



*Please note that this translation is to be used solely as reference.
In case of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Consolidated Financial Results for the fiscal year ended Mar 31, 2026

June 10, 2026

Kazuhiro Hatano

President&CEO, Linical Co., Ltd.

Agenda



1. Company Overview
2. Financial Results for FY ended March 2026
3. Forecasts of FY ending March 2027
4. Management Strategy

Company Overview



Company overview

Company name	Linical Co., Ltd.
Address	1-6-1 Miyahara, Yodogawa-ku, Osaka City
Establishment	June 7, 2005
Representative	Kazuhiro Hatano, Representative Director
Capital	214 million yen
Business description	CRO business accepting contract drug development work
Number of employees	632 (as of March 31, 2026)

Establishment history

2005 Yamanouchi Pharmaceutical Co., Ltd., and Fujisawa Pharmaceutical Co., Ltd., merged (Astellas Pharma Inc.)
→ Founding of the company **centered on members formerly in charge of new drug development at Fujisawa Pharmaceutical.**

Management philosophy

Linical provides quality as a **professional** and pursues the happiness of stakeholders: pharmaceutical companies, medical institutions, patients, shareholders and employees.

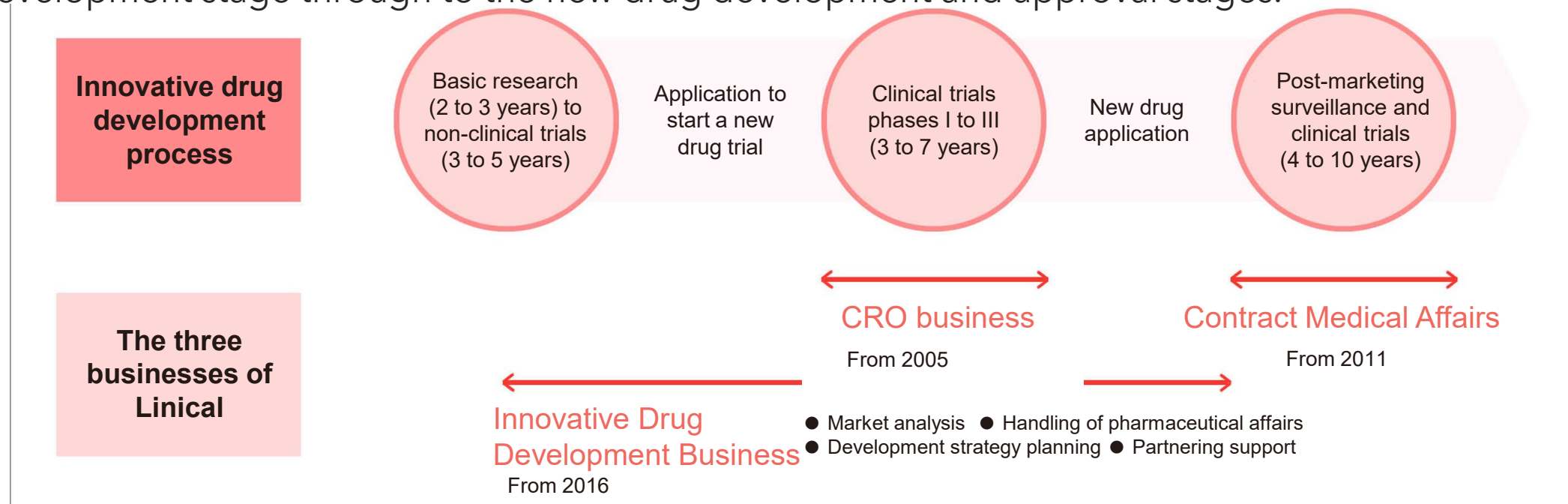
International certification

Linical has acquired **ISO/IEC 27001 certification**, an international standard for **information security management systems (ISMS)**, at all group bases.



The Three Businesses of Linical

- We specialize in clinical development and cover the entire process from the innovative drug development stage through to the new drug development and approval stages.



1. CRO Business: Implementing on client's behalf and supporting operations related to clinical trials conducted in the drug development stage

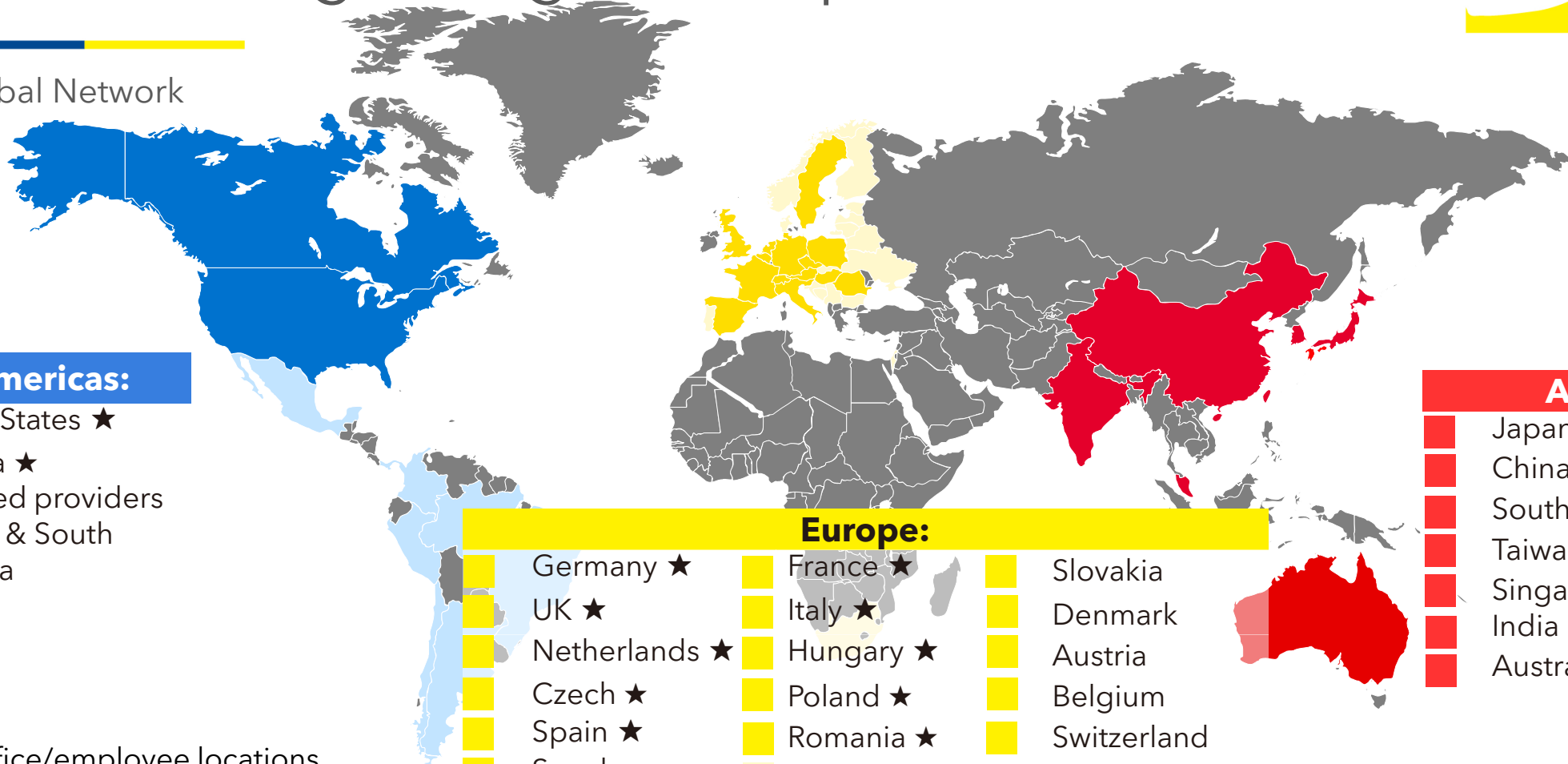
2. Contract Medical Affairs business: We support post-marketing clinical research and marketing activities

3. Innovative Drug Development Business: We provide consulting services that give total support for a wide range of pharmaceutical development activities including market analysis, the formulation of pharmaceutical affairs and development strategies, the selection of marketing partners, and the conclusion of contracts.

Global CRO originating from Japan



■ Our Global Network



The Americas:

- United States ★
- Canada ★
- Preferred providers in Latin & South America

★ Office/employee locations

Europe:

- | | | |
|-----------------|--|---------------|
| ■ Germany ★ | ■ France ★ | ■ Slovakia |
| ■ UK ★ | ■ Italy ★ | ■ Denmark |
| ■ Netherlands ★ | ■ Hungary ★ | ■ Austria |
| ■ Czech ★ | ■ Poland ★ | ■ Belgium |
| ■ Spain ★ | ■ Romania ★ | ■ Switzerland |
| ■ Sweden | ■ Preferred providers in Portugal, Norway etc. | |

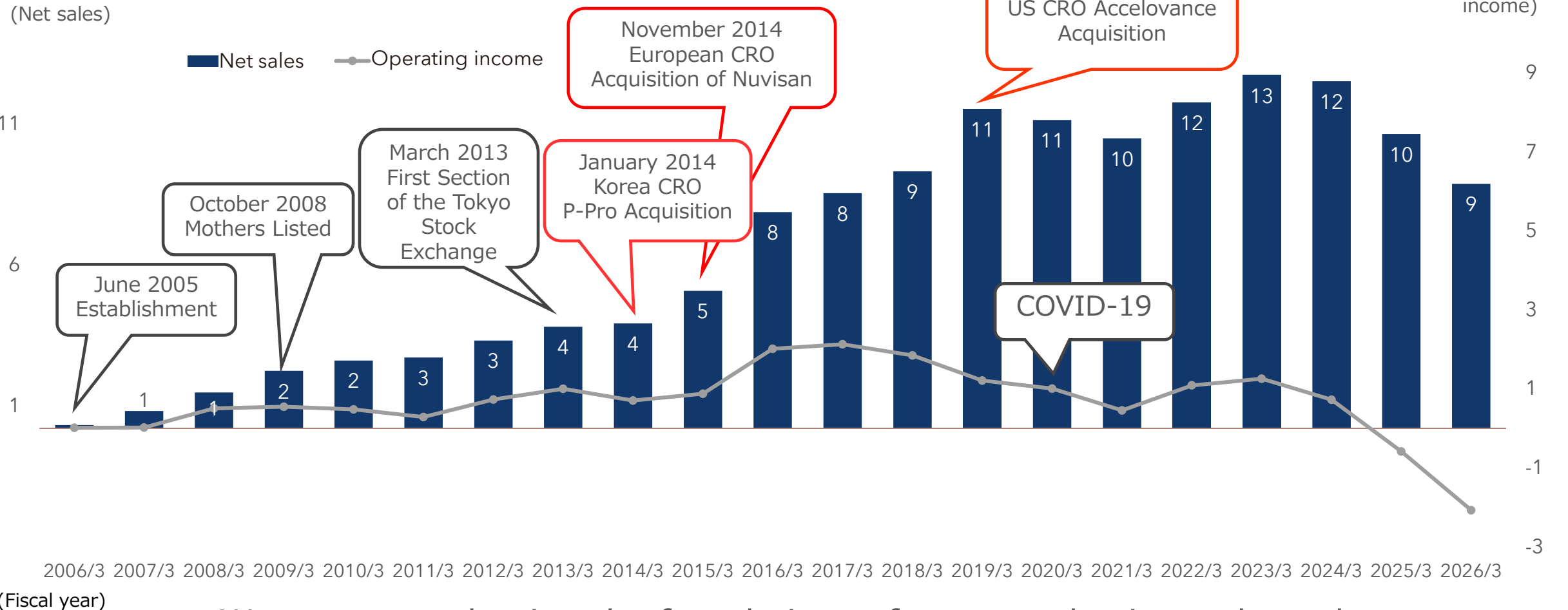
Asia:

- Japan ★
- China ★
- South Korea ★
- Taiwan ★
- Singapore ★
- India ★
- Australia ★

Currently has employees in about 20 countries/regions. Providing services in about 30 countries including affiliated partners

Steady Growth through Overseas M&A

■ Sales and Operating Income since Establishment (Billions of Yen)



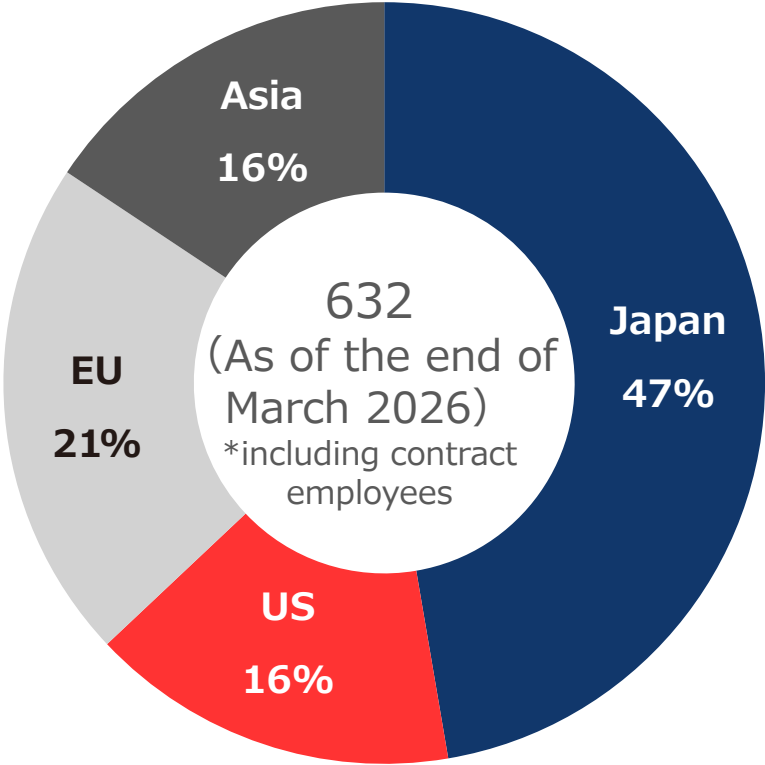
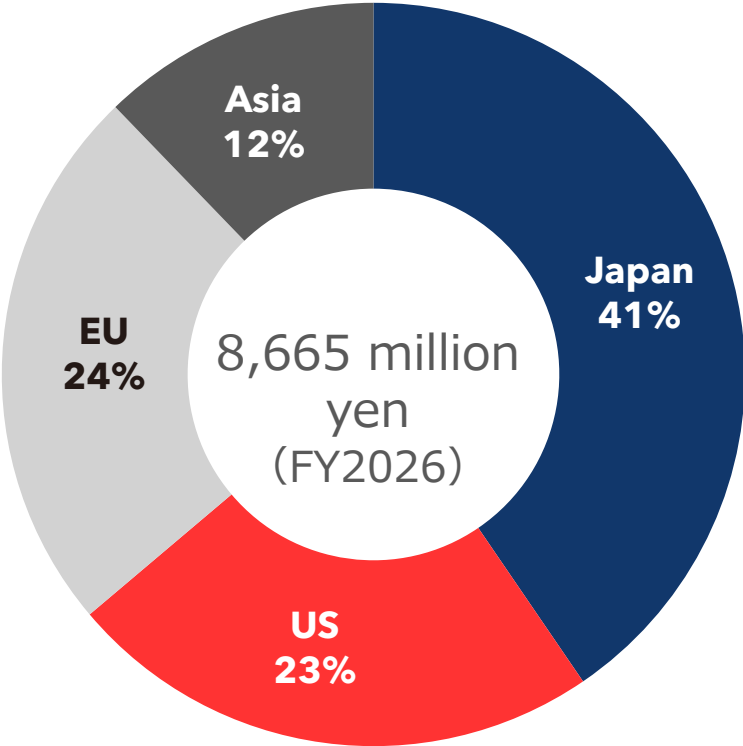
We are strengthening the foundations of overseas business through M&A in South Korea, Europe, and the United States.

Sales and Employee Ratios by Region



■ Net Sales : Overseas ratio 59%

■ Number of employees: Overseas ratio 53%



Overseas ratio is more than 50% in terms of both sales and number of employees

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Consolidated Financial Results



Units: Millions of yen, %	FY ended March 2025		FY ended March 2026		
	Amount	Sales Ratio	Amount	Sales Ratio	Year-on-Year
Net Sales	10,437	100.0	8,665	100.0	△17.0
Cost of Sales	8,061	77.2	7,541	87.0	△6.4
SG&A Expenses	2,959	28.4	3,197	36.9	8.0
Operating Profit	△583	△5.6	△2,073	△23.9	—
Ordinary Profit	△498	△4.8	△2,023	△23.3	—
Net Profit	△539	△5.2	△3,329	△38.4	—

■ Net sales:
Revenue declined significantly due to the impact of factors such as delays in the start of major projects in the United States and Europe.

■ Operating income:
The impact due to decreased revenue in the United States and Europe was significant and led to an operating loss.

■ Quarterly net income:
We recorded impairment losses on goodwill in European business and fixed assets in Japanese business.

Financial Results by Region



- Japan: Increased revenue and contraction of operating loss
 - Revenue increased as a result of securing multiple projects from domestic and international pharmaceutical companies.
 - Although we are in a difficult market environment in which drug loss continues, we acquired orders through sales activities in collaboration with subsidiaries in Europe, the United States and Asia, which has contributed to sales for the current fiscal year.
- United States: Decreased revenue and switch to operating loss
 - We secured a contract for a large-scale multi-regional clinical trial, but its launch was delayed due to factors including the United States government shutdown, and it has not yet contributed to sales.
 - Although there were cost reductions through expense management, the impact of declining sales was significant, resulting in a loss.
- Europe: Decreased revenue and expansion of operating loss
 - Revenue declined due to the delay of a multi-regional clinical trial secured in the United States.
 - In addition to a decline in sales, the operating loss expanded due also to an increase in outsourcing costs to other bases.

Financial Results by Region



Unit : Millions of yen	FY ended March 2025			FY ended March 2026						
	Net Sales **	Operating Profit	Ordinary Profit	Net Sales **	Change	Percentage change %	Operating Profit	Change	Ordinary Profit	Change
Japan	3,676	△585	△562	3,921	244	6.7	△455	130	△312	250
United States	4,789	625	696	2,726	△2,063	△43.1	△632	△1,257	△610	△1,306
Europe	3,089	△37	△70	3,062	△26	△0.9	△604	△566	△713	△643
Korea	751	△79	△15	721	△29	△3.9	△57	22	△58	△42
Taiwan	84	△39	△37	201	116	138.3	23	62	22	59
China	188	△22	△23	257	68	36.2	52	74	44	67
Consolidation Adjustments *	△2,142	△445	△485	△2,223	△81	—	△401	44	△395	90
Total	10,437	△583	△498	8,665	△1,771	△17.0	△2,073	△1,489	△2,023	△1,524

* Amortization of goodwill is included in consolidation adjustments. ** Net sales have calculated before deducting internal transactions.

Balance of Goodwill and Remaining Amortization Period (As of March 2026)



Unit : Millions of yen	Goodwill			Related intangible assets other than goodwill *3		
	Balance at End of Term	Remaining Amortization Period(year)	Annual Amortization *4	Balance at End of Term	Remaining Amortization Period(year)	Annual Amortization *4
KOREA	Termination of depreciation in FY 2019			Termination of depreciation in FY 2019		
EUROPE *1	*2 329	7-8	45	3 53	1 4.7	3 11
USA *1	1,846	8	230	12	1	12
TOTAL	2,176	—	276	68	—	26

*1 Goodwill generated by the acquisition of Linical Accelovance America, Inc., has been apportioned pro rata to its European subsidiary.

*2 Regarding Europe, an impairment loss of 829 million yen was recorded in the fiscal year ended March 2026, and the term-end balance shown in the table above reflects the book value after the impairment.

*3 Intangible assets other than goodwill recognized by purchase price allocation.

*4 Figures have been converted at the exchange rate as of the end of the fiscal year ended March 2026.

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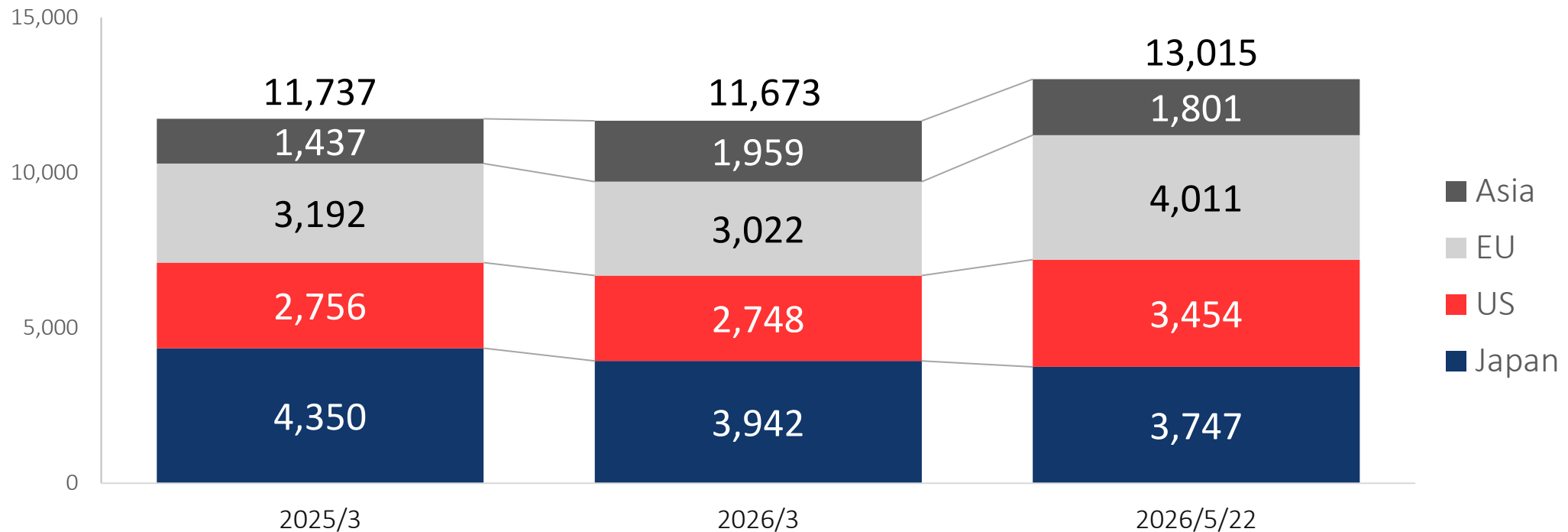
Hard Backlog by Region

* Hard backlog:

The balance of the amount for orders for contract business already concluded.

This is an indicator that shows the amount of sales to be generated over the next one to five years and serves as the basis for the group's future results forecasts.

(Millions of yen)



The order backlog as of May 22, 2026 stood at 13 billion yen, an increase of 10.9% compared to the end of the fiscal year ended March 2025.

Outlook for Current Term by Region



■ Japan and Asia:

- The order backlog in Japan decreased compared to the end of the term ended March 2025, while the order backlog in Asia increased due to the acquisition of several new orders.
- There is a growing trend towards the acquisition of the multi-regional clinical trial projects of Western biotech companies that include Japan and Asia, as well as the projects of Japanese and Asian pharmaceutical and biotech companies aiming to enter the North American market either via Australia or directly.

■ United States:

- The order backlog increased compared to the end of the term ended March 2025 due to the acceptance of orders for multiple large-scale multi-regional clinical trials including the United States, Europe and Australia, the conclusion of contracts for some of these trials, the completion of contract amendments increasing the scope of work, and the completion of contracts for new projects to be implemented mainly in the United States. We are receiving many inquiries for new projects, including global projects, and are continuing to strengthen our sales and proposals to acquire orders.

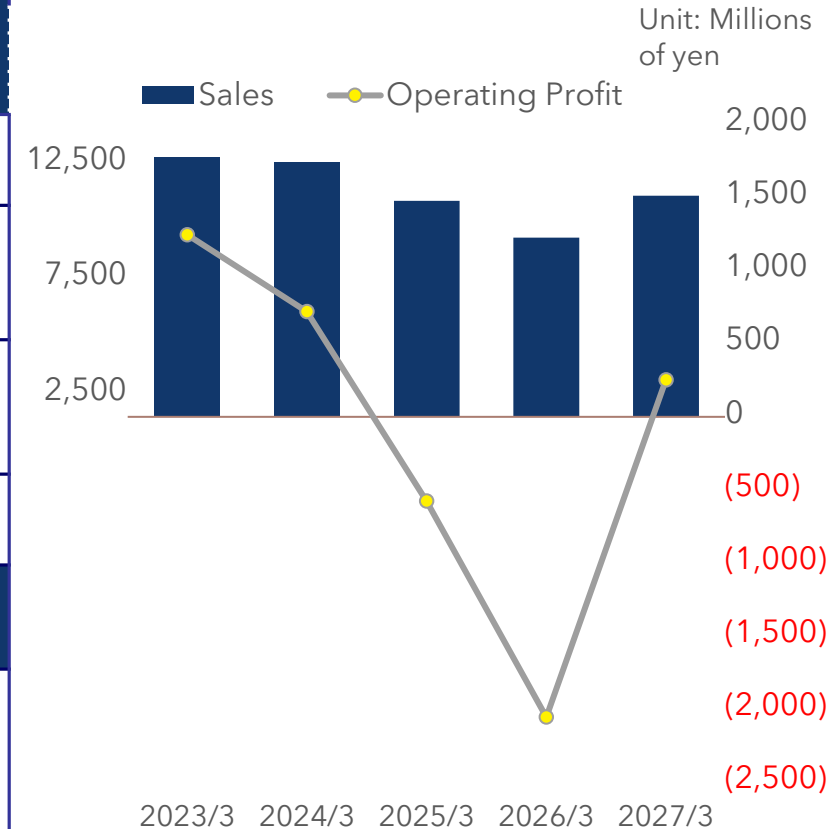
■ Europe:

- The order backlog increased compared to the end of the term ended March 2025 due to contract amendments for existing projects and the recording of the European portion of the large-scale multi-regional clinical trial secured in the United States as described above, for which the contract was finalized, as well as the completion of contracts for multiple new projects to be implemented mainly in Europe, and other factors.
- Through collaboration with the United States, we will expand the acquisition of projects from U.S. companies including Europe and also strengthen sales in Europe.

Full-Year Forecast



Unit: Millions of yen	FY ended March 2026		FY ending March 2027 forecasts		
	Amount	Sales Ratio	Amount	Sales Ratio	Rate of Change
Net Sales	8,665	100.0	10,680	100.0	23.2
Operating Profit	△2,073	△23.9	256	2.4	—
Ordinary Profit	△2,023	△23.3	250	2.3	—
Net Profit	△3,329	△38.4	180	1.7	—
	Amount (yen)	Payout ratio (%)	Amount (yen)	Payout ratio (%)	
Dividend per share	8.00	—	8.00	100.4	



We expect increased revenue and a return to profit due to the recovery of the United States and Europe, and the growth of Asia.

We are planning the same dividend per share as the fiscal year ended March 31, 2026.

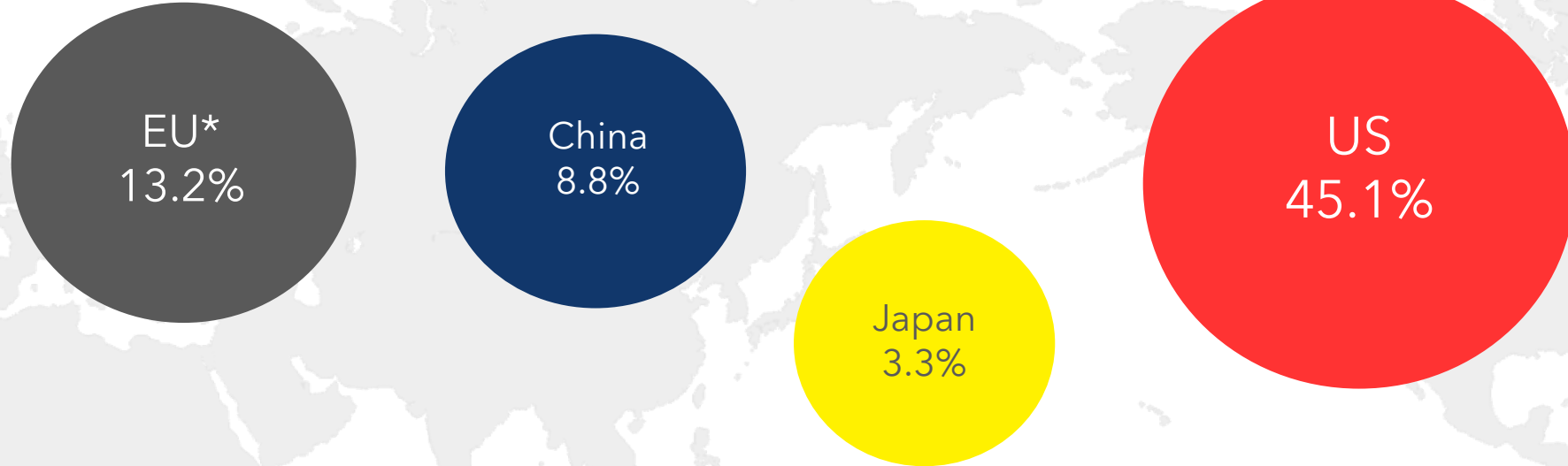
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Global Pharmaceutical Market Size in 2028 (Forecast)

- Market share of each region in the global market in 2028



Worldwide: USD 1,607 bil (2023) - > 2,238 bil (2028)

The global pharmaceutical market is expected to grow at an average annual rate of 6 to 9% through 2028.

The expansion of business in the United States, the largest market, is essential.

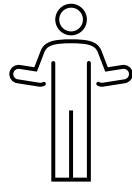
*EU : Germany, France, Italy, UK and Spain

Strategy for Biopharmaceutical Companies

■ The need for CROs

We want support from a CRO with extensive experience and know-how, but want them to respond flexibly matched to our size and needs.

Biopharmaceutical
company customers



We want to enter the Japanese pharmaceutical market and distribute and sell our products, but:

- Our knowledge of the Japanese market and pharmaceutical regulations is insufficient
- We do not have sufficient development and sales capabilities
- Or, we need a strategic partner or licensee

■ Linical solutions

We differentiate ourselves from major global CROs by combining **global one-stop CRO services** with **detailed solution proposals** tailored to customer needs.

Development of a package starting with **drug discovery support**

Progress of Biopharmaceutical Modalities

2005

Human monoclonal antibodies

These are monoclonal antibodies with sequences produced from mammalian cells that bind exclusively to a single target and that possess an amino acid sequence that is homologous to human immunoglobulin as a whole.

Examples of application: rheumatoid arthritis, ulcerative colitis, hepatitis C, etc.

2010

Immune checkpoint

This is a treatment method that reactivates the immune response against cancer cells by specifically inhibiting immune checkpoint molecules involved in the molecular mechanisms by which cancer cells suppress attacks by immune cells.

Examples of application: lung cancer, skin cancer, kidney cancer, etc.

2015

Antibody-drug conjugates and bispecific antibodies

Antibody-drug conjugates are therapeutic agents with a drug attached to an antibody for pinpoint deliver to target cells. An antibody is modified using antibody engineering technology to enable it to bind to two molecules simultaneously and specifically.

Example of application: Alzheimer's disease

2020

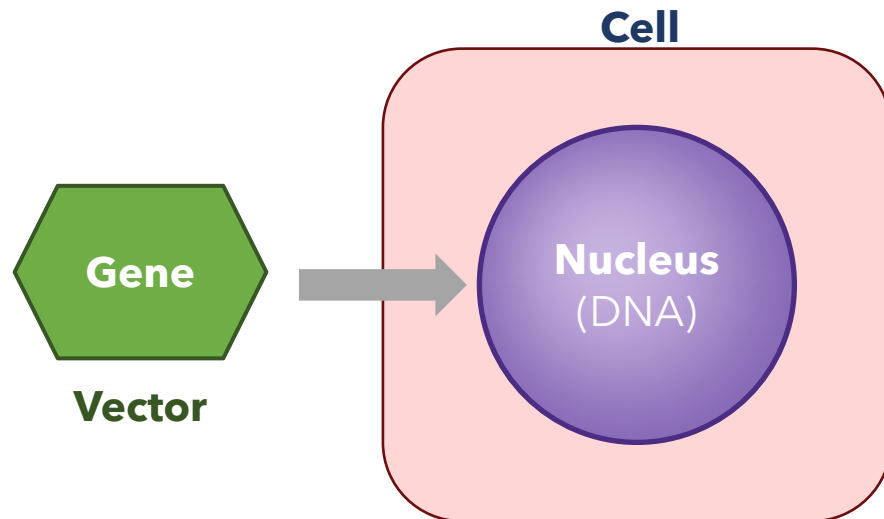
Gene therapy vectors

To enable cures for hereditary diseases or cancer vaccine therapy, therapeutic genes need to be delivered into the cells of the affected area so that the target protein is expressed. Viral vectors are a core technology in gene therapy, used as carriers that increase efficiency.

Examples of application: epidermolysis bullosa (herpes vector), diabetes

What Are Gene Therapy Vectors?

Nucleic acid (mainly DNA) molecules used to transport foreign genetic material into other cells



Mechanism of action

Therapeutic genes are loaded onto a “vector” such as an inactivated virus and delivered into the patient’s cells. The genes work within the cells to compensate for insufficient protein or to repair a mutation.

Classification

- **Viral vectors:** A method for introducing genes that uses the mechanism viruses use to infect cells
- **Non-viral vectors:** A method for introducing genes that uses circular DNA such as plasmid DNA

Vectors Used in Drug Development

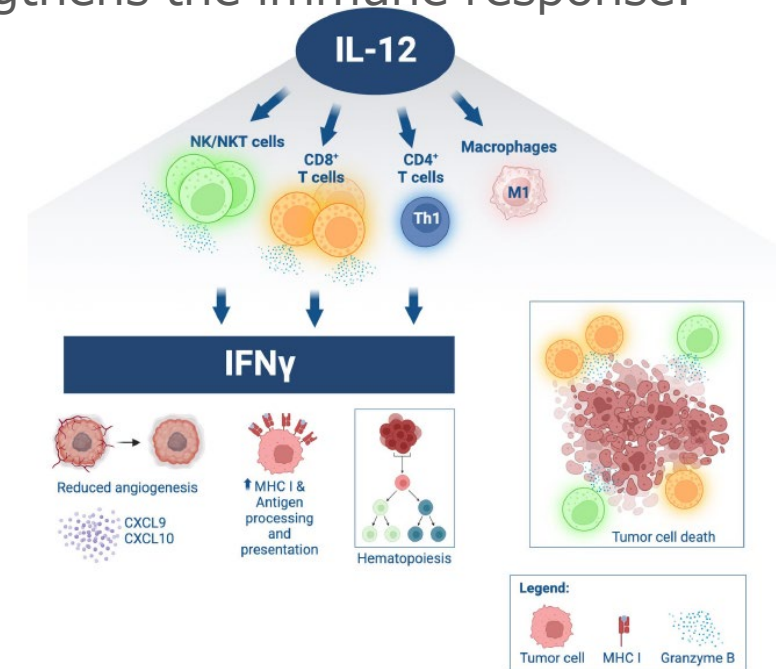
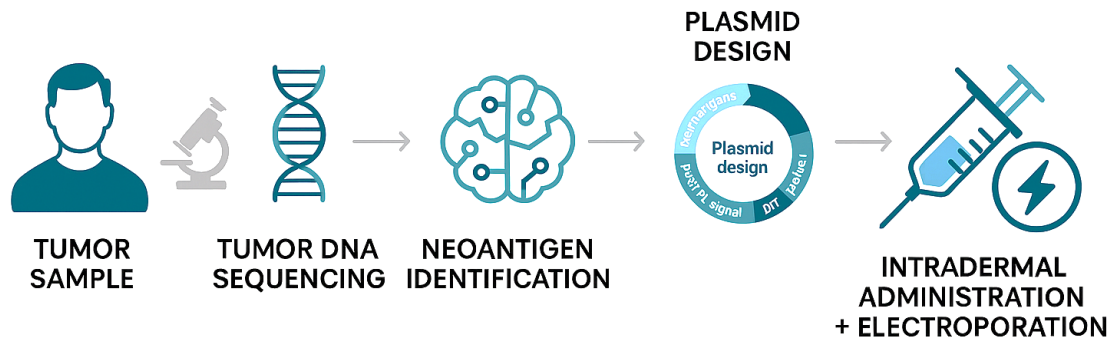
Classification	Vector	Features	Main target diseases
Non-viral	Plasmid (circular DNA)	<ul style="list-style-type: none">• Simple in structure and very safe• Low-cost	<ul style="list-style-type: none">• DNA vaccine• Cancer immunotherapy
Viral	HSV (herpes simplex virus)	<ul style="list-style-type: none">• Able to accommodate large genes• Broad cell infectivity (skin, nerves, etc.)	<ul style="list-style-type: none">• Skin conditions• Eye diseases
Viral	AdV (adenovirus)	<ul style="list-style-type: none">• High gene transfer efficiency• There is an upper limit on the size of genes that can be loaded	<ul style="list-style-type: none">• Cancer (oncolytic virus)
Viral	AAV (adeno-associated virus)	<ul style="list-style-type: none">• Infects humans, but has low pathogenicity and is very safe• Organ specificity and long-term expression (in nerves, muscles, etc.) can be expected based on the serotype (capsid structure)• Much clinical experience has been accumulated	<ul style="list-style-type: none">• Genetic disorders, neurological disorders (Parkinson's disease), etc.

Case 1. Cancer Vaccines Using Plasmids

• Technology:

Personalized immunotherapy against cancer using DNA

- ◆ This is a technology that integrates the DNA of multiple unique cancer-specific antigens (neoantigens) extracted from a patient's tumor tissue into a single DNA plasmid.
- ◆ Immune cells that attack cancer are activated by simultaneously administering another DNA plasmid containing the IL-12 gene, which strengthens the immune response.



Case 2. Potential customer: Gene delivery drugs

Design and manufacture HSV-based vectors* using a viral vector system as the gene delivery platform.

*: Vectors are DNA or RNA molecules that are used to transport foreign genetic material into another cell.

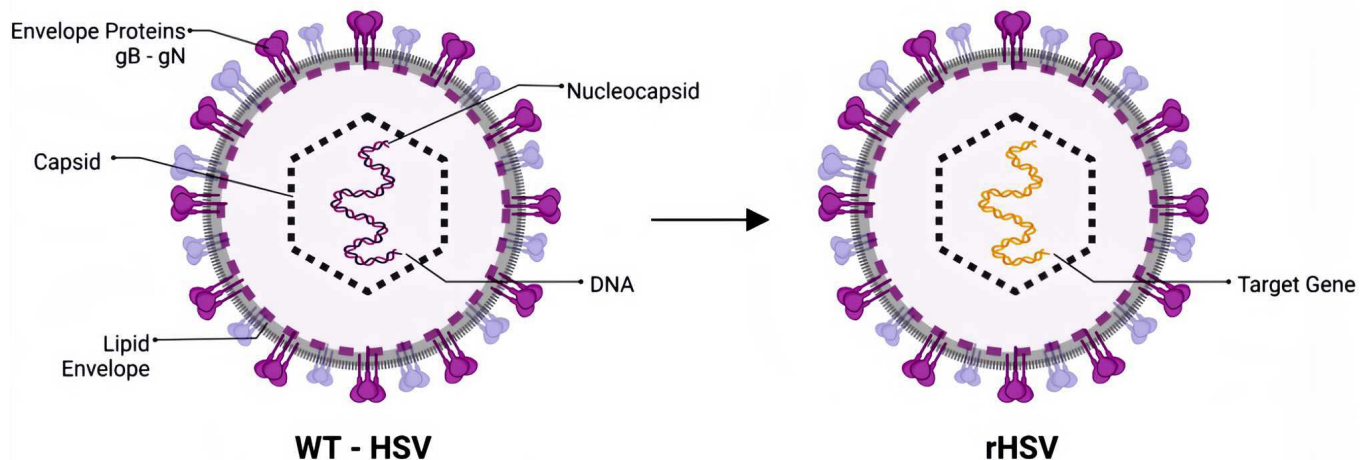


Figure source : <https://www.cd-bioparticles.net/hsv-vectors>

< HSV vector features >

- HSV vectors have been applied widely as vectors for gene therapy and are promising as **a carrier for gene therapy** for various diseases.
- They have high infectivity against a variety of cell types, both mitotic and nondividing cells.
- Because their viral genome is extremely large (~150 kb), a large number of therapeutic genes can be carried on a single vector.
- Applications include gene delivery to the nervous system, tumor-lysing agents, and the development of vaccines against cancer, HSV, and other infectious diseases.

The way we want to be

To be the "Strongest" CRO

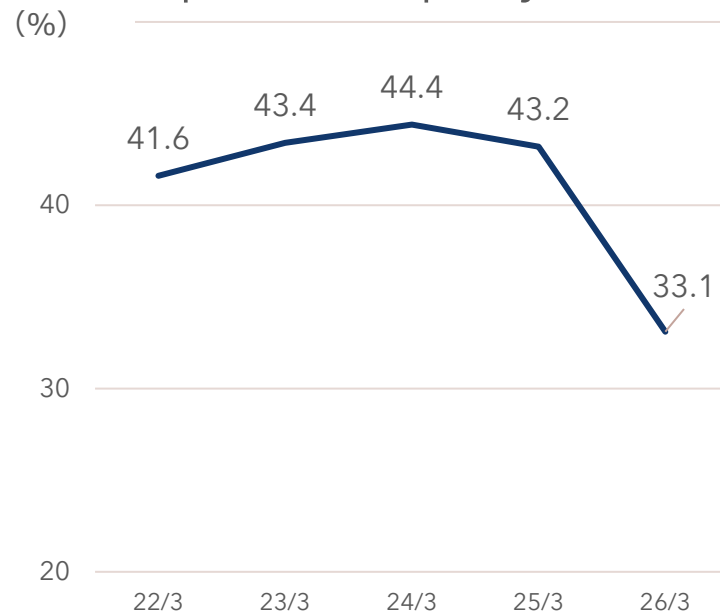
We are aiming to be the strongest CRO, not the biggest. To be the strongest CRO, we need to be **knowledge-intensive** rather than labor-intensive, and to achieve the highest profitability in the industry. To realize this, each team member will aim to **outperform the competition in terms of revenue per person**

Capital Policy

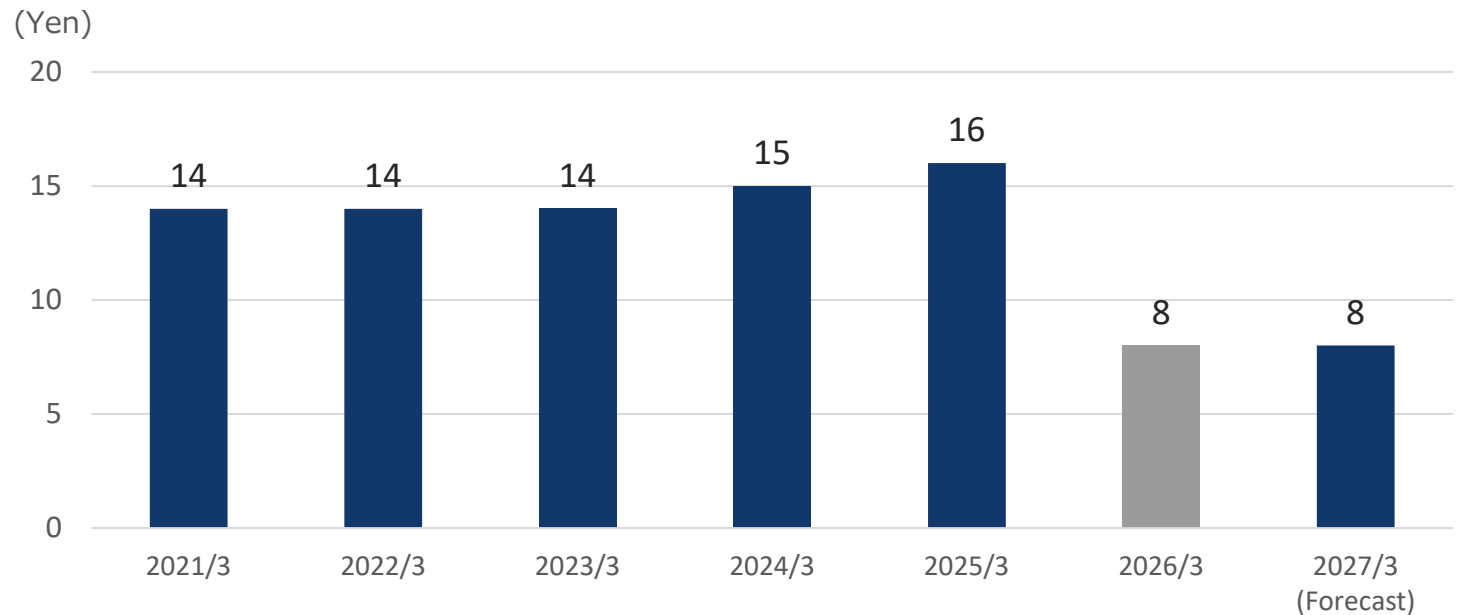
Strengthening of our financial base

- In order to secure funds for growth investment aimed at the expansion of overseas business, we will ensure sustained growth per share by increasing revenue based on the strategy above, maintaining high utilization rates, and managing costs thoroughly.
- At the same time, we will increase our quick ratio and capital adequacy ratio to enable flexible fund procurement.
- We will strive to secure both shareholder returns and funds for growth.

■ Capital Adequacy Ratio



■ Returns to Shareholders (trends in dividends)



Cautionary Notes



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