

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2023 (Based on Japanese GAAP)

November 14, 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
 Inquiries: General Manager of Accounting Department Takeshi Tsukada TEL 03(6415)6525
 Scheduled date to file Quarterly Securities Report: November 14, 2023
 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. Consolidated financial results for the nine months ended September 30, 2023 (from January 1, 2023 to September 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	%
Nine months ended September 30, 2023	28,959	8.7	3,435	42.4	3,247	57.0	2,061	59.4
Nine months ended September 30, 2022	26,630	–	2,412	–	2,069	–	1,293	–

Note: Comprehensive income
 Nine months ended September 30, 2023 ¥2,063 million [59.3%]
 Nine months ended September 30, 2022 ¥1,295 million [–%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2023	258.44		258.15	
Nine months ended September 30, 2022	162.81		162.54	

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 nine months ended September 30, 2022 is not shown.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	34,025	8,120	23.8
As of December 31, 2022	32,319	6,446	19.9

Reference: Equity
 As of September 30, 2023 ¥8,110 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	Yen	Yen	Yen	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)				100.00	100.00

Note: Revision of cash dividend forecast most recently announced: Yes

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

	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	41,000	14.9	4,400	58.5	4,100	79.9	2,600	78.2	325.83

Note: Revision of consolidated financial results forecast most recently announced: Yes

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 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 September 30, 2023	7,990,704 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 September 30, 2023	134 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)

Nine months ended September 30, 2023	7,975,788 shares	Nine months ended September 30, 2022	7,942,726 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 September 30, 2023
Assets		
Current assets		
Cash and deposits	3,531,535	6,419,542
Real estate for sale	5,947,600	7,646,276
Real estate for sale in process	19,805,594	17,072,041
Supplies	2,599	2,271
Advance payments to suppliers	884,689	927,354
Other	384,019	219,726
Allowance for doubtful accounts	(4,301)	(2,148)
Total current assets	30,551,738	32,285,064
Non-current assets		
Property, plant and equipment	1,307,818	1,286,177
Intangible assets	109,821	102,806
Investments and other assets		
Other	352,510	354,050
Allowance for doubtful accounts	(2,100)	(2,100)
Total investments and other assets	350,410	351,950
Total non-current assets	1,768,049	1,740,934
Total assets	32,319,788	34,025,999
Liabilities		
Current liabilities		
Short-term borrowings	4,923,932	2,128,327
Current portion of bonds payable	48,000	48,000
Current portion of long-term borrowings	6,557,944	5,063,550
Accounts payable - other	1,807,336	6,094,073
Income taxes payable	728,457	725,004
Provision for bonuses	–	52,955
Provision for loss on subleasing business	7,804	6,260
Other	492,289	424,176
Total current liabilities	14,565,764	14,542,348
Non-current liabilities		
Bonds payable	182,000	148,000
Long-term borrowings	11,020,336	11,122,107
Provision for loss on subleasing business	5,602	3,143
Other	99,598	90,031
Total non-current liabilities	11,307,537	11,363,282
Total liabilities	25,873,302	25,905,630
Net assets		
Shareholders' equity		
Share capital	553,533	567,937
Capital surplus	353,533	367,937
Retained earnings	5,531,824	7,175,083
Treasury shares	(78)	(157)
Total shareholders' equity	6,438,812	8,110,799
Non-controlling interests	7,673	9,568
Total net assets	6,446,485	8,120,368
Total liabilities and net assets	32,319,788	34,025,999

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

Consolidated statements of income (cumulative)

	(Thousands of yen)	
	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Net sales	26,630,452	28,959,616
Cost of sales	22,048,579	23,398,108
Gross profit	4,581,873	5,561,507
Selling, general and administrative expenses	2,169,003	2,125,943
Operating profit	2,412,869	3,435,564
Non-operating income		
Share of profit of entities accounted for using equity method	–	38,495
Gain on investments in investment partnerships	–	72,997
Other	2,269	12,372
Total non-operating income	2,269	123,866
Non-operating expenses		
Interest expenses	218,053	275,228
Loss on investments in investment partnerships	16,199	–
Commission expenses	109,160	27,813
Share of loss of entities accounted for using equity method	753	–
Other	1,861	8,782
Total non-operating expenses	346,028	311,824
Ordinary profit	2,069,111	3,247,606
Profit before income taxes	2,069,111	3,247,606
Income taxes - current	743,975	1,148,039
Income taxes - deferred	30,089	36,441
Total income taxes	774,065	1,184,480
Profit	1,295,045	2,063,125
Profit attributable to non-controlling interests	1,883	1,895
Profit attributable to owners of parent	1,293,162	2,061,229

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Profit	1,295,045	2,063,125
Comprehensive income	1,295,045	2,063,125
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,293,162	2,061,229
Comprehensive income attributable to non-controlling interests	1,883	1,895