

**Mental Health Technologies (9218 TSE Mothers) - - - - - April 12 ,2022****Mainly providing industrial physician and packaged cloud services that support mental healthcare measures companies implement**

This report is an English translation of part of the report issued on April 1, 2022.  
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**[9218 Mental Health Technologies Sector : Services]**

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Dec. 2020	947	46.5	-145	-	-147	-	-149	-	-17.0	-67.3	0.0
Dec. 2021	1,453	53.5	138	-	136	-	161	-	18.1	25.9	0.0
Dec. 2022 f	2,027	39.5	347	151.4	303	122.8	256	59.0	26.7	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending December 2022 are the company's forecasts.

It conducted 1-to-2,000 stock split on December 10, 2021. Per share indices are adjusted retroactively.

**Provider of Services to Support Mental Healthcare for Employees**

Mental Health Technologies mainly provides industrial physician and packaged cloud services that support mental healthcare that companies conduct for their employees, etc.

In many cases companies just formally implement mental healthcare measures just to comply with laws and regulations. On the other hand, as the number of employees in need of care is on an increasing trend, demand for problem-solving type operations that solve or prevent problems are increasing centering on large companies. The company provides services by industrial physicians and various cloud services in a package to companies that want problem-solving type operations.

The company's business is classified into three reporting segments; the mental health solution business, the medical career support business and the digital marketing business. Its core business is the mental health solution business which provides industrial physician and packaged cloud services and the business accounts for 75% to 80% of net sales. All three businesses had been posting losses until the fiscal year ended December 2020, but all of them have turned profitable in the fiscal year ended December 2021.

The industrial physician and packaged cloud services are created by organizing the operations previously performed by industrial physicians, separating the operations into those that need to be performed by industrial physicians and those that do not, and reconstructing the series of operations. (1) Operations that need to be performed by industrial physicians such as health management instructions are provided by industrial physicians, (2) those that do not need to be performed by industrial physicians are provided by public health nurses, nurses and its staff, and (3) other than those provided by people are provided as cloud services, and the company provides solutions that are most appropriate for customers at a low cost by combining these.

**Mental Health Technologies (9218 TSE Mothers) - - - - - April 12 ,2022****Financial Statements**

Statement of income	Fiscal Year	Dec.2019		Dec.2020		Dec. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		646	100.0	947	100.0	1,453	100.0
Cost of sales		307	47.6	495	52.3	683	47.0
Gross profit		338	52.4	451	47.7	769	53.0
Selling, general and administrative expenses		564	87.3	597	63.0	631	43.4
Operating profit		-225	-34.9	-145	-15.4	138	9.5
Non-operating income		1	-	0	-	1	-
Non-operating expenses		2	-	2	-	3	-
Ordinary profit		-225	-34.9	-147	-15.6	136	9.4
Profit before income taxes		-225	-34.9	-147	-15.6	136	9.4
Profit attributable to owners of parent		-226	-35.0	-149	-15.7	161	11.1

Balance sheet	Fiscal Year	Dec.2019		Dec.2020		Dec. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		189	83.0	316	84.6	580	87.5
Cash and deposits		106	46.6	188	50.4	423	63.8
Accounts receivable-trade		72	31.7	117	31.3	147	22.2
Inventories		0	0.0	0	0.1	0	0.1
Non-current assets		38	17.0	57	15.4	83	12.5
Property, plant and equipment		5	2.5	3	1.0	3	0.6
Intangible assets		28	12.6	49	13.2	43	6.6
Investments and other assets		4	1.9	4	1.1	35	5.4
Total assets		227	100.0	374	100.0	663	100.0
Current liabilities		152	67.2	204	54.7	270	40.8
Accounts payable - trade		33	14.9	54	14.5	68	10.3
Non-current liabilities		28	12.3	171	45.9	145	21.9
Net assets		46	20.5	-2	-0.6	247	37.3
Owners' equity		46	20.5	-2	-0.6	247	37.3

Statement of cash flows	Fiscal Year	Dec.2019		Dec.2020		Dec. 2021	
		(mn yen)		(mn yen)		(mn yen)	
Cash flows from operating activities		-166		-119		202	
Depreciation		20		25		23	
Cash flows from investing activities		-2		0		-20	
Cash flows from financing activities		116		203		53	
Dividends paid		-		-		-	
Net increase in cash and cash equivalents		-53		82		234	
Cash and cash equivalents		106		188		423	

Note: Consolidated basis.

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

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