

[REFERENCE TRANSLATION]

Please note that this translation is to be used solely as reference and the financial statements in this material are unaudited.

In case of any discrepancy between this translation and the Japanese original, the latter shall prevail.

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Japanese GAAP)

November 14, 2024

Company name : Linical Co., Ltd.  
 Stock Listing : Tokyo Stock Exchange  
 Code No. : 2183  
 URL : <https://www.linical.com/ja/>  
 Representative : Kazuhiro Hatano, Representative Director  
 Contact : Akihiro Takahashi, Global Chief Financial Officer

Scheduled date of filing of semi-annual securities report : November 14, 2024  
 Scheduled date of start of dividend payment : —  
 Preparation of supplementary materials for the financial statements : Yes  
 Holding of financial results briefing : Yes (for institutional investors and analysts)

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

#### (1) Consolidated Financial Results (cumulative)

(% figures show year-on-year change)

Six Months Ended	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)
September 30, 2024	5,426	△10.5	△192	—	△239	—	△280	—
September 30, 2023	6,064	2.4	421	12.8	483	△21.3	178	△61.8

(Note) Comprehensive income Six Months Ended September 30, 2024: ¥△512 million (—)  
 Six Months Ended September 30, 2023: ¥708 million (△24.9 %)

Six Months Ended	Net income per share (¥)	Diluted net income per share (¥)
September 30, 2024	△12.42	—
September 30, 2023	7.92	—

#### (2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio (%)	Net asset per share (¥)
As of September 30, 2024	17,286	7,383	42.7	326.90
As of March 31, 2024	18,539	8,235	44.4	364.60

(Reference) Shareholder's equity: As of September 30, 2024: ¥7,383 million  
 As of March 31, 2024: ¥8,235 million

## 2. Dividends

	Annual dividends per share (¥)				
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total
Year Ended March 31, 2024	—	0.00	—	15.00	15.00
Year Ending March 31, 2025	—	0.00			
Year Ending March 31, 2025(Forecast)			—	16.00	16.00

(Note) Change in the dividend forecast from the most recent announcement: No

## 3. Forecast of Consolidated Financial Result for the Year Ending March 31, 2025

(April 1, 2024 to March 31, 2025)

(% figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share (¥)
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	
Full year	11,468	△6.8	250	△65.6	258	△67.3	150	△55.7	6.64

(Note) Change in forecasts of consolidated financial results from the most recent announcement: Yes

### ※ Notes

(1) Significant changes in the scope of consolidation during the period: : No

New: - (Company Name) -

Exclusion: - (Company Name) -

(2) Adoption of accounting methods specific to the preparation of quarterly consolidated financial statements : No

(3) Changes in accounting policies, accounting estimates and restatements

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations : No

2) Changes in accounting policies other than 1) : No

3) Changes in accounting estimates : No

4) Restatement of corrections : No

(4) Number of issued shares (Common share)

(a) Number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024 : 24,740,000 shares

As of March 31, 2024 : 24,740,000 shares

(b) Number of treasury shares at the end of the period

As of September 30, 2024 : 2,153,569 shares

As of March 31, 2024 : 2,153,564 shares

(c) Average number of shares during the period

Six Months Ended September 30, 2024 : 22,586,434 shares

Six Months Ended September 30, 2023 : 22,586,436 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Explanation on appropriate use of forecast and other special items

The forward-looking statements herein are based on information currently available to the Company and certain assumptions determined to be reasonable. Actual results may differ significantly from these forecasts due to various factors.

\*How to obtain supplementary results briefing material on semi-annual financial results

The Company plans to hold a semi-annual financial results presentation meeting on November 20, 2024.

The Company also plans to post to its website the materials that are used at the meeting immediately after the event.

## Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	7,465,192	7,213,709
Accounts receivable - trade, and contract assets	3,463,780	2,869,265
Prepaid expenses	255,432	258,574
Advances paid	1,265,542	1,172,357
Other	320,723	377,223
Allowance for doubtful accounts	△21,895	△14,692
<b>Total current assets</b>	<b>12,748,776</b>	<b>11,876,437</b>
Non-current assets		
Property, plant and equipment	518,770	448,675
Intangible assets		
Goodwill	3,547,866	3,199,719
Other	117,467	102,630
<b>Total intangible assets</b>	<b>3,665,333</b>	<b>3,302,349</b>
Investments and other assets		
Investment securities	272,198	282,374
Long-term prepaid expenses	1,382	3,185
Guarantee deposits	384,805	385,948
Deferred tax assets	948,648	987,580
<b>Total investments and other assets</b>	<b>1,607,034</b>	<b>1,659,088</b>
<b>Total non-current assets</b>	<b>5,791,138</b>	<b>5,410,113</b>
<b>Total assets</b>	<b>18,539,915</b>	<b>17,286,550</b>

## Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	600,000	600,000
Current portion of long-term borrowings	493,640	423,656
Accounts payable - other	847,585	780,143
Accrued expenses	349,336	301,261
Income taxes payable	264,241	25,635
Accrued consumption taxes	22,481	1,346
Advances received	2,521,964	2,745,153
Deposits received	2,271,085	2,405,821
Provision for bonuses	199,310	193,555
Other	199,240	126,293
Total current liabilities	7,768,885	7,602,868
Non-current liabilities		
Long-term borrowings	1,499,950	1,299,946
Lease liabilities	304,677	254,951
Retirement benefit liability	704,710	720,785
Other	26,671	24,562
Total non-current liabilities	2,536,008	2,300,244
Total liabilities	10,304,894	9,903,113
<b>Net assets</b>		
Shareholders' equity		
Share capital	214,043	214,043
Retained earnings	7,315,200	6,695,887
Treasury shares	△657,461	△657,464
Total shareholders' equity	6,871,781	6,252,466
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,631	33,586
Foreign currency translation adjustment	1,287,406	1,053,789
Remeasurements of defined benefit plans	50,201	43,594
Total accumulated other comprehensive income	1,363,239	1,130,970
Total net assets	8,235,021	7,383,437
Total liabilities and net assets	18,539,915	17,286,550

## Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	6,064,464	5,426,350
Cost of sales	4,079,827	4,111,865
Gross profit	1,984,637	1,314,484
Selling, general and administrative expenses	1,563,405	1,507,131
Operating profit (loss)	421,231	△192,646
Non-operating income		
Interest income	12,703	27,492
Foreign exchange gains	69,470	—
Total non-operating income	82,174	27,492
Non-operating expenses		
Interest expenses	9,188	8,401
Foreign exchange losses	—	64,989
Loss on valuation of investment securities	10,359	1,183
Total non-operating expenses	19,547	74,574
Ordinary profit (loss)	483,858	△239,728
Extraordinary income		
Gain on liquidation of subsidiaries	37,776	—
Total extraordinary income	37,776	—
Extraordinary losses		
Business restructuring expenses	147,402	—
Total extraordinary losses	147,402	—
Profit (loss) before income taxes	374,232	△239,728
Income taxes - current	226,730	136,842
Income taxes - deferred	△31,404	△96,053
Total income taxes	195,326	40,788
Profit (loss)	178,905	△280,516
Profit (loss) attributable to owners of parent	178,905	△280,516

## Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit (loss)	178,905	△280,516
Other comprehensive income		
Valuation difference on available-for-sale securities	△15,247	7,955
Foreign currency translation adjustment	549,236	△233,617
Remeasurements of defined benefit plans, net of tax	△4,404	△6,606
Total other comprehensive income	529,585	△232,268
Comprehensive income	708,491	△512,785
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	708,491	△512,785

## Consolidated statements of cash flows (cumulative)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	374,232	△239,728
Depreciation	86,465	84,038
Amortization of goodwill	168,405	184,611
Amortization of long-term prepaid expenses	1,559	1,690
Business restructuring expenses	147,402	—
Loss (gain) on liquidation of subsidiaries	△37,776	—
Increase (decrease) in provision for bonuses	15,917	△2,123
Increase (decrease) in allowance for doubtful accounts	△495	△6,388
Increase (decrease) in retirement benefit liability	△23,770	11,190
Interest and dividend income	△12,703	△27,492
Interest expenses	9,188	8,401
Loss (gain) on valuation of investment securities	10,359	1,183
Foreign exchange losses (gains)	△69,775	34,281
Decrease (increase) in accounts receivable - trade, and contract assets	219,815	494,864
Decrease (increase) in advances paid	41,666	38,250
Decrease (increase) in prepaid expenses	△25,135	△7,838
Increase (decrease) in accounts payable - other	△21,673	△43,372
Increase (decrease) in accrued expenses	△86,759	△39,763
Increase (decrease) in advances received	△2,977	360,729
Increase (decrease) in deposits received	382,506	191,180
Other, net	△38,352	△163,871
<b>Subtotal</b>	<b>1,138,100</b>	<b>879,843</b>
Interest and dividends received	12,703	27,400
Interest paid	△9,194	△8,509
Income taxes paid	△373,424	△357,502
Business restructuring expenses paid	△137,008	—
<b>Net cash provided by (used in) operating activities</b>	<b>631,176</b>	<b>541,232</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	△1,716	△1,937
Purchase of intangible assets	—	△2,236
Purchase of investment securities	△10,000	—
Proceeds from distributions from investment partnerships	41,968	—
Purchase of long-term prepaid expenses	△19	△2,708
Payments of guarantee deposits	△14,570	△5,719
Proceeds from refund of guarantee deposits	2,831	364
<b>Net cash provided by (used in) investing activities</b>	<b>18,493</b>	<b>△12,236</b>



## Consolidated statements of cash flows (cumulative)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from financing activities		
Repayments of long-term borrowings	△269,988	△269,988
Purchase of treasury shares	—	△2
Dividends paid	△315,483	△338,427
Repayments of lease liabilities	△120,046	△54,261
Net cash provided by (used in) financing activities	△705,518	△662,679
Effect of exchange rate change on cash and cash equivalents	330,513	△117,798
Net increase (decrease) in cash and cash equivalents	274,665	△251,483
Cash and cash equivalents at beginning of period	7,042,100	7,465,192
Cash and cash equivalents at end of period	7,316,765	7,213,709