

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended June 30, 2022 (Based on Japanese GAAP)

August 5, 2022

Company name: LINKBAL INC
 Stock exchange listing: Tokyo
 Stock code: 6046 URL <https://linkbal.co.jp>
 Representative: CEO & President Yoshihiro Kazumasa
 Inquiries: Financial accounting Dept. Director Jun Narusawa TEL 050(1741)2300
 Scheduled date to file Quarterly Securities Report: August 5, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the nine months ended June 30, 2022 (from October 1, 2021 to June 30, 2022)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended June 30, 2022	545	3.6	(248)	–	(244)	–	(244)	–
Nine months ended June 30, 2021	527	(56.9)	(227)	–	(223)	–	(250)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended June 30, 2022	(13.07)		–	
Nine months ended June 30, 2021	(13.44)		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	1,756	1,461	83.2
As of September 30, 2021	1,942	1,692	87.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2021	–	0.00	–	0.00	0.00
Year ending September 30, 2022	–	0.00	–	–	–
Year ending September 30, 2022 (Forecast)	–	–	–	0.00	0.00

3. Forecast of non-consolidated financial results for the year ending September 30, 2022 (from October 1, 2021 to September 30, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	749	11.9	(323)	–	(319)	–	(319)	–	(17.09)

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

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

Changes in accounting policies due to revisions to accounting standards and other regulations:	Yes
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2022	19,500,000 shares	As of September 30, 2021	19,500,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	800,260 shares	As of September 30, 2021	853,104 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2022	18,674,189 shares	Nine months ended June 30, 2021	18,646,896 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of September 30, 2021	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	1,830,273	1,615,182
Accounts receivable - trade	8,333	15,430
Accounts receivable - other	23,196	45,820
Income taxes receivable	1,143	–
Other	13,921	16,238
Total current assets	1,876,868	1,692,671
Non-current assets		
Property, plant and equipment	12,939	11,442
Intangible assets	13,887	9,267
Investments and other assets		
Distressed receivables	1,003	1,003
Other	39,045	43,172
Allowance for doubtful accounts	(1,003)	(1,003)
Total investments and other assets	39,045	43,172
Total non-current assets	65,872	63,882
Total assets	1,942,740	1,756,553
Liabilities		
Current liabilities		
Accounts payable - trade	424	480
Current portion of long-term borrowings	831	3,324
Accounts payable - other	27,731	87,298
Income taxes payable	–	2,712
Accrued consumption taxes	4,115	4,132
Advances received	5,348	7,992
Deposits received	11,014	21,765
Provision for bonuses	17,521	8,150
Other	43,510	18,081
Total current liabilities	110,497	153,939
Non-current liabilities		
Long-term borrowings	119,169	116,676
Asset retirement obligations	4,511	4,520
Long-term guarantee deposits	15,900	19,900
Total non-current liabilities	139,580	141,096
Total liabilities	250,077	295,035
Net assets		
Shareholders' equity		
Share capital	281,000	281,000
Capital surplus	276,000	276,000
Retained earnings	1,529,517	1,274,012
Treasury shares	(393,916)	(369,555)
Total shareholders' equity	1,692,601	1,461,456
Share acquisition rights	61	61
Total net assets	1,692,662	1,461,517
Total liabilities and net assets	1,942,740	1,756,553

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended June 30, 2021	Nine months ended June 30, 2022
Net sales	527,025	545,773
Cost of sales	33,624	23,995
Gross profit	493,401	521,777
Selling, general and administrative expenses	720,558	770,606
Operating loss	(227,156)	(248,828)
Non-operating income		
Interest income	114	64
Subsidy income	1,742	2,500
Compensation income	–	1,363
Interest on refund of income taxes	2,288	13
Other	7	307
Total non-operating income	4,152	4,249
Non-operating expenses		
Interest expenses	1	47
Other	–	144
Total non-operating expenses	1	191
Ordinary loss	(223,006)	(244,770)
Extraordinary losses		
Loss on retirement of non-current assets	941	218
Loss on cancellation of rental contracts	9,432	–
Other	603	–
Total extraordinary losses	10,978	218
Loss before income taxes	(233,984)	(244,989)
Income taxes - current	520	404
Income taxes - refund	–	(929)
Income taxes - deferred	16,194	(319)
Total income taxes	16,715	(845)
Loss	(250,699)	(244,144)