AlbaLink (5537 TSE Growth) **January 7, 2026**

Real estate company that purchases properties with defects or vacant houses and resells to private investors

This report is an English translation of part of the report issued on December 16, 2025.
For inquiries concerning the report, please contract info@stock-r.org

【5537 AlbaLink Sector：Real Estate】

Fiscal Year		Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Dec. 2023		2,995	2.2x	426	2.3x	398	2.6x	282	2.7x	35.3	66.4	0.0
Dec. 2024		5,440	81.6	552	29.8	521	30.8	378	33.8	47.3	113.7	0.0
Dec. 2025	f	8,232	51.3	1,258	2.3x	1,216	2.3x	846	2.2x	104.9	-	0.0

Note: Non-consolidated basis.Figures for the fiscal year ending December 2025 is the company's forecasts.
It conducted 1:4 stock split on October 14, 2025.Per share indicies are adjusted retroactively.

Acquires Distressed Properties and Vacant Houses for Resale to Private Investors

AlbaLink operates a resale business that acquires various properties, including vacant houses in low-liquidity rural areas and brings them to market.

The company's most distinctive feature is that many of the properties it handles are distressed properties. General real estate companies and brokers tend to avoid distressed properties. This is due to the fact that it takes time to resolve existing issues, while transaction prices are low and the income generated does not justify the expenses to be incurred.

The company's net sales are categorized into real estate and other real estate-related businesses. The real estate sales business accounted for 89.7% of net sales for fiscal year ended December 2024 and other real estate-related businesses for 10.3%.

The real estate sales business involves the purchasing and reselling of distressed properties. Note that AlbaLink generally does not renovate the properties it acquires. It instead sells them as-is.

The distressed properties acquired by the company are primarily wooden detached houses, the overwhelming majority of which exhibit physical defects due to aging. The next most common category consists of properties that are not compliant with legal requirements, specifically those that are not considered rebuildable. For fiscal year ended December 2024, the number of sales transactions was 1,280 and the average transaction value was 3.81 million yen.

Other real estate-related businesses include properties brought to the company for sale. Some of these are difficult to acquire due to factors such as the condition of the buildings. When a property owner wishes to sell it, even if they have to pay to do so, AlbaLink enters into a consulting agreement with them and provides information and advice to facilitate the sale. The company receives compensation for this work.

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Financial Statements

Statement of income	Fiscal Year	Dec. 2023		Dec. 2024		Nine mounths to Sep.2025	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		2,995	100.0	5,440	100.0	5,038	100.0
Cost of sales		1,737	58.0	3,015	55.4	2,244	44.5
Gross profit		1,258	42.0	2,426	44.6	2,794	55.5
Selling, general and administrative expenses		832	27.8	1,873	34.4	2,243	44.5
Operating profit		426	14.2	553	10.2	551	10.9
Non-operating income		0	-	4	-	15	-
Non-operating expenses		27	-	35	-	47	-
Ordinary profit		399	13.3	522	9.6	519	10.3
Profit before income taxes		396	13.2	522	9.6	519	10.3
Net profit		283	9.4	378	7.0	365	7.2

Balance sheet	Fiscal Year	Dec. 2023		Dec. 2024		Sep.2025	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,920	92.8	2,218	83.8	3,862	89.1
Cash and deposits		811	39.2	1,416	53.5	2,633	60.7
Real estate for sale		737	35.6	399	15.1	870	20.1
Real estate for sale in process		339	22.5	320	12.1	198	4.6
Non-current assets		150	7.2	429	16.2	475	10.9
Property, plant and equipment		54	2.6	249	9.4	270	6.2
Intangible assets		0	0.0	0	0.0	4	0.1
Investments and other assets		95	4.6	180	6.8	201	4.6
Total assets		2,070	100.0	2,647	100.0	4,337	100.0
Current liabilities		670	32.4	970	36.7	1,345	31.0
Short-term borrowings		186	9.0	261	9.9	216	5.0
Current portion of bonds payable		20	1.0	47	1.8	47	1.1
Current portion of long-term borrowings		145	7.0	179	6.8	524	12.1
Advances received		5	0.3	15	0.6	-	-
Deposits received		10	0.5	14	0.5	-	-
Non-current liabilities		867	41.9	766	28.9	1,653	38.1
Bonds payable		60	2.9	203	7.7	165	3.8
Long-term borrowings		790	38.2	482	18.2	1,395	32.2
Net assets		251	12.1	910	34.4	1,339	30.9
Owners' equity		251	12.1	910	34.4	1,338	30.9

Statement of cash flows	Fiscal Year	Dec. 2023	Dec. 2024
		(mn yen)	(mn yen)
Cash flows from operating activities		481	860
Depreciation		7	39
Cash flows from investing activities		-48	-222
Cash flows from financing activities		62	-44
Dividends paid		-	-
Net increase in cash and cash equivalents		496	594
Cash and cash equivalents		811	1,406

Note:Non-consolidated
Source: Prepared by Stock Research Center based on the notifiable prospectus.

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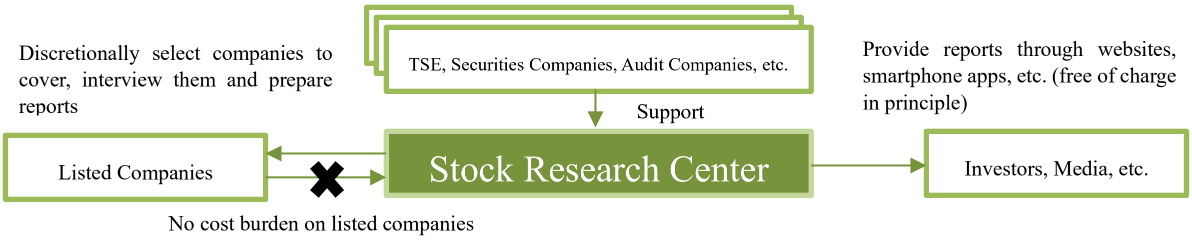

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