

Translation

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

August 5, 2022

Company name: GLOBAL LINK MANAGEMENT INC.
 Stock exchange listing: Tokyo
 Stock code: 3486 URL <https://www.global-link-m.com/>
 Representative: CEO Daejoong Kim
 General Manager of Business Administration
 Inquiries: Division Tomohiro Mizuno TEL 03(6415)6525
 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: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended June 30, 2022 (from January 1, 2022 to June 30, 2022)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2022	17,120	–	1,244	–	1,128	–	718	–
Six months ended June 30, 2021	–	–	–	–	–	–	–	–

Note: Comprehensive income Six months ended June 30, 2022 ¥720 million [–%]
 Six months ended June 30, 2021 ¥– million [–%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended June 30, 2022	90.59		90.43	
Six months ended June 30, 2021	–		–	

Note: As the Company disclosed the quarterly consolidated financial statements from the first quarter of the fiscal year ending December 31, 2022, the financial figures for the six months ended June 30, 2021 and the percentage of year-on-year change are not shown.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	29,079	5,704	19.6
As of December 31, 2021	–	–	–

Reference: Equity As of June 30, 2022 ¥5,698 million
 As of December 31, 2021 ¥– million

Note: As the Company disclosed the quarterly consolidated financial statements from the first quarter of the fiscal year ending December 31, 2022, the financial figures as of December 31, 2021 are not shown.

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2021	–	0.00	–	35.00	35.00
Year ending December 31, 2022	–	0.00	–	–	–
Year ending December 31, 2022 (Forecast)	–	–	–	35.00	35.00

Note: Revision of cash dividend forecast most recently announced: No

3. Forecast of consolidated financial results for the year ending December 31, 2022 (from January 1, 2022 to December 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	35,000	–	2,300	–	2,000	–	1,300	–	164.08

Note: 1. Revision of consolidated financial results forecast most recently announced: No

4. Notes

- (1) Changes in significant subsidiaries during the six months ended June 30, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) 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	7,959,972 shares	As of December 31, 2021	7,922,752 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	91 shares	As of December 31, 2021	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2022	7,933,752 shares	Six months ended June 30, 2021	7,762,619 shares
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* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

The above forecasts of financial results are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Consequently, actual business and other results may differ substantially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

As of June 30, 2022

Assets	
Current assets	
Cash and deposits	2,888,232
Real estate for sale	7,699,019
Real estate for sale in process	15,949,517
Supplies	3,037
Advance payments to suppliers	582,727
Other	297,515
Allowance for doubtful accounts	(3,001)
Total current assets	27,417,048
Non-current assets	
Property, plant and equipment	1,318,529
Intangible assets	95,616
Investments and other assets	
Other	250,310
Allowance for doubtful accounts	(2,100)
Total investments and other assets	248,210
Total non-current assets	1,662,356
Total assets	29,079,404
Liabilities	
Current liabilities	
Short-term borrowings	3,610,000
Current portion of bonds payable	28,000
Current portion of long-term borrowings	5,194,510
Accounts payable - other	3,934,031
Income taxes payable	403,825
Provision for bonuses	78,518
Provision for loss on subleasing business	8,124
Other	406,952
Total current liabilities	13,663,962
Non-current liabilities	
Bonds payable	116,000
Long-term borrowings	9,492,386
Provision for loss on subleasing business	4,828
Other	97,276
Total non-current liabilities	9,710,491
Total liabilities	23,374,453
Net assets	
Shareholders' equity	
Share capital	553,434
Capital surplus	353,434
Retained earnings	4,791,685
Treasury shares	(78)
Total shareholders' equity	5,698,476
Non-controlling interests	6,474
Total net assets	5,704,950
Total liabilities and net assets	29,079,404

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	(Thousands of yen)
	Six months ended
	June 30, 2022
Net sales	17,120,207
Cost of sales	14,362,239
Gross profit	<u>2,757,967</u>
Selling, general and administrative expenses	<u>1,513,602</u>
Operating profit	<u>1,244,365</u>
Non-operating income	
Share of profit of entities accounted for using equity method	24,985
Other	1,386
Total non-operating income	<u>26,371</u>
Non-operating expenses	
Interest expenses	125,934
Loss on investments in investment partnerships	16,199
Other	417
Total non-operating expenses	<u>142,551</u>
Ordinary profit	<u>1,128,185</u>
Profit before income taxes	<u>1,128,185</u>
Income taxes - current	381,718
Income taxes - deferred	26,406
Total income taxes	<u>408,125</u>
Profit	<u>720,059</u>
Profit attributable to non-controlling interests	<u>1,348</u>
Profit attributable to owners of parent	<u>718,711</u>

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended
	June 30, 2022
Profit	720,059
Comprehensive income	720,059
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	718,711
Comprehensive income attributable to non-controlling interests	1,348

Consolidated statements of cash flows

(Thousands of yen)

	Six months ended June 30, 2022
Cash flows from operating activities	
Profit before income taxes	1,128,185
Share of loss (profit) of entities accounted for using equity method	(24,985)
Loss (gain) on investments in investment partnerships	16,199
Depreciation	48,227
Share-based payment expenses	12,283
Increase (decrease) in allowance for doubtful accounts	367
Increase(decrease) Sublease loss Business loss allowance	(3,064)
Interest and dividend income	(18)
Interest expenses	125,934
Decrease (increase) in inventories	(7,033,338)
Decrease (increase) in advance payments to suppliers	(8,579)
Increase (decrease) in accounts payable - other	1,700,063
Other, net	(108,277)
Subtotal	(4,147,002)
Interest and dividends received	18
Interest paid	(135,191)
Income taxes paid	(364,440)
Net cash provided by (used in) operating activities	(4,646,616)
Cash flows from investing activities	
Decrease (increase) in time deposits	(19,200)
Proceeds from divestments	6,917
Purchase of property, plant and equipment	(4,978)
Purchase of intangible assets	(7,744)
Payments of leasehold and guarantee deposits	(1,000)
Other, net	130
Net cash provided by (used in) investing activities	(25,874)
Cash flows from financing activities	
Proceeds from short-term borrowings	5,840,000
Repayments of short-term borrowings	(5,725,800)
Proceeds from long-term borrowings	10,430,623
Repayments of long-term borrowings	(5,388,617)
liquidation of receivables	171,801
Redemption of bonds	(14,000)
Dividends paid	(277,378)
Other, net	(553)
Net cash provided by (used in) financing activities	5,036,075
Net increase (decrease) in cash and cash equivalents	363,584
Cash and cash equivalents at beginning of period	2,406,316
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	24,530
Cash and cash equivalents at end of period	2,794,431