

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended June 30, 2023 (Based on Japanese GAAP)

August 10, 2023

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 and General Manager of Accounting Tomohiro Mizuno TEL 03(6415)6525  
 Department  
 Scheduled date to file Quarterly Securities Report: August 10, 2023  
 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, 2023 (from January 1, 2023 to June 30, 2023)

(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, 2023	23,667	38.2	2,973	125.5	2,842	151.9	1,785	148.5
Six months ended June 30, 2022	17,120	–	1,318	–	1,128	–	718	–

Note: Comprehensive income Six months ended June 30, 2023 ¥1,787 million [148.2%]  
 Six months ended June 30, 2022 ¥720 million [–%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended June 30, 2023	224.10		223.82	
Six months ended June 30, 2022	90.59		90.43	

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

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of June 30, 2023	30,495		7,844		25.7	
As of December 31, 2022	32,319		6,446		19.9	

Reference: Equity As of June 30, 2023 ¥7,835 million  
 As of December 31, 2022 ¥6,438 million

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, 2022	–	0.00	–	52.50	52.50
Year ending December 31, 2023	–	0.00			
Year ending December 31, 2023 (Forecast)			–	52.50	52.50

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

3. Forecast of consolidated financial results for the year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)

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	40,000	12.1	3,750	43.6	3,300	44.8	2,100	43.9	263.77

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

4. Notes

- (1) Changes in significant subsidiaries during the six months ended June 30, 2023  
(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, 2023	7,988,304 shares	As of December 31, 2022	7,961,444 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	91 shares	As of December 31, 2022	91 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, 2023	7,968,977 shares	Six months ended June 30, 2022	7,933,752 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 December 31, 2022	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	3,531,535	7,548,775
Real estate for sale	5,947,600	2,366,823
Real estate for sale in process	19,805,594	17,607,870
Supplies	2,599	2,150
Advance payments to suppliers	884,689	880,657
Other	384,019	323,059
Allowance for doubtful accounts	(4,301)	(4,241)
Total current assets	30,551,738	28,725,095
Non-current assets		
Property, plant and equipment	1,307,818	1,294,977
Intangible assets	109,821	103,443
Investments and other assets		
Other	352,510	374,109
Allowance for doubtful accounts	(2,100)	(2,100)
Total investments and other assets	350,410	372,009
Total non-current assets	1,768,049	1,770,430
Total assets	32,319,788	30,495,525
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	4,923,932	2,817,130
Current portion of bonds payable	48,000	48,000
Current portion of long-term borrowings	6,557,944	5,363,764
Accounts payable - other	1,807,336	1,399,874
Income taxes payable	728,457	1,137,817
Provision for bonuses	–	84,877
Provision for loss on subleasing business	7,804	7,437
Other	492,289	411,174
Total current liabilities	14,565,764	11,270,074
Non-current liabilities		
Bonds payable	182,000	158,000
Long-term borrowings	11,020,336	11,128,344
Provision for loss on subleasing business	5,602	4,249
Other	99,598	90,744
Total non-current liabilities	11,307,537	11,381,339
Total liabilities	25,873,302	22,651,413
<b>Net assets</b>		
Shareholders' equity		
Share capital	553,533	567,776
Capital surplus	353,533	367,776
Retained earnings	5,531,824	6,899,714
Treasury shares	(78)	(78)
Total shareholders' equity	6,438,812	7,835,188
Non-controlling interests	7,673	8,923
Total net assets	6,446,485	7,844,112
Total liabilities and net assets	32,319,788	30,495,525

**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	Six months ended June 30, 2023
Net sales	17,120,207	23,667,009
Cost of sales	14,362,239	19,179,079
Gross profit	2,757,967	4,487,930
Selling, general and administrative expenses	1,439,152	1,514,406
Operating profit	1,318,815	2,973,524
Non-operating income		
Share of profit of entities accounted for using equity method	24,985	7,748
Gain on investments in investment partnerships	–	72,997
Other	1,386	8,590
Total non-operating income	26,371	89,336
Non-operating expenses		
Interest expenses	125,934	191,069
Loss on investments in investment partnerships	16,199	–
Commission expenses	74,449	27,486
Other	417	2,066
Total non-operating expenses	217,001	220,622
Ordinary profit	1,128,185	2,842,238
Profit before income taxes	1,128,185	2,842,238
Income taxes - current	381,718	1,069,398
Income taxes - deferred	26,406	(14,271)
Total income taxes	408,125	1,055,127
Profit	720,059	1,787,111
Profit attributable to non-controlling interests	1,348	1,250
Profit attributable to owners of parent	718,711	1,785,861

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Six months ended June 30, 2022	Six months ended June 30, 2023
Profit	720,059	1,787,111
Comprehensive income	720,059	1,787,111
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	718,711	1,785,861
Comprehensive income attributable to non-controlling interests	1,348	1,250

## Consolidated statements of cash flows

(Thousands of yen)

	Six months ended June 30, 2022	Six months ended June 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,128,185	2,842,238
Share of loss (profit) of entities accounted for using equity method	(24,985)	(7,748)
Loss (gain) on investments in investment partnerships	16,199	(72,997)
Depreciation	48,227	49,957
Share-based payment expenses	12,283	14,033
Increase (decrease) in allowance for doubtful accounts	367	(59)
Increase(decrease) Sublease loss Business loss allowance	(3,064)	(1,718)
Interest and dividend income	(18)	(26)
Interest expenses	125,934	191,069
Decrease (increase) in inventories	(7,033,338)	5,766,407
Decrease (increase) in advance payments to suppliers	(8,579)	4,031
Increase (decrease) in accounts payable - other	1,700,063	(407,462)
Other, net	(108,277)	118,592
Subtotal	(4,147,002)	8,496,317
Interest and dividends received	18	26
Interest paid	(135,191)	(176,902)
Income taxes paid	(364,440)	(651,308)
Net cash provided by (used in) operating activities	(4,646,616)	7,668,132
Cash flows from investing activities		
Decrease (increase) in time deposits	(19,200)	20,799
Proceeds from divestments	6,917	21,503
Purchase of property, plant and equipment	(4,978)	(4,708)
Purchase of intangible assets	(7,744)	(7,544)
Payments of leasehold and guarantee deposits	(1,000)	–
Other, net	130	–
Net cash provided by (used in) investing activities	(25,874)	30,050
Cash flows from financing activities		
Proceeds from short-term borrowings	5,840,000	6,953,400
Repayments of short-term borrowings	(5,725,800)	(9,060,202)
Proceeds from long-term borrowings	10,430,623	3,453,406
Repayments of long-term borrowings	(5,388,617)	(4,564,855)
liquidation of receivables	171,801	–
Redemption of bonds	(14,000)	(24,000)
Dividends paid	(277,378)	(417,475)
Other, net	(553)	(417)
Net cash provided by (used in) financing activities	5,036,075	(3,660,143)
Net increase (decrease) in cash and cash equivalents	363,584	4,038,039
Cash and cash equivalents at beginning of period	2,406,316	3,451,734
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	7,489,773