

Translation

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Summary of Consolidated Financial Results for the Year Ended September 30, 2024 (Based on Japanese GAAP)

November 8, 2024

Company name: LINKBAL INC
 Stock exchange listing: Tokyo
 Stock code: 6046 URL <http://linkbal.co.jp>
 Representative: CEO & President Yoshihiro Kazumasa
 Inquiries: Financial accounting Dept. Director Daisuke Matsuoka TEL 050(1741)2300
 Scheduled date of ordinary general meeting of shareholders: December 20, 2024
 Scheduled date to file Securities Report: December 20, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended September 30, 2024 (from October 1, 2023 to September 30, 2024)

(1) Consolidated operating results

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	%
Year ended September 30, 2024	968	–	(123)	–	(123)	–	(124)	–
Year ended September 30, 2023	–	–	–	–	–	–	–	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended September 30, 2024	(6.65)	–	(11.7)	(8.9)	(12.8)
Year ended September 30, 2023	–	–	–	–	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	1,316	1,006	76.4	53.73
As of September 30, 2023	–	–	–	–

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended September 30, 2024	(112)	3	(3)	1,072
Year ended September 30, 2023	–	–	–	–

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended September 30, 2023	–	0.00	–	0.00	0.00	–	–	–
Year ended September 30, 2024	–	0.00	–	0.00	0.00	–	–	–
Year ending September 30, 2025 (Forecast)	–	0.00	–	0.00	0.00	–	–	–

3. Forecast of consolidated financial results for the year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

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
Six months ending March 31, 2025	–	–	–	–	–	–	–	–	–
Full year	1,106	14.3	16	–	16	–	10	–	0.55

4. Notes

(1) Significant changes in the scope of consolidation during the year ended September 30, 2024: Yes

(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: No

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 September 30, 2024	19,500,000 shares	As of September 30, 2023	19,500,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	773,430 shares	As of September 30, 2023	785,698 shares
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Average number of shares during the period

Year ended September 30, 2024	18,721,341 shares	Year ended September 30, 2023	18,709,395 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

As of September 30, 2024

Assets	
Current assets	
Cash and deposits	1,072,498
Accounts receivable - trade	81,919
Prepaid expenses	20,433
Other	1,118
Allowance for doubtful accounts	(623)
Total current assets	1,175,347
Non-current assets	
Property, plant and equipment	
Buildings	113,213
Accumulated depreciation	(16,427)
Buildings, net	96,786
Tools, furniture and fixtures	20,075
Accumulated depreciation	(13,698)
Tools, furniture and fixtures, net	6,377
Total property, plant and equipment	103,163
Investments and other assets	
Guarantee deposits	2,200
Leasehold deposits	33,965
Long-term prepaid expenses	1,717
Distressed receivables	957
Long-term loans receivable from subsidiaries and associates	1,185
Allowance for doubtful accounts	(2,142)
Total investments and other assets	37,883
Total non-current assets	141,046
Total assets	1,316,394
Liabilities	
Current liabilities	
Accounts payable - trade	4,503
Current portion of long-term borrowings	3,324
Accounts payable - other	68,675
Accrued expenses	12,639
Income taxes payable	1,627
Accrued consumption taxes	22,917
Advances received	18,874
Deposits received	11,569
Provision for bonuses	16,321
Other	5
Total current liabilities	160,457
Non-current liabilities	
Long-term borrowings	109,197
Asset retirement obligations	18,925
Deferred tax liabilities	5,184
Long-term guarantee deposits	15,800
Total non-current liabilities	149,107
Total liabilities	309,564

(Thousands of yen)

As of September 30, 2024

Net assets	
Shareholders' equity	
Share capital	50,000
Capital surplus	
Legal capital surplus	276,000
Other capital surplus	223,630
Total capital surplus	499,630
Retained earnings	
Retained earnings brought forward	813,761
Total retained earnings	813,761
Treasury shares	(357,186)
Total shareholders' equity	1,006,205
Share acquisition rights	624
Total net assets	1,006,829
Total liabilities and net assets	1,316,394

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended September 30, 2024
Net sales	968,171
Cost of sales	201,184
Gross profit (loss)	766,987
Selling, general and administrative expenses	890,940
Operating profit (loss)	(123,953)
Non-operating income	
Interest income	177
Compensation income	712
Other	65
Total non-operating income	956
Non-operating expenses	
Interest expenses	393
Compensation for damage	250
Total non-operating expenses	643
Ordinary profit (loss)	(123,640)
Extraordinary income	
Gain on reversal of share acquisition rights	57
Total extraordinary income	57
Profit (loss) before income taxes	(123,583)
Income taxes - current	1,647
Income taxes - deferred	(699)
Total income taxes	947
Profit (loss)	(124,531)
Profit (loss) attributable to owners of parent	(124,531)

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended September 30, 2024
Profit (loss)	(124,531)
Comprehensive income	(124,531)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	(124,531)

Consolidated statements of changes in equity

Fiscal year ended September 30, 2024

(Thousands of yen)

	Shareholders' equity								Share acquisition rights	Total net assets
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings				
Balance at beginning of period	50,000	276,000	227,286	503,286	938,292	938,292	(362,842)	1,128,736	238	1,128,975
Changes during period										
Loss attributable to owners of parent					(124,531)	(124,531)		(124,531)		(124,531)
Restricted stock			(3,655)	(3,655)			5,655	1,999		1,999
Issuance of share acquisition rights									442	442
Forfeiture of share acquisition rights									(57)	(57)
Total changes during period	–	–	(3,655)	(3,655)	(124,531)	(124,531)	5,655	(122,531)	385	(122,145)
Balance at end of period	50,000	276,000	223,630	499,630	813,761	813,761	(357,186)	1,006,205	624	1,006,829

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended September 30, 2024
Cash flows from operating activities	
Loss before income taxes	(123,583)
Depreciation	17,187
Increase (decrease) in allowance for doubtful accounts	1,213
Increase (decrease) in provision for bonuses	(604)
Interest and dividend income	(177)
Interest expenses	393
Gain on reversal of share acquisition rights	(57)
Decrease (increase) in trade receivables	(46,101)
Decrease (increase) in accounts receivable - other	62,911
Increase (decrease) in trade payables	2,362
Increase (decrease) in accounts payable - other	(35,585)
Increase (decrease) in accrued consumption taxes	22,917
Increase (decrease) in advances received	1,200
Increase (decrease) in deposits received	(7,626)
Other, net	(5,748)
Subtotal	<u>(111,298)</u>
Interest and dividends received	177
Interest paid	(394)
Income taxes paid	(646)
Net cash provided by (used in) operating activities	<u>(112,162)</u>
Cash flows from investing activities	
Purchase of property, plant and equipment	(2,474)
Collection of loans receivable from subsidiaries and affiliates	6,314
Net cash provided by (used in) investing activities	<u>3,840</u>
Cash flows from financing activities	
Proceeds from short-term borrowings	100,000
Repayments of short-term borrowings	(100,000)
Repayments of long-term borrowings	(3,601)
Net cash provided by (used in) financing activities	<u>(3,601)</u>
Net increase (decrease) in cash and cash equivalents	<u>(111,922)</u>
Cash and cash equivalents at beginning of period	1,154,420
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	30,000
Cash and cash equivalents at end of period	<u>1,072,498</u>