

Company Name: Linical Co., Ltd.
 Representative: Kazuhiro Hatano
 President & CEO
 TSE code: 2183

February 14, 2025

Notice Concerning a Revision of the Results Forecast and Recording Gain on Income Tax Adjustments

Linical Co., Ltd. (the Company) hereby informs that the Company has revised its consolidated results forecast for the fiscal year ending March 2025 (April 1, 2024 to March 31, 2025), which was announced on November 14, 2024, as follows. The Company also informs that it has recorded gain on income tax adjustments for the Nine Months Ended December 31, 2024 (April 1, 2024 to December 31, 2024).

1. Revision of the consolidated results forecast for the fiscal year ending March 2025 (April 1, 2024 - March 31, 2025)

(Unit: million yen)

	Sales	Operating profit	Ordinary profit	Net profit attributable to owners of the parent	Net profit per share
Previously announced forecast (A)	11,468	250	258	150	6.64 yen
Revised forecast (B)	10,430	△650	△550	△570	△25.24 yen
Change (B-A)	△1,038	△900	△808	△720	
Change (%)	△9.1	—	—	—	
(Reference) Results for the previous fiscal year (Fiscal year ended March 2024)	12,307	725	790	338	14.98 yen

2. Reason for the revision

The Company has revised the full-year consolidated results forecast announced on November 14, 2024 as above for the following reasons.

In Japan, the acquisition of new projects that would contribute to this fiscal year's sales was not achieved as planned, amid the challenging domestic pharmaceutical environment. In South Korea,

the medical strike prolonged beyond expectations, leading to delays in existing projects and a decline in the acquisition of new projects. Furthermore, in Europe and the United States, there were delays in the start of projects for which we had obtained verbal approvals, and some projects ultimately decided not to proceed with trials. This, along with the failure to achieve the planned acquisition of new projects, affected our financial results. Currently, negotiations for contracts are progressing in the United States, Japan, and Europe and we are implementing various measures to improve financial performance in the upcoming periods.

3. Recording gain on income tax adjustments

After carefully examining the recoverability of deferred tax assets, the Company has recorded the income tax adjustment amount (gain) of 107 million yen for the portion where recoverability is expected.

4. Other

Although a downward revision of the performance forecast is necessary for the fiscal year ending March 2025 as mentioned above, there is no change to the dividend forecast announced on May 15, 2024 at this time.

We consider optimizing the balance between enhancing corporate value through medium- to long-term growth and profit redistribution as a key initiative. We approach the question of how to reward the capital entrusted by our shareholders and implement dividend policies considering performance, with stable profit redistribution as our basic principle. In accordance with the above policy, the final dividend payment is scheduled to be determined in early June 2025 following a resolution of the Board of Directors pursuant to the provisions of our company's articles of incorporation.

(Note)

- 1) The above forecast is based on information that the company has obtained at the present time and certain assumptions judged to be reasonable. Actual results may differ greatly from the forecast due to various factors.
- 2) This is a translation of the press release originally drafted in Japanese for the disclosure required in compliance with the TSE regulations.