

**Recovery International (9214 TSE Mothers) - - - - - February 8, 2022****Provides home-visit nursing services by nurses and rehabilitation staff supporting home care**

This report is an English translation of part of the report issued on February 4, 2022.  
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**[9214 Recovery International Sector : Services]**

| Fiscal Year | Net sales<br>(mn yen) | YoY<br>(%) | Operating<br>profit<br>(mn yen) | YoY<br>(%) | Ordinary<br>profit<br>(mn yen) | YoY<br>(%) | Profit<br>(mn yen) | YoY<br>(%) | EPS<br>(yen) | BPS<br>(yen) | DPS<br>(yen) |
|-------------|-----------------------|------------|---------------------------------|------------|--------------------------------|------------|--------------------|------------|--------------|--------------|--------------|
| Dec. 2019   | 699                   | -10.7      | 19                              | 84.0       | 20                             | 2.7x       | 13                 | 97.2       | 13.4         | 78.2         | 0.0          |
| Dec. 2020   | 766                   | 9.6        | 17                              | -10.5      | 20                             | 0.0        | 27                 | 2.1x       | 26.6         | 104.8        | 0.0          |
| Dec. 2021 f | 1,123                 | 46.6       | 143                             | 8.4x       | 148                            | 7.4x       | 98                 | 3.6x       | 89.7         | -            | 0.0          |

Note: Non-consolidated basis.

It conducted 1-to-700 stock split on October 18, 2021. Per share indices are adjusted retroactively.

**Provider of Home-Visit Nursing Services**

Recovery International is engaged in the home-visit nursing service business that visits users' homes, etc. and provides nursing care according to the users' illness and disabilities 24 hours a day, 7 days a week. Based on the doctor's instructions, the company provides medical treatments similar to those at a hospital as well as nursing care that meet the desire to spend the final days at home.

As of the end of the fiscal year ended December 2021, it has a total of four home-visit nursing stations (main offices) consisting of one each in Shinjuku Ward, Tokyo; Nishinomiya City, Hyogo Prefecture; Nankoku City, Kochi Prefecture; and Naha City, Okinawa Prefecture. It also has ten secondary offices (satellite) in Tokyo and one in Kochi City, Kochi Prefecture. The number of offices as of the end of the fiscal year ended December 2019 was 11 and remained unchanged at the end of the fiscal year ended December 2020, but it increased to 15 as of the end of the fiscal year ended December 2021. The office staffing is basically larger in number than the industry average, having an 11 person structure (about eight people when converted to full-time) consisting of six nurses and five rehabilitation staff such as physiotherapists.

Offices in Tokyo are concentrated in the western area (one each in Higashimurayama City, Nishitokyo City, Kodaira City, Shibuya Ward, Ota Ward and Nakano Ward, and two each in Suginami Ward and Nerima Ward), and are basically dominantly deployed. From the fiscal year ended December 2020, the company decides whether or not to accept requests for home-visit nursing care based on the areas it determined it would be able to secure the optimum home-visit efficiency, and realizes shorter travel time and increased number of home-visits per nurse.

In addition, by thoroughly managing user information and achieving cooperation in the hand-over of operations by using the cloud, the company has established a system that supports users with cooperation among offices and nurses, and not just by an individual office or nurse. This has led to the reduction of the impact on users due to the retirement of nurses, the equalization of work among nurses and offices and the enrichment of backup structure.

**Recovery International (9214 TSE Mothers) - - - - - February 8,2022****Financial Statements**

| Statement of income                          | Fiscal Year | Dec.2019 |       | Dec.2020 |       | Nine months to Sep. 2021 |       |
|----------------------------------------------|-------------|----------|-------|----------|-------|--------------------------|-------|
|                                              |             | (mn yen) | (%)   | (mn yen) | (%)   | (mn yen)                 | (%)   |
| Net sales                                    |             | 699      | 100.0 | 766      | 100.0 | 810                      | 100.0 |
| Cost of sales                                |             | 457      | 65.4  | 474      | 61.9  | 492                      | 60.7  |
| Gross profit                                 |             | 242      | 34.6  | 292      | 38.1  | 317                      | 39.1  |
| Selling, general and administrative expenses |             | 222      | 31.8  | 274      | 35.8  | 232                      | 28.6  |
| Operating profit                             |             | 19       | 2.7   | 17       | 2.2   | 85                       | 10.5  |
| Non-operating income                         |             | 3        | -     | 6        | -     | 6                        | -     |
| Non-operating expenses                       |             | 1        | -     | 3        | -     | 1                        | -     |
| Ordinary profit                              |             | 20       | 2.9   | 20       | 2.6   | 90                       | 11.1  |
| Profit before income taxes                   |             | 12       | 1.7   | 20       | 2.6   | 90                       | 11.1  |
| Net profit                                   |             | 13       | 1.9   | 27       | 3.5   | 55                       | 6.8   |

| Balance sheet                           | Fiscal Year | Dec.2019 |       | Dec.2020 |       | Sep. 2021 |       |
|-----------------------------------------|-------------|----------|-------|----------|-------|-----------|-------|
|                                         |             | (mn yen) | (%)   | (mn yen) | (%)   | (mn yen)  | (%)   |
| Current assets                          |             | 295      | 93.4  | 305      | 90.5  | 368       | 92.5  |
| Cash and deposits                       |             | 159      | 50.3  | 124      | 36.8  | 144       | 36.2  |
| Accounts receivable-trade               |             | 126      | 39.9  | 162      | 48.1  | 216       | 54.3  |
| Non-current assets                      |             | 21       | 6.6   | 32       | 9.5   | 29        | 7.3   |
| Property, plant and equipment           |             | 2        | 0.6   | 4        | 1.2   | 5         | 1.3   |
| Intangible assets                       |             | 1        | 0.3   | 0        | 0.0   | 0         | 0.0   |
| Investments and other assets            |             | 17       | 5.4   | 28       | 8.3   | 23        | 5.8   |
| Total assets                            |             | 316      | 100.0 | 337      | 100.0 | 398       | 100.0 |
| Current liabilities                     |             | 121      | 38.3  | 145      | 43.0  | 169       | 42.5  |
| Current portion of long-term borrowings |             | 45       | 14.2  | 37       | 11.0  | 30        | 7.5   |
| Non-current liabilities                 |             | 114      | 36.1  | 83       | 24.6  | 65        | 16.3  |
| Long-term borrowings                    |             | 102      | 32.3  | 67       | 19.9  | 44        | 11.1  |
| Net assets                              |             | 81       | 25.6  | 108      | 32.0  | 163       | 41.0  |
| Owners' equity                          |             | 81       | 25.6  | 108      | 32.0  | 163       | 41.0  |

| Statement of cash flows                   | Fiscal Year | Dec.2019 | Dec.2020 |
|-------------------------------------------|-------------|----------|----------|
|                                           |             | (mn yen) | (mn yen) |
| Cash flows from operating activities      |             | 21       | 12       |
| Depreciation                              |             | 2        | 1        |
| Cash flows from investing activities      |             | -1       | -3       |
| Cash flows from financing activities      |             | 44       | -43      |
| Dividends paid                            |             | -        | -        |
| Net increase in cash and cash equivalents |             | 64       | -35      |
| Cash and cash equivalents                 |             | 159      | 124      |

Note:Non-consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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