Translation

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Consolidated Financial Results for the Fiscal Year Ended October 31, 2024 (under Japanese GAAP)

December 16, 2024

Company name: tripla Co., Ltd. Listing: Tokyo Stock Exchange
Securities code: 5136 URL: https://en.tripla.io/
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Scheduled date of annual general meeting of shareholders: January 29, 2025
Scheduled date to commence payment of dividends: –
Scheduled date to file annual securities report: January 30, 2025
Preparation of supplementary briefing material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors, securities analysts, and individual investors)

(Amounts less than a million yen are rounded down to the nearest million yen.)

1. Consolidated financial results for the fiscal year ended October 31, 2024 (from November 1, 2023 to October 31, 2024)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2024	1,867	–	270	–	246	–	209	–
October 31, 2023	–	–	–	–	–	–	–	–

Note: Comprehensive income
For the fiscal year ended October 31, 2024: ¥213 million (–%)
For the fiscal year ended October 31, 2023: ¥– million (–%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
October 31, 2024	36.20	35.06	19.6	2.2	14.5
October 31, 2023	–	–	–	–	–

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended October 31, 2024: ¥– million
For the fiscal year ended October 31, 2023: ¥– million

Note: As the Company began preparing consolidated financial statements from the fiscal year ended October 31, 2024, the figures for the fiscal year ended October 31, 2023 and the percentages of year-on-year changes are not presented. Return on equity and ratio of ordinary profit to total assets for the fiscal year ended October 31, 2024 above are calculated using the amounts of equity and total assets as of October 31, 2024, respectively.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
October 31, 2024	10,958	1,102	9.7	182.26
October 31, 2023	–	–	–	–

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)
As of October 31, 2024: ¥1,068 million As of October 31, 2023: ¥– million

Note: As the Company began preparing consolidated financial statements from the fiscal year ended October 31, 2024, the figures as of October 31, 2023 are not presented.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
October 31, 2024	3,978	(966)	1,078	9,555
October 31, 2023	–	–	–	–

Note: As the Company began preparing consolidated financial statements from the fiscal year ended October 31, 2024, the figures for the fiscal year ended October 31, 2023 are not presented.

2. Dividends

	Annual dividend per share					Total dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended October 31, 2023	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ended October 31, 2024	–	0.00	–	0.00	0.00	–	–	–
Fiscal year ending October 31, 2025 (forecast)	–	0.00	–	0.00	0.00		–	

3. Forecast of consolidated financial results for the fiscal year ending October 31, 2025 (from November 1, 2024 to October 31, 2025)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	1,139	48.9	97	74.3	98	120.4	59	122.9	10.35
Full year	2,582	38.3	438	62.2	428	73.9	304	45.6	52.71

* Notes

(1) Significant changes in subsidiaries during the period (Changes in specified subsidiaries resulting in changes in the scope of consolidation): Yes

Newly included:	6 companies:	Bookandlink Pte. Ltd. PT Surya Jagat Mandiri tripla Taiwan Co., Ltd. Surehigh International Technology Inc. JASON FAMILY TRAVEL SERVICE CO., LTD. Endurance Technology Solution Pte Ltd.

Excluded: –

(2) Changes in accounting policies, changes in accounting estimates, and restatements of prior period financial statements

1) Changes in accounting policies due to application of new or revised accounting standards:	None
2) Changes in accounting policies due to reasons other than above 1):	None
3) Changes in accounting estimates:	None
4) Restatements of prior period financial statements:	None

(3) Number of shares of common stock issued

1) Number of shares issued (including treasury shares)	
As of October 31, 2024:	5,861,702 shares
As of October 31, 2023:	5,562,300 shares
2) Number of treasury shares	
As of October 31, 2024:	81 shares
As of October 31, 2023:	34 shares
3) Average number of shares outstanding during the period	
Fiscal year ended October 31, 2024:	5,783,203 shares
Fiscal year ended October 31, 2023:	5,401,409 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecast and other special notes

The forward-looking statements, including the earnings forecast, contained in this document are based on information currently available to us and certain assumptions that we believe to be reasonable. Accordingly, please be advised that we do not guarantee the achievement of the forecast, and the actual results may differ significantly from the forecast due to a variety of factors. For notes on the earnings forecast, please refer to “1. Overview of Consolidated Operating Results, (4) Future outlook” on page 3 of the Attached Materials.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the fiscal year ended October 31, 2024

During the fiscal year ended October 31, 2024, the Japanese economy was on a moderate recovery trend as employment and income environments improved backed by a range of positive trends, such as increases in the demand from inbound tourists against the backdrop of the weaker yen and rises in salaries. Meanwhile, the outlook for the economy has remained uncertain for a number of reasons, such as concerns over the future of the Chinese economy, unstable international conditions, the review of monetary policies by the Bank of Japan, and rises in the cost of living.

While the hotel industry, which is related to the Group's hospitality solutions business, had struggled with deteriorating business conditions over the past few years in the wake of the COVID-19 pandemic, the recovery of the tourism demand especially from foreign tourists to Japan has become prominent. As such, we believe that the demand for hotels will continue to recover in the years ahead. According to a survey published by the Japan Tourism Agency, the cumulative number of hotel guests (including inbound tourists) during the current fiscal year reached 108% of the level in the same period of 2019, before the COVID-19 pandemic, with 101% for the number of Japanese guests and 136% for the number of inbound guests.
In this business environment, the Group's hospitality solutions business improved the functions of its mainstay services, including "tripla Book" and "tripla Bot," and CRM/MA tools exclusively for the hotel industry, including "tripla Connect," to enhance customer value. Since November 2023, the Group also has developed and delivered the advertising management service "tripla Boost," the online travel agency service "tripla.ai," and the service to assist travelers on journey "tripla Guide" providing integrated information necessary during their hotel stay. Further, the Group established a Korean branch to sell its services to accommodation facilities in Korea in March 2023, acquired Bookandlink Pte. Ltd. in November 2023, and acquired Surehigh International Technology Inc. and Endurance Technology Solution Pte Ltd. in February 2024. Through these initiatives, we have been committed to expanding business overseas, which is a pillar of our growth strategy.

As the result of these efforts, during the fiscal year ended October 31, 2024, the numbers of facilities using tripla Book and tripla Bot increased 468 and 157 from the end of the previous fiscal year to 2,953 and 1,823, respectively. During the same period, Gross Merchandise Value ("GMV") also increased 95.0% year on year to ¥125,548 million.

As a result, for the fiscal year ended October 31, 2024, operating revenue amounted to ¥1,867,358 thousand, operating profit to ¥270,127 thousand, ordinary profit to ¥246,220 thousand, and profit attributable to owners of parent to ¥209,347 thousand.
Description by segment is omitted as the Group operates in a single segment, i.e. the hospitality solutions business.

(2) Overview of financial position for the fiscal year ended October 31, 2024

Assets, liabilities and net assets as of October 31, 2024

(Assets)

As of October 31, 2024, current assets amounted to ¥10,165,949 thousand, which consisted primarily of cash and deposits of ¥9,717,897 thousand. Non-current assets amounted to ¥792,234 thousand, which consisted primarily of goodwill of ¥546,475 thousand. As a result, total assets came in at ¥10,958,184 thousand.

(Liabilities)

As of October 31, 2024, current liabilities amounted to ¥8,805,216 thousand, which consisted primarily of deposits received as part of accommodation fees for tripla Book of ¥8,158,414 thousand. Non-current liabilities amounted to ¥1,050,562 thousand, which consisted primarily of borrowings of ¥1,018,196 thousand. As a result, total liabilities came in at ¥9,855,779 thousand.

(Net assets)

As of October 31, 2024, total net assets came in at ¥1,102,404 thousand, which consisted primarily of capital surplus of ¥796,382 thousand, and retained earnings of (¥582,950) thousand.
As a result, equity ratio came in at 9.7%.

(3) Cash flows for the fiscal year ended October 31, 2024

As of October 31, 2024, cash and cash equivalents (hereinafter, "net cash") came in at ¥9,555,177 thousand. Major factors for increases/decreases in cash flows as of the end of the fiscal year ended October 31, 2024 are as follows:

(i) Cash flows from operating activities

For the fiscal year ended October 31, 2024, net cash provided by operating activities amounted to ¥3,978,934 thousand, which

is attributable primarily to the recognition of profit before income taxes of ¥246,730 thousand and an increase in deposits received of ¥3,733,837 thousand.

(ii) Cash flows from investing activities

For the fiscal year ended October 31, 2024, net cash used in investing activities amounted to ¥966,174 thousand, which is attributable primarily to purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥343,937 thousand, and purchase of additional shares of a subsidiary of ¥522,530 thousand.

(iii) Cash flows from financing activities

For the fiscal year ended October 31, 2024, net cash provided by financing activities amounted to ¥1,078,104 thousand, which is attributable primarily to proceeds from long- term borrowings of ¥1,157,535 thousand.

(4) Future outlook

During the fiscal year ending October 31, 2025, the Group will continue efforts to expand sales of tripla Book and tripla Bot in Japan as in the past, and will also promote the cross-selling of products such as tripla Connect, tripla Link, tripla Analytics, and tripla Boost. In addition, we will strive to expand the business of overseas subsidiaries acquired during the fiscal year ended October 31, 2024.

As for the consolidated earnings forecast for the fiscal year ending October 31, 2025, we expect to record operating revenue of ¥2,582 million (up 38.3% year on year), operating profit of ¥438 million (up 62.2% year on year), ordinary profit of ¥428 million (up 73.9% year on year), and profit attributable to owners of parent of ¥304 million (up 45.6% year on year).

As for the non-consolidated earnings of Tripla Co., Ltd.., which accounts for a significant proportion of the Group's consolidated earnings forecast, we expect to record operating revenue of ¥2,123 million (up 29.5% year on year) and operating profit of ¥442 million (up 36.4% year on year). These figures reflect the development expenses of the Taiwan branch and earnings of the Korea branch.

Premises for the non-consolidated earnings forecast of Tripla Co., Ltd.. are as follows:

(i) Operating revenue

For the fiscal year ending October 31, 2025, non-consolidated operating revenue is expected to come in at ¥2,123 million, which consists of operating revenue of ¥2,083 million from Japan and ¥40 million from Korea through the Korea branch. Operating revenue from the Taiwan branch, which had been included in the non-consolidated operating revenue of Tripla Co., Ltd.. until the fiscal year ended October 31, 2024, will be excluded from the amount since the contracts with customers in the Taiwan market have been transferred to Surehigh International Technology Inc.

For the fiscal year ended October 31, 2024, non-consolidated operating revenue of Tripla Co., Ltd.. of ¥2,083 million came mainly from tripla Book, and from other businesses such as tripla Bot and tripla Connect. For the fiscal year ending October 31, 2025, we expect to record operating revenue of ¥1,585 million (up 34.0% year on year) from tripla Book, ¥361 million (up 1.1% year on year) from tripla Bot, and ¥70 million (up 45.3% year on year) from tripla Connect.

Revenue structure of tripla Book can be divided roughly into two parts: fixed revenue, which represents the amount of flat monthly fees per facility; and metered revenue, which is determined based on the amount of accommodation and additional fees charged by hotels. The metered revenue can then be sub-divided into two parts: the amount of accommodation fees and additional fees charged at a metered rate. Fixed revenue is calculated by multiplying the number of the facilities using the service by the unit fixed revenue. When calculating the number of facilities using the service, both the number of new contracts we expect to sign and the number of existing contracts we expect to terminate are taken into account. When calculating the unit fixed revenue, the unit fixed revenue expected from new contracts and the existing unit fixed revenue are taken into account. During the fiscal year ending October 31, 2025, we expect to record fixed revenue of ¥389 million (up 8.7% year on year) from triple Book by acquiring all scales of hotels, ranging from small-sized stand-alone hotels to large hotel chains, as our customers. As of October 31, 2025, the number of hotels using our tripla Book in Japan, which is a premise underlying the fixed revenue, is expected to increase by 413 facilities from 2,910 facilities as of October 31, 2024 to 3,323 facilities. The metered revenue is calculated by multiplying the take rate by Gross Merchandise Value (GMV) per facility which reflects an increase in the number of facilities and seasonality. We calculate the take rate by taking into account the measures we plan to implement in the future. In the fiscal year ending October 31, 2025, we expect to earn metered revenue of ¥1,195 million (up 42.7% year on year) with GMV of ¥139.1 billion; the take rate of 0.9%; and the take rate for Net GMV, which is calculated using GMV underlying the pricing of metered revenue as denominator.

Until the fiscal year ended October 31, 2023, operating revenue for tripla Bot had traditionally consisted of two types of revenues:

fixed revenue, and metered revenue which varies depending on the number of inquiries received. However, since the fiscal year ended October 31, 2024, these two types of revenues combined have been presented as operating revenue. Although tripla Bot is basically built on the AI we have developed on our own, its plans differ depending on whether or not a manned support service is included. Traditionally, many of our plans had included a manned support service. However, the percentage of AI-only plans has been increasing as our AI has become more accurate than before. In fact, new customers mostly select the AI-only plans; existing customers also have increasingly transitioned to the AI-only plans. Although the revenue for AI-only plans is solely from fixed fees, we can earn both fixed revenue and metered revenue from the plans with a manned support service. However, the fixed fees for the AI-only plans are determined based on the number of inquires estimated in advance. We therefore do not expect our operating revenue to change significantly even if customers transition to the AI-only plans. The composition of the fixed and metered revenues differs. To prevent misunderstanding caused by such differences in the composition, we have decided to combine fixed revenue and metered revenue for tripla Bot and to present them as operating revenue. We have estimated the amount of revenues by multiplying unit revenue by the number of facilities using tripla Bot. The number of facilities using tripla Bot calculated takes into account the number of new contracts we will sign and the number of existing contracts we will terminate, while the unit revenue is calculated based on the existing unit revenue and by taking into account the unit revenue we expect to earn in the years ahead. For the fiscal year ending October 31, 2025, we expect the number of facilities using tripla Bot to increase 146 from 1,691 as of October 31, 2024 to 1,837.

(ii) Operating expenses, operating profit

Operating expenses consist primarily of personnel expenses (including outsourcing expenses), hiring expenses, advertising expenses, and communication expenses. Personnel expenses include payroll and allowances, legal welfare expenses, outsourcing expenses, share-based payment expenses associated with the issuance of stock options, etc. In addition to the impact of the engineers and other personnel hired during the fiscal year ended October 31, 2024, we plan to hire engineers for continuing investment in development, and other personnel for expanding business overseas, for instance, also in the fiscal year ending October 31, 2025. As for the recruitment of engineers, in addition to hiring them at the Head Office in Japan and the Taiwan branch, the Company plans to strengthen the recruitment of engineers in Indonesia in cooperation with Bookandlink Pte. Ltd. it acquired during the fiscal year ended October 31, 2024. Under the policy “Same Brand, Same Products,” the Company is integrating its products under the same brand, thereby reducing redundant development costs to optimize expenses. As a result, we expect to record personnel expenses of ¥1,016 million (up 19.3% year on year).

With regard to hiring expenses, for the fiscal year ended October 31, 2024, we had incorporated the fees to be paid to a recruitment agency as we had assumed the use of the agency. However, we succeeded in reducing costs by recruiting engineers on referrals and through the use of job sites. As a result, hiring expenses decreased significantly from initially projected ¥34 million to ¥15 million. For the fiscal year ending October 31, 2025, we will also take all kinds of measures to recruit talented personnel. However, assuming the use of a recruitment agency, we have factored fees to be paid to the agency into our forecasts. Moreover, to bring our recruitment activities, which we had contained during the fiscal year ended October 31, 2024, back to normal, we will spend ¥59 million as hiring expenses (up 298% year on year).

Advertising expenses is estimated at ¥20 million (up 68.9% year on year). As a company specialized in the hotel industry, we are engaged in advertising activities including placing ads on industry magazines and holding seminars. The Company does not incur significant advertising expenses as it does not place ads on mass media, which is a policy that it will continue in the fiscal year ending October 31, 2025. Meanwhile, as the Company plans to participate in a variety of conferences and work on sales promotion activities overseas, it expects advertising expenses to be higher compared to the fiscal year ended October 31, 2024.

Communication expenses, which consist primarily of the cost of servers, are estimated at ¥194 million (up 33.2% year on year) for the fiscal year ending October 31, 2025 due in part to the effect of an increase in operating revenue.

Based on the above, we expect that overall operating expenses will come in at ¥1,681 million (up 27.8% year on year). As a result, we expect to record operating profit of ¥442 million (up 36.4% year on year). These figures represent the non-consolidated earnings forecasts for tripla Co., Ltd., and thus, include of the earnings of the Taiwan and Korea branches.

Besides the non-consolidated earnings forecasts of tripla Co., Ltd., the earnings forecasts for the fiscal year ending October 31, 2025 and beyond will additionally include the earnings associated with the markets in Southeast Asia, including Indonesia, of Bookandlink Pte. Ltd. (and subsidiary PT Surya Jagat Mandiri), which was converted into a subsidiary in November 2023; the earnings associated with the Taiwanese market of Surehigh International Technology Inc., which was converted into a

subsidiary in February 2024; and the earnings associated with the markets in Southeast Asia of Endurance Technology Solution Pte Ltd., which was converted into a subsidiary in February 2024, as well as amortization of goodwill, etc.

The Company has consolidated the earnings of Bookandlink Pte. Ltd. into its balance sheet since the first quarter of the fiscal year ended October 31, 2024 and into its statement of income since the second quarter of the same fiscal year. For the fiscal year ending October 31, 2025, the earnings of Bookandlink are consolidated into both the Company's balance sheet and statement of income from the beginning of the fiscal year, and therefore, are reflected in the full-year earnings forecasts. Also, the earnings of Endurance Technology Solution Pte Ltd. have been consolidated into the Company's balance sheet since the second quarter of the fiscal year ended October 31, 2024, and into its statement of income since the third quarter of the same fiscal year. For the fiscal year ending October 31, 2025, the earnings of Endurance are consolidated into both the Company's balance sheet and statement of income from the beginning of the fiscal year. As announced separately, we plan to merge Bookandlink Pte. Ltd. and Endurance Technology Solution Pte Ltd., both of which are wholly-owned subsidiaries of the Company. After combining the earnings of the two subsidiaries, we expect that operating revenue will come in at ¥198 million and operating profit after amortization of goodwill will come in at ¥20 million. Of operating revenue forecast of ¥198 million, ¥175 million represent operating revenue from the Channel Manger products Bookandlink has developed and sold since before the M&A transaction.

The earnings of Surehigh International Technology Inc. have been consolidated into the Company's balance sheet since the second quarter of the fiscal year ended October 31, 2024, and into its statement of income since the third quarter of the same fiscal year. For the fiscal year ending October 31, 2025, the earnings of Surehigh are consolidated into both the Company's balance sheet and statement of income from the beginning fiscal year, and therefore, are reflected in the full-year earnings forecasts. As such, for the full fiscal year ending October 31, 2025, we expect to record operating revenue of ¥259 million and operating profit after amortization of goodwill of ¥4 million. Operating revenue forecast of ¥259 million includes revenues from reservation engines of ¥103 million, from Channel Managers of ¥69 million, from website builders, from one-time system integration, and from sales expansion of tripla Bot in Taiwan.

For future earnings outlook, please also refer to *Business Plan and Matters Related to Growth Potential* to be published on the same date as this document.

2. Basic Approach to Selection of Accounting Standards

The Company has adopted Japanese GAAP as accounting standards in the preparation of this document to ensure the comparability among companies.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated balance sheet

(Thousands of yen)

	As of October 31, 2024
Assets	
Current assets	
Cash and deposits	9,717,897
Accounts receivable - trade	274,510
Contract assets	13,277
Other	160,264
Total current assets	10,165,949
Non-current assets	
Property, plant and equipment	38,638
Intangible assets	
Goodwill	546,475
Customer-related intangible assets	92,947
Total intangible assets	639,423
Investments and other assets	
Deferred tax assets	71,389
Other	42,783
Total investments and other assets	114,173
Total non-current assets	792,234
Total assets	10,958,184
Liabilities	
Current liabilities	
Current portion of long-term borrowings	226,740
Income taxes payable	52,715
Deposits received	8,158,414
Contract liabilities	177,219
Provision for bonuses	2,020
Other	188,106
Total current liabilities	8,805,216
Non-current liabilities	
Long-term borrowings	1,018,196
Retirement benefit liability	3,905
Deferred tax liabilities	28,460
Total non-current liabilities	1,050,562
Total liabilities	9,855,779

(Thousands of yen)

	As of October 31, 2024
Net assets	
Shareholders' equity	
Share capital	859,151
Capital surplus	796,382
Retained earnings	(582,950)
Treasury shares	(183)
Total shareholders' equity	1,072,399
Accumulated other comprehensive income	
Foreign currency translation adjustment	(4,042)
Total accumulated other comprehensive income	(4,042)
Share acquisition rights	11,038
Non-controlling interests	23,009
Total net assets	1,102,404
Total liabilities and net assets	10,958,184

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income for the fiscal year ended October 31, 2024

(Thousands of yen)

	Fiscal year ended October 31, 2024
Operating revenue	1,867,358
Operating expenses	1,597,231
Operating profit	270,127
Non-operating income	
Interest income	3,987
Rental income	1,833
Point redemption income	1,104
Subsidy income	13,294
Other	996
Total non-operating income	21,216
Non-operating expenses	
Interest expenses	6,311
Foreign exchange losses	38,344
Other	466
Total non-operating expenses	45,123
Ordinary profit	246,220
Extraordinary income	
Gain on disposal of non-current assets	102
Gain on reversal of share acquisition rights	407
Total extraordinary income	510
Extraordinary losses	
Loss on disposal of non-current assets	0
Total extraordinary losses	0
Profit before income taxes	246,730
Income taxes – current	54,114
Income taxes – deferred	(24,916)
Total income taxes	29,198
Profit	217,532
Profit attributable to non-controlling interests	8,184
Profit attributable to owners of parent	209,347

Consolidated statement of comprehensive income for the fiscal year ended October 31, 2024

(Thousands of yen)

	Fiscal year ended October 31, 2024
Profit	217,532
Other comprehensive income	
Foreign currency translation adjustment	(3,631)
Total other comprehensive income	(3,631)
Comprehensive income	213,900
Comprehensive income attributable to:	
Owners of parent	205,304
Non-controlling interests	8,595

(3) Consolidated statement of changes in equity

Fiscal year ended October 31, 2024 (from November 1, 2023 to October 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	711,259	1,091,995	(767,493)	(96)	1,035,665
Changes during period					
Issuance of new shares	147,891	147,891			295,783
Profit attributable to owners of parent			209,347		209,347
Purchase of treasury shares				(87)	(87)
Changes resulting from inclusion of subsidiaries in consolidation			(24,804)		(24,804)
Additional purchase of shares of consolidated subsidiaries		(443,504)			(443,504)
Net changes in items other than shareholders' equity					
Total changes during period	147,891	(295,613)	184,543	(87)	36,734
Balance at end of period	859,151	796,382	(582,950)	(183)	1,072,399

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	–	–	–	–	1,035,665
Changes during period					
Issuance of new shares					295,783
Profit attributable to owners of parent					209,347
Purchase of treasury shares					(87)
Changes resulting from inclusion of subsidiaries in consolidation					(24,804)
Additional purchase of shares of consolidated subsidiaries					(443,504)
Net changes in items other than shareholders' equity	(4,042)	(4,042)	11,038	23,009	30,004
Total changes during period	(4,042)	(4,042)	11,038	23,009	66,739
Balance at end of period	(4,042)	(4,042)	11,038	23,009	1,102,404

(4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended October 31, 2024
Cash flows from operating activities	
Profit before income taxes	246,730
Depreciation	8,287
Amortization of customer-related intangible assets	8,550
Amortization of goodwill	49,446
Share-based payment expenses	13,733
Loss (gain) on sale of non-current assets	(102)
Gain on reversal of share acquisition rights	(407)
Interest income	(3,987)
Interest expenses	6,311
Foreign exchange losses (gains)	(2,248)
Decrease (increase) in trade receivables	(57,552)
Increase (decrease) in deposits received	3,733,837
Other, net	21,685
Subtotal	4,024,283
Interest received	3,987
Interest paid	(6,311)
Income taxes paid	(43,025)
Net cash provided by (used in) operating activities	3,978,934
Cash flows from investing activities	
Purchase of property, plant and equipment	(32,032)
Proceeds from disposal of property, plant and equipment	102
Loan advances	(422)
Proceeds from collection of loans receivable	175
Decrease (increase) in time deposits	(42,569)
Payments of leasehold and guarantee deposits	(26,293)
Proceeds from refund of leasehold and guarantee deposits	1,333
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(343,937)
Additional purchase of shares of subsidiaries	(522,530)
Net cash provided by (used in) investing activities	(966,174)

(Thousands of yen)

	Fiscal year ended October 31, 2024
Cash flows from financing activities	
Proceeds from issuance of shares	47,034
Purchase of treasury shares	(87)
Proceeds from long-term borrowings	1,157,535
Repayments of long-term borrowings	(126,377)
Net cash provided by (used in) financing activities	1,078,104
Effect of exchange rate change on cash and cash equivalents	(3,848)
Net increase (decrease) in cash and cash equivalents	4,087,015
Cash and cash equivalents at beginning of period	5,468,162
Cash and cash equivalents at end of period	9,555,177

(4) Notes to consolidated financial statements

Going concern assumption

Not applicable

Segment information

Description is omitted as the Group operates in a single segment, i.e. the hospitality solutions business.

(Per share information)

	Current fiscal year (from November 1, 2023 to October 31, 2024)
Net assets per share	182.26 yen
Basic earnings per share	36.20 yen
Diluted earnings per share	35.06 yen

Note 1: Basis for calculation of both basic earnings per share and diluted earnings per share is as follows:

	Current fiscal year (from November 1, 2023 to October 31, 2024)
Basic earnings per share	
Profit attributable to owners of parent (thousand yen)	209,347
Profit not attributable to common shareholders (thousand yen)	–
Profit attributable to common shareholders of parent (thousand yen)	209,347
Average number of shares of common stock during the period (shares)	5,783,203
Diluted earnings per share	
Adjustment to profit attributable to owners of parent (thousand yen)	—
Number of shares of common stock increased (shares)	188,133
[of which, number of share acquisition rights (shares)]	(188,133)
Summary of potential shares not included in the calculation of diluted earnings per share due to their anti-dilutive effect	–

2 Basis for calculation of net assets per share is as follows:

	Current fiscal year (As of October 31, 2024)
Total net assets (thousand yen)	1,102,404
Deductions from total net assets (thousand yen)	34,047
[of which, share acquisition rights (thousand yen)]	(11,038)
[of which, non-controlling interests (thousand yen)]	(23,009)
Net assets applicable to common stock at end of period (thousand yen)	1,068,356
Number of shares of common stock at end of period used for the calculation of net assets per share (shares)	5,861,621

Significant events after reporting period

(Transactions under common control, etc.)

At the Board of Directors meeting held on December 13, 2024, the Company resolved to merge Endurance Technology Solution Pte. Ltd. (headquartered in Singapore; hereinafter, referred to as "Endurance Singapore") and Bookandlink Pte. Ltd. (headquartered in Singapore; hereinafter, referred to as "BookandLink Singapore"), both its consolidated subsidiaries, in an absorption-type merger (hereinafter, the "Merger"), with Endurance Singapore as the surviving company and BookandLink Singapore as the dissolving company.

The Company intends to change the trading name of the surviving company to tripla Singapore Pte. Ltd. (hereinafter, "tripla Singapore"), and will also change the trade name of PT Surya Jagat Mandiri (headquartered in Indonesia; hereinafter, "SJM"), currently a subsidiary of BookandLink Singapore, to tripla BookandLink Indonesia (hereinafter, "tripla BookandLink Indonesia").

1. Objectives of the Merger

Endurance Singapore and BookandLink Singapore, wholly-owned subsidiaries of the Company, both headquartered in Singapore, are supposed to develop and sell products in the same category, such as reservation engines and Channel Managers[*1], in Southeast Asia, including Indonesia. As such, the objectives of the Merger are to centrally manage the organizations, attain an optimal allocation of resources and costs, and to streamline the Group's management.

(i) As of today

図1(別紙)

(ii) Merger

After the procedures pursuant to the laws of Singapore are completed, Endurance Singapore and BookandLink Singapore will merge with Endurance Singapore as the surviving company and BookandLink Singapore as the dissolving company.

図2 (別紙)

(iii) Changes in trade names

The trade names of Endurance Singapore, the surviving company, will be changed to tripla Singapore Pte. Ltd. (tripla Singapore). Also, the trade name of SJM will be changed to PT. tripla BookandLink Indonesia (tripla BookandLink Indonesia).

図3 (別紙)

Notes:

1. Channel Manager: Refers to a system that collectively manages inventory, plans, prices, etc. by linking multiple sources of reservation information, such as OTA (Note 2) and reservation systems, with PMS (Note 7)
2. OTA: Stands for Online Travel Agent, which is a travel agency that deals in travel products only online without a physical store. An OTA posts information about accommodation facilities on the portal site it operates, allowing users to reserve these accommodation facilities
3. Endurance Thailand: Refers to Endurance Technology Solution Company Limited (headquartered in Thailand), currently a non-consolidated subsidiary of Endurance Singapore holding 47% of its issued shares
4. tripla Taiwan: Refers to tripla Taiwan Co., Ltd. (headquartered in Taiwan), a consolidated subsidiary of the Company holding 100% of its issued shares.
5. Surehigh: Refers to Surehigh International Technology Inc. (headquartered in Taiwan), a consolidated subsidiary of tripla Taiwan holding 91% of its issued shares
6. Jason Family: Refers to JASON FAMILY TRAVEL SERVICE CO., LTD. (headquartered in Taiwan), a consolidated subsidiary of Surehigh holding 100% of its issued shares
7. PMS: Stands for Property Management System, a core system which allows accommodation facilities to manage the inventory of guest rooms, reservation information, billing information, etc. as well as link sales information

2. Summary of the Merger

(1) Timeline for the Merger

Date of resolution at a Board of Directors meeting (of the Company)	December 13, 2024
Date of concluding the Merger agreement	TBD (Note)
Date of resolution at general meetings of shareholders (of the companies being merged)	TBD (Note)
Planned date of the Merger (when the trade names are changed) (effective date)	TBE (Note)

Note: Scheduled after the procedures pursuant to the laws of Singapore related to a merger are completed

(2) Method of the Merger

An absorption-type merger in which Endurance Singapore will be the surviving company and BookandLink Singapore will be the dissolving company

(3) Allocation of shares, etc. in connection with the Merger

The Merger is a merger between two consolidated subsidiaries of the Company, and thus, entails neither the issuance of new shares nor the payment of grant.

(4) Treatment of share acquisition rights and bonds with share acquisition rights of the dissolving company

Not applicable

3. Overview of the companies being merged

(1) Surviving company (Endurance Singapore)

Name	Endurance Technology Solution Pte. Ltd.
Address	16 RAFFLES QUAY #41-01 HONG LEONG BUILDING SINGAPORE 048581
Main lines of business	Development and operation of services for accommodation facilities and provision of such services on the internet

(2) Dissolving company (BookandLink Singapore)

Name	Bookandlink Pte. Ltd.
Address	133 New Bridge Road, #17-01, Chinatown Point, Singapore (059413)
Main lines of business	Management of subsidiaries

4. Trade name change after the Merger

The trade name of Endurance Technology Solution Ptd. Ltd., the surviving company, will be changed to tripla Singapore Pte. Ltd.; the trade name of PT Surya Jagat Mandiri, which will be a subsidiary of the surviving company will be changed to PT. tripla BookandLink Indonesia.

(Establishment of a subsidiary (i))

The Company resolved at the Board of Directors meeting held on December 16, 2024 that Endurance Technology Solution Pte. Ltd. (headquartered in Singapore; “Endurance Singapore” (Note 1)), a wholly-owned subsidiary of the Company, will establish a subsidiary in the Philippines (a sub-subsidiary of the Company).

1. Objectives of establishing the subsidiary

During the fiscal year ended October 31, 2024, the Company expanded business into countries such as Singapore, Indonesia, Thailand, and Taiwan through the acquisition of three companies. Also, in the Philippines, a country where the tourism market is thriving, believing that our IT services for accommodation facilities are in strong demand, we have decided to tap into the market.

Note: At the Board of Directors meeting held on December 13, 2024, the Company resolved to merge Endurance Singapore with Bookandlink Pte. Ltd. (headquartered in Singapore), both wholly-owned subsidiaries of the Company, and rename the merged company to tripla Singapore Pte. Ltd. (headquartered in Singapore; hereinafter, referred to as "tripla Singapore"). A company planned to be established in the Philippines will be a wholly-owned subsidiary of tripla Singapore.

2. Overview of the subsidiary

(1)	Name	tripla Philippines Inc. (planned)
(2)	Address	Pasig, the Philippines
(3)	Position and name of representative	Representative Director and CEO Kazuhisa Takahashi
(4)	Main lines of business	Development and operation of services for accommodation facilities and provision of such services on the internet
(5)	Share capital	USD200,000
(6)	Date of establishment	TBD (Note 1)
(7)	Major shareholder and its shareholding ratio	Endurance Singapore: 100% (Note 2)

Notes:

1. The subsidiary will be established upon completion of the procedures required by local regulatory authorities.
2. At the Board of Directors meeting held on December 13, 2024, the Company resolved to merge Endurance Singapore with Bookandlink Pte. Ltd. (headquartered in Singapore), both wholly-owned subsidiaries of the Company, and rename the merged company to tripla Singapore Pte. Ltd. (headquartered in Singapore; hereinafter, referred to as "tripla Singapore"). A company planned to be established in the Philippines will be a wholly-owned subsidiary of tripla Singapore.

(Establishment of a subsidiary (ii))

At the Board of Directors meeting held on December 16, 2024, the Company resolved to establish a subsidiary in Hong Kong.

1. Objectives of establishing the subsidiary

The revenue structure of tripla Book, the largest pillar of revenue for the Group, is divided roughly into the following three parts: fixed revenue, which represents the amount of flat monthly fees per facility; metered revenue, which is determined based on the amount of fees charged by accommodation facilities; and metered revenue, which is determined based on the amount of additional fees charged by accommodation facilities. Of which, to increase the amount of additional fees charged by accommodation facilities by improving both the take rate (Note 1), through cost reduction, and net revenue, we have decided to establish the local subsidiary. In addition, we plan to carry out activities to market our services to accommodation facilities in Hong Kong.

Notes:

1. Represents the figure calculated by dividing the sum of accommodation and additional fees charged by accommodation facilities by GMV (Note 2)
2. Stands for Gross Merchandise Value, the total amount of transactions made on tripla Book

2. Overview of the subsidiary

(1)	Name	tripla Hong Kong Limited (planned)
(2)	Address	TBD
(3)	Position and name of representative	Representative Director and CEO Kazuhisa Takahashi
(4)	Main lines of business	Development and operation of services for accommodation facilities and provision of such services on the internet
(5)	Share capital	HKD1,000,000 (planned)
(6)	Date of establishment	TBD (Note)

(7)	Major shareholder and its shareholding ratio	The Company: 100%

Note: The subsidiary will be established upon completion of the procedures required by local regulatory authorities.