



TRYT Inc. (Code: 9164)

Business plan and matters concerning growth potential

March 25, 2025



1.

Company introduction

2.

Business environment and features

3.

Business strategy

4.

Financial results

5.

Risk information

Appendix

1.

Company introduction

Company name	TRYT Inc.	
Head office	Osaka Head Office Seiwa Umeda Building 13F 2-12-7, Sonezaki, Kita-ku, Osaka City, Osaka, 530-0057 TEL/FAX +81 6-6365-1131 / +81 6-6365-1157	Tokyo Head Office Art Village Osaki Central Tower 17F 1-2-2 Osaki, Shinagawa-ku, Tokyo, 141-0032 TEL/FAX +81 3-5436-7670 / +81 3-5436-7329
Representative	Hidetaka Sasai (President and Representative Director, CEO)	
Founded	2004	
Number of employees	7,937*1 *as of December 31, 2024 (group total)	
Capital	JPY10MM	
Our business	<div>■TRYT Inc.: Provides group business management and ancillary or related businesses in the same industry as a holding company</div> <div>■TRYT Career Inc.: Provides human resource services for the healthcare and welfare industry</div> <div>■TRYT Engineering Inc.: Provides human resource services for the construction industry</div> <div>■HAB&Co. Inc.: Provides DX services to local governments and small- to medium-sized corporations in connection with recruiting activities</div> <div>■bright vie Co., Ltd.: Provides healthcare data utilization platform services and communication tools focused on elderly care</div>	

*1: Number of part-time employees are FTE conversion basis. Includes executive officers

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

Strong track record of realizing continuous growth since foundation

Non-healthcare area

- ✓ Established in 2004 given the arising HR needs due to labor shortage at construction sites. Began staffing business for construction industry (Sekoukanri Job)

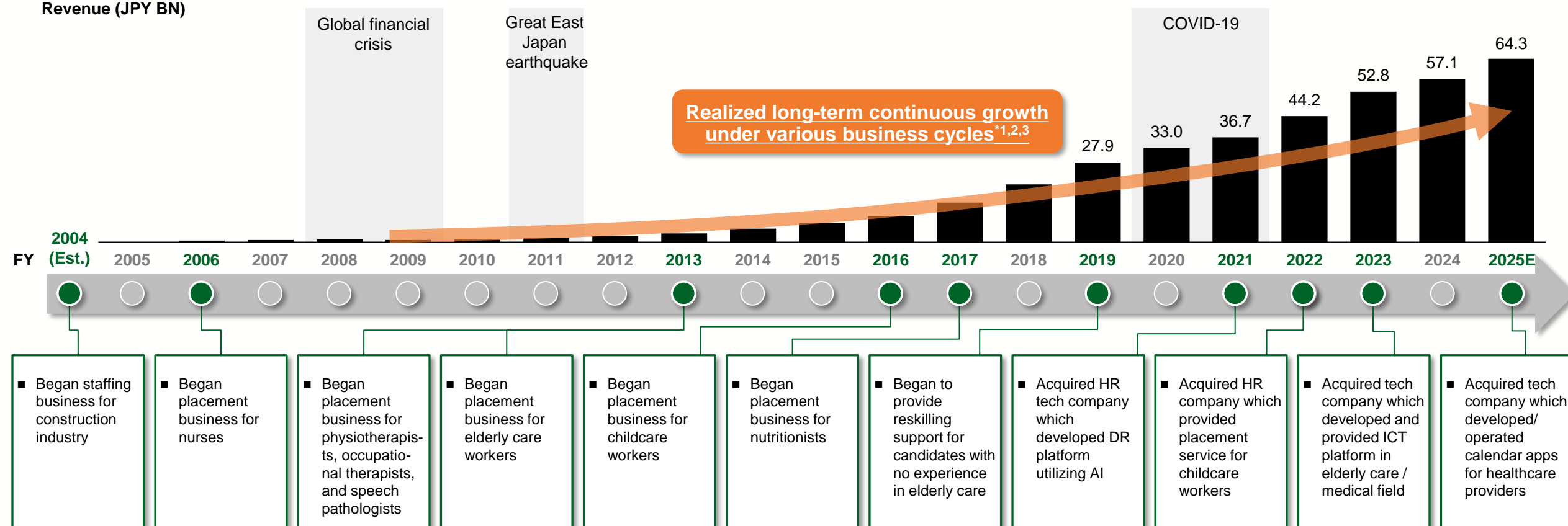
Entered into healthcare and welfare area with focusing on elderly care, nursing care, and childcare (deployed placement business)

- ✓ Entered into nursing care field in 2006, elderly care in 2013, and childcare in 2016 based on the judgement of HR needs in the healthcare and welfare industry while expanding our business into placement business
- ✓ Realized rapid business expansion and high growth by establishing sales offices in main cities including rural areas and aggressively emerging into industries/areas where needs were identified

Expansion of existing platform through M&A / new business initiatives

- ✓ Realized further growth post 2021 by strengthening existing services/assets and M&A execution to expand new business which utilize our placement and staffing business platform

Revenue (JPY BN)



*1: FY2005-FY2018 figures are J-GAAP basis (unaudited). Financials from FY2005 to FY2013 are 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 are 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-FY2020 and FY2022-FY2024 figures are IFRS basis (audited)

*3: FY2019 and FY2020 figures represent former TRYT. 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)

2.

Business environment and features

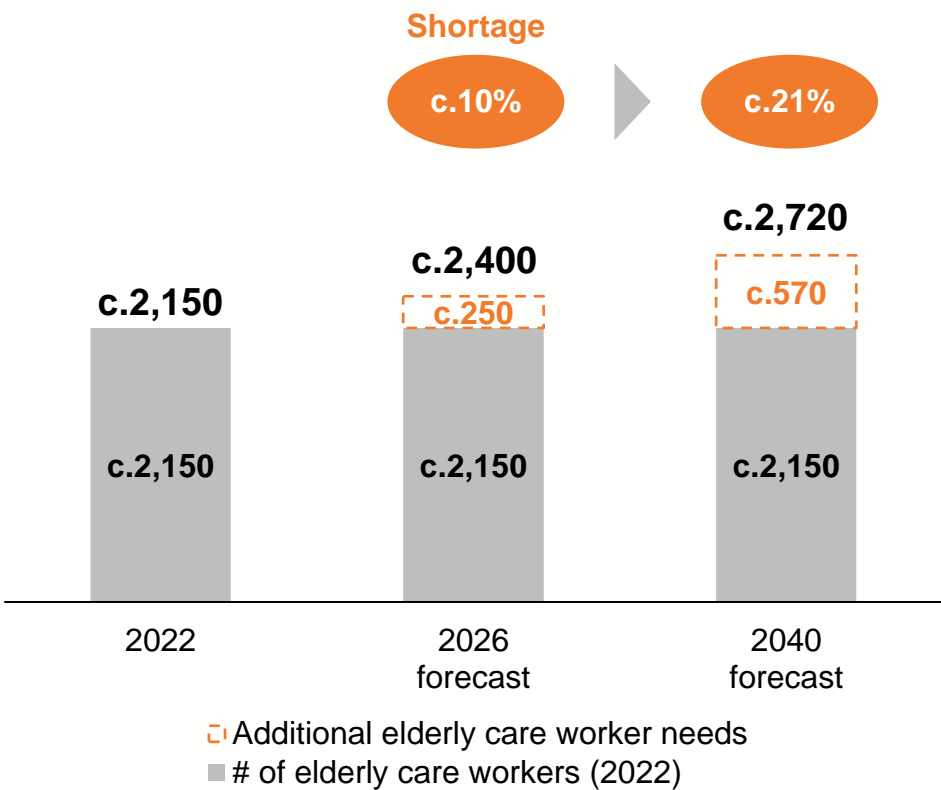
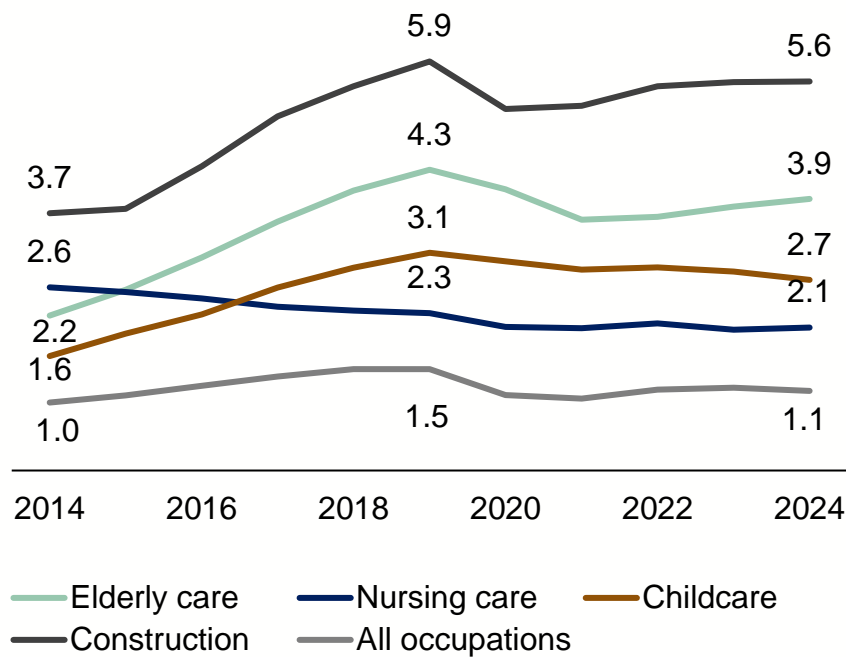
The labor shortage has been worsening in the healthcare and welfare / construction industry. Shortage of elderly care workers vs. number of workers in 2022 is forecasted to reach 570K



Consistent high demand for healthcare and welfare / construction workers

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

Active job openings-to-applicants ratio (x)^{*1}



^{*1}: 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" (2014-2022); "elderly care service workers" (2023-2024), nursing care refers to "public health nurses, maternity nurses, nurses", childcare refers to "professional occupations in social welfare" (2014-2022); "social welfare professional workers" (2023-2024), and construction refers to "architects, civil technicians, surveying technicians"

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

The scale for marketing, # of job openings, and matching is necessary to expand healthcare placement business, which create entry barrier and differentiate us from competitors



TRYT's capability^{*1}

Top-class business scale

 Healthcare placement revenue **JPY30.0BN**


Enormous healthcare/welfare professional database (DB)

 # of registered healthcare/welfare professional **c.2,450K**

Governed sales organization based on KPI

 Average # of sales personnel **c.1,740 persons^{*2}**

Numerous offices covering nationwide

 **28 prefectures nationwide**

Deal record with various contract institutions

 # of contract healthcare/welfare institutions **c.89K**

TRYT's competitive strength

- ✓ Investment capability for continuous registrant acquisition backed by strong business and financial soundness
- ✓ Easy access to enormous registrants without short-term advertisement through CRM, utilizing registrant DB
- ✓ Structural strength in acquiring new registrants through maximization of registrant information LTV

- ✓ Effective organization closing 2.7 contracts^{*3} monthly, whereas # of closing contracts are limited with high unit price for white-collar placement

- ✓ Securing job openings meeting various needs through strong client relationship and wide coverage

Entry barrier

In healthcare and welfare industry, platform expansion and necessity for continuous effective business operation at low cost are the entry barriers for large placement operators

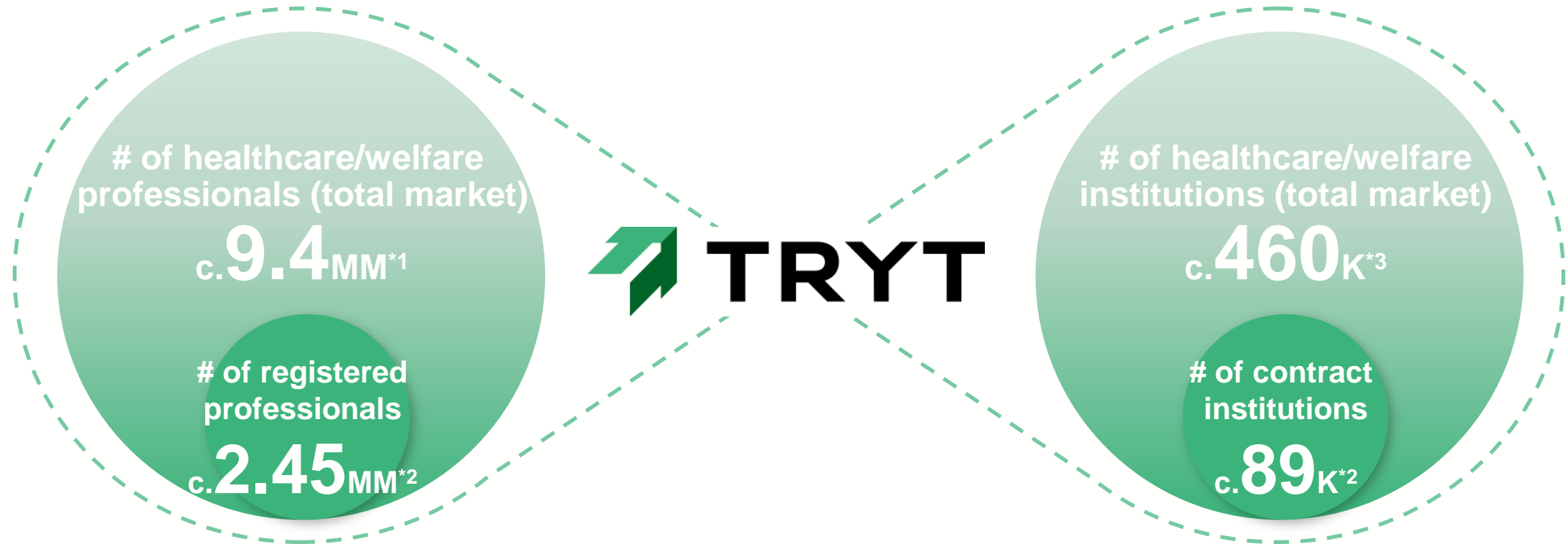
^{*1}: As of December 31, 2024

^{*2}: Rounded to the nearest ten. Figures are for sales personnel engaged in the healthcare placement business only

^{*3}: 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 January 2024 and December 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

of healthcare/welfare professionals

of healthcare/welfare institutions



*1: Ministry of Health, Labour and Welfare, "2022 White paper on health, labour and welfare". Total number of workers in the medical, elderly care, and other welfare fields in 2025

*2: As of December 31, 2024

*3: Ministry of Health, Labour and Welfare, "Overview of the elderly care service facilities / offices survey (2023)" "Overview of the medical facilities (dynamic) survey / hospitals report (2023)", Children and Families Agency, "Summary of related situation for childcare facilities and etc. (April 1, 2024)". Sum of the number of elderly care service facilities / offices, hospitals / general clinics, childcare facilities and etc.

3.

Business strategy

FY2025

- Leveraging market tailwinds and continue to proactively spend advertising expenses
 - ① Elderly and nursing care: FY2025 is the 2nd year of the fee revision for elderly care and medical services, and their income is planned to improve
 - ② Childcare: Childcare workers' income is expected to significantly improve, led by the Government
- Optimizing the number of sales personnel and **improving productivity per sales personnel** in the healthcare placement business **to secure profit growth**
- In the medium-term, proactive investments in **database utilization will increase touchpoints with healthcare/welfare professionals**, reducing cost per acquisition
- Given the serious labor shortage in the construction industry, we will **strengthen the recruitment of young generation** and pursue business growth in the non-healthcare business

FY2026 onwards

Develop healthcare/welfare professional acquiring system which is resilient to the influence of the competitive environment, and achieve both further growth and profit maximization through efficient sales activities

FY2025 revenue and profits are expected to achieve a double-digit growth compared to FY2024



Unit: JPY MM	FY2024	FY2025 forecast ^{*1}	YoY
Revenue	57,116	64,300	+13%
Operating profit	5,186	6,200	+20%
EBITDA ^{*2}	6,705	7,800	+16%
Profit before tax	4,325	5,700	+32%
Profit	2,917	3,700	+27%
Year-end dividend per share	JPY11	JPY12	

^{*1}: Medium-term management plan has been withdrawn on August 9, 2024. FY2025 forecast figures are the numbers disclosed on February 13, 2025

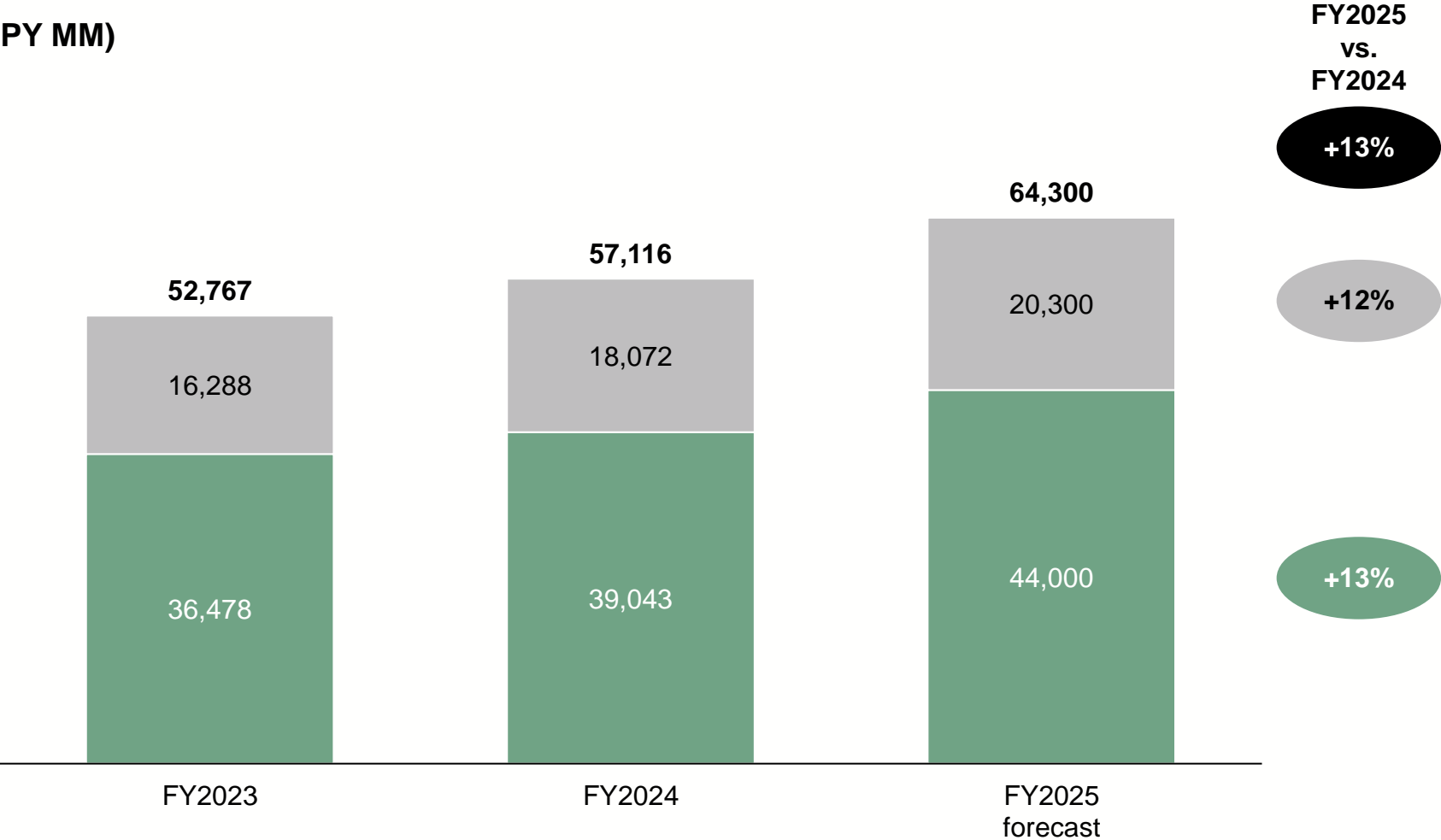
^{*2}: EBITDA = profit (loss) + income tax expense + financial expenses - financial revenue + depreciation (including right of use assets, customer related assets and other assets) + impairment of fixed assets / loss on disposal of fixed assets

FY2025 revenue breakdown by business is expected to be 13% increase YoY in the healthcare business and 12% increase YoY in the non-healthcare business



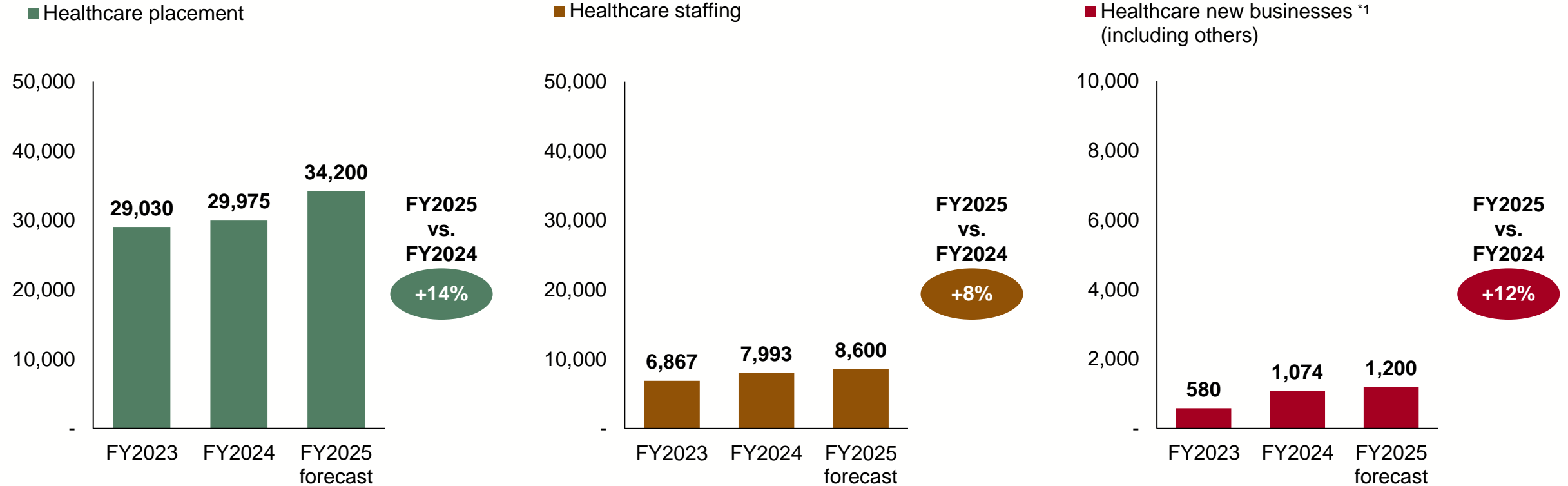
Revenue by business (JPY MM)

- Non-healthcare
- Healthcare



FY2025 revenue growth (YoY) in the sub-segments of the healthcare business is expected to be 14% in the healthcare placement, 8% in the staffing, and 12% in the new businesses

Breakdown of revenue in the healthcare business (JPY MM)



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

Healthcare: Optimize # of sales personnel and increase per revenue

Non-healthcare: Increase staffing employees by strengthening young generation recruitment

Healthcare

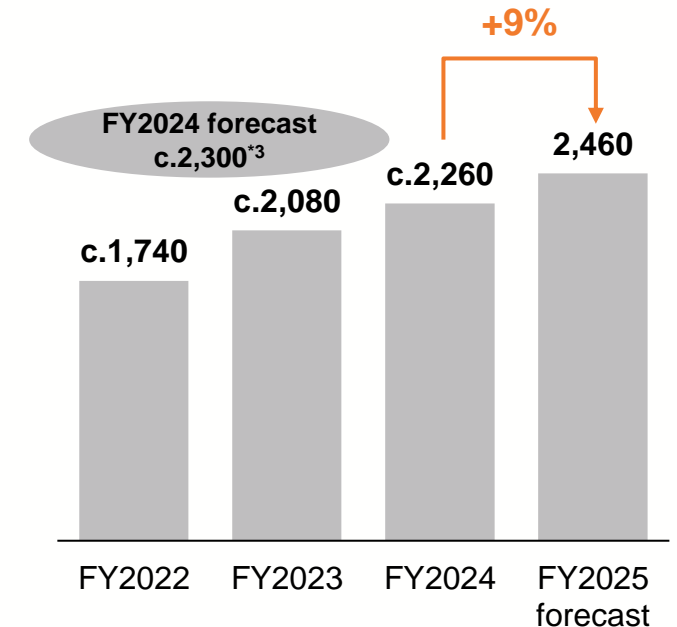
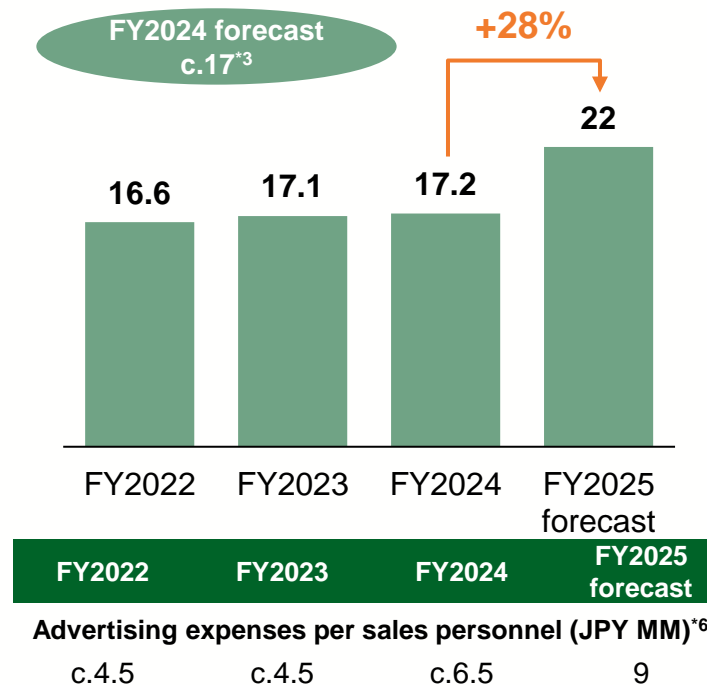
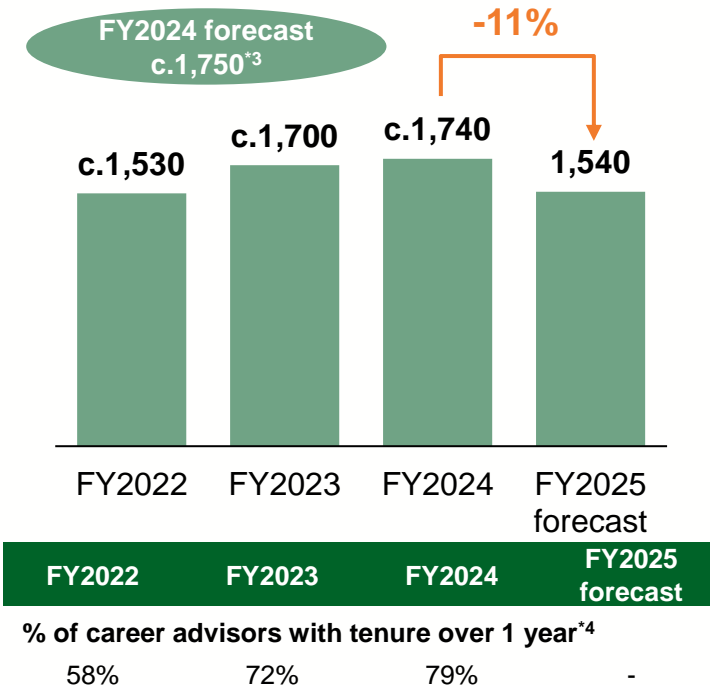
Average # of sales personnel in each period (persons)^{*1,2}
(incl. sales planning team, etc. in addition to career advisors)

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

Average # of staffing employees in each period (persons)^{*1}

In FY2025, the number of sales personnel will be optimized thanks to the strengthening of the sales organization including the increase in the experienced sales personnel with tenure over 1 year in FY2024

The increase in the revenue per sales personnel is expected by the effect of advertising spending since FY2024 H2 and further increasing the advertising expenses per sales personnel



*1: Actual figures are rounded to the nearest ten

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

*3: FY2024 forecast figures are revised forecast numbers due to downward revision of financial forecast in "Notice Regarding Revisions to Full-Year Financial Results Forecast" and "Presentation Material for FY2024 Q2 Financial Results", disclosed on August 9, 2024

*4: Percentage of career advisors with tenure over 1 year in the healthcare placement business as of 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: Calculated by dividing the advertising expenses of the healthcare placement business by the average number of sales personnel for the respective period



Abundant cash flow generation

through strong profitability &
asset light business model

Financial soundness

- ✓ Continuous debt reduction based on abundant free cash flow generation ability^{*1}

M&A

- ✓ Aggressive M&A execution under a disciplined investment policy
- ✓ Aim to realize a well-balanced business portfolio with high growth and profitability by developing multiple businesses in diverse areas

Shareholder return

- ✓ Plan to maintain a year-end dividend with a target **payout ratio of 30%**
- ✓ In principle, we plan **not to reduce but to maintain or increase** the year-end dividend

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

Target

Services

Achievements post acquisition

Mar 2025



Development/operation of calendar app for healthcare and welfare workers

- ✓ Obtained daily touch point with healthcare and welfare workers
- ✓ Increase in our brand awareness among healthcare and welfare workers

Jun 2023



ICT platform & back-office software provider in the healthcare and welfare industry

- ✓ ICT/IoT platform, back-office cloud system focused on elderly care

Jan 2022



Childcare placement

- ✓ Contributed to forming top position in the childcare placement industry
- ✓ Developed childcare direct recruiting business

Aug 2021



HR tech

- ✓ Experienced engineering team
- ✓ Developed basic function for direct recruiting

4.

Financial results

Consolidated statement of profit or loss

Unit: JPY MM	FY2022	FY2023	FY2024
Revenue	44,195	52,767	57,116
Gross profit	30,011	34,969	37,231
Operating profit	5,959	7,514	5,186
Profit	3,621	4,901	2,917
EBITDA*1	7,389	8,867	6,705

*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

Consolidated statement of profit or loss

Unit: JPY MM	FY2024 forecast ^{*1}	FY2024	% of achievement	Factors for shortage vs. financial forecast
Revenue	57,500	57,116	99%	• Decrease in healthcare placement business revenue
Gross profit	37,300	37,231	100%	• Due to shortage of revenue
Operating profit	6,200	5,186	84%	• Larger costs due to increase in advertisement placement
Profit	3,500	2,917	83%	• Due to shortage of operating profit
EBITDA ^{*2}	7,800	6,705	86%	• Same as operating profit

^{*1}: FY2024 forecast figures are revised forecast numbers due to downward revision of financial forecast in "Notice Regarding Revisions to Full-Year Financial Results Forecast" and "Presentation Material for FY2024 Q2 Financial Results", disclosed on August 9, 2024

^{*2}: 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

Consolidated statement of financial position / consolidated statement of cash flows

Unit: JPY MM	FY2024
Cash and cash equivalents	2,683
Trade receivables	4,334
Other	1,184
Total current assets	8,202
Property, plant and equipment	10,717
Goodwill	52,009
Intangible assets	3,556
Other	3,077
Total non-current assets	69,361
Total assets	77,563
Accounts payable - other	2,740
Short-term borrowings	-
Current portion of long-term borrowings	2,000
Lease liabilities	944
Other	7,270
Total current liabilities	12,956
Long-term borrowings	25,765
Lease liabilities	9,281
Other	1,714
Total non-current liabilities	36,762
Total liabilities	49,718
Total equity	27,845
Total liabilities and equity	77,563
Net cash provided by (used in) operating activities	4,055
Net cash provided by (used in) investing activities	(511)
Net cash provided by (used in) financing activities	(6,336)

5.

Risk information

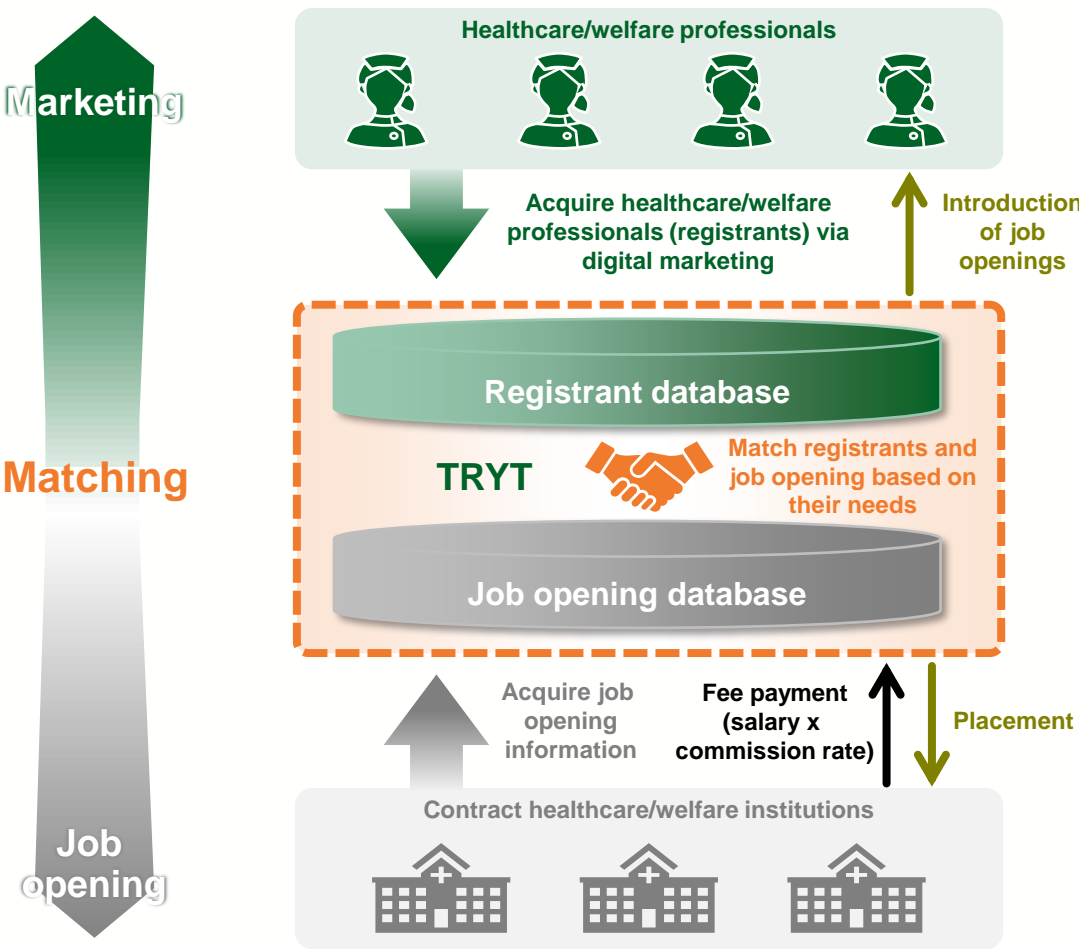
Key risks recognized in the management

Items	Key risks	Possibility	Period	Impact	Risk measures
Evolving needs of healthcare/welfare professionals and institutions	The ability of our group to provide services tailored to the respective needs and preferences of healthcare/welfare professionals and institutions are crucial. Career advisors are required to properly understand diverse needs and propose suitable options. In the recent years, not only a fee-charging employment placement business but also DR services are beginning to gain recognition in the healthcare and welfare field. Failure to recognize and adopt to the evolving needs of healthcare/welfare professionals and institutions in a timely and appropriate manner may result in a loss of competitiveness and market share.	Medium	Mid- to long-term	Large	To adapt to such changes in the business environment, we began trial operations of DR services from December 2021. After a pilot operation following the extensive renewal of our group's website in December 2022, we fully launched this business in February 2023.
Human assets	Securing and nurturing talented individuals is essential for our group to expand its corporate foundation for growth. Failure to secure necessary talents or in the case of human resources outflow, our group's business or financial performance may be impacted.	Medium	No specific period	Large	Our group has been actively working to reduce the turnover rate of sales personnel and making continuous recruitment effort.
New business	The steady expansion of our product and service offerings and entrance into new business areas have been part of our growth strategy. Our entrance into new businesses, whether organically or through acquisitions or partnerships, may involve a series of risks that are different from those in our existing businesses, incur unanticipated costs, or require the commitment of significant management and capital resources. Furthermore, if we are not able to successfully identify new business opportunities or anticipate trends and achieve the anticipated benefits of any future strategic initiatives, our business, financial condition and results of operations could be materially and adversely affected.	Medium	No specific period	Large	We have established business development department specifically for identifying new business opportunities. In addition, we are trying to avoid unexpected loss by setting sufficient period for proof of concept when starting a new business.
Regulation	Our group must comply with the laws and regulations of the country or region where we operate in. In particular, our human resource services require licensing from Ministry of Health, Labour and Welfare and are subject to supervision by the authorities. If we receive disciplinary measures such as business suspension orders from the authorities, it may prevent us from engaging in our core businesses and damage our group's social credibility.	Low	No specific period	Large	Our group has established a system for the sales department to comply with laws and regulations by closely coordinating with the legal affairs department, general affairs department and external law firms. We have also implemented regular internal audits to monitor and improve the compliance status.
Safety management of temporary staffs	Under the Labor Standards Act, we are obligated to compensate temporary staffing employees who become injured, sick or disabled in the course of their work or while commuting to and from their temporary employer. In the event of such incidents, it may impact our group's business, financial performance and other aspects.	Medium	No specific period	Large	Our group strives to understand the working environment of staffing employees and takes measures to prevent incidents.

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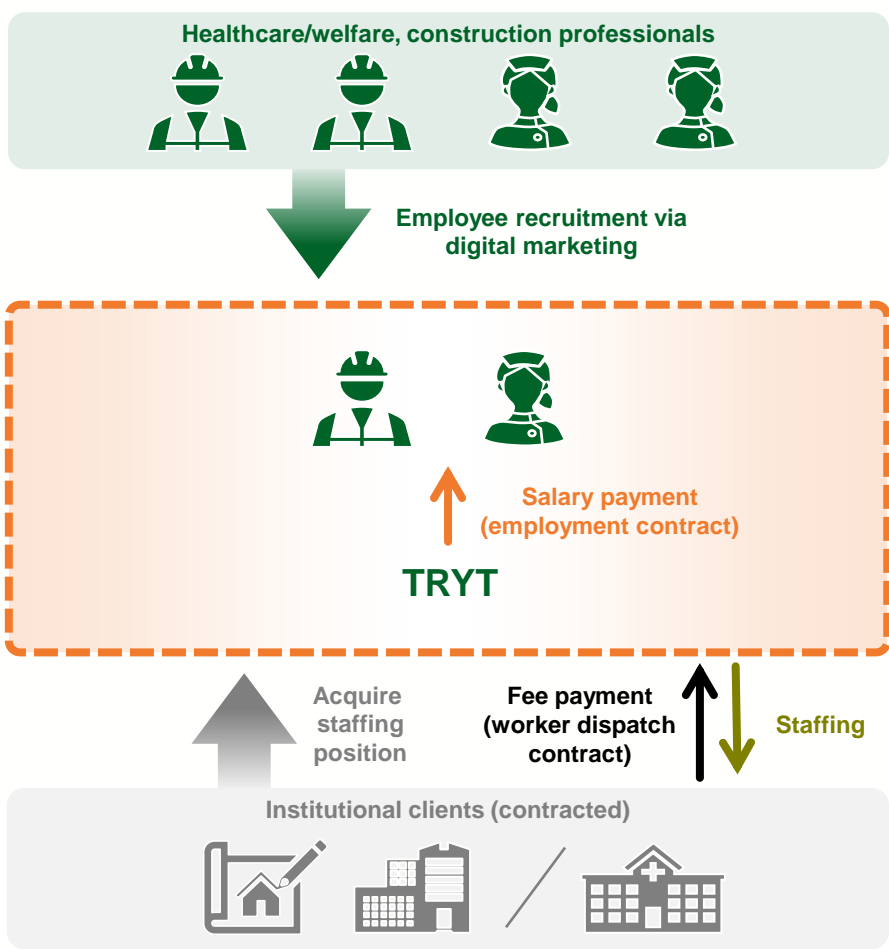
Appendix

HR placement business model



■ Responsibility of marketing team ■ Responsibility of career advisors (CA)

HR staffing business model



■ Responsibility of marketing team ■ Responsibility of sales team

- This material contains forward-looking statements. These statements are only based on information available at the time they were created. Furthermore, such statements do not guarantee future outcomes and involve risks and uncertainties. Please note that actual results may differ significantly from the forward-looking statements due to changes in the environment and other factors.
- Various risks and uncertainties are inherent in these forward-looking statements. Known or unknown risks, uncertainties and other factors could cause results to differ from those contained in the forward-looking statements.
- In addition, all information in this material excluding those related to our company are sourced from public information and similar sources, which we have not conducted any verification and does not guarantee the accuracy, appropriateness or any other aspects of such information.
- Next update of this material is planned to be in March following annual financial results announcement.



TRYT

tryt-group.co.jp