

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending October 31, 2025 (Three Months Ended January 31, 2025)

[Japanese GAAP]
March 14, 2025

Company name: Good Com Asset Co.,Ltd.

Stock code: 3475

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Scheduled date of payment of dividend: -

Preparation of supplementary materials for financial results: None

Holding of financial results meeting: None

* Information meeting for analysts and individual investors is scheduled to be held in place of financial results meeting.

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

1. Consolidated Financial Results for the First Quarter (November 1, 2024 – January 31, 2025) of the Fiscal Year Ending October 31, 2025

(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	%
Three months ended Jan. 31, 2025	2,579	(16.9)	(49)	-	(65)	-	(84)	-
Three months ended Jan. 31, 2024	3,102	5.0	158	196.6	32	110.0	(6)	-

Note: Comprehensive income (million yen) Three months ended Jan. 31, 2025: (84) (-%)

Three months ended Jan. 31, 2024: (6) (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jan. 31, 2025	(2.96)	-
Three months ended Jan. 31, 2024	(0.22)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jan. 31, 2025	38,293	12,219	31.9
As of Oct. 31, 2024	39,460	13,937	35.3

Reference: Shareholders' equity (million yen) As of Jan. 31, 2025: 12,219

As of Oct. 31, 2024: 13,937

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Oct. 31, 2024	-	0.00	-	41.00	41.00
Fiscal year ending Oct. 31, 2025	-				
Fiscal year ending Oct. 31, 2025 (forecasts)		0.00	-	45.00	45.00

Notes: 1. Revision to the most recently announced dividend forecast: None

2. Breakdown of year-end dividend per share for the fiscal year ended October 31, 2024:

Ordinary dividend: 36.00 yen; Commemorative dividend for 20th anniversary of the company's founding: 5.00 yen

3. Consolidated Forecast for the Fiscal Year Ending October 31, 2025 (November 1, 2024 - October 31, 2025)

(Percentages represent year-on-year changes)

	Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	5,880	7.9	5,416	9.7	3,707	11.7	128.68

Notes: 1. Revision to the most recently announced consolidated forecast: None

2. The sales forecast is not shown because the Group's earnings may fluctuate significantly depending on changes in real estate sales and purchases, and there are a number of uncertainties in the full-year sales forecast.

Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (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 Jan. 31, 2025:	30,530,400 shares	As of Oct. 31, 2024:	30,530,400 shares
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 - 2) Number of treasury shares at the end of the period

As of Jan. 31, 2025:	2,255,233 shares	As of Oct. 31, 2024:	1,718,233 shares
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 - 3) Average number of shares outstanding during the period

Three months ended Jan. 31, 2025:	28,614,984 shares	Three months ended Jan. 31, 2024:	28,792,887 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 information meeting

The Company plans to hold an online information meeting on Friday, March 14, 2025. Materials distributed at this event will be disclosed at the Timely Disclosure network (TDnet) with 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 three months of the fiscal year ending October 31, 2025, the Japanese economy remained on a gradual recovery trajectory, supported by a rebound in personal consumption, improvements in the employment and income environment, and a recovery in demand from foreign tourists, despite some signs of stagnation in economic activity. However, concerns remain over the impact of future U.S. policy developments and geopolitical risks in the Middle East on the domestic economy, leaving the outlook uncertain.

In the real estate industry, where the Good Com Asset Group operates, it remains necessary to closely monitor the impact of rising construction costs on the market, including increasing prices for labor and building materials. Nonetheless, the continued depreciation of the yen has created a sense of affordability, sustaining strong investment interest from both domestic and international investors. As a result, demand remains steady.

The Good Com Asset Group continued to expand planning, development and sales activities, mainly in Tokyo's 23 wards, for the newly constructed condominiums using the Company's own brand, 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 three months, 81 condominium units in eight buildings were sold. Properties acquired were 350 units in nine buildings.

Net sales decreased 16.9% to 2,579 million yen from one year earlier. Operating loss was 49 million yen, compared with a profit of 158 million yen one year earlier, ordinary loss was 65 million yen, compared with a profit of 32 million yen one year earlier, and loss attributable to owners of parent was 84 million yen, compared with a loss of 6 million yen one year earlier.

Business segment performance was as follows:

(a) Wholesale

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

Sales decreased 22.1% to 198 million yen from one year earlier, and the segment loss was 73 million yen, compared with a 101 million yen loss one year earlier.

(b) Retail sales

This segment consists of sales of the Genovia series of one-room and family condominiums to individual investors. During the first three months, 73 condominium units in seven buildings were sold.

Sales decreased 13.7% to 1,921 million yen from one year earlier, and the segment loss was 51 million yen, compared with a 11 million yen profit one year earlier.

(c) Real estate management

The occupancy rate for these buildings and units consistently remained above 90% at the end of every month during the first three months. However, rental income decreased as the number of unsold condominium units sharply declined due to strong sales of these properties in the previous fiscal year.

Sales decreased 27.2% to 462 million yen from one year earlier, and the segment profit decreased 70.1% to 79 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 real estate investment units, and the real estate fund business. Sales increased 8.2% to 9 million yen from one year earlier, and the segment loss was 19 million yen, compared with a 35 million yen loss one year earlier.

(2) Financial Position

Assets

Total assets decreased 1,166 million yen from the end of the previous fiscal year to 38,293 million yen at the end of the first quarter of the current fiscal year. This was mainly due to a decrease in cash and deposits of 2,234 million yen, while there were increases in real estate for sale of 639 million yen and advance payments to suppliers of 242 million yen.

Liabilities

Total liabilities increased 551 million yen from the end of the previous fiscal year to 26,074 million yen. This was mainly due to increases in long-term borrowings of 3,005 million yen and short-term borrowings of 2,098 million yen, while there were decreases in accounts payable for construction contracts of 1,709 million yen, current portion of long-term borrowings of 1,553 million yen and income taxes payable of 1,363 million yen.

Net assets

Total net assets decreased 1,717 million yen from the end of the previous fiscal year to 12,219 million yen. The main factors include a 1,181 million yen decrease in retained earnings due to dividend payments and a 451 million yen increase in treasury shares.

Consequently, the equity ratio was 31.9% at the end of the first 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, 2024 in the Consolidated Financial Results for the Fiscal Year Ended October 31, 2024.

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

(Thousands of yen)

	FY10/24 (As of Oct. 31, 2024)	First quarter of FY10/25 (As of Jan. 31, 2025)
Assets		
Current assets		
Cash and deposits	11,661,993	9,427,776
Accounts receivable-trade	3,432	3,564
Real estate for sale	16,060,175	16,700,134
Real estate for sale in process	8,038,304	8,068,993
Advance payments to suppliers	1,480,680	1,723,515
Other	1,273,826	1,413,297
Allowance for doubtful accounts	(232,830)	(211,275)
Total current assets	38,285,581	37,126,006
Non-current assets		
Property, plant and equipment	70,156	67,147
Intangible assets	1,321	1,210
Investments and other assets	1,102,983	1,099,429
Total non-current assets	1,174,461	1,167,787
Total assets	39,460,042	38,293,794
Liabilities		
Current liabilities		
Accounts payable for construction contracts	3,142,232	1,432,543
Short-term borrowings	4,066,392	6,165,260
Current portion of bonds payable	82,000	82,000
Current portion of long-term borrowings	3,590,088	2,036,785
Refund liabilities	45,124	65,891
Income taxes payable	1,386,051	22,523
Provision for bonuses	35,094	13,947
Provision for loss on guarantees	91,440	104,923
Other	906,276	969,951
Total current liabilities	13,344,699	10,893,824
Non-current liabilities		
Bonds payable	89,000	68,000
Long-term borrowings	12,000,895	15,006,679
Other	88,390	106,062
Total non-current liabilities	12,178,285	15,180,741
Total liabilities	25,522,984	26,074,566
Net assets		
Shareholders' equity		
Share capital	1,595,944	1,595,944
Capital surplus	1,513,106	1,513,106
Retained earnings	11,775,815	10,509,728
Treasury shares	(947,706)	(1,399,446)
Total shareholders' equity	13,937,159	12,219,331
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(101)	(104)
Total accumulated other comprehensive income	(101)	(104)
Total net assets	13,937,058	12,219,227
Total liabilities and net assets	39,460,042	38,293,794

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

	(Thousands of yen)	
	First three months of FY10/24 (Nov. 1, 2023 – Jan. 31, 2024)	First three months of FY10/25 (Nov. 1, 2024 – Jan. 31, 2025)
Net sales	3,102,412	2,579,310
Cost of sales	2,199,288	1,901,190
Gross profit	903,123	678,120
Selling, general and administrative expenses	744,741	727,402
Operating profit (loss)	158,381	(49,281)
Non-operating income		
Interest income	12	238
Dividend income	591	29
Commission income	964	566
Penalty income	49,392	50,547
Other	7,552	4,488
Total non-operating income	58,513	55,870
Non-operating expenses		
Interest expenses	152,215	61,530
Commission expenses	29,590	10,514
Other	2,203	476
Total non-operating expenses	184,009	72,520
Ordinary profit (loss)	32,886	(65,931)
Extraordinary losses		
Loss on extinguishment of tie-in shares	1,762	-
Total extraordinary losses	1,762	-
Profit (loss) before income taxes	31,123	(65,931)
Income taxes	37,395	18,856
Loss	(6,272)	(84,788)
Loss attributable to owners of parent	(6,272)	(84,788)

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

	(Thousands of yen)	
	First three months of FY10/24 (Nov. 1, 2023 – Jan. 31, 2024)	First three months of FY10/25 (Nov. 1, 2024 – Jan. 31, 2025)
Loss	(6,272)	(84,788)
Other comprehensive income		
Valuation difference on available-for-sale securities	55	(2)
Foreign currency translation adjustment	(63)	-
Total other comprehensive income	(8)	(2)
Comprehensive income	(6,280)	(84,790)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,280)	(84,790)
Comprehensive income attributable to non-controlling interests	-	-

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

Not applicable.

Significant Changes in Shareholders' Equity

Purchase of treasury shares

Pursuant to the resolution by the Board of Directors on September 12, 2024, the Company purchased 537,000 shares of its own shares. As a result, treasury shares increased 451,740 thousand yen during the first three months of the current fiscal year to 1,399,446 thousand yen at the end of the first quarter.

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 (January 31, 2025), 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	27,847,471	27,908,862	4,734,990	6,900,840
Deposit paid	850,520	813,230	-	-
Estimated amount payable	26,996,951	27,095,632	4,734,990	6,900,840

Quarterly Consolidated Statement of Cash Flows

A quarterly consolidated statement of cash flows for the first three months of FY10/25 has not been prepared. Depreciation (includes amortization expenses related to intangible assets minus goodwill) for the first three months of FY10/24 and FY10/25 are as follows.

	First three months of FY10/24 (Nov. 1, 2023 – Jan. 31, 2024)	First three months of FY10/25 (Nov. 1, 2024 – Jan. 31, 2025)
Depreciation	38,075	21,123

Segment and Other Information

Segment Information

I. First three months of FY10/24 (Nov. 1, 2023 – Jan. 31, 2024)

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

	Reportable segment				Total
	Wholesale	Retail sales	Real estate management	Others	
Net sales					
External sales	254,312	2,227,318	611,951	8,830	3,102,412
Inter-segment sales and transfers	-	-	22,818	300	23,118
Total	254,312	2,227,318	634,769	9,130	3,125,530
Segment profit (loss)	(101,430)	11,783	264,347	(35,497)	139,202

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

Profit	Amounts
Total for reportable segments	139,202
Elimination of inter-segment transactions	19,178
Operating profit on the quarterly consolidated statement of income	158,381

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 three months of FY10/25 (Nov. 1, 2024 – Jan. 31, 2025)

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	198,218	1,921,809	449,702	9,580	2,579,310
Inter-segment sales and transfers	-	-	12,497	300	12,797
Total	198,218	1,921,809	462,200	9,880	2,592,108
Segment profit (loss)	(73,827)	(51,283)	79,137	(19,954)	(65,927)

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	(65,927)
Elimination of inter-segment transactions	16,646
Operating loss on the quarterly consolidated statement of income	(49,281)

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.

Revenue Recognition

Information of breakdown on revenue from contracts with customers

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

(Thousands of yen)

	Reportable segment				Total
	Wholesale	Retail sales	Real estate management	Others	
Goods that are transferred at a point in time	254,312	2,227,318	76,985	-	2,558,616
Goods that are transferred over a certain period of time	-	-	112,983	8,830	121,813
Revenue from contracts with customers	254,312	2,227,318	189,969	8,830	2,680,430
Other revenue	-	-	421,981	-	421,981
External sales	254,312	2,227,318	611,951	8,830	3,102,412

First three months of FY10/25 (Nov. 1, 2024 – Jan. 31, 2025)

(Thousands of yen)

	Reportable segment				Total
	Wholesale	Retail sales	Real estate management	Others	
Goods that are transferred at a point in time	198,218	1,921,809	12,540	-	2,132,568
Goods that are transferred over a certain period of time	-	-	84,682	9,580	94,262
Revenue from contracts with customers	198,218	1,921,809	97,223	9,580	2,226,831
Other revenue	-	-	352,479	-	352,479
External sales	198,218	1,921,809	449,702	9,580	2,579,310

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.