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[News] Announcement on large orders for HAL Lumbar Type ~ Signed a long-term contract with Hampshire County Council in the UK ~

CYBERDYNE Inc. (Tsukuba, Ibaraki, Japan; President and CEO: Yoshiyuki Sankai; from now on referred to as "the Company") signed a large-scale, long-term contract (the "Contract") today with Hampshire County Council in the United Kingdom for the supply of HAL Lumbar Type for Well-being ("HAL Lumbar Type ") to support social care activities in the county. The contract will start in October 2021 with 30 units of HAL Lumbar Type. After that, Hampshire County Council will gradually increase the number of HAL Lumbar Type to 127 units.

1. Outline of the contract

Name of the project: Collaborative Robots (COBOTS) 2021 Contractor: Hampshire County Council Product: HAL Lumbar Type for Well-being 127 units Contract period: Five years rental (option to terminate before the end of three years) Amount: ¥500 million (if the contract is terminated before the end of three years, the amount will be reduced)

2. Background

Hampshire County started the trial project utilizing HAL Lumbar Type in several care settings in 2018. During the trial, the following effect was confirmed, which led Hampshire County Council to grant a budget to disseminate the technology in care facilities of the county.

- Reduces the burden of the caregiver: carers were less fatigued and felt less strained completing their care duties
- Reduces risks of injuries: ensure that carers maintain the correct posture for physical tasks
- Positive feedback from carers: "I felt supported. It made me use my legs, not my back and shoulders... I didn't think of it as strenuous anymore."
- Making care efficient: reduce the need for double-up care packages (user can conduct more care support tasks on their own)
- 3. Significance of the contract

Hampshire county is facing a growing volume and complexity of demand within adult social care. A deficit of 6,000 care workers is expected by 2025, and one in three care packages are now double-ups, meaning more than one carer is required. Due to such circumstances, Hampshire County needed to innovate with its adult social care partners to ensure that future needs can be met from a constrained staffing and finance perspective. From the

confirmed effect listed above, the study showed that HAL Lumbar Type could contribute to a wider technologyfocused solution to the issues faced by adult social care. The Company regards these findings as significant because adult social care in many other countries shares the same situation due to aging.

The Group will continue to work with Hampshire County Council and use this agreement as a model case to expand the business to other areas in the UK and other European countries.

4. Prospects

The Company schedules to record a rental revenue for this contract over five years starting from the fiscal year ending March 2022. For the fiscal year ending March 2022, the Company expects this amount to be approximately \$27 million. In addition, Hampshire County Council procured services at an upper limit of £10 million (about \$1.5 billion) to allow flexible expansion under this contract should a future business case demonstrate a need for that.



Care workers wearing HAL Lumbar Type photo by Hampshire County Council

Reference

July 5, 2021, [Media] NHS Digital presented HAL as an example of best practices in digital innovation <u>https://www.cyberdyne.jp/english/company/Media_detail.html?id=10999</u>

March 30, 2021, website of Local Government Association on the result of the trial <u>https://www.local.gov.uk/case-studies/taking-strain-cobots-care</u>

July 22, 2020, [Media] Hampshire Council (UK) announced a trial with HAL Lumbar Type for Well-being

https://www.cyberdyne.jp/english/company/Media_detail.html?id=9446