

[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 Nine Months Ended December 31, 2024 (Japanese GAAP)

February 14, 2025

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 start of dividend payment : —
 Preparation of supplementary materials for the quarterly financial statements : Yes
 Holding of presentation for the quarterly financial results : No

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

(1) Consolidated Financial Results (cumulative)

(% figures show year-on-year change)

Nine Months Ended	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)
December 31, 2024	7,955	△14.0	△332	—	△261	—	△316	—
December 31, 2023	9,248	0.0	641	△13.4	632	△17.7	253	△56.1

(Note) Comprehensive income Nine Months Ended December 31, 2024: ¥△217 million (—)
 Nine Months Ended December 31, 2023: ¥558 million (△28.2%)

Nine Months Ended	Net income per share (¥)	Diluted net income per share (¥)
December 31, 2024	△14.03	—
December 31, 2023	11.23	—

(2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio (%)	Net asset per share (¥)
As of December 31, 2024	17,399	7,678	44.1	339.97
As of March 31, 2024	18,539	8,235	44.4	364.60

(Reference) Shareholder's equity: As of December 31, 2024: ¥7,678 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	10,430	△9.1	△650	—	△550	—	△570	—	△25.24

(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) Restatements : No

(4) Number of issued shares (Common share)

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

As of December 31, 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 December 31, 2024 : 2,153,569 shares
As of March 31, 2024 : 2,153,564 shares

(c) Average number of shares during the period

Nine Months Ended December 31, 2024 : 22,586,433 shares
Nine Months Ended December 31, 2023 : 22,586,436 shares

* Review of either Japanese original or English translation of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* 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.

Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	7,465,192	6,770,143
Accounts receivable - trade, and contract assets	3,463,780	2,832,428
Prepaid expenses	255,432	217,855
Advances paid	1,265,542	1,463,073
Other	320,723	486,063
Allowance for doubtful accounts	△21,895	△37,328
Total current assets	12,748,776	11,732,235
Non-current assets		
Property, plant and equipment	518,770	422,898
Intangible assets		
Goodwill	3,547,866	3,364,508
Other	117,467	103,804
Total intangible assets	3,665,333	3,468,312
Investments and other assets		
Investment securities	272,198	278,884
Long-term prepaid expenses	1,382	23,898
Guarantee deposits	384,805	391,326
Deferred tax assets	948,648	1,082,076
Total investments and other assets	1,607,034	1,776,185
Total non-current assets	5,791,138	5,667,396
Total assets	18,539,915	17,399,632

Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Short-term borrowings	600,000	600,000
Current portion of long-term borrowings	493,640	400,008
Accounts payable - other	847,585	579,357
Accrued expenses	349,336	274,167
Income taxes payable	264,241	22,005
Accrued consumption taxes	22,481	762
Advances received	2,521,964	2,761,416
Deposits received	2,271,085	2,584,689
Provision for bonuses	199,310	185,947
Other	199,240	140,387
Total current liabilities	7,768,885	7,548,743
Non-current liabilities		
Long-term borrowings	1,499,950	1,199,944
Lease liabilities	304,677	230,973
Retirement benefit liability	704,710	716,898
Other	26,671	24,342
Total non-current liabilities	2,536,008	2,172,159
Total liabilities	10,304,894	9,720,902
Net assets		
Shareholders' equity		
Share capital	214,043	214,043
Retained earnings	7,315,200	6,659,485
Treasury shares	△657,461	△657,464
Total shareholders' equity	6,871,781	6,216,064
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,631	24,003
Foreign currency translation adjustment	1,287,406	1,398,370
Remeasurements of defined benefit plans	50,201	40,290
Total accumulated other comprehensive income	1,363,239	1,462,664
Total net assets	8,235,021	7,678,729
Total liabilities and net assets	18,539,915	17,399,632

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	9,248,662	7,955,222
Cost of sales	6,276,497	6,097,601
Gross profit	2,972,165	1,857,621
Selling, general and administrative expenses	2,330,944	2,189,769
Operating profit (loss)	641,221	△332,148
Non-operating income		
Interest income	31,409	41,768
Foreign exchange gains	—	42,370
Gain on valuation of investment securities	—	578
Total non-operating income	31,409	84,717
Non-operating expenses		
Interest expenses	13,317	12,548
Foreign exchange losses	14,929	—
Loss on valuation of investment securities	11,867	1,397
Total non-operating expenses	40,115	13,946
Ordinary profit (loss)	632,515	△261,377
Extraordinary income		
Gain on liquidation of subsidiaries	36,799	—
Total extraordinary income	36,799	—
Extraordinary losses		
Loss on retirement of non-current assets	—	1,038
Business restructuring expenses	148,495	—
Total extraordinary losses	148,495	1,038
Profit (loss) before income taxes	520,819	△262,416
Income taxes - current	275,868	162,216
Income taxes - deferred	△8,596	△107,713
Total income taxes	267,272	54,502
Profit (loss)	253,546	△316,918
Profit (loss) attributable to owners of parent	253,546	△316,918

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit (loss)	253,546	△316,918
Other comprehensive income		
Valuation difference on available-for-sale securities	△32,964	△1,627
Foreign currency translation adjustment	344,443	110,963
Remeasurements of defined benefit plans, net of tax	△6,606	△9,910
Total other comprehensive income	304,872	99,425
Comprehensive income	558,419	△217,492
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	558,419	△217,492