Translation

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.z

Consolidated Financial Results for the Three Months Ended January 31, 2025 (under Japanese GAAP)

March 17, 2025

Company name: tripla Co., Ltd. Listing: Tokyo Stock Exchange
Securities code: 5136 URL: https://en.tripla.io/
Representative: Kazuhisa Takahashi, Representative Director and CEO
Kaku Toriu, Representative Director, CPO and CTO
Contact: Yoshito Oka, Director and CFO
Phone: +81-3-6276-6553

Scheduled date to commence payment of dividends: –
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 three months ended January 31, 2025 (from November 1, 2024 to January 31, 2025)

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

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2025	642	86.6	125	–	147	–	114	–
January 31, 2024	344	–	0	–	0	–	(5)	–

Note: Comprehensive income
For the three months ended January 31, 2025: ¥188 million (–%)
For the three months ended January 31, 2024: ¥(5) million (–%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
January 31, 2025	19.61	19.02
January 31, 2024	(1.03)	–

Notes:
1. As the Company began preparing quarterly consolidated financial statements from the first quarter of the fiscal year ended October 31, 2024, the percentages of year-on-year changes for the first quarter of the fiscal year ended October 31, 2024 are not presented.
2. Diluted earnings per share for the first quarter of the fiscal year ended October 31, 2024 is not presented despite the existence of dilutive shares, because a net loss per share was recorded.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
January 31, 2025	11,990	1,299	10.5
October 31, 2024	10,958	1,102	9.7

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)
As of January 31, 2025: ¥1,258 million As of October 31, 2024: ¥1,068 million

2. Dividends

	Annual dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended October 31, 2024	Yen –	Yen 0.00	Yen –	Yen 0.00	Yen 0.00
Fiscal year ending October 31, 2025	–				
Fiscal year ending October 31, 2025 (forecast)		0.00	–	0.00	0.00

Note: Revisions from the most recently announced dividends forecast: None

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	1,275	66.7	245	339.3	256	474.0	199	641.4	33.97
Fiscal year	2,770	48.3	528	95.7	528	114.5	403	92.5	68.75

Notes: Revisions from the most recently announced forecast of consolidated financial results: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: None
Newly included: –

Excluded: –

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) 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:	Yes
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

(4) Number of shares of common stock issued

1) Number of shares issued (including treasury shares)

As of January 31, 2025:	5,869,502 shares
As of October 31, 2024:	5,861,702 shares

2) Number of treasury shares

As of January 31, 2025:	81 shares
As of October 31, 2024:	81 shares

3) Average number of shares outstanding during the period

Three months ended January 31, 2025:	5,862,716 shares
Three months ended January 31, 2024:	5,730,134 shares

* Review of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* 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. Qualitative Information on Quarterly Consolidated Financial Results, (3) Explanation of forward-looking information including earnings forecast” on page 3 of the Attached Materials.

Contents of Attached Materials

1. Qualitative Information on Quarterly Consolidated Financial Results ····· P. 2
   (1) Explanation of consolidated operating results ····· P. 2
   (2) Explanation of consolidated financial position ····· P. 2
   (3) Explanation of forward-looking information including earnings forecast ····· P. 3
2. Quarterly Consolidated Financial Statements and Major Notes ····· P. 4
   (1) Quarterly consolidated balance sheet ····· P. 4
   (2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income ····· P. 6
      Quarterly consolidated statement of income for three months ended January 31, 2025 ····· P. 6
      Quarterly consolidated statement of comprehensive income for three months ended January 31, 2025 ····· P. 7
   (3) Notes to quarterly consolidated financial statements ····· P. 8
      Changes in accounting policies ····· P. 8
      Going concern assumption ····· P. 8
      Significant changes in shareholders' equity ····· P. 8
      Segment information ····· P. 8
      Statement of cash flows ····· P. 8
      Subsequent events after reporting period ····· P. 9

1. Qualitative Information on Quarterly Consolidated Financial Results

Forward-looking statements in this document are based on the Company's judgements as of January 31, 2025.

(1) Explanation of consolidated operating results

During the three months ended January 31, 2025, 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 116% of the level in the same period of 2019, before the COVID-19 pandemic, with 104% for the number of Japanese guests and 165% for the number of inbound guests.
In this business environment, as in the previous fiscal year, the Group's hospitality solutions business continued to improve 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. The Group has also been offering the advertising management service "tripla Boost," "tripla Link," which enables customer acquisition from local travel booking sites in East and Southeast Asia in addition to major international travel booking sites, and the service to assist travelers on journey "tripla Guide" providing integrated information necessary during their hotel stay. Further, the Group established tripla Hong Kong Limited in December 2024 and tripla USA, Inc. in February 2025. 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 three months ended January 31, 2025, the numbers of facilities using tripla Book and tripla Bot increased 128 and 32 from the end of the previous fiscal year to 3,081 and 1,855, respectively. During the same period, Gross Merchandise Value ("GMV") also increased 47.0% year on year to ¥38,240 million.

As a result, for the three months ended January 31, 2025, operating revenue amounted to ¥642,643 thousand (up 86.6% year on year). On the profit side, operating profit amounted to ¥125,277 thousand (up 19,256.9% year on year), ordinary profit was ¥147,061 thousand (up 31,005.5% year on year), and profit attributable to owners of parent was ¥114,995 thousand (compared to a loss attributable to owners of parent of ¥5,892 thousand in the same quarter of the previous fiscal year).
Description by segment is omitted as the Group operates in a single segment, i.e. the hospitality solutions business.

(2) Explanation of consolidated financial position

Assets, liabilities and net assets as of January 31, 2025

(Assets)

As of January 31, 2025, total assets increased by ¥1,032,231 compared to the end of the previous fiscal year to ¥11,990,415 thousand.

Current assets increased by ¥1,002,110 thousand to ¥11,168,060 thousand, primarily due to an increase in cash and deposits of ¥993,996 thousand.

Non-current assets increased by ¥30,120 thousand to ¥822,354 thousand, mainly due to an increase in goodwill of ¥24,081 thousand and an increase in customer-related intangible assets of ¥5,943 thousand.

(Liabilities)

As of January 31, 2025, total liabilities increased by ¥835,251 thousand compared to end of the previous fiscal year to ¥10,691,031 thousand.

Current liabilities increased by ¥889,757 thousand compared to the end of the previous fiscal year to ¥9,694,974 thousand, primarily due to an increase in deposits received as part of accommodation fees for tripla Book of ¥794,899 thousand.

Non-current liabilities decreased by ¥54,506 thousand to ¥996,056 thousand, mainly due to a decrease in long-term borrowings of ¥56,606 thousand.

(Net assets)

As of January 31, 2025, total net assets increased by ¥196,979 thousand compared to the end of the previous fiscal year to ¥1,299,384 thousand. This was primarily due to an increase in retained earnings of ¥114,995 thousand resulting from the recognition of profit attributable to owners of parent, as well as an increase in foreign currency translation adjustment of ¥70,550 thousand.

(3) Explanation of forward-looking information including earnings forecast

With regard to the consolidated earnings forecast for the fiscal year ending October 31, 2025, we have revised the first half and full-year earnings forecasts announced on December 16, 2024, based on recent earnings trends and other factors.

For details, please refer to the “Notice regarding revisions to full-year and first-half earnings forecasts” released today (March 17, 2025).

Please note that this document contains forward-looking statements based on information available as of the date of the announcement, and that actual results may differ due to various factors in the future.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly consolidated balance sheet

(Thousands of yen)

	As of October 31, 2024	As of January 31, 2025
Assets		
Current assets		
Cash and deposits	9,717,897	10,711,893
Accounts receivable – trade, net	274,510	270,026
Contract assets	13,277	28,524
Other, net	160,264	157,615
Total current assets	10,165,949	11,168,060
Non-current assets		
Property, plant and equipment, net	38,638	37,784
Intangible assets		
Goodwill	546,475	570,556
Customer-related intangible assets	92,947	98,891
Total intangible assets	639,423	669,448
Investments and other assets		
Deferred tax assets	71,389	68,744
Other, net	42,783	46,377
Total investments and other assets	114,173	115,122
Total non-current assets	792,234	822,354
Total assets	10,958,184	11,990,415
Liabilities		
Current liabilities		
Current portion of long-term borrowings	226,740	226,740
Income taxes payable	52,715	38,330
Deposits received	8,158,414	8,953,314
Contract liabilities	177,219	236,154
Provision for bonuses	2,020	3,765
Other	188,106	236,670
Total current liabilities	8,805,216	9,694,974
Non-current liabilities		
Long-term borrowings	1,018,196	961,590
Retirement benefit liability	3,905	4,185
Deferred tax liabilities	28,460	30,280
Total non-current liabilities	1,050,562	996,056
Total liabilities	9,855,779	10,691,031

(Thousands of yen)

	As of October 31, 2024	As of January 31, 2025
Net assets		
Shareholders' equity		
Share capital	859,151	861,589
Capital surplus	796,382	798,819
Retained earnings	(582,950)	(467,954)
Treasury shares	(183)	(183)
Total shareholders' equity	1,072,399	1,192,270
Accumulated other comprehensive income		
Foreign currency translation adjustment	(4,042)	66,507
Total accumulated other comprehensive income	(4,042)	66,507
Share acquisition rights	11,038	15,041
Non-controlling interests	23,009	25,565
Total net assets	1,102,404	1,299,384
Total liabilities and net assets	10,958,184	11,990,415

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income for three months ended January 31, 2025

(Thousands of yen)

	Three months ended January 31, 2024	Three months ended January 31, 2025
Operating revenue	344,485	642,643
Operating expenses	343,838	517,366
Operating profit	647	125,277
Non-operating income		
Interest income	91	2,140
Foreign exchange gains	432	5,728
Rental income	–	2,001
Point redemption income	–	397
Subsidy income	–	14,018
Other	117	644
Total non-operating income	641	24,930
Non-operating expenses		
Interest expenses	768	3,079
Other	47	66
Total non-operating expenses	816	3,146
Ordinary profit	472	147,061
Extraordinary income		
Gain on reversal of share acquisition rights	–	585
Total extraordinary income	–	585
Extraordinary losses		
Loss on disposal of non-current assets	–	107
Total extraordinary losses	–	107
Profit before income taxes	472	147,540
Income taxes – current	4,536	29,543
Income taxes – deferred	1,829	1,728
Total income taxes	6,365	31,271
Profit (loss)	(5,892)	116,268
Profit attributable to non-controlling interests	—	1,272
Profit (loss) attributable to owners of parent	(5,892)	114,995

Quarterly consolidated statement of comprehensive income for three months ended January 31, 2025

(Thousands of yen)

	Three months ended January 31, 2024	Three months ended January 31, 2025
Profit (loss)	(5,892)	116,268
Other comprehensive income		
Foreign currency translation adjustment	(13)	71,833
Total other comprehensive income	(13)	71,833
Comprehensive income	(5,906)	188,102
Comprehensive income attributable to:		
Owners of parent	(5,906)	185,546
Non-controlling interests	―	2,555

(3) Notes to quarterly consolidated financial statements

Changes in accounting policies

(Application of "Accounting Standard for Income Taxes, Inhabitant Taxes and Enterprise Taxes," etc.")

The Company has applied "Accounting Standard for Income Taxes, Inhabitant Taxes and Enterprise Taxes" (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard 2022") and other related standards from the beginning of the first quarter of the fiscal year under review.

The amendment to categories in which income taxes should be recorded (taxation on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "Revised Implementation Guidance 2022"). This change has no impact on the quarterly consolidated financial statements for the quarter under review.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares, etc. in subsidiaries resulting from transactions between consolidated companies are deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first quarter of the fiscal year under review. This change in accounting policies has been applied retrospectively, and quarterly consolidated financial statements and consolidated financial statements for the previous year are after retrospective application. This change in accounting policies has no impact on the quarterly consolidated financial statements for the same quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

Going concern assumption

Not applicable

Significant changes in shareholders' equity

Not applicable

Segment information

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

Statements of cash flows

The Company has not prepared a quarterly consolidated statement of cash flows for the three months ended January 31, 2025. Depreciation (including amortization of intangible assets excluding goodwill and customer-related intangible assets) and amortization of goodwill and customer-related intangible assets for the three months ended January 31, 2025 are as follows.

(Thousands of yen)

	Three months ended January 31, 2024	Three months ended January 31, 2025
Depreciation	1,051	2,512
Amortization of goodwill	―	19,936
Amortization of customer-related intangible assets	―	3,032

Significant events after reporting period

(Establishment of a subsidiary)

On February 8, 2025, the Company established a subsidiary as follows.

1. Objectives of establishing the subsidiary

The Company provides IT services for accommodation facilities, centered around the “tripla Book” reservation engine, along with the AI chatbot “tripla Bot” and the CRM/MA (Note 1) service “tripla Connect.” Through these services, we are promoting the digital transformation (DX) of the hotel industry. For future growth, we aim to expand revenue by expanding sales of both existing and new services, improve the profitability of individual services, and expand our business overseas.

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. Among these, in the fiscal year ending October 31, 2025, we will continue to strive to increase the amount of additional fees charged by accommodation facilities by improving both the take rate (Note 2), through cost reduction, and net revenue. The objective of establishing the subsidiary below is to increase the above-mentioned metered revenue based on the amount of additional fees charged by accommodation facilities, and we will build an operational framework that spans across the Group.

Notes:

1. CRM/MA: CRM stands for Customer Relationship Management, a type of software used for managing customer information. In tripla Connect, it helps accommodation facilities manage user information. MA stands for Marketing Automation, a type of software designed to automate and streamline marketing activities.
2. Represents the figure calculated by dividing the sum of accommodation and additional fees charged by accommodation facilities by GMV (Note 3)
3. Stands for Gross Merchandise Value, the total amount of transactions made on tripla Book

2. Overview of the subsidiary

(1)	Name	tripla USA, Inc.
(2)	Address	California St Ste 1200, San Francisco, CA, 94104-1071 United States
(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	USD70,000 (planned)
(6)	Date of establishment	February 8, 2025
(7)	Major shareholder and its shareholding ratio	The Company: 100%