

## Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending October 31, 2024 (Nine Months Ended July 31, 2024)

[Japanese GAAP]

September 12, 2024

Company name: Good Com Asset Co.,Ltd.

Stock Exchange Listing: Tokyo Stock Exchange

Stock code: 3475

URL: <https://www.goodcomasset.co.jp/>

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Scheduled date of payment of dividend: -

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for analysts and individual investors)

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Third Quarter (November 1, 2023 - July 31, 2024) of the Fiscal Year Ending October 31, 2024

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Jul. 31, 2024	33,988	136.2	2,864	84.4	2,441	75.3	1,618	79.3
Nine months ended Jul. 31, 2023	14,392	(49.0)	1,553	(53.4)	1,392	(55.2)	902	(57.6)

Note: Comprehensive income (million yen) Nine months ended Jul. 31, 2024: 1,620 (up 78.3%)  
Nine months ended Jul. 31, 2023: 909 (down 57.4%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Jul. 31, 2024	56.20	56.18
Nine months ended Jul. 31, 2023	31.37	31.35

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jul. 31, 2024	44,612	12,236	27.4
As of Oct. 31, 2023	53,496	11,608	21.7

Reference: Shareholders' equity (million yen) As of Jul. 31, 2024: 12,236 As of Oct. 31, 2023: 11,608

### 2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Oct. 31, 2023	-	0.00	-	35.00	35.00
Fiscal year ending Oct. 31, 2024	-	0.00	-		
Fiscal year ending Oct. 31, 2024 (forecasts)				36.00	36.00

Note: Revision to the most recently announced dividend forecast: None

### 3. Consolidated Forecast for the Fiscal Year Ending October 31, 2024 (November 1, 2023 - October 31, 2024)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	71,326	221.4	5,342	149.5	4,673	161.4	3,245	215.1	112.72

Note: Revision to the most recently announced consolidated forecast: None

## Notes

### (1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 (Taiwan Good Com., Ltd.)

Note: Please refer to “2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements (Changes in the Scope of Consolidation or Application of the Equity Method)” on page 7 for details.

### (2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes

### (3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

### (4) Number of outstanding shares (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Jul. 31, 2024:	30,530,400 shares	As of Oct. 31, 2023:	30,530,400 shares
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2) Number of treasury shares at the end of the period

As of Jul. 31, 2024:	1,718,233 shares	As of Oct. 31, 2023:	1,737,513 shares
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3) Average number of shares outstanding during the period

Nine months ended Jul. 31, 2024:	28,803,941 shares	Nine months ended Jul. 31, 2023:	28,777,518 shares
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Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

### Explanation of appropriate use of earnings forecasts, and other special items

#### Cautionary statement with respect to forward-looking statements

Outlook and other forward-looking statements in these materials are based on assumption judged to be valid and information available to the Company's management at the time the materials were prepared, but are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of factors. Please refer to “1. Overview of Results of Operations, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements” on page 3 for forecast assumptions and notes of caution for usage.

#### How to view supplementary information at the financial results meeting

The Company plans to hold an online financial results meeting on Friday, September 13, 2024. Materials distributed at this event will be disclosed at the Timely Disclosure network (TDnet) on the same day as this financial report and also be available on the Company's website.

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## 1. Overview of Results of Operations

### (1) Results of Operations

During the first nine months of the fiscal year ending October 31, 2024, the Japanese economy has experienced a gradual recovery, driven by rising income levels and a rebound in demand created by foreign tourists in Japan. However, the ongoing effects of price increases, spurred by global instability, continue to warrant careful monitoring.

The real estate industry, where the Good Com Asset Group operates, continues to face uncertainty due to increasing construction costs, including rising prices for building materials and labor, along with higher interest rates. Nonetheless, with interest rates still relatively low, there is sustained strong interest in Japanese real estate among domestic investors.

The Good Com Asset Group continued to expand planning, development and sales activities, mainly in Tokyo's 23 wards, for the Genovia series of condominiums, which consists of the Genovia green veil, Genovia skygarden and Genovia skyrun brands. We also reinforced the customer support framework and strengthened advertising activities. During the first nine months, 1,151 condominium units in 27 buildings were sold. Properties acquired were 943 units in 13 buildings.

Net sales increased 136.2% to 33,988 million yen from one year earlier. Operating profit increased 84.4% to 2,864 million yen, ordinary profit increased 75.3% to 2,441 million yen, and profit attributable to owners of parent increased 79.3% to 1,618 million yen.

Furthermore, sales were completed for 949 of the 1,190 units in 23 buildings where sales were carried over from the previous fiscal year, amounting to 26,757 million yen.

Results by business segment are as follows:

#### (a) Wholesale

This segment consists of sales of the Genovia series of one-room and family condominiums to companies. During the first nine months, 818 condominium units in 20 buildings were sold.

Sales increased 355.7% to 23,259 million yen from one year earlier, and the segment profit increased 66.6% to 1,688 million yen.

#### (b) Retail sales

This segment consists of sales of the Genovia series of one-room and family condominiums to individual investors. During the first nine months, 333 condominium units in 11 buildings were sold.

Sales increased 8.3% to 8,684 million yen from one year earlier, and the segment profit decreased 19.1% to 283 million yen.

#### (c) Real estate management

During the first nine months, this segment performed well as the number of managed condominium buildings and tenant-occupied units increased and the occupancy rate for managed condominium buildings and units consistently remained above 90% at the end of every month. Rental income from properties with carried-over sales also saw an increase.

Sales increased 63.7% to 2,106 million yen from one year earlier, and segment profit increased 437.0% to 924 million yen.

#### (d) Others

This segment consists of three new businesses: consulting for companies planning an initial public offering and for the investor relations and capital policy activities of listed companies, the Good Com Fund, which sells small amount investment units of a real estate, and the real estate fund business. Sales decreased 1.1% to 28 million yen from one year earlier, and the segment loss was 87 million yen compared with a 12 million yen loss one year earlier.

## **(2) Financial Position**

### **Assets**

Total assets decreased 8,884 million yen from the end of the previous fiscal year to 44,612 million yen at the end of the third quarter of the current fiscal year. This was mainly due to a decrease in real estate for sale of 10,634 million yen, while there were increases in real estate for sale in process of 969 million yen and cash and deposits of 680 million yen.

### **Liabilities**

Total liabilities decreased 9,512 million yen from the end of the previous fiscal year to 32,376 million yen. This was mainly due to decreases in current portion of long-term borrowings of 7,621 million yen and short-term borrowings of 4,401 million yen, while there was an increase in long-term borrowings of 1,058 million yen.

### **Net assets**

Total net assets increased 627 million yen from the end of the previous fiscal year to 12,236 million yen. The main factors include a 1,618 million yen increase in retained earnings due to the booking of profit attributable to owners of parent, while there was a 1,007 million yen decrease in retained earnings due to dividend payments.

Consequently, the equity ratio increased 5.7 percentage points from the end of the previous fiscal year to 27.4% at the end of the third quarter of the current fiscal year.

## **(3) Explanation of Consolidated Forecast and Other Forward-looking Statements**

Good Com Asset maintains its full-year consolidated forecasts that were announced on December 13, 2023 in the Consolidated Financial Results for the Fiscal Year Ended October 31, 2023.

## 2. Quarterly Consolidated Financial Statements and Notes

### (1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	FY10/23 (As of Oct. 31, 2023)	Third quarter of FY10/24 (As of Jul. 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	8,060,980	8,741,902
Accounts receivable-trade	3,025	3,729
Real estate for sale	36,405,893	25,771,229
Real estate for sale in process	5,168,434	6,137,625
Advance payments to suppliers	1,234,760	1,733,990
Current portion of long-term loans receivable from subsidiaries and associates	3,600	-
Other	2,350,675	1,786,378
Allowance for doubtful accounts	(225,307)	(237,080)
Total current assets	53,002,060	43,937,774
Non-current assets		
Property, plant and equipment	69,769	65,146
Intangible assets	6,644	7,685
Investments and other assets	418,402	601,615
Total non-current assets	494,815	674,447
Total assets	53,496,876	44,612,221
<b>Liabilities</b>		
Current liabilities		
Accounts payable for construction contracts	488,218	1,221,218
Short-term borrowings	14,686,221	10,284,783
Current portion of bonds payable	82,000	82,000
Current portion of long-term borrowings	14,380,169	6,758,957
Refund liabilities	100,340	38,275
Income taxes payable	38,565	535,198
Provision for bonuses	28,866	23,918
Provision for loss on guarantees	44,437	49,834
Other	715,662	1,059,122
Total current liabilities	30,564,480	20,053,308
Non-current liabilities		
Bonds payable	171,000	109,000
Long-term borrowings	11,061,516	12,119,695
Other	91,531	94,190
Total non-current liabilities	11,324,047	12,322,885
Total liabilities	41,888,528	32,376,194
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,595,944	1,595,944
Capital surplus	1,508,786	1,513,106
Retained earnings	9,463,469	10,074,582
Treasury shares	(958,321)	(947,706)
Total shareholders' equity	11,609,879	12,235,926
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	169	100
Foreign currency translation adjustment	(1,700)	-
Total accumulated other comprehensive income	(1,531)	100
Total net assets	11,608,348	12,236,026
Total liabilities and net assets	53,496,876	44,612,221

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income**  
**(Quarterly Consolidated Statement of Income)**  
**(For the Nine-month Period)**

	(Thousands of yen)	
	First nine months of FY10/23 (Nov. 1, 2022 – Jul. 31, 2023)	First nine months of FY10/24 (Nov. 1, 2023 – Jul. 31, 2024)
Net sales	14,392,175	33,988,899
Cost of sales	10,384,566	28,594,659
Gross profit	4,007,609	5,394,240
Selling, general and administrative expenses	2,453,810	2,529,446
Operating profit	1,553,798	2,864,793
Non-operating income		
Interest income	74	79
Dividend income	1,079	627
Commission income	4,949	2,505
Penalty income	48,164	133,961
Other	21,651	11,977
Total non-operating income	75,918	149,152
Non-operating expenses		
Interest expenses	182,955	434,919
Commission expenses	52,122	130,792
Other	2,267	6,914
Total non-operating expenses	237,344	572,626
Ordinary profit	1,392,372	2,441,319
Extraordinary losses		
Loss on retirement of non-current assets	7,923	-
Loss on valuation of investment securities	-	4,300
Loss on extinguishment of tie-in shares	-	1,762
Total extraordinary losses	7,923	6,063
Profit before income taxes	1,384,448	2,435,255
Income taxes	481,756	816,391
Profit	902,692	1,618,864
Profit attributable to owners of parent	902,692	1,618,864

**(Quarterly Consolidated Statement of Comprehensive Income)**  
**(For the Nine-month Period)**

	(Thousands of yen)	
	First nine months of FY10/23 (Nov. 1, 2022 – Jul. 31, 2023)	First nine months of FY10/24 (Nov. 1, 2023 – Jul. 31, 2024)
Profit	902,692	1,618,864
Other comprehensive income		
Valuation difference on available-for-sale securities	6,324	(69)
Foreign currency translation adjustment	28	1,700
Total other comprehensive income	6,353	1,631
Comprehensive income	909,045	1,620,495
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	909,045	1,620,495
Comprehensive income attributable to non-controlling interests	-	-



**(3) Notes to Quarterly Consolidated Financial Statements****Going Concern Assumption**

Not applicable.

**Significant Changes in Shareholders' Equity**

Not applicable.

**Changes in the Scope of Consolidation or Application of the Equity Method**

Taiwan Good Com., Ltd., which had been a consolidated subsidiary, was excluded from the scope of consolidation in the second quarter of the current fiscal year because its liquidation process was completed on April 1, 2024.

**Changes in Accounting Policies**

Not applicable.

**Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements****Calculation of tax expense**

The tax expense was calculated by first reasonably estimating the effective tax rate after the application of tax effect accounting with respect to profit (loss) before income taxes during the current fiscal year, and multiplying that rate by the quarterly profit (loss) before income taxes. However, the Company uses legally stipulated effective tax rates to calculate tax expenses when the use of estimated tax rates produces a clearly irrational result.

**Additional Information**

Subsequent real estate purchases after the consolidated fiscal year-end

As of the consolidated fiscal year-end date (July 31, 2024), the total amount of future real estate purchases for which contracts or agreements have been finalized, along with the amounts payable after the fiscal year-end, are as follows:

(Thousands of yen)

	Within one year	More than one year but within two years	More than two years but within three years	More than three years
Total purchase price	32,241,601	23,557,239	13,481,757	-
Deposit paid	1,108,850	589,600	-	-
Estimated amount payable	31,132,751	22,967,639	13,481,757	-

**Quarterly Consolidated Statement of Cash Flows**

A quarterly consolidated statement of cash flows for the first nine months of FY10/24 has not been prepared. Depreciation (includes amortization expenses related to intangible assets minus goodwill) and goodwill amortization for the first nine months of FY10/23 and FY10/24 are as follows.

(Thousands of yen)

	First nine months of FY10/23 (Nov. 1, 2022 – Jul. 31, 2023)	First nine months of FY10/24 (Nov. 1, 2023 – Jul. 31, 2024)
Depreciation	76,274	127,187
Goodwill amortization	26,437	-

**Segment and Other Information**

## Segment Information

## I. First nine months of FY10/23 (Nov. 1, 2022 – Jul. 31, 2023)

## 1. Information related to net sales and profit or loss for each reportable segment

(Thousands of yen)

	Reportable segment				Total
	Wholesale	Retail sales	Real estate management	Others	
Net sales					
External sales	5,104,208	8,022,055	1,237,821	28,090	14,392,175
Inter-segment sales and transfers	-	-	49,091	900	49,991
Total	5,104,208	8,022,055	1,286,913	28,990	14,442,167
Segment profit (loss)	1,013,092	350,561	172,221	(12,208)	1,523,667

## 2. Reconciliation of the amount shown in the quarterly consolidated statement of income with total profit or loss for reportable segments

(Thousands of yen)

Profit	Amounts
Total for reportable segments	1,523,667
Elimination of inter-segment transactions	30,131
Operating profit on the quarterly consolidated statement of income	1,553,798

## 3. Information related to impairment losses on non-current assets or goodwill, etc. for each reportable segment

Impairment losses related to non-current assets

Not applicable.

Significant change in goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

## II. First nine months of FY10/24 (Nov. 1, 2023 – Jul. 31, 2024)

## 1. Information related to net sales and profit or loss for each reportable segment

(Thousands of yen)

	Reportable segment				Total
	Wholesale	Retail sales	Real estate management	Others	
Net sales					
External sales	23,259,328	8,684,827	2,016,974	27,770	33,988,899
Inter-segment sales and transfers	-	-	89,753	900	90,653
Total	23,259,328	8,684,827	2,106,727	28,670	34,079,553
Segment profit (loss)	1,688,018	283,667	924,822	(87,246)	2,809,263

## 2. Reconciliation of the amount shown in the quarterly consolidated statement of income with total profit or loss for reportable segments

(Thousands of yen)

Profit	Amounts
Total for reportable segments	2,809,263
Elimination of inter-segment transactions	55,530
Operating profit on the quarterly consolidated statement of income	2,864,793

## 3. Information related to changes in reportable segments, etc.

Taiwan Good Com., Ltd., a local subsidiary in Taiwan included in retail sales, a reportable segment, was liquidated in the second quarter of FY10/24. Only the income statement of the company up to the date of completion of procedures for the liquidation is consolidated.

## 4. Information related to impairment losses on non-current assets or goodwill, etc. for each reportable segment

Impairment losses related to non-current assets

Not applicable.

Significant change in goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

**Revenue Recognition**

Information of breakdown on revenue from contracts with customers

First nine months of FY10/23 (Nov. 1, 2022 – Jul. 31, 2023)

(Thousands of yen)

	Reportable segment				Total
	Wholesale	Retail sales	Real estate management	Others	
Goods that are transferred at a point in time	772,081	8,022,055	292,189	-	9,086,326
Goods that are transferred over a certain period of time	-	-	314,949	28,090	343,039
Revenue from contracts with customers	772,081	8,022,055	607,139	28,090	9,429,366
Other revenue	4,332,126	-	630,682	-	4,962,809
External sales	5,104,208	8,022,055	1,237,821	28,090	14,392,175

First nine months of FY10/24 (Nov. 1, 2023 – Jul. 31, 2024)

(Thousands of yen)

	Reportable segment				Total
	Wholesale	Retail sales	Real estate management	Others	
Goods that are transferred at a point in time	17,898,930	8,684,827	296,329	1,000	26,881,086
Goods that are transferred over a certain period of time	-	-	358,195	26,770	384,965
Revenue from contracts with customers	17,898,930	8,684,827	654,525	27,770	27,266,052
Other revenue	5,360,398	-	1,362,449	-	6,722,847
External sales	23,259,328	8,684,827	2,016,974	27,770	33,988,899

*This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*