

[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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Consolidated Financial Results for the Year Ended March 31, 2025 (Japanese GAAP)

May 15, 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 Ordinary General Meeting of Shareholders : June 25, 2025
Scheduled date of start of dividend payment : June 11, 2025
Scheduled date of filing Financial Report of fiscal Year ended March 2025 : June 24, 2025
Preparation of supplementary materials for the financial statements : Yes
Holding of presentation for the financial results : Yes
(for institutional investors and analysts)

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

1. Consolidated Financial Results for the Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Financial Results (cumulative)

(% figures show year-on-year change)

Year Ended	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)
March 31, 2025	10,437	△15.2	△583	—	△498	—	△539	—
March 31, 2024	12,307	△1.7	725	△42.3	790	△38.4	338	△66.3

(Note) Comprehensive income Year Ended March 31, 2025: ¥△642 million (—)
Year Ended March 31, 2024: ¥970 million (△28.4%)

Year Ended	Net income per share (¥)	Diluted net income per share	Return on Equity (%)	Ratio of Ordinary profit to Total assets (%)	Ratio of Operating income to Net sales (%)
March 31, 2025	△23.87	—	△7.0	△2.8	△5.6
March 31, 2024	14.98	—	4.3	4.4	5.9

(Reference) Equity method investment gain or loss: Year Ended March 31, 2025: — million
Year Ended March 31, 2024: — million

(2) Consolidated Financial Position

	Total assets (¥ million)	Net assets (¥ million)	Shareholders' equity ratio (%)	Net asset per share (¥)
As of March 31, 2025	16,775	7,253	43.2	321.14
As of March 31, 2024	18,539	8,235	44.4	364.60

(Reference) Shareholder's equity: As of March 31, 2025: ¥ 7,253million
As of March 31, 2024: ¥ 8,235million

(3) Consolidated Cash flow statement

Year Ended	Cash flow from operating activities (¥ million)	Cash flow from investing activities (¥ million)	Cash flow from financing activities (¥ million)	Cash and Cash equivalents at end of year (¥ million)
March 31, 2025	595	△45	△939	7,039
March 31, 2024	1,065	△28	△960	7,465

2. Dividends

	Dividends per share (¥)					Total Amount of Cash Dividends (annual) (¥ million)	Dividend Payout Ratio (consolidated) (%)	Ratio of Total Amount of Dividends to Shareholders' Equity (consolidated) (%)
	1st Quarter End	2nd Quarter End	3rd Quarter End	Fiscal Year End	Total			
Year Ended March 31, 2024	—	0.00	—	15.00	15.00	338	100.2	4.3
Year Ended March 31, 2025	—	0.00	—	16.00	16.00	361	—	4.7
Year Ending March 31, 2026(Forecast)	—	0.00	—	16.00	16.00		240.9	

3. Forecast of Consolidated Financial Result for the Year Ending March 31, 2026
(April 1, 2025 to March 31, 2026)

(% 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	11,200	7.3	300	—	320	—	150	—	6.64

※ Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries that caused changes in scope of consolidation) : No

New: - (Company Name) -

Exclusion: - (Company Name) -

(2) 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

(3) Number of issued shares (Common share)

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

As of March 31, 2025 : 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 March 31, 2025 : 2,153,569 shares

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

(c) Average number of shares during the period

Year Ended March 31, 2025 : 22,586,432 shares

Year Ended March 31, 2024 : 22,586,436 shares

(Reference)

Non-Consolidated Financial Results for the Year Ended March 31, 2025

(April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Financial Results

(% figures show year-on-year change)

Year Ended	Net sales		Operating income		Ordinary income		Net income	
	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)	(¥ million)	change(%)
March 31, 2025	3,676	△27.9	△585	—	△562	—	△382	—
March 31, 2024	5,101	△14.7	363	△50.7	496	△53.1	343	△59.1

Year Ended	Net income per share	Diluted net income per share
	(¥)	
March 31, 2025	△16.93	—
March 31, 2024	15.19	—

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	(¥ million)	(¥ million)	(%)	(¥)
As of March 31, 2025	10,579	6,087	57.5	269.51
As of March 31, 2024	11,675	6,809	58.3	301.50

(Reference) Shareholder's equity: As of March 31, 2025: ¥6,087million
As of March 31, 2024: ¥6,809million

* This release is outside the scope of the audit procedure by certified public accountants or audit firms.

* 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 financial results

The Company plans to hold a financial results presentation meeting on June 4, 2025.

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 March 31, 2025
Assets		
Current assets		
Cash and deposits	7,465,192	7,039,571
Accounts receivable - trade, and contract assets	3,463,780	2,774,194
Prepaid expenses	255,432	243,949
Advances paid	1,265,542	841,301
Other	320,723	763,363
Allowance for doubtful accounts	(21,895)	(35,183)
Total current assets	12,748,776	11,627,196
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	97,663	97,132
Accumulated depreciation	(57,570)	(64,433)
Facilities attached to buildings, net	40,093	32,698
Tools, furniture and fixtures	359,402	329,599
Accumulated depreciation	(280,516)	(274,827)
Tools, furniture and fixtures, net	78,885	54,771
Leased assets	694,798	530,162
Accumulated depreciation	(295,007)	(222,236)
Leased assets, net	399,791	307,926
Total property, plant and equipment	518,770	395,396
Intangible assets		
Goodwill	3,547,866	3,144,985
Other	117,467	94,944
Total intangible assets	3,665,333	3,239,929
Investments and other assets		
Investment securities	272,198	272,500
Long-term prepaid expenses	1,382	23,215
Guarantee deposits	384,805	387,839
Deferred tax assets	948,648	829,225
Total investments and other assets	1,607,034	1,512,779
Total non-current assets	5,791,138	5,148,106
Total assets	18,539,915	16,775,302

Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
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	625,898
Accrued expenses	349,336	296,258
Income taxes payable	264,241	27,781
Accrued consumption taxes	22,481	3,105
Advances received	2,521,964	2,420,387
Deposits received	2,271,085	2,755,857
Provision for bonuses	199,310	197,669
Other	199,240	150,247
Total current liabilities	7,768,885	7,477,214
Non-current liabilities		
Long-term borrowings	1,499,950	1,099,942
Lease liabilities	304,677	228,044
Retirement benefit liability	704,710	693,219
Other	26,671	23,425
Total non-current liabilities	2,536,008	2,044,630
Total liabilities	10,304,894	9,521,845
Net assets		
Shareholders' equity		
Share capital	214,043	214,043
Retained earnings	7,315,200	6,437,301
Treasury shares	(657,461)	(657,464)
Total shareholders' equity	6,871,781	5,993,881
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,631	24,449
Foreign currency translation adjustment	1,287,406	1,193,809
Remeasurements of defined benefit plans	50,201	41,317
Total accumulated other comprehensive income	1,363,239	1,259,576
Total net assets	8,235,021	7,253,457
Total liabilities and net assets	18,539,915	16,775,302

Consolidated statements of income (cumulative)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	12,307,870	10,437,032
Cost of sales	8,529,583	8,061,296
Gross profit	3,778,286	2,375,736
Selling, general and administrative expenses	3,052,563	2,959,236
Operating profit (loss)	725,723	(583,500)
Non-operating income		
Interest income	52,272	60,218
Foreign exchange gains	42,095	39,798
Gain on valuation of investment securities	—	2,811
Total non-operating income	94,367	102,828
Non-operating expenses		
Interest expenses	17,636	16,868
Loss on valuation of investment securities	12,417	1,036
Total non-operating expenses	30,053	17,904
Ordinary profit (loss)	790,037	(498,576)
Extraordinary income		
Gain on liquidation of subsidiaries	37,133	—
Total extraordinary income	37,133	—
Extraordinary losses		
Loss on retirement of non-current assets	—	1,025
Loss on cancellation of leases	—	13,302
Business restructuring expenses	166,940	—
Total extraordinary losses	166,940	14,327
Profit (loss) before income taxes	660,230	(512,903)
Income taxes - current	619,979	36,695
Income taxes - refund	—	(124,367)
Income taxes - deferred	(298,015)	113,870
Total income taxes	321,964	26,198
Profit (loss)	338,266	(539,102)
Profit (loss) attributable to owners of parent	338,266	(539,102)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit (loss)	338,266	(539,102)
Other comprehensive income		
Valuation difference on available-for-sale securities	(52,521)	(1,182)
Foreign currency translation adjustment	670,433	(93,597)
Remeasurements of defined benefit plans, net of tax	13,838	(8,883)
Total other comprehensive income	631,750	(103,663)
Comprehensive income	970,016	(642,765)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	970,016	(642,765)
Comprehensive income attributable to non-controlling interests	—	—

Consolidated Statements of Shareholders' Equity
Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	214,043	7,293,144	(657,461)	6,849,726
Changes during period				
Dividends of surplus		(316,210)		(316,210)
Profit (loss) attributable to owners of parent		338,266		338,266
Purchase of treasury shares				—
Net changes in items other than shareholders' equity				
Total changes during period	—	22,055	—	22,055
Balance at end of period	214,043	7,315,200	(657,461)	6,871,781

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	78,152	616,973	36,362	731,489	7,581,215
Changes during period					
Dividends of surplus					(316,210)
Profit (loss) attributable to owners of parent					338,266
Purchase of treasury shares					—
Net changes in items other than shareholders' equity	(52,521)	670,433	13,838	631,750	631,750
Total changes during period	(52,521)	670,433	13,838	631,750	653,806
Balance at end of period	25,631	1,287,406	50,201	1,363,239	8,235,021

Consolidated Statements of Shareholders' Equity
Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	214,043	7,315,200	(657,461)	6,871,781
Changes during period				
Dividends of surplus		(338,796)		(338,796)
Profit (loss) attributable to owners of parent		(539,102)		(539,102)
Purchase of treasury shares			(2)	(2)
Net changes in items other than shareholders' equity				
Total changes during period	—	(877,898)	(2)	(877,900)
Balance at end of period	214,043	6,437,301	(657,464)	5,993,881

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	25,631	1,287,406	50,201	1,363,239	8,235,021
Changes during period					
Dividends of surplus					(338,796)
Profit (loss) attributable to owners of parent					(539,102)
Purchase of treasury shares					(2)
Net changes in items other than shareholders' equity	(1,182)	(93,597)	(8,883)	(103,663)	(103,663)
Total changes during period	(1,182)	(93,597)	(8,883)	(103,663)	(981,564)
Balance at end of period	24,449	1,193,809	41,317	1,259,576	7,253,457

Consolidated statements of cash flows (cumulative)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	660,230	(512,903)
Depreciation	170,905	163,901
Amortization of goodwill	347,371	368,048
Amortization of long-term prepaid expenses	3,233	5,052
Loss on cancellation of leases	—	13,302
Business restructuring expenses	166,940	—
Loss (gain) on liquidation of subsidiaries	(37,133)	—
Increase (decrease) in provision for bonuses	32,671	(714)
Increase (decrease) in allowance for doubtful accounts	7,022	13,975
Increase (decrease) in retirement benefit liability	(17,956)	(10,160)
Interest and dividend income	(52,272)	(60,218)
Interest expenses	17,636	16,868
Loss on retirement of non-current assets	—	1,025
Loss (gain) on valuation of investment securities	12,417	(1,775)
Foreign exchange losses (gains)	(35,572)	(63,468)
Decrease (increase) in accounts receivable - trade, and contract assets	195,467	658,749
Decrease (increase) in advances paid	(123,057)	418,954
Decrease (increase) in prepaid expenses	5,001	8,272
Increase (decrease) in accounts payable - other	220,194	(243,940)
Increase (decrease) in accrued expenses	(59,310)	(46,981)
Increase (decrease) in advances received	23,965	(41,370)
Increase (decrease) in deposits received	389,548	506,294
Other, net	(104,751)	(194,054)
Subtotal	1,822,551	998,855
Interest and dividends received	52,272	60,090
Interest paid	(17,620)	(17,136)
Income taxes paid	(624,793)	(446,333)
Business restructuring expenses paid	(166,940)	—
Net cash provided by (used in) operating activities	1,065,469	595,475
Cash flows from investing activities		
Purchase of investment securities	(30,000)	(10,000)
Purchase of property, plant and equipment	(29,706)	(2,886)
Purchase of intangible assets	(3,253)	(5,760)
Purchase of long-term prepaid expenses	(1,539)	(25,381)
Proceeds from distributions from investment partnerships	41,968	9,621
Payments of guarantee deposits	(11,347)	(11,538)
Proceeds from refund of guarantee deposits	5,377	632
Net cash provided by (used in) investing activities	(28,502)	(45,312)

Consolidated statements of cash flows (cumulative)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Repayments of long-term borrowings	(539,976)	(493,640)
Purchase of treasury shares	—	(2)
Dividends paid	(315,765)	(338,481)
Repayments of lease liabilities	(105,184)	(107,094)
Net cash provided by (used in) financing activities	(960,925)	(939,218)
Effect of exchange rate change on cash and cash equivalents	347,050	(36,564)
Net increase (decrease) in cash and cash equivalents	423,092	(425,621)
Cash and cash equivalents at beginning of period	7,042,100	7,465,192
Cash and cash equivalents at end of period	7,465,192	7,039,571