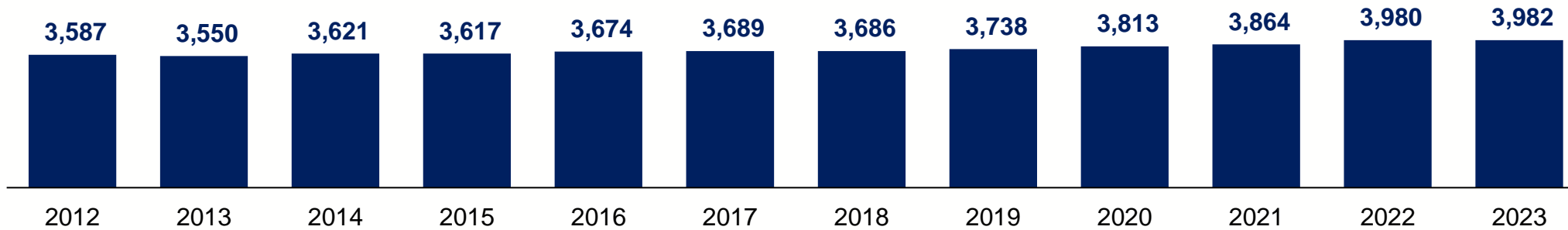
Elderly care



2012-2023
CAGR

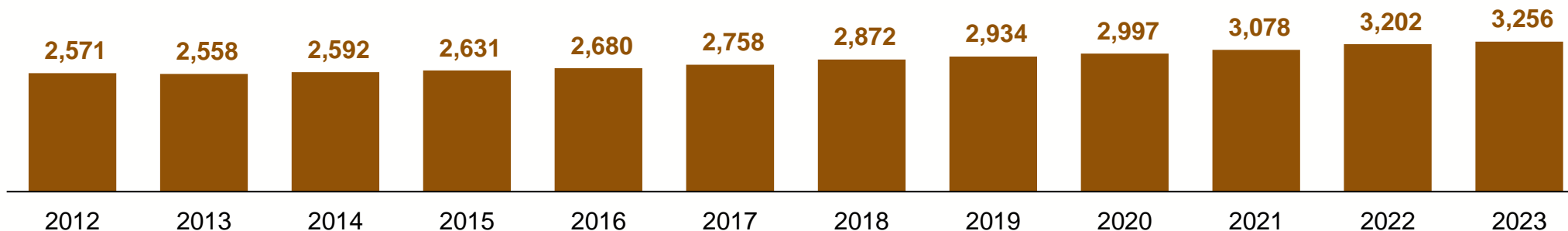
+2%

Nursing care



+1%

Childcare



+2%

*1: Ministry of Health, Labour and Welfare, "Basic survey on wage structure"; contract cash earnings. The elderly care refers to "care managers", "home helpers / visiting carers", and "carers at welfare facilities / elderly care workers", nursing care refers to "nurses", "assistant nurses", and "nursing assistants", childcare refers to "childcare workers"

Achieving both contributions to the development of the healthcare and welfare industry and business growth

Resolving labor shortages

Reducing the burden of front-line workers

Improving labor productivity

Priority Themes	Measures
<p>1. Promoting the retention of human resources in the healthcare, welfare and construction industries while creating diverse job opportunities</p>	<p>Matching of HR needs, supporting reemployment of potential qualification holders, skill development through qualification acquisition, establishing a dedicated team</p>
<p>2. Supporting the creation of a work-friendly environment for professionals in the healthcare and welfare industry</p>	<p>Providing ICT solutions, supporting the digitization of elderly care field, developing healthcare IT talent</p>
<p>3. Cultivating a corporate culture that ensures employee growth and job satisfaction</p>	<p>Driving Purpose Value penetration activities, recognizing outstanding employees through TRYT Award, expanding diversity promotion initiatives</p>
<p>4. Building and operating a management foundation that supports sustainable business growth</p>	<p>Ensuring workplace safety, enhancing education program on compliance and risk management, strengthening cybersecurity measures</p>

This material contains forward-looking statements, reflecting assumptions made by TRYT Inc. (“the Company”), forecast and plans for the future based on the information that is currently available to us. There is no assurance that the relevant forward-looking statements will be achieved. Significant differences may arise between respective forward-looking statements and the actual results due to various factors, including changes in the economic conditions, changes in the needs of healthcare/welfare institutions and preference of healthcare/welfare professionals, competitive landscape, changes in the legal and regulatory environment, and other factors. The Company has no obligation to update any information contained in this material based on any subsequent events.

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