



SMS Co., Ltd. (2175 TSE Prime Market)

Earnings Presentation for Investors, Q3 FY03/2026

January 30, 2026

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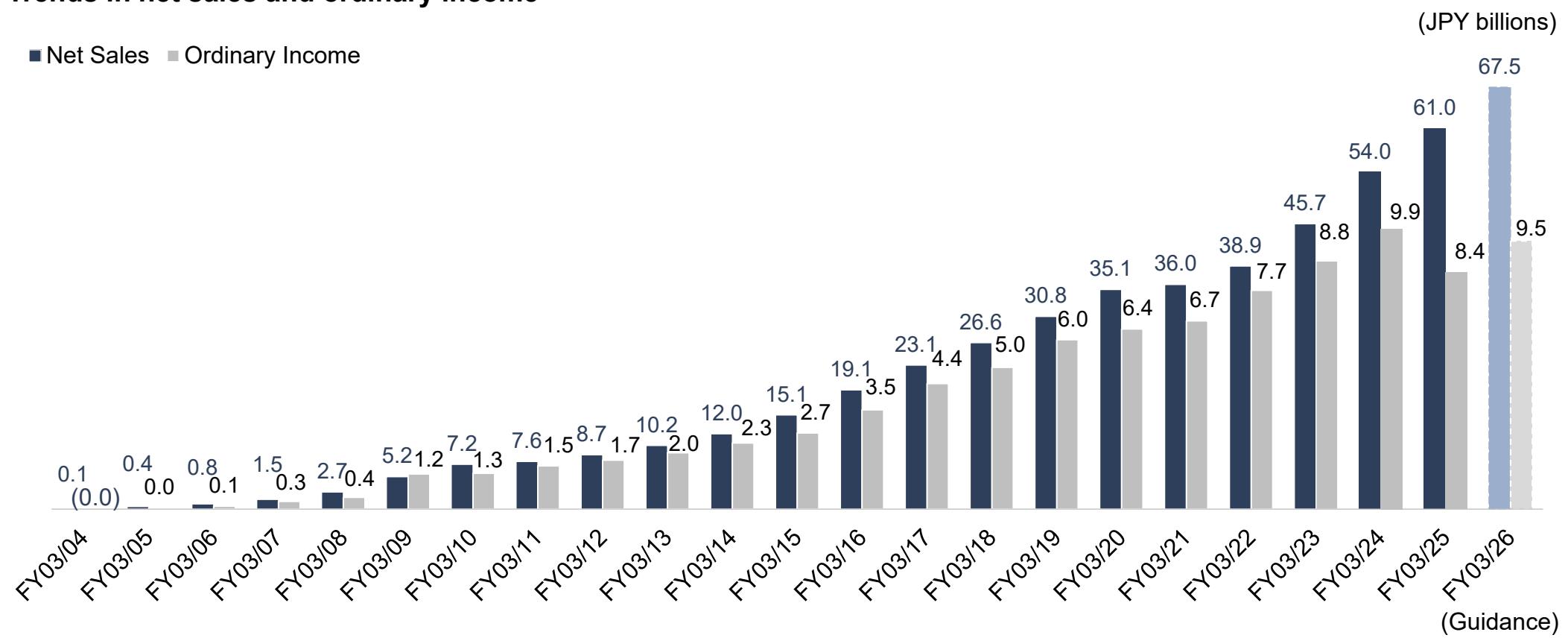
Q1

Q3 FY03/2026 Consolidated Financial Results

Historical Financial Results and FY03/26 Guidance

Expect to achieve growth in sales for the 22nd consecutive year since our establishment.

Trends in net sales and ordinary income



FY03/26 Consolidated Financial Results (Q3)

- Achieved YoY growth in both sales and profits.
- Results have tracked below plan, mainly due to a delayed pace of sales recovery centered on the Career and Overseas segments.
- While implementing recovery measures in each business, we will execute strategic investments^{*1} essential for growth from the next fiscal year onward.

Q3 YTD, FY03/26 [JPY million]

	Q3 FY03/25 Actual	Q3 FY03/26 Actual	YoY Change
Net Sales	44,885	47,346	+5%
Operating Income	3,592	3,905	+9%
Ordinary Income	5,121	5,375	+5%
Net Income	3,846	4,660	+21% ^{*2}

1. Strategic review is underway following the management transition. (Please refer to pp. 9-10)

2. Net income growth was driven by temporary tax benefits resulting from the reorganization of overseas businesses into MIMS.

FY03/26 Career Segment (Q3)

- Grew with strong demand for hiring professionals by medical/elderly/disability care business operators.
- Sales growth was limited due to factors such as prolonged lead times to placement in the RAG^{*1} and the abolition of "continuous service allowances" in the DR^{*2}.
- Aim to recover performance by optimizing the matching process tailored to the shift in job seeker profiles and leveraging technology for efficiency, while advancing reforms for sustainable medium- to long-term growth.

Sales, Q3 YTD, FY03/26 [JPY million]

	Q3 FY03/25 Actual	Q3 FY03/26 Actual	YoY Change
Elderly Care Career	14,411	15,290	+6%
Medical Care Career	13,227	13,578	+3%
Total	27,639	28,868	+4%

1. RAG: Recruiting agent service

2. DR: Direct recruiting

FY03/26 Elderly/Disability Care Operators Segment (Kaipoke, Q3)

- The number of Kaipoke memberships^{*1} increased steadily.
 - 59,300 service offices^{*2} (26,350 companies^{*3}) as of January 1, 2026
 - Q3 YTD membership increase: 3,750 service offices (1,450 companies)
- In addition to the increased usage of optional add-ons (factoring, tablets, smartphones, etc.), the M&A matching business and RAG^{*4} for persons with disabilities also contributed to growth.

Sales, Q3 YTD, FY03/26 [JPY million]

	Q3 FY03/25 Actual	Q3 FY03/26 Actual	YoY Change
Elderly/Disability Care Operators (Kaipoke)	8,796	10,079	+15%

1. Including customers of Kabenashi Cloud, a business support system for disability welfare services (revamped from "PROJECT RIN" in June 2025)
2. # of service offices: the number of elderly care services / welfare services for persons with disabilities provided based on the public insurance scheme
3. While our billing was traditionally on a per-location basis, our "Kabenashi Cloud" service uses a company-level billing system. Accordingly, we shifted our disclosure metric from the number of locations to the number of companies, effective Q2 FY03/26. (Please refer to p.48 for historical data)
4. RAG: Recruiting agent service

FY03/26 Overseas Segment (Q3^{*1})

- Sales growth of Medical Platform Business was limited due to factors such as reductions in marketing budgets by some customers.
- Sales of Global Career Business decreased YoY, mainly due to concerns over the Middle East situation, affecting cross-border travel of healthcare professionals.
- Initiated a strategic review of the Overseas portfolio, prioritizing future growth potential and profitability, ahead of our Group-wide strategy update.

Sales, Q3 YTD, FY03/26 [JPY million]

	Q3 FY03/25 Actual	Q3 FY03/26 Actual	YoY Change
Overseas	6,083	5,637	(7%)

1. Income statement of MIMS group is consolidated with a three-month delay and the Q3 results are for January to September. (Please refer to p.84)

Topic: Commitment to Maximizing Corporate Value

- Transitioned to a new management structure effective January 2026.
- Our top management priority is to maximize intrinsic corporate value through sustainable growth and improved capital efficiency, while ensuring this value is appropriately reflected in the share price.



Management Transition

January 2026: New Management Structure Launched

- Drive sustainable corporate value enhancement under the new leadership of CEO Takahata.



Strategy Update

Fundamental Strategy Overhaul for Sustainable Growth

- Address recent underperformance as an internal management challenge, rather than relying on external factors.
- Transform the management model to support business expansion and diversification.



Enhancing Market Valuation

Responsibility to Achieve Fair Valuation

- View the current undervaluation of our business foundation and growth potential as unacceptable.
- Reaffirm our duty as a listed company to unlock shareholder value and devote full efforts to improving market rating.

Topic: Key Pillars of New Growth Roadmap

- Actively developing a roadmap for sustainable medium- to long-term growth.
- Details centered on the three pillars below to be unveiled at the FY03/26 full-year results presentation.

01. Management Policy / Growth Strategy

Transformation to Synergistic Portfolio Management

Evolve into a "Synergistic Portfolio Management" model to optimize oversight of diverse businesses across varying growth phases.

Unlocking Intrinsic Value

Achieve fair market valuation by redefining and communicating the equity story centered on synergistic portfolio management^{*1}.

02. Strategic Approach Tailored to Business Stages

Existing Core Businesses

Solidify competitive advantage via strategic investment in potential growth opportunities, developing into robust cash generators over the medium to long term.

New / High-Growth Businesses

Prioritize market share expansion and top-line growth through upfront investments based on rigorous market potential assessments.

Mature / Revitalization Businesses

Maximize cash generation via thorough productivity improvements, and restructure or exit businesses with limited growth potential or lack of synergy.

03. Capital Allocation

Optimal Balance between Investment and Returns

Prioritize disciplined growth investments while actively allocating excess cash to shareholder returns.

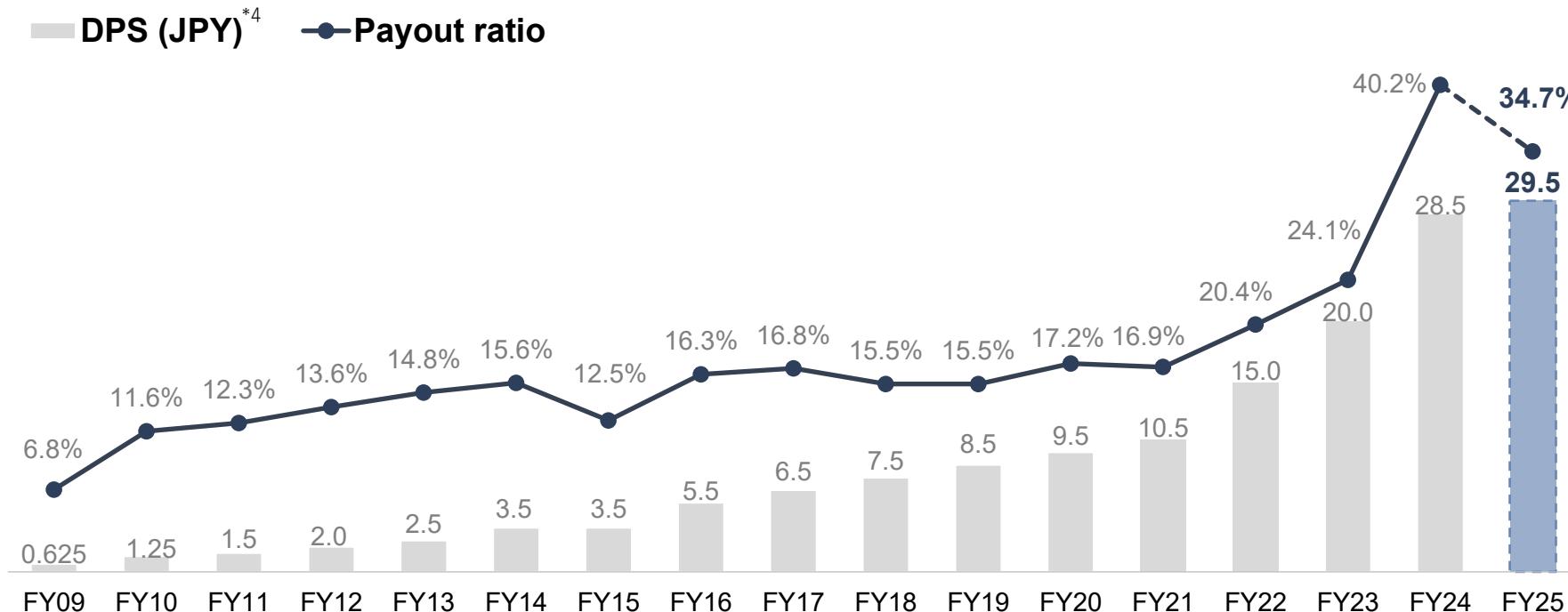
Maximizing ROE^{*2}

Promote cost-of-capital-conscious management through strategic leverage optimizing capital structure and agile share repurchases.

1. Consider disclosing profits and KPIs by segment.
2. Aim to achieve 20% at the earliest possible time, by FY03/31.

Topic: Revision to Dividend Forecast

- Based on our dividend policy^{*1}, the dividend per share for FY03/26 is planned to be 29.5 yen (an increase of 1.0 yen compared to FY03/25).
- Consolidated dividend payout ratio^{*2} based on the net income forecast per share: 34.7%
- Total payout ratio^{*3}, including the share repurchase executed from April to July 2025: 91.3%



- Dividend Policy: Our basic policy is to implement a progressive dividend policy* targeting a consolidated dividend payout ratio of 30%, while prioritizing investments for growth and taking our financial condition into account. Exceptions may apply in cases of significant capital allocation opportunities, such as strategic M&A.* Policy to maintain or increase the dividend per share compared to the previous fiscal year.
- Dividend payout ratio = DPS / EPS *Revised forecast for FY03/26
- Total payout ratio = (Total dividends + Total share buybacks) / Net income *Forecast for total dividends and net income
- Past stock splits are taken into account for the DPS calculation.

02

References

Mission and Strategy

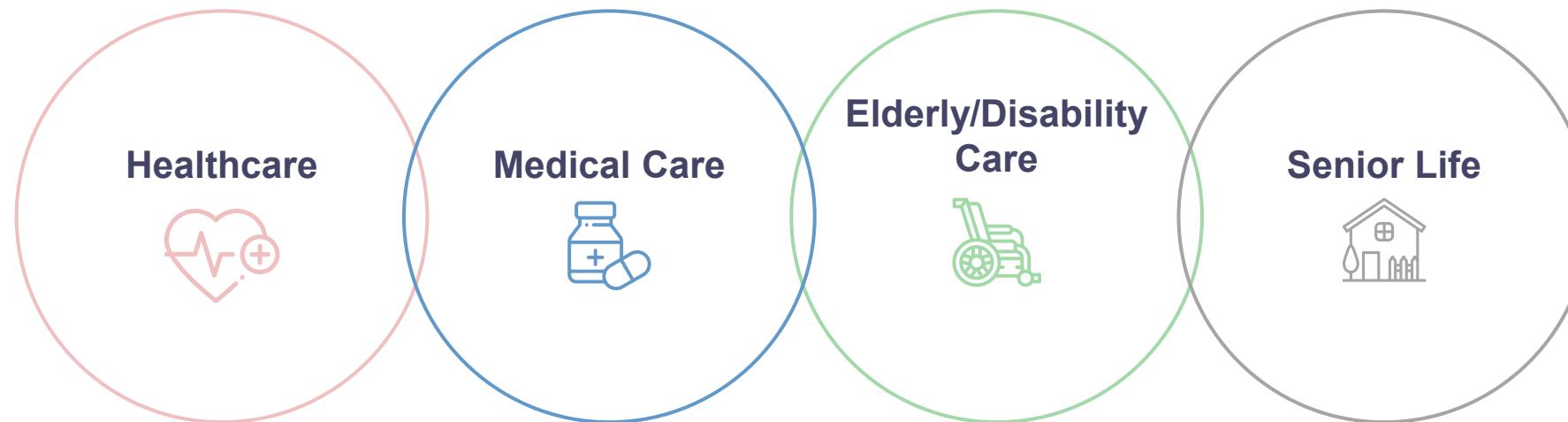
Mission

Group Mission

**We aim to improve people's quality of life
by providing information infrastructure
for an aging society.**

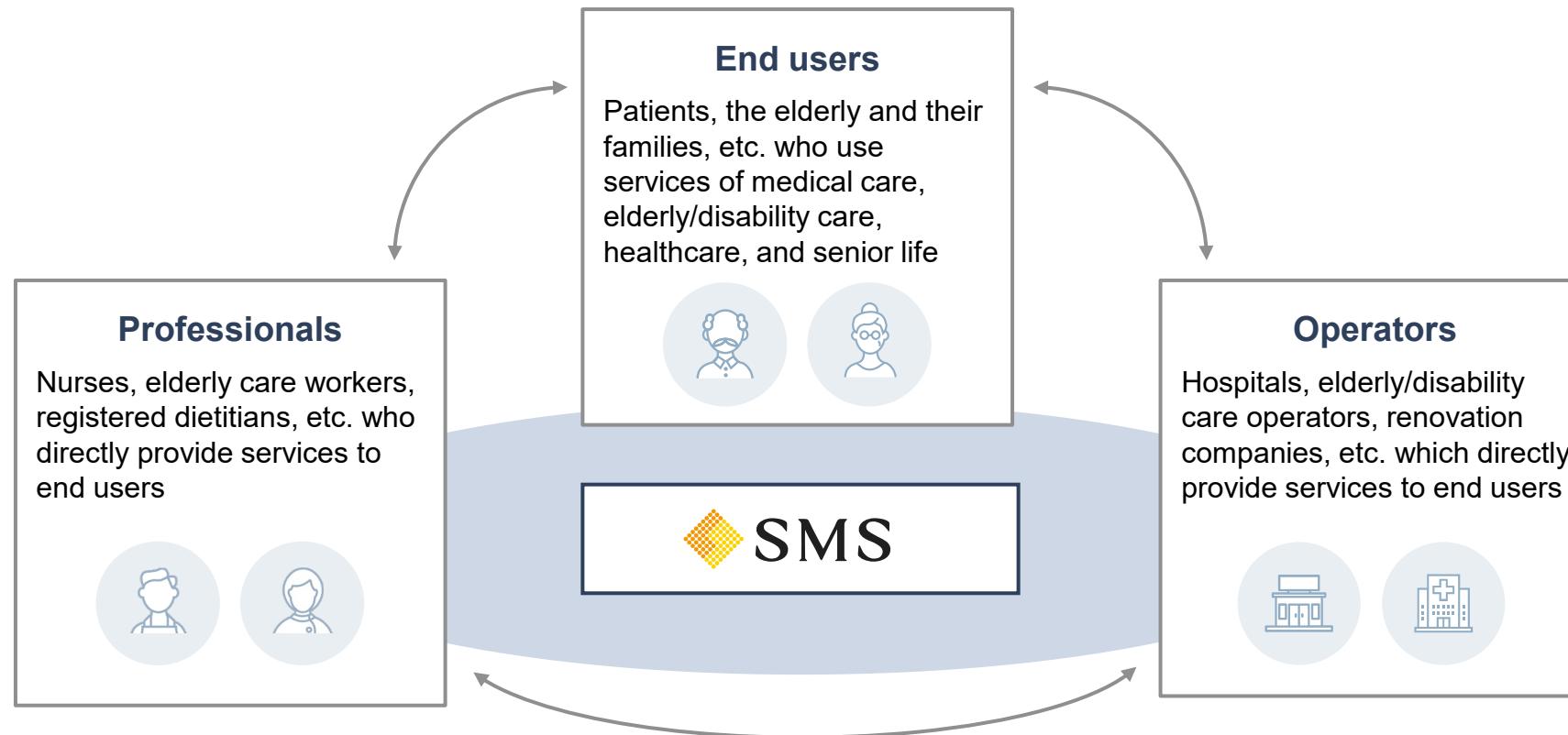
Aging Society

Define our business domains in an aging society as **Medical Care**, **Elderly/Disability Care**, **Healthcare**, and **Senior Life**.



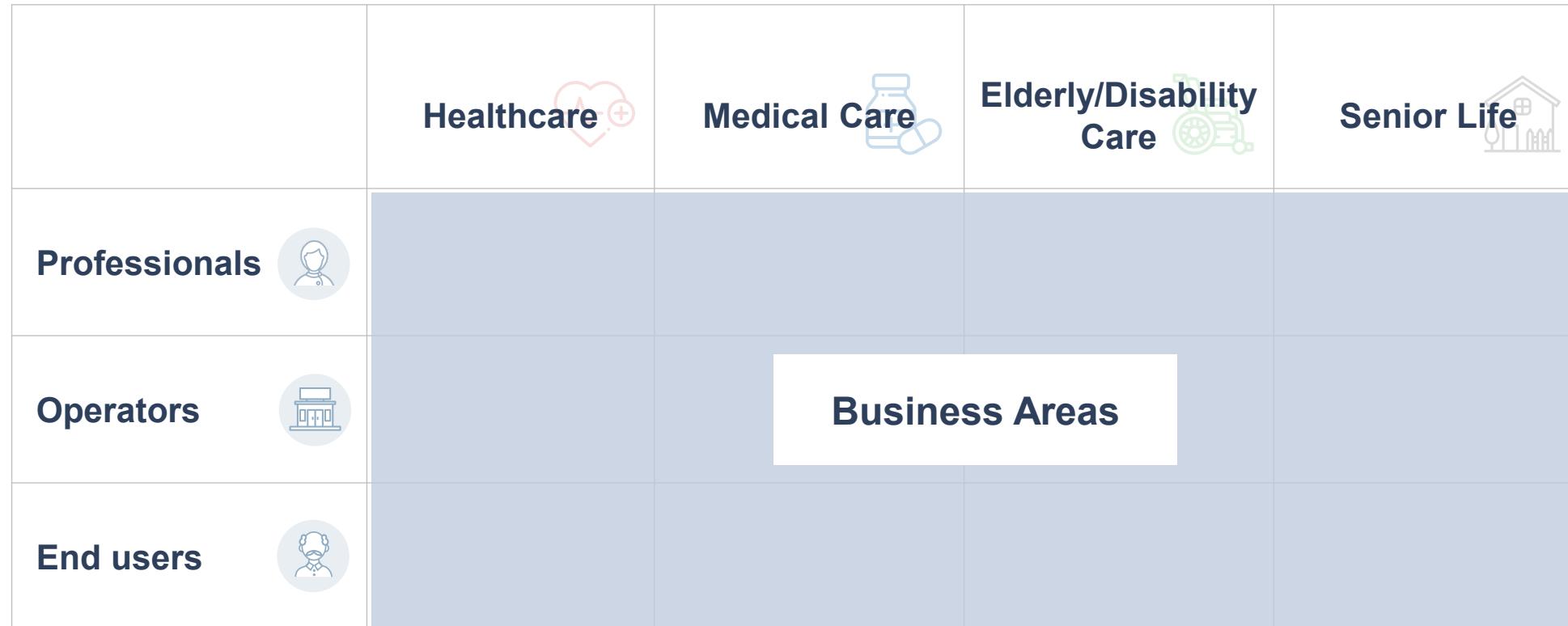
Information Infrastructure

Define information infrastructure as a platform to connect those to whom we provide value: end users such as patients, the elderly and their families; professionals such as nurses and elderly care workers; and business operators such as hospitals and elderly/disability care operators.



Business Areas

- Set our business areas based on the four domains required for an aging society and the three stakeholders to whom we provide value.
- Build the information infrastructure by developing and nurturing businesses in each business area.

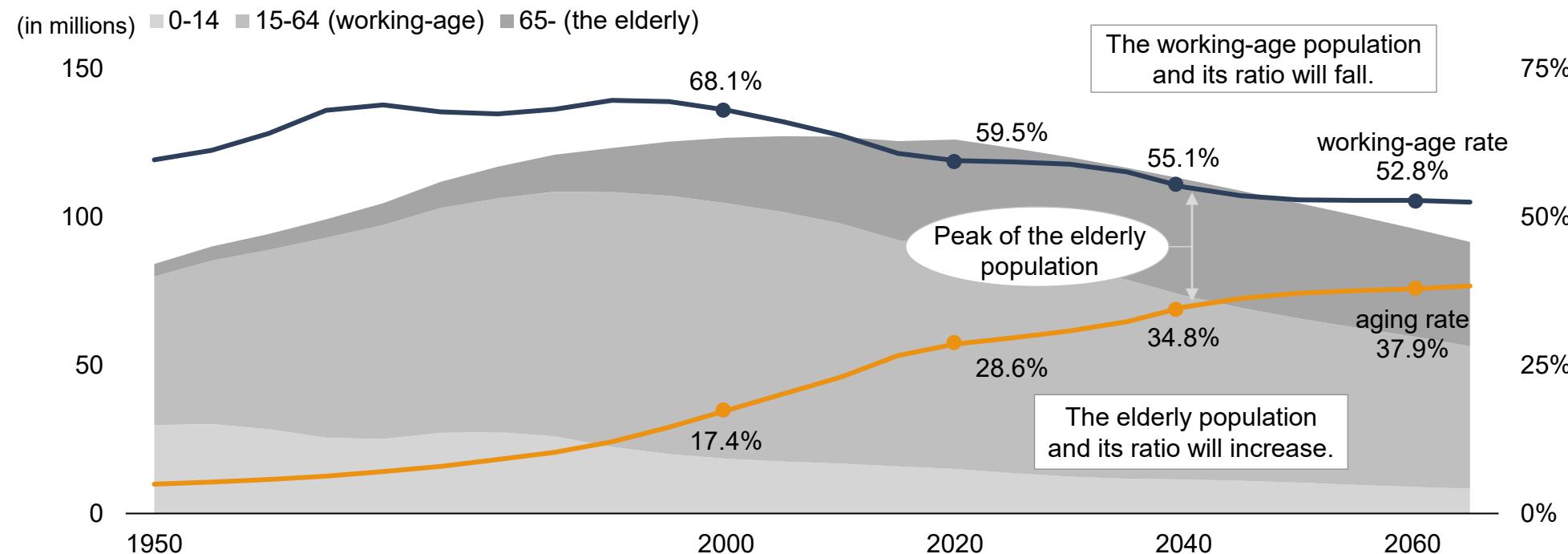


Issues in an Aging Society and Our Solutions

An Unprecedented Era of Low Birth Rate, Aging and Population Decline

- We are facing rapid aging and population decline simultaneously in Japan.
- The aging rate is expected to reach approximately 35% by 2040 when the elderly population approaches its peak.
- The working-age population is declining, and its ratio will drop to nearly 55% by 2040.

Population trends in Japan*1



1. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

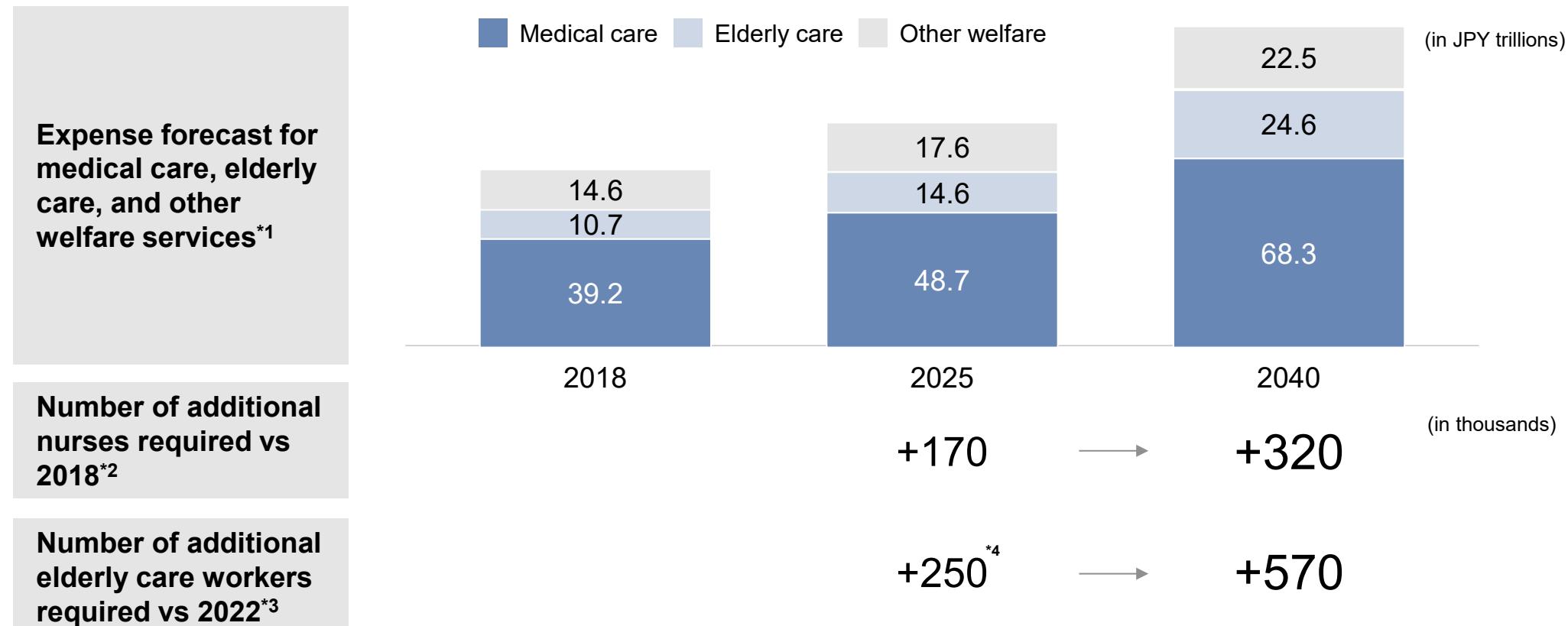
Three Critical Issues Faced by an Aging Society

- We are facing three critical social issues in an aging society with the low birth rate, aging and population decline.
- Need to solve these issues in order to improve people's quality of life in an aging society.

Issue 1	Difficulty in sustaining high-quality medical care and elderly/disability care services
Issue 2	More severe burden on the working generation
Issue 3	Difficulty in solving problems related to living in an aging society

Issue 1: Difficulty in sustaining high-quality medical care and elderly/disability care services

While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

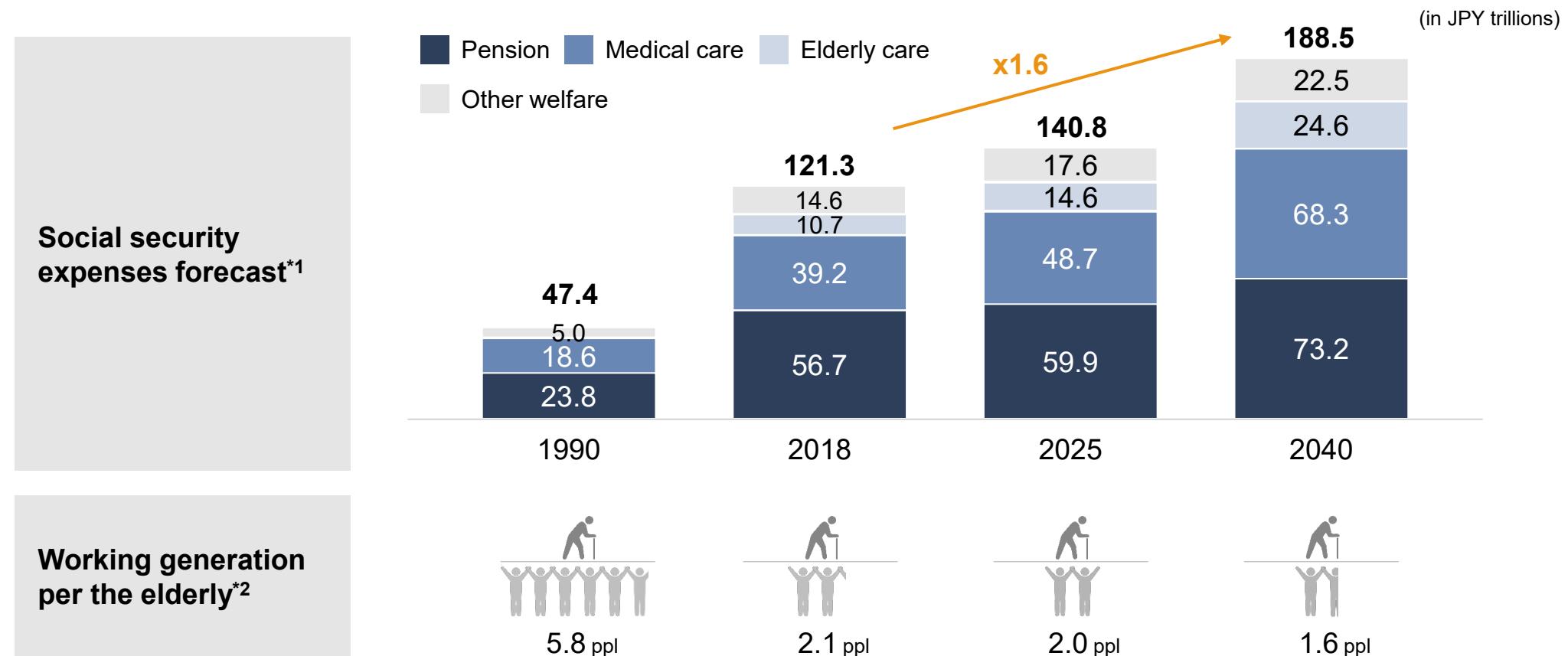
2. MHLW, "Status of securing nurses and other nursing staff"

3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"

4. Required number as of 2026

Issue 2: More severe burden on the working generation

The burden on the working generation will become more serious due to the increasing social security expenses for pensions, medical care, elderly care, and other welfare services, as well as the declining working-age population who cover these expenses.

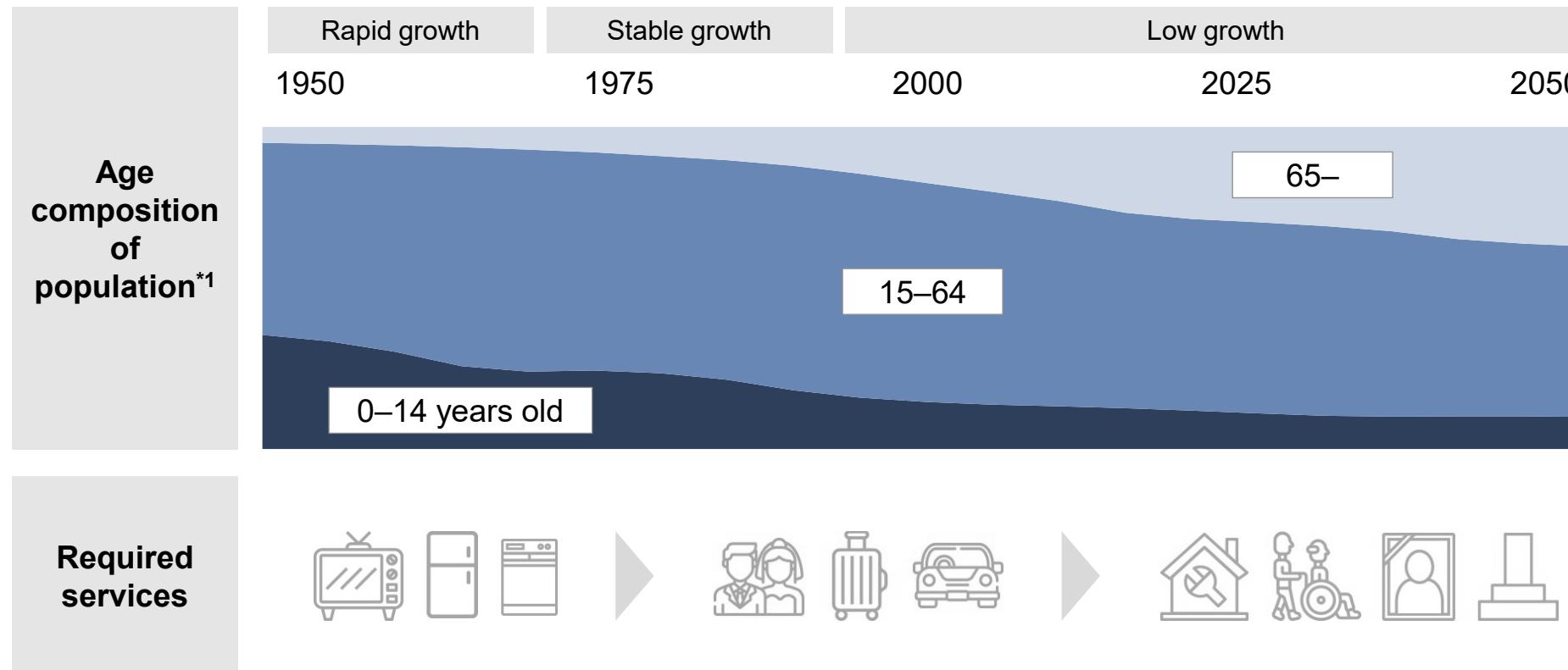


1. MHLW, "Trends in Social Security Benefits", Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

2. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

Issue 3: Difficulty in solving problems related to living in an aging society

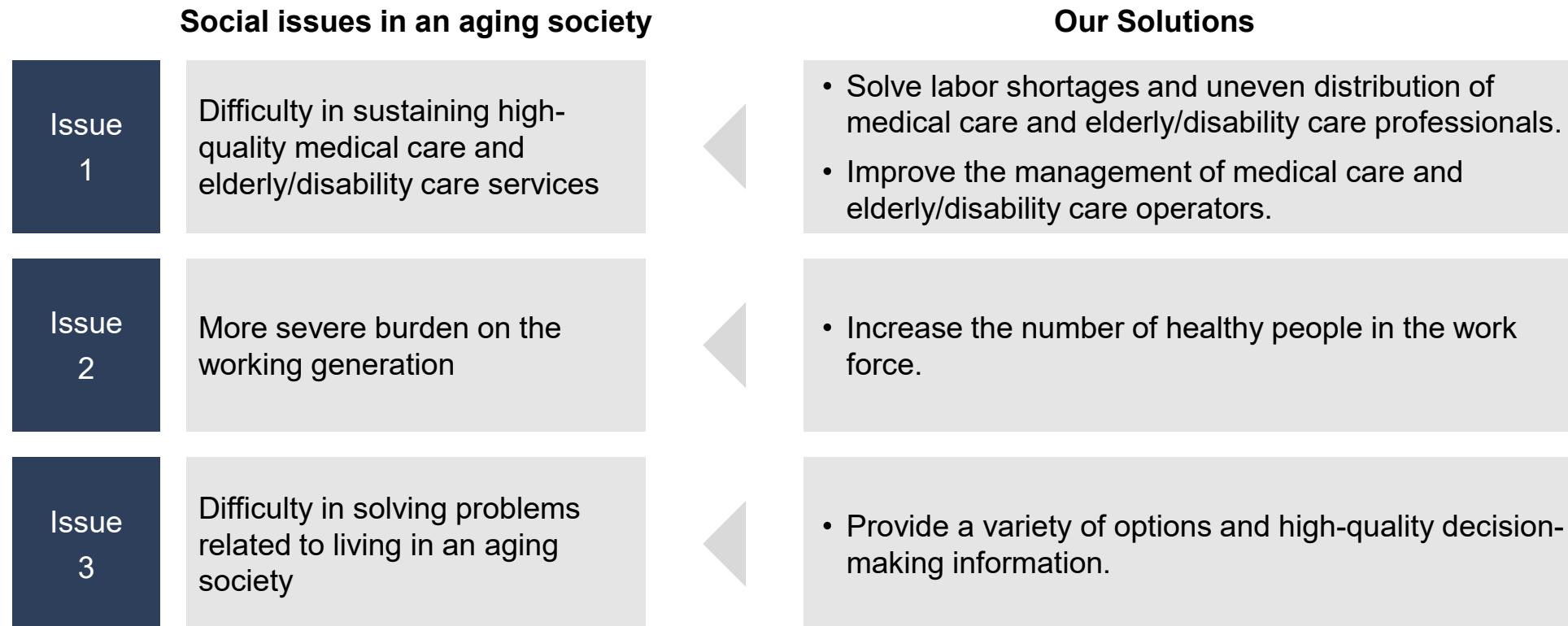
- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and their families will have difficulties in solving life-related problems in an aging society.



1. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

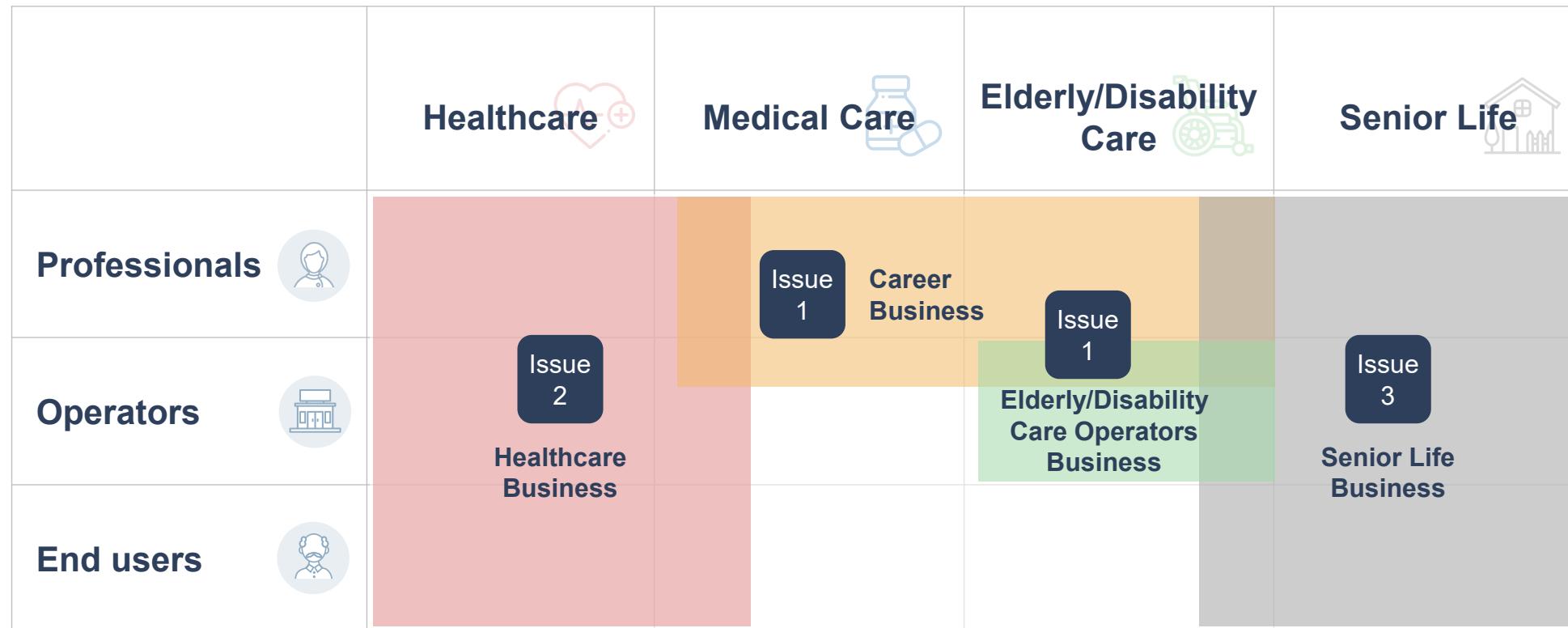
Our Solutions for Issues in an Aging Society

Address the social issues in an aging society by establishing specific solutions targeting each social issue and building information infrastructure.



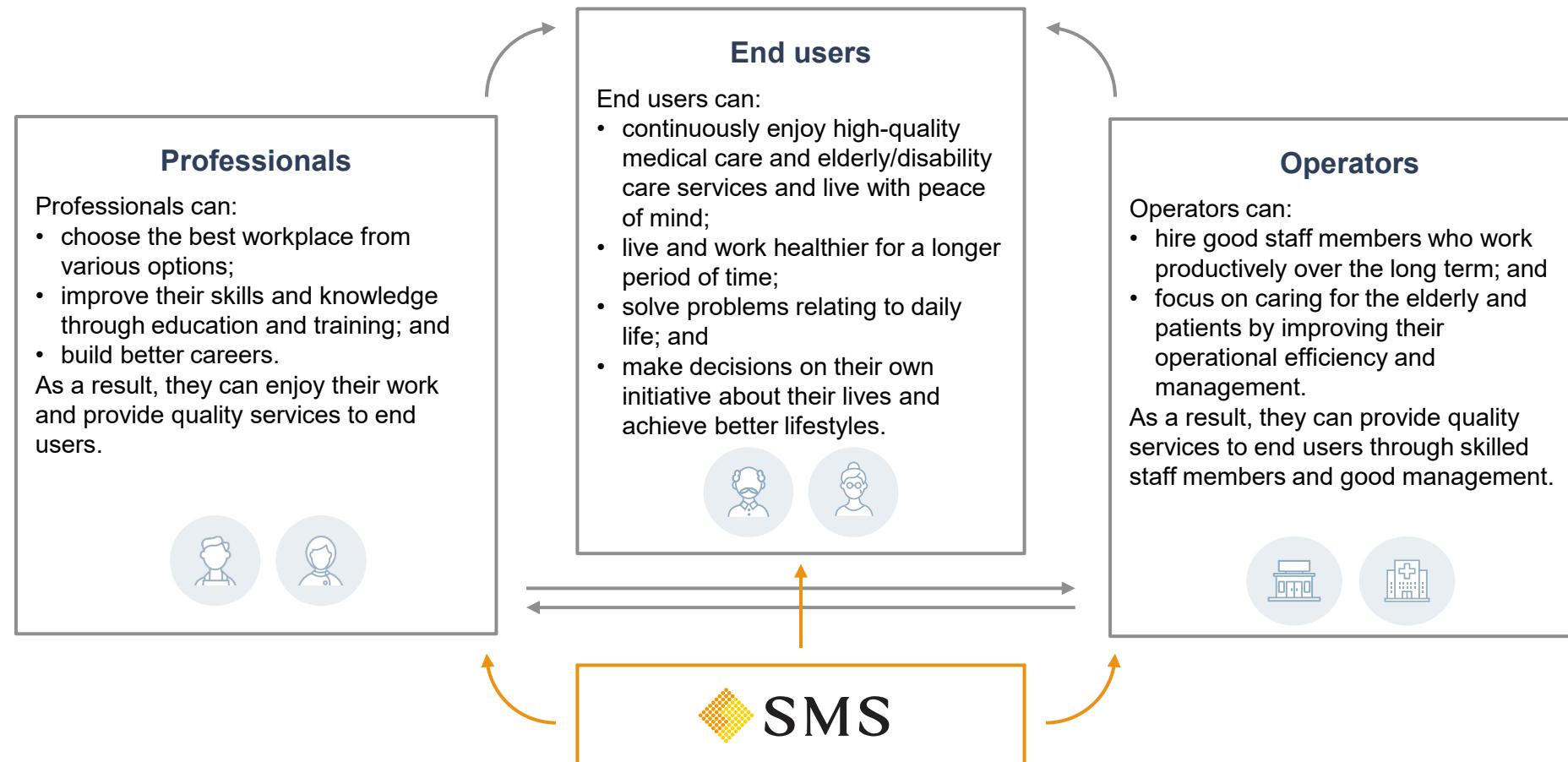
Strategic Business Areas

Aim to solve the three critical issues in an aging society by defining our strategic business areas as Career, Elderly/Disability Care Operators, Healthcare, and Senior Life, and by strategically developing and nurturing businesses to address the issues.



Realization of the Group Mission

Contribute to improving people's quality of life in an aging society by building information infrastructure and providing value to end users, professionals, and operators.



Growth Track

Location

- Started our business in Japan in 2003 and have accelerated our overseas expansion since the acquisition of MIMS group in 2015.
- Have offices in 17 countries and regions, mainly in Japan and APAC.



Business Portfolio

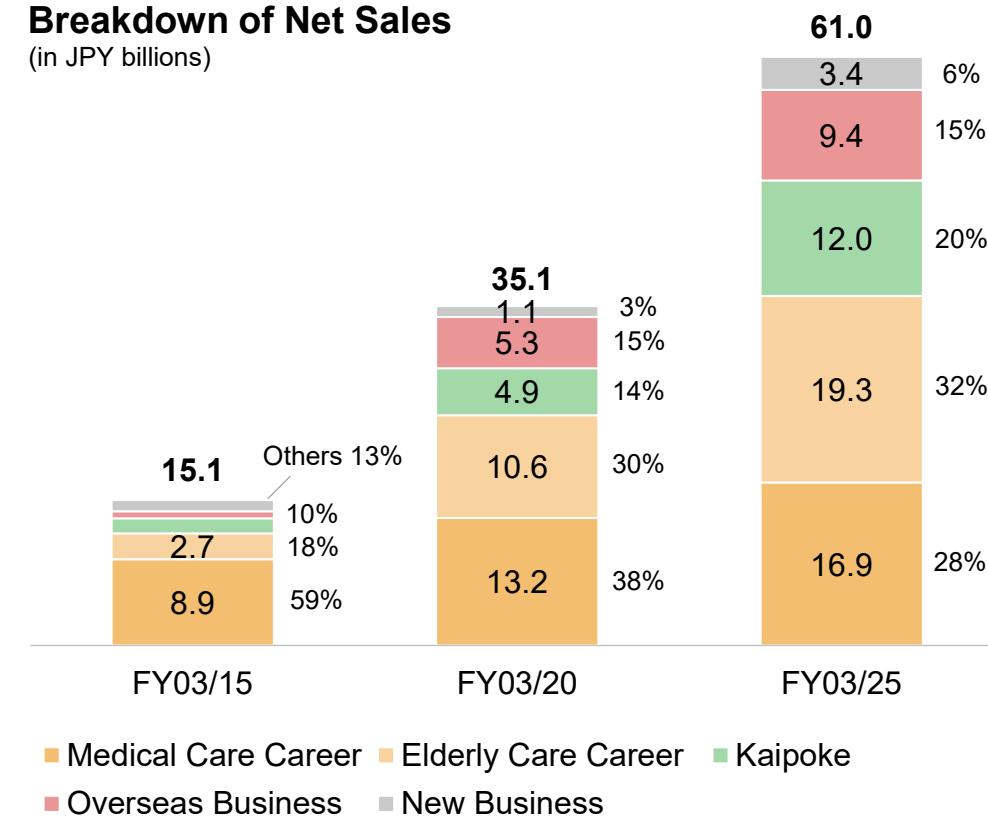
- Medical Care Career has been driving our growth since our establishment.
- Elderly Care Career, Kaipoke and Overseas business are growing as the new pillars of our business portfolio.
- Actively develop new businesses, mainly in healthcare and senior life domains, to create next pillars of our businesses, which will further drive our long-term growth.

Business Areas

- Career Business – Medical Care Career**
 - Recruiting service for medical care professionals
- Career Business – Elderly Care Career**
 - Recruiting service for elderly/disability care professionals
- Elderly/Disability Care Operators Business (Kaipoke)**
 - Management support platform for elderly/disability care operators
- Overseas Business**
 - Marketing support service for medical-related companies
 - Clinical decision support
 - Domestic/cross-border recruiting service of HCPs*1
- New Business**
 - Developing new businesses mainly in Healthcare and Senior Life domains

Breakdown of Net Sales

(in JPY billions)

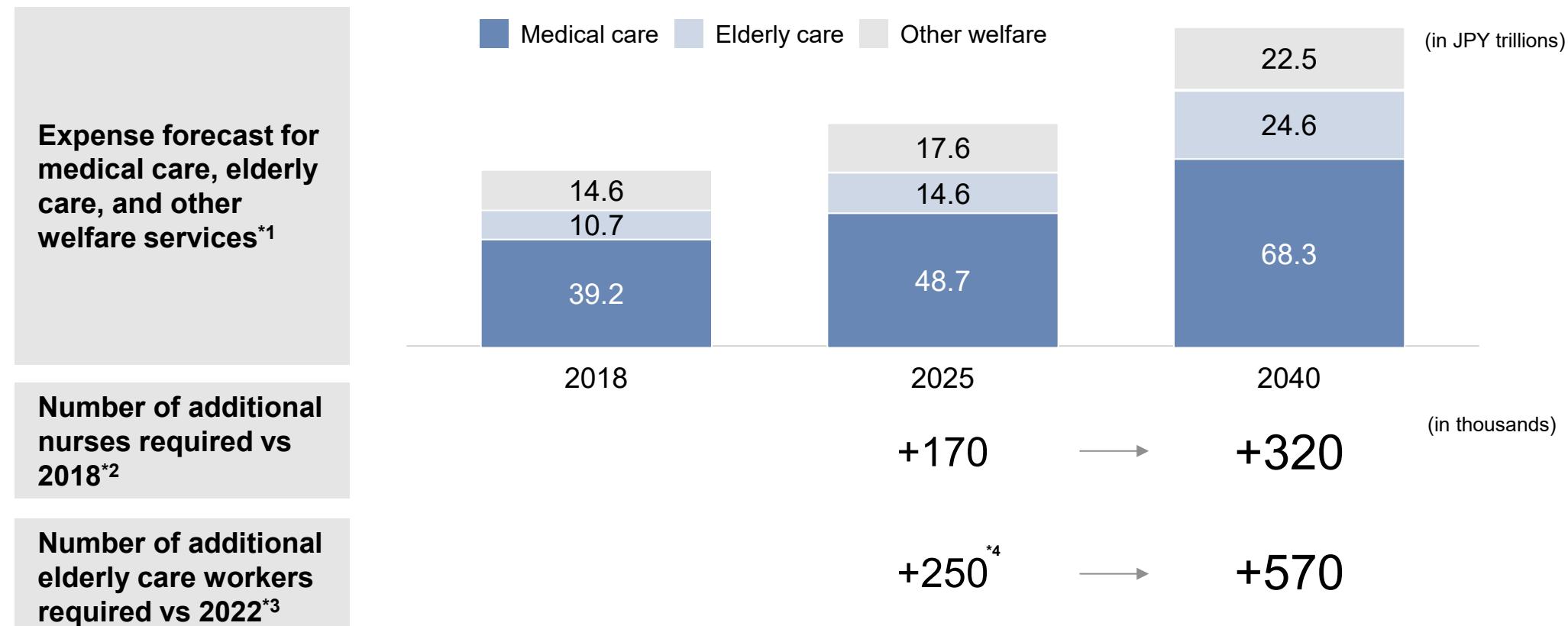


1. HCP: Healthcare professionals

Career Strategy

Issue 1: Difficulty in sustaining high-quality medical care and elderly/disability care services (Repost)

While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

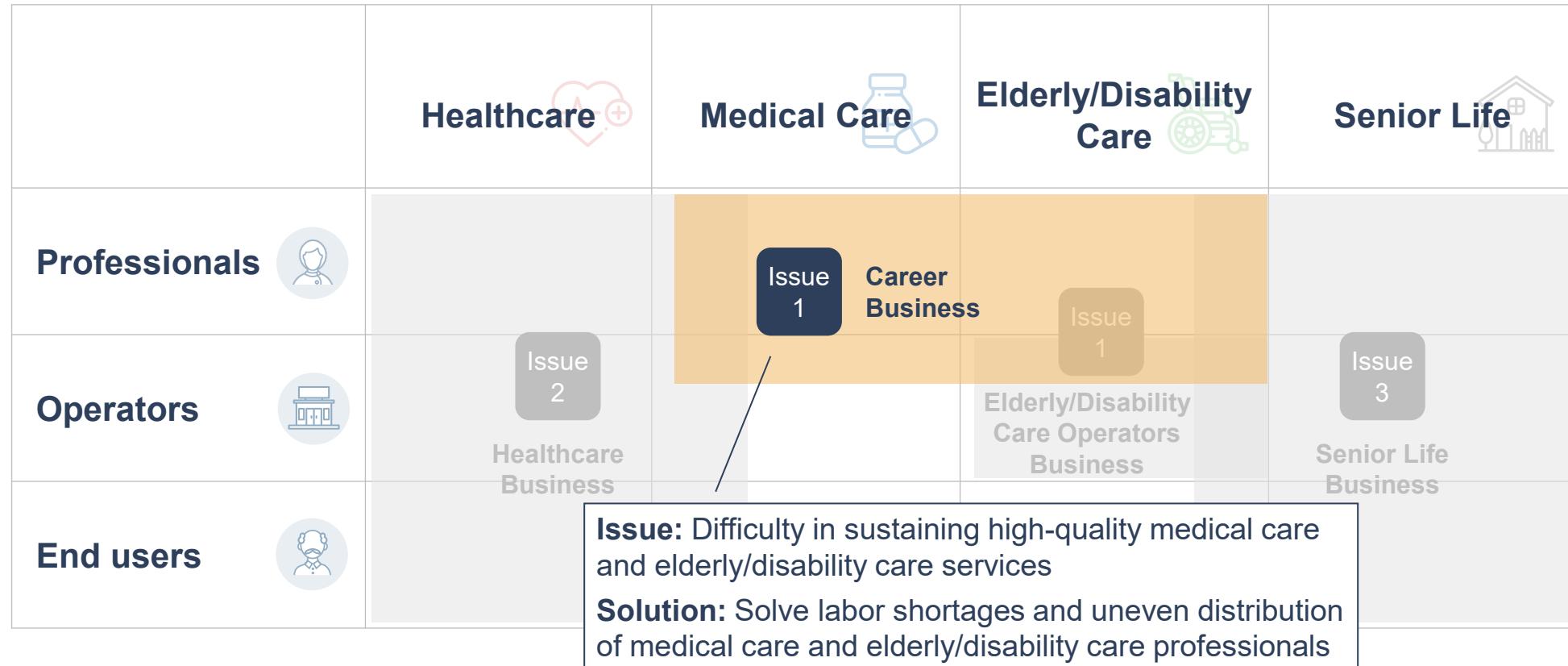
2. MHLW, "Status of securing nurses and other nursing staff"

3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"

4. Required number as of 2026

Solution for Issue 1 in Career Business

Contribute to solving the social issue “difficulty in sustaining high-quality medical care and elderly/disability care services” by solving labor shortages and uneven workforce distribution through optimized matching of professionals and operators.

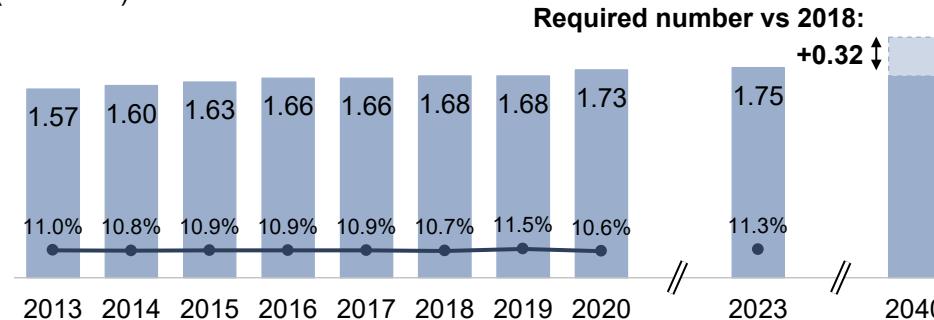


Shortage of Professionals

- Labor shortage continues to be a serious issue despite the increasing numbers of nurses and elderly care workers.
- The labor shortage of care workers is particularly severe, with an additional 570,000 care workers will be required by 2040 compared to 2022.

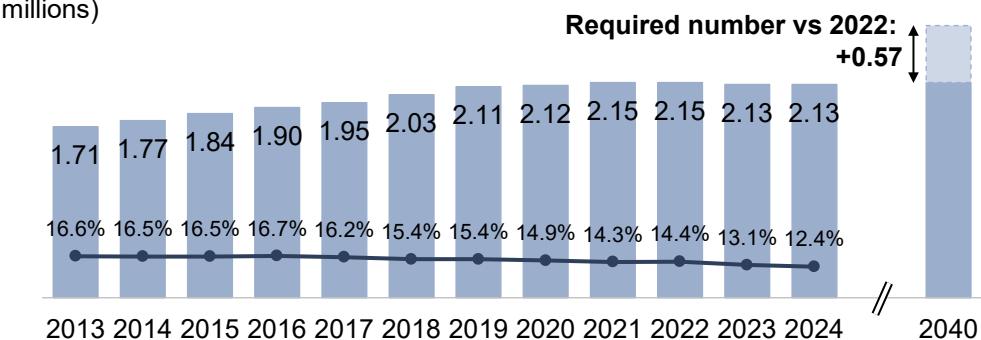
Number of nurses / their turnover rate^{*1}

(in millions)

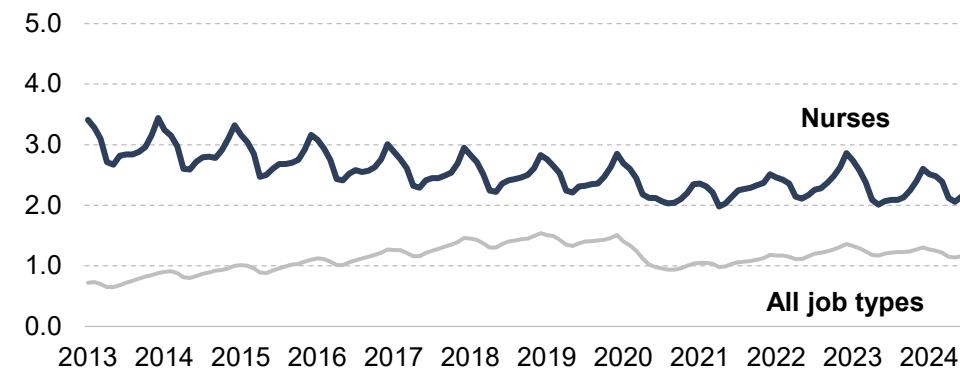


Number of care workers / their turnover rate^{*2}

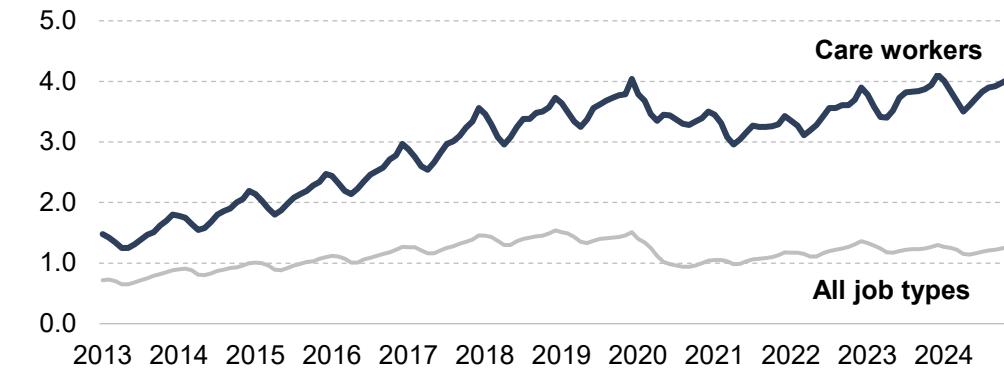
(in millions)



Jobs-to-applicants ratio of nurses^{*3}



Jobs-to-applicants ratio of care workers^{*3}



1. Number of nurses/their turnover rate: Japanese Nursing Association "Nursing Statistics", Required number in 2040: MHLW, "Status of securing nurses and other nursing staff"

2. Number of elderly care workers: MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance", "Survey of institutions and establishments for long-term care", Turnover rate: Care Work Foundation "Care Work Survey"

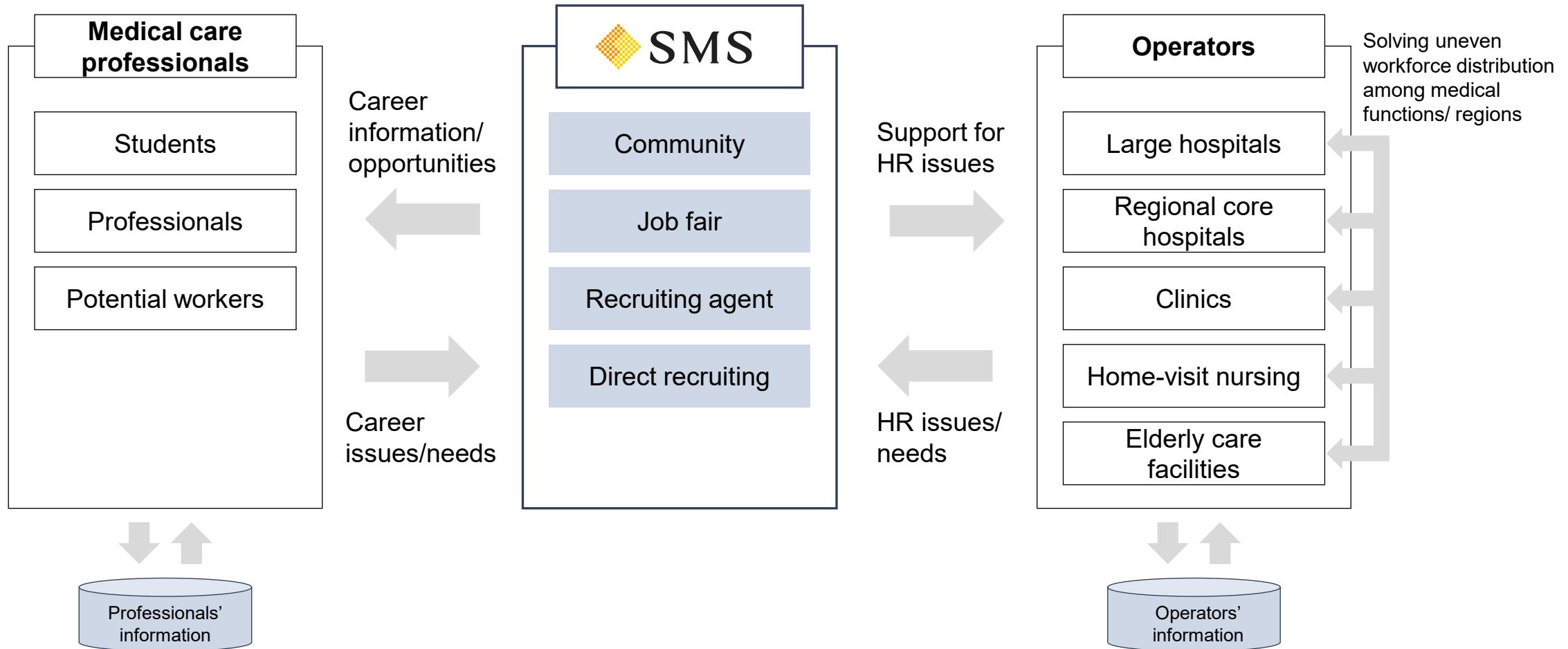
3. MHLW, "Employment referrals for general workers"

Mission of Career Business

We aim to contribute to sustaining high-quality medical care and elderly/disability care services by solving labor shortages and uneven workforce distribution.

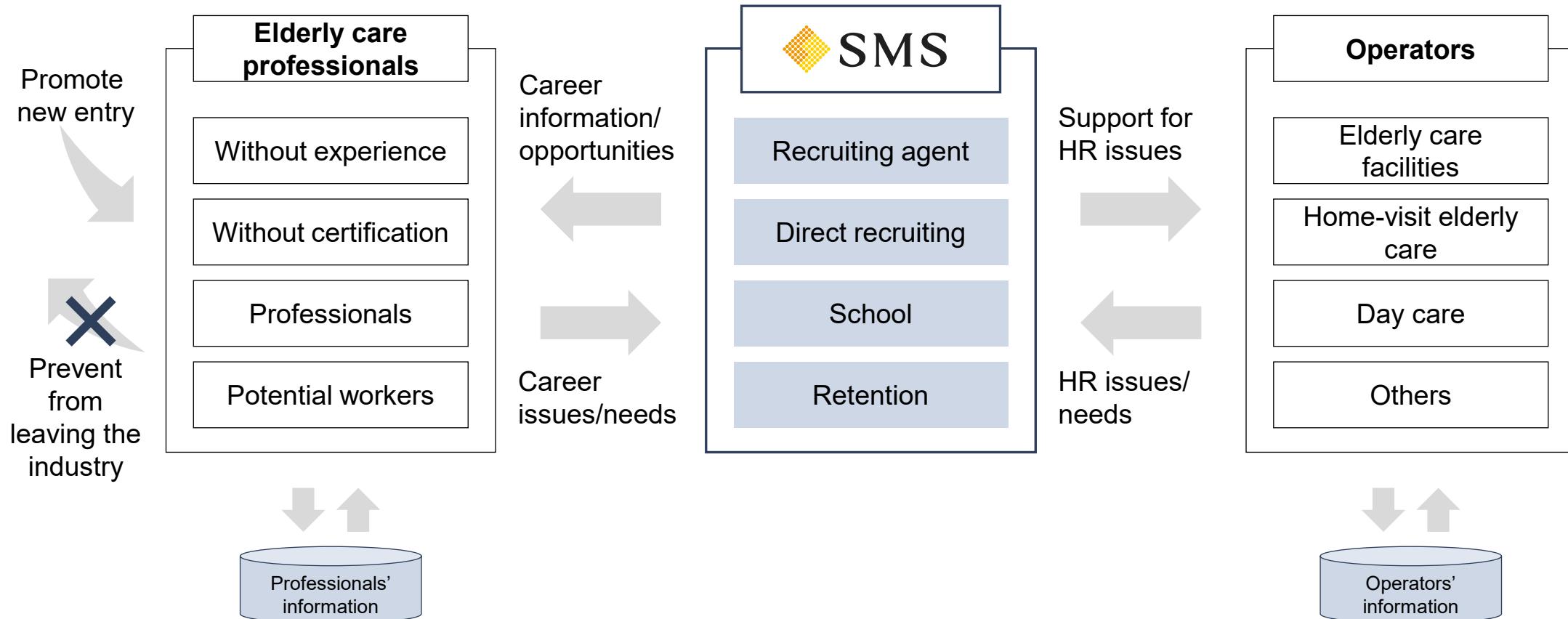
Strategy of Medical Care Career

- Provide various supports for professionals in pursuing their ideal careers throughout their professional lives, including supports in: finding/changing jobs, returning to work, and developing their careers.
- Promote optimal matching between professionals and operators in order to solve uneven workforce distribution among medical functions and regions.



Strategy of Elderly Care Career

- Promote new entry from outside the industry through helping new entrants obtain a qualification and find a good job at a good operator.
- Prevent turnover to outside the industry through enhancing working environments of operators and optimizing matching between professionals and operators.

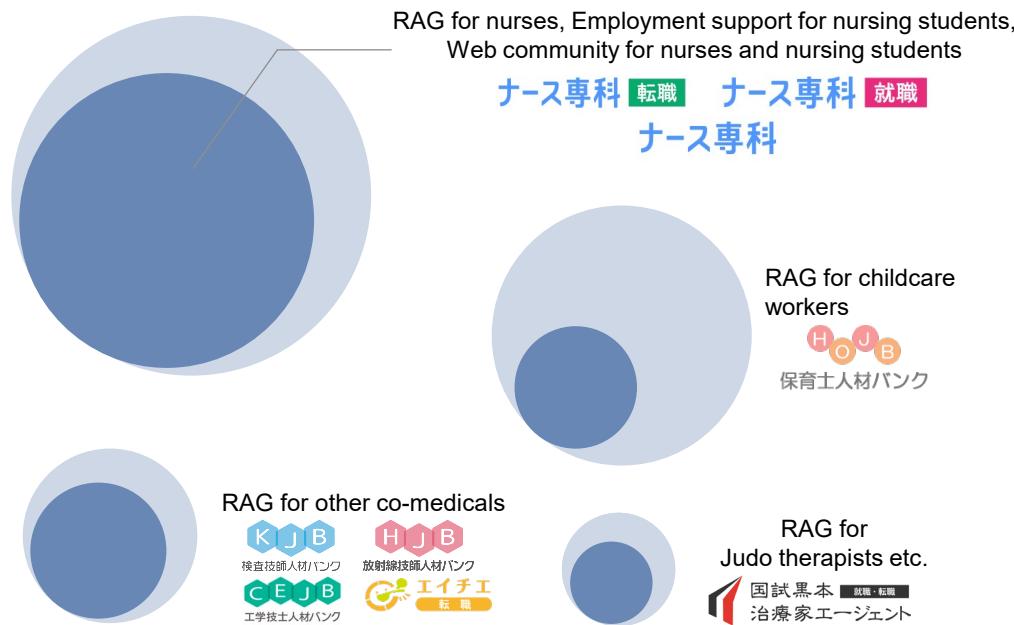


Growth Scenario

- The Career Segment has huge growth opportunities.
- Leveraging our Career Business expertise developed as an industry pioneer, we are driving growth led by the stable growth in services for nurses, as well as services for care workers with severe labor shortages and RAG^{*1} for childcare workers, which has significant potential for expansion.

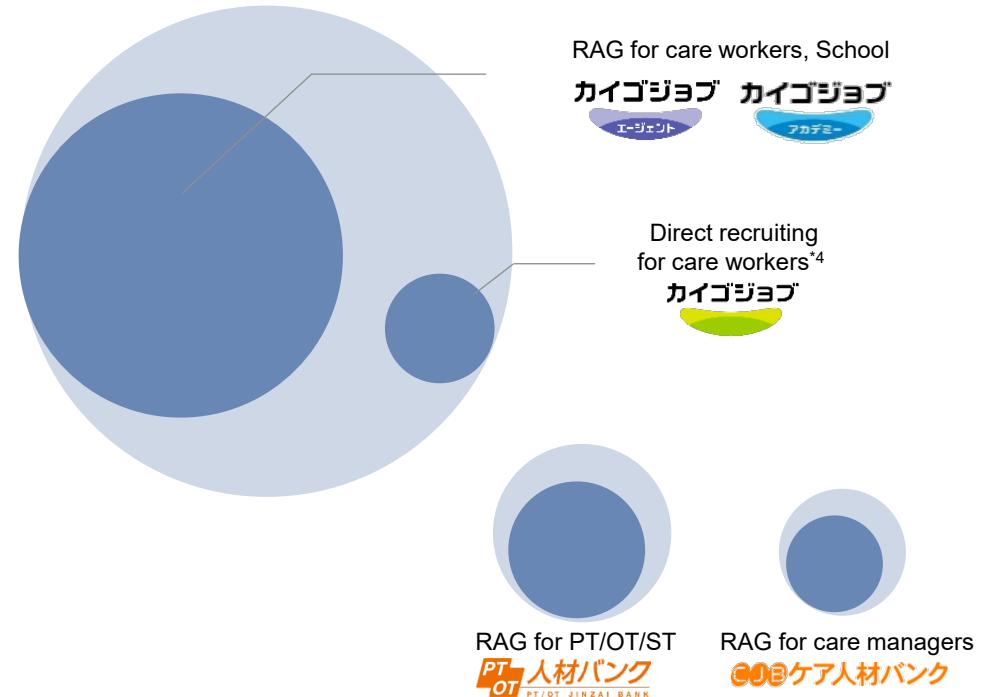
Sales of Medical Care Career: JPY 16.9 billion^{*2*3}

● : Sales for FY03/25 ● : Estimates of the future sales



1. RAG: Recruiting agent service
2. Career businesses for doctors and pharmacists are operated by M3 Career, Inc., a JV between M3, Inc.(51%) and SMS (49%).
3. Sales for FY03/25
4. Renewed to "Wellme Job," a cross-occupational direct recruiting platform, from July 2025.

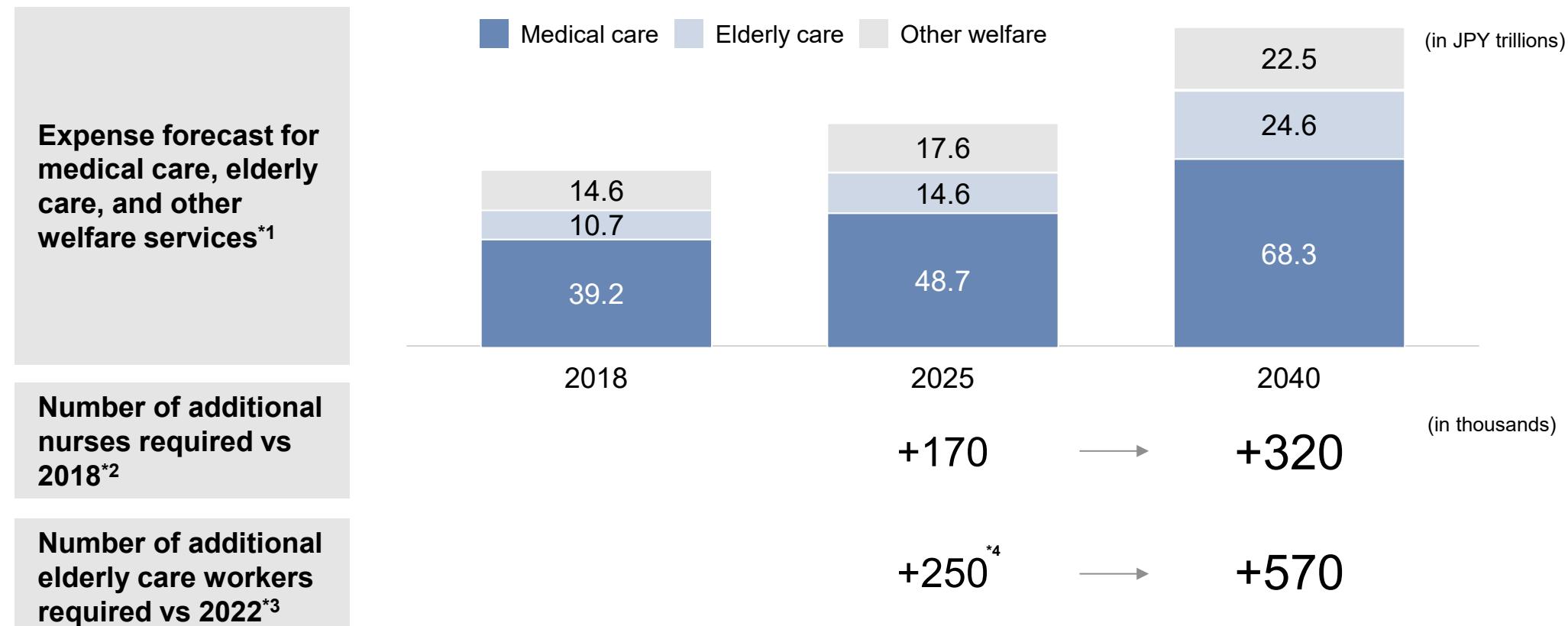
Sales of Elderly Care Career: JPY 19.3 billion^{*3}



Elderly/Disability Care Operators (Kaipoke) Strategy

Issue 1: Difficulty in sustaining high-quality medical care and elderly/disability care services (Repost)

While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

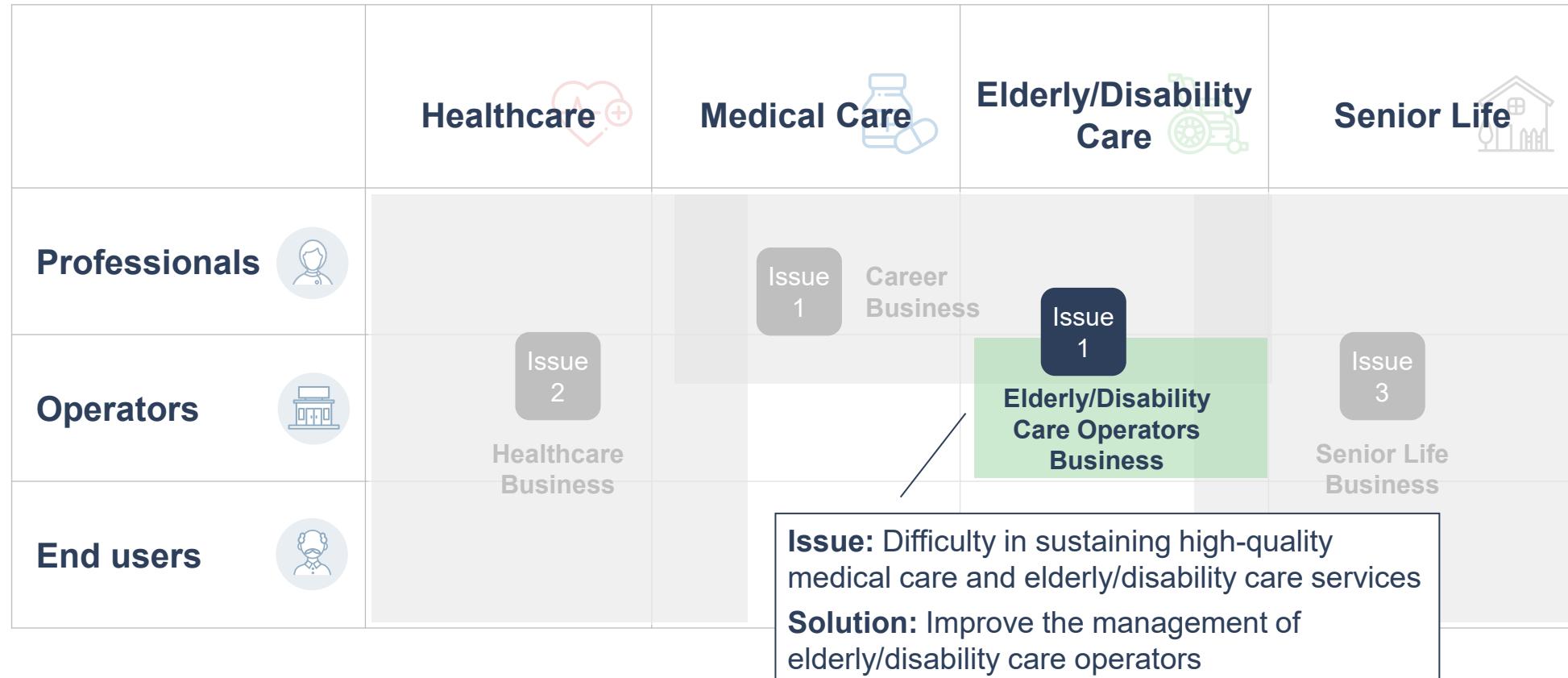
2. MHLW, "Status of securing nurses and other nursing staff"

3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"

4. Required number as of 2026

Solution for Issue 1 in Elderly/Disability Care Operators Business

Contribute to solving the social issue “difficulty in sustaining high-quality medical care and elderly/disability care services” by improving the management of elderly/disability care operators through a management support platform “Kaipoke”.



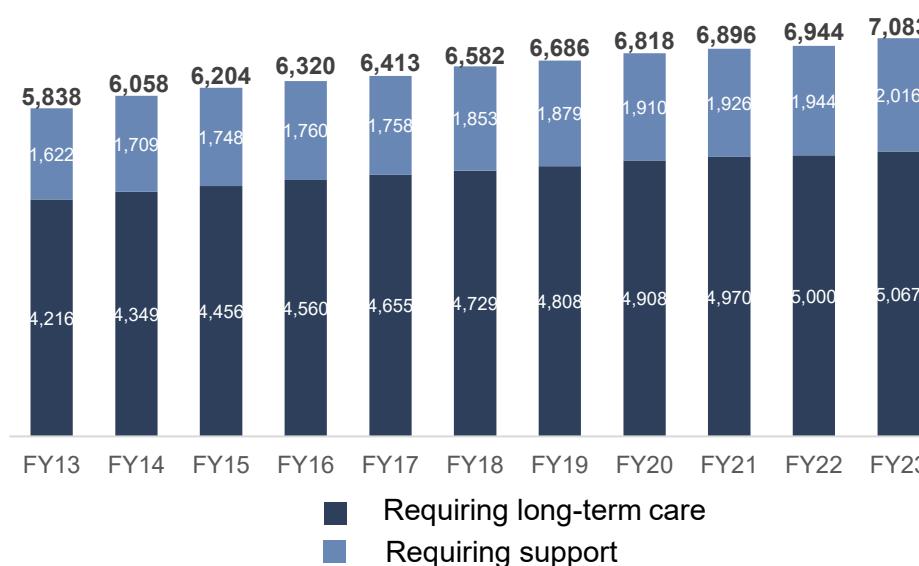
Business Environment of Elderly Care Services

As the population ages, the number of elderly care operators continues to increase, amounting to 270,000 offices.

Number of people certified for long-term care/support need¹

(in thousands)

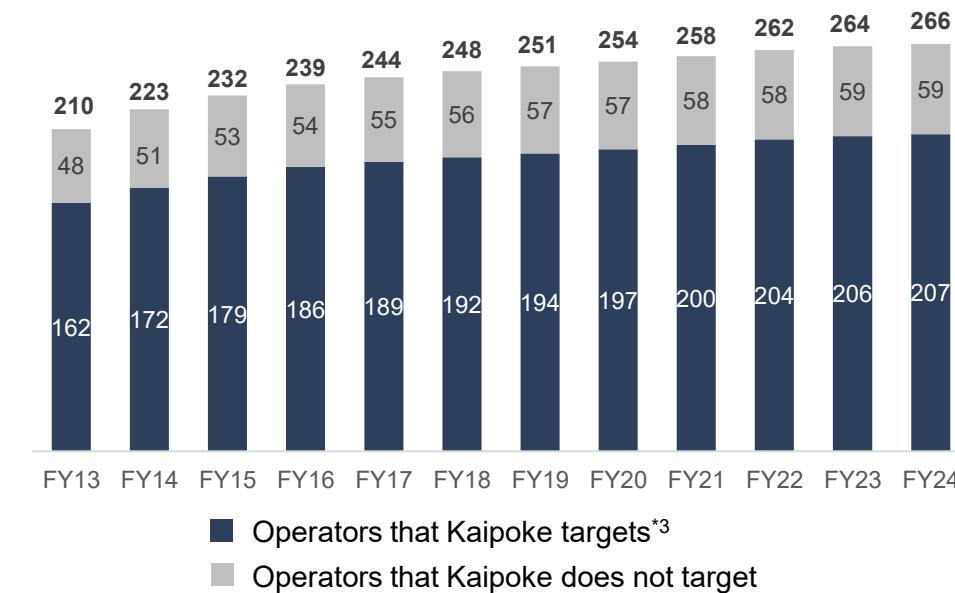
Average annual rate of increase: 2.0%



Number of elderly care service offices²

(in thousands)

Average annual rate of increase: 2.2%



1. MHLW, "Report on Long-Term Care Insurance"

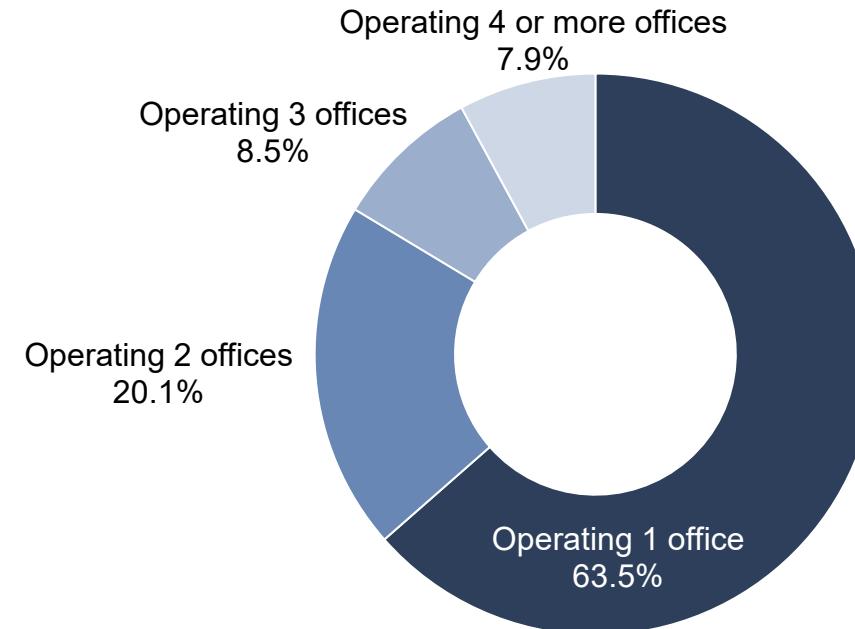
2. MHLW, "Statistics of Long-term Care Benefit Expenditures" (March of each year)

3. Kaipoke targets in-home services such as in-home care support, home-visit elderly care, day care, home-visit nursing, and outpatient rehabilitation, etc., and does not target facility services such as commuting care for elderly with dementia, short stay, daily life care for elderly in specific facilities, and small-sized multifunctional inhome care, etc.

Business Environment of Elderly Care Services

- More than 80% of the elderly care operators covered by Kaipoke are small corporations with one or two operating offices.
- It is difficult for these operators to focus on the care for the elderly due to various operational/management issues such as numerous indirect tasks, including document preparation, insufficient manpower, low purchasing power, and cash-flow issues.

Size of corporations operating elderly care service offices^{*1}



1. MHLW, "Long-Term Care Information Publication System", "Information Provision System for residences with health and welfare services" Compiled based on information as of January 2025

Business Environment of Disability Welfare Services

The number of users of welfare services for persons with disabilities is on the rise due to better understanding of disabilities and easier access to diagnosis, and the number of service offices is continuously increasing.

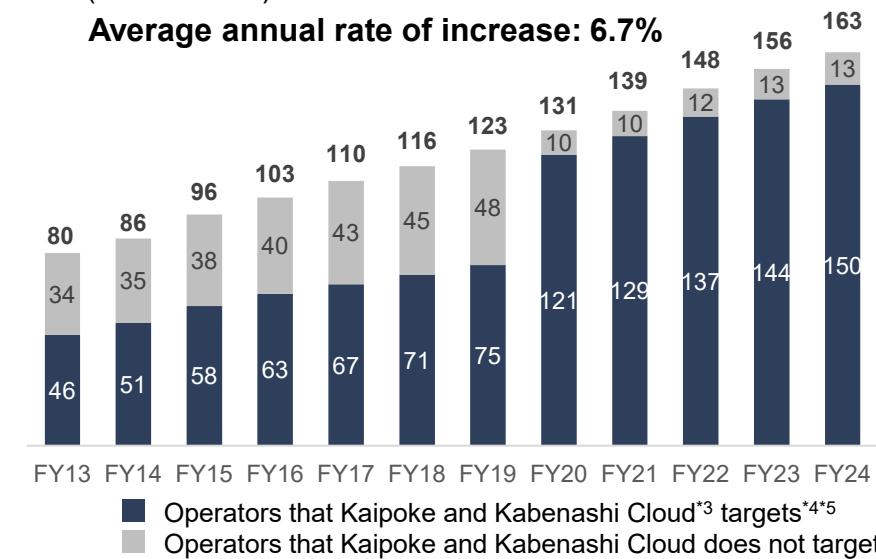
Number of users of welfare services for persons with disabilities and for children with disabilities (average per month)*1
(in thousands)

Average annual rate of increase: 6.5%



Number of welfare service offices for persons with disabilities*2
(in thousands)

Average annual rate of increase: 6.7%



■ Operators that Kaipoke and Kabenashi Cloud*3 targets*4*5
■ Operators that Kaipoke and Kabenashi Cloud does not target

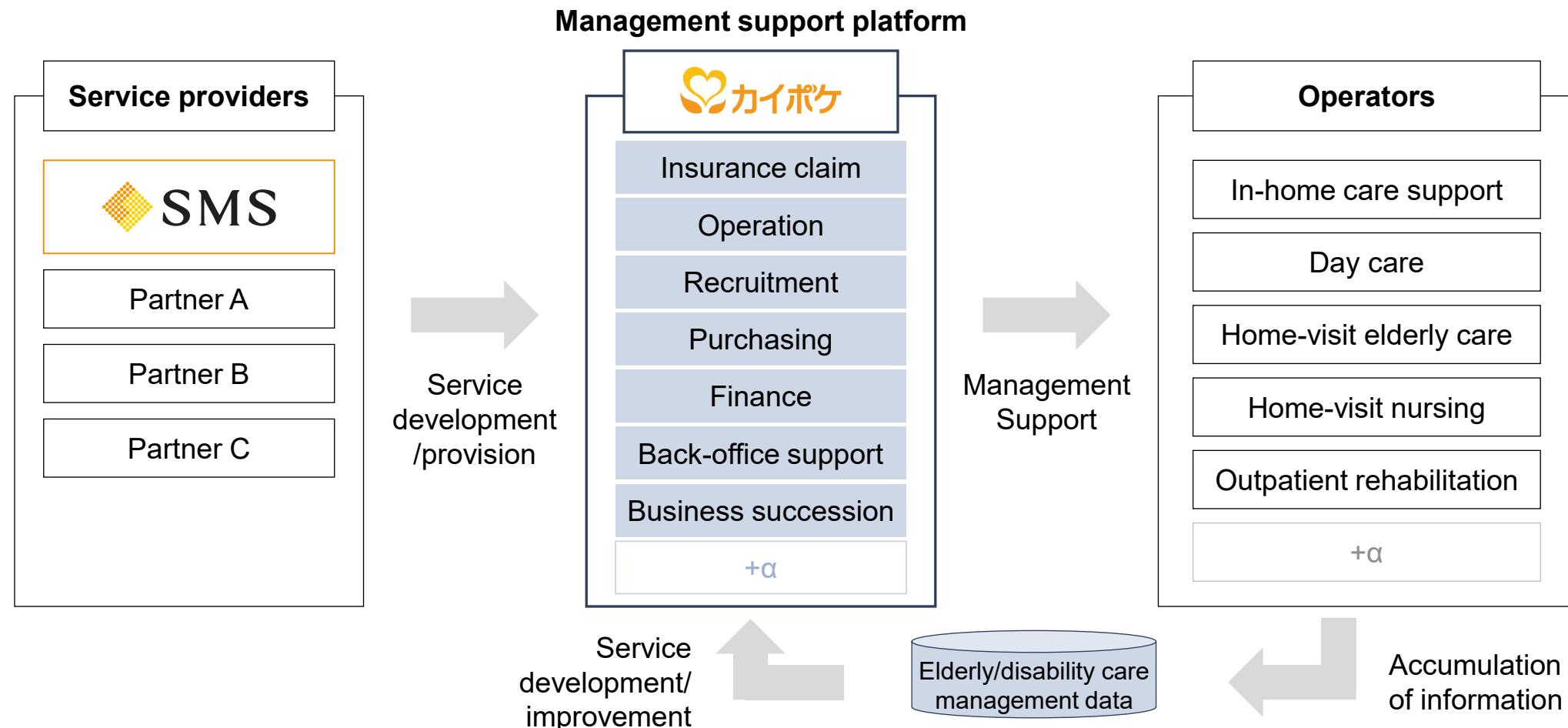
1. MHLW, "Statistical Information on Welfare for Persons with Disabilities: Status of Use of Welfare Services for Persons with Disabilities, etc."
2. MHLW, "Statistical Information on Welfare for Persons with Disabilities: Status of Use of Welfare Services for Persons with Disabilities, etc.", "Recent Trends in the Field of Welfare for Persons with Disabilities" Average number for each fiscal year up to FY2019, as of March 31 from FY2020 onwards
3. Revamped from "PROJECT RIN" in June 2025.
4. Kaipoke and Kabenashi Cloud targets, in-home nursing care, visiting care for persons with severe disabilities, companion support, activity support, daily nursing care, independent living support, group home assistance, rehabilitation services, employment transition support, employment continuation support (Type A/B), employment retention support, planning consultation support, consultation support for children with disabilities, child development support, and after-school day services.
5. For companion support, activity support, independent living support, group home assistance (external/daytime support types), rehabilitation services, employment transition support, employment continuation support (Type A/B), employment retention support, planning consultation support, consultation support for children with disabilities are targeted by Kaipoke and Kabenashi Cloud, but the number of individual offices is unknown prior to FY 2019, so they are not included in "targeted" until 2019 and are counted as "targeted" starting in 2020.

Mission of Elderly/Disability Care Operators Business (Kaipoke)

**We aim to contribute to sustaining high-quality
elderly/disability care services
by improving the management and the service
quality of elderly/disability care operators.**

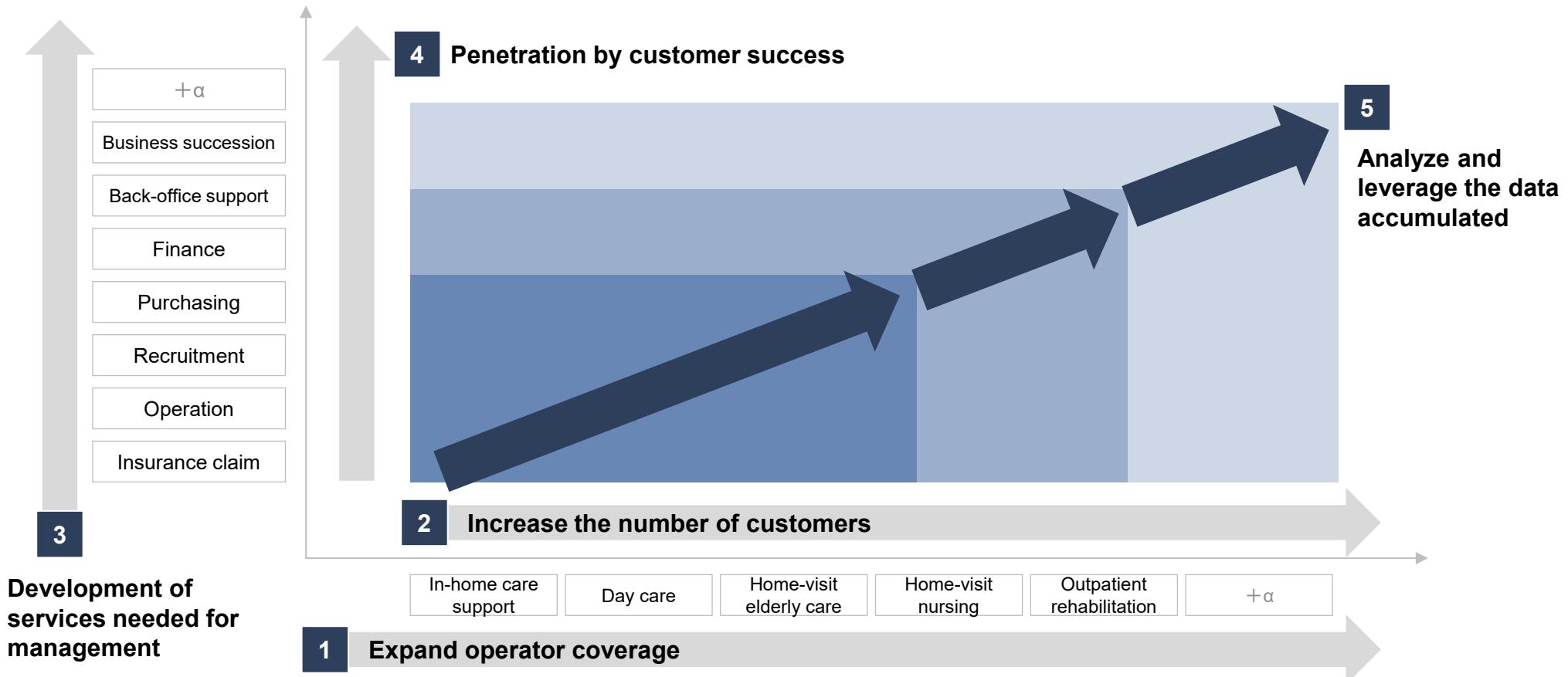
Management Support Platform

- Kaipoke is a management support platform provided in the form of SaaS, which realizes one-stop support for the management of elderly/disability care operators.
- Offer more than 40 services that support operations, recruitment, purchasing, finance, back office, M&A (Business succession), etc., on top of the insurance claim service that is essential for elderly/disability care operations.



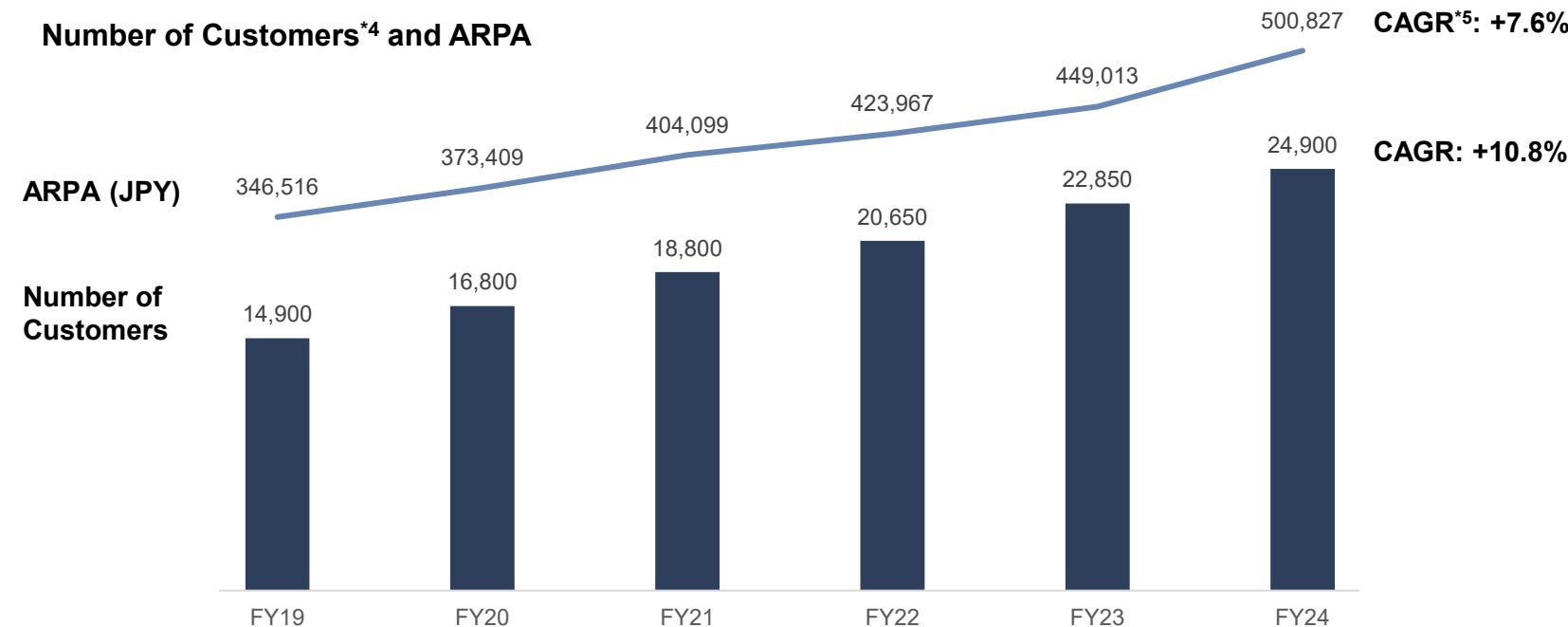
Strategy of Elderly/Disability Care Operators Business

Maximize the value as a management support platform by No. 1 – 5 below.



Growth of Elderly/Disability Care Operators Business

- The number of customers and ARPA^{*1} have shown consistent growth, driven by the wider adoption of Kaipoke, the development and cross-selling of paid options, and our expansion into new services (M&A matching, RAG^{*2} for persons with disabilities, and business support systems for disability welfare service operators).
- With 15-20% average annual revenue growth, alongside margin expansion built upon our high recurring revenue ratio, we consistently achieve the "Rule of 40,"^{*3} a key benchmark for healthy SaaS businesses.



1. ARPA: Average Revenue Per Account. Calculated by dividing total annual revenue by the average number of companies during the period.

2. RAG: Recruiting agent service

3. A metric used to evaluate the health of a SaaS business, based on the principle that the sum of its revenue growth rate and profit margin should be 40% or more.

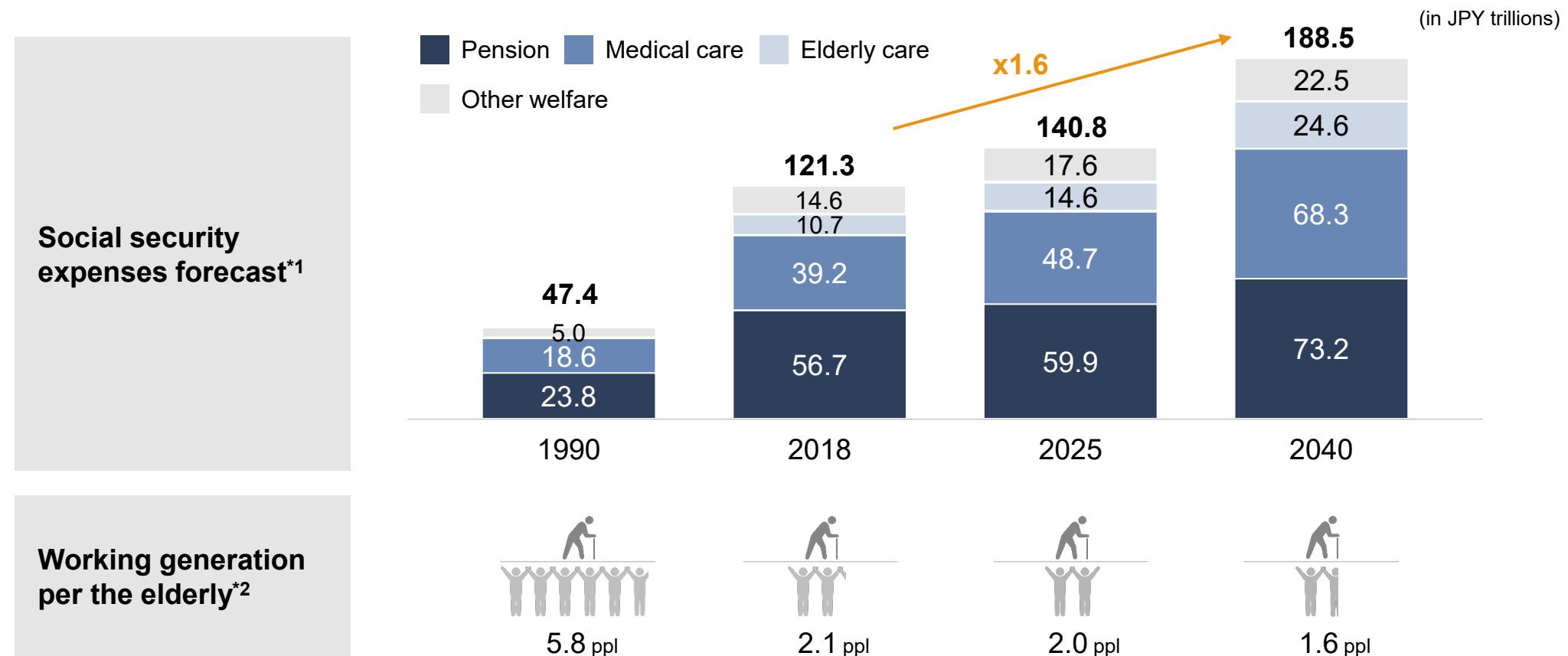
4. Number of companies at period-end

5. CAGR: Compound Annual Growth Rate

New Business (Healthcare) Strategy

Issue 2: More severe burden on the working generation (Repost)

The burden on the working generation will become more serious due to the increasing social security expenses for pensions, medical care, elderly care, and other welfare services, as well as the declining working-age population who cover these expenses.

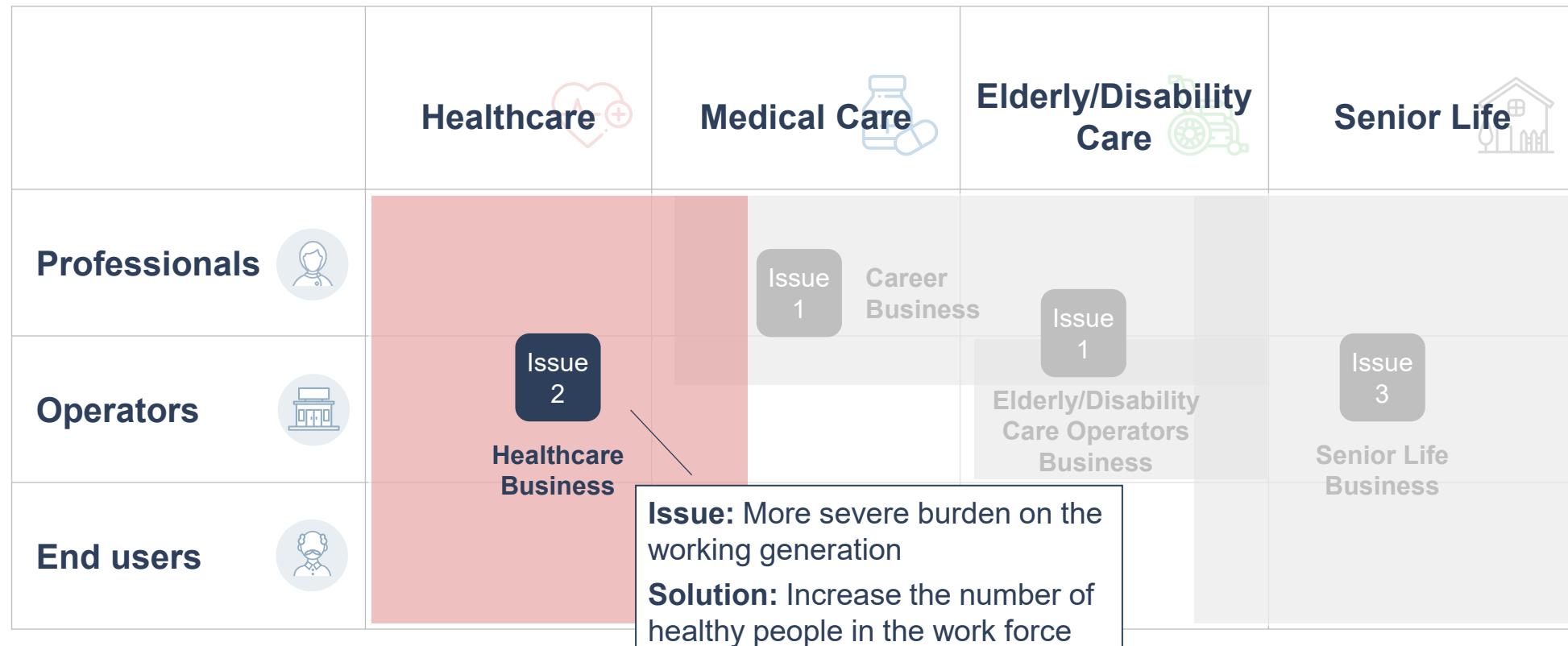


1. MHLW, "Trends in Social Security Benefits", Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

2. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

Solution for Issue 2 in Healthcare Business

Contribute to solving the social issue “more severe burden on the working generation” by increasing the number of healthy people in the work force through a platform that supports “health and productivity management” of companies.



Declining QOL^{*1} and Productivity Caused by Physical/Mental Disorders

- Among the working generation, there are many patients/potential patients with life-style related diseases, which often progress to critical illnesses such as diabetes.
- Mental disorders caused by overworking or workplace stress are increasing in recent years.
- The government encourages “health and productivity management,” in which companies work to improve the health of employees and their families.

Physical disorder	Mental disorder
Risk of lifestyle-related diseases Number of recipients of specific health guidance ^{*2} Approx. 5.19 million	Lifestyle-related diseases Number of diabetics ^{*3} Approx. 5.52 million Number of hypertensive patients ^{*3} Approx. 16.17 million
	Number of patients with mood disorders ^{*3} Approx. 1.59 million

1. QOL: Quality of life

2. Subjects are 40 – 74 years old. MHLW, "2023 Implementation of specified health checkups and specific health guidance"

3. MHLW, "2023 Patient survey"

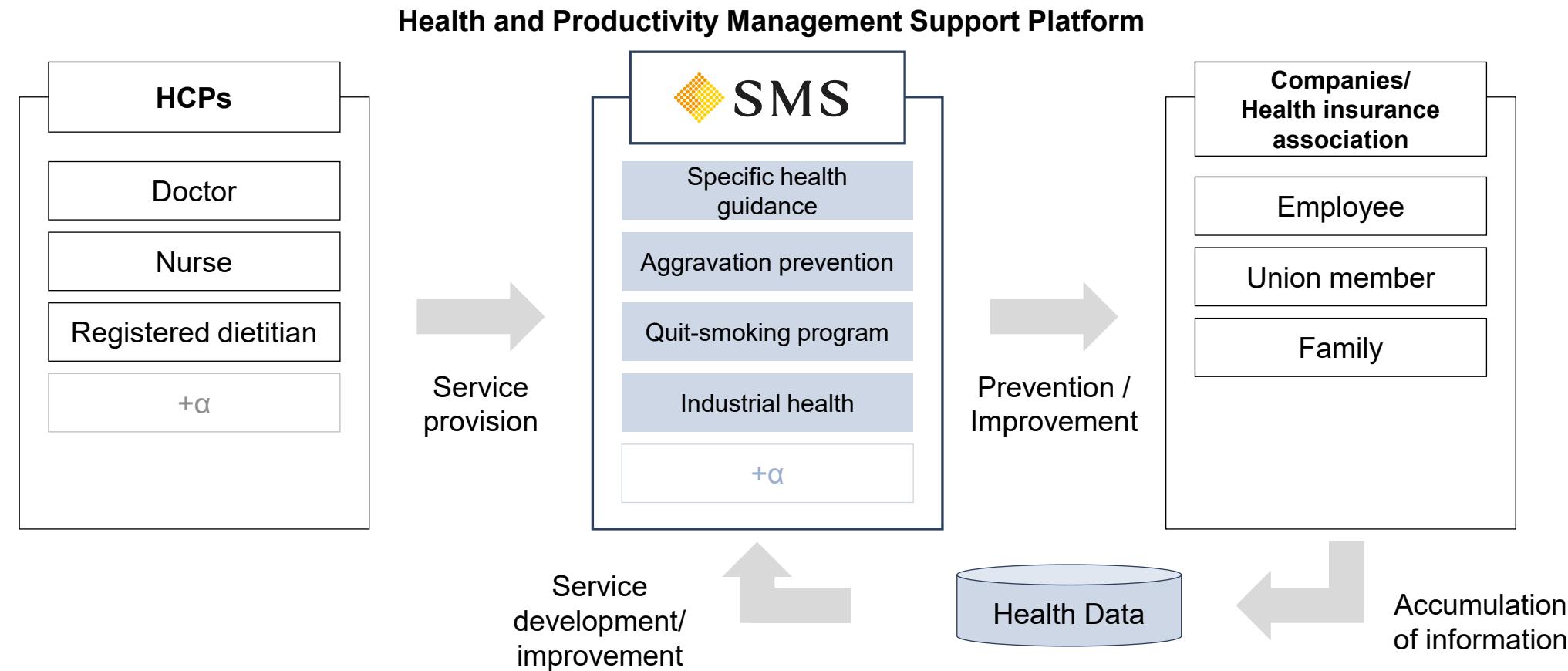
Mission of Healthcare Business

We aim to contribute to improving QOL^{*1} and increasing the number of healthy people in the work force by preventing and treating lifestyle-related diseases and mental disorders.

1. QOL: Quality of life

Health and Productivity Management Support Platform

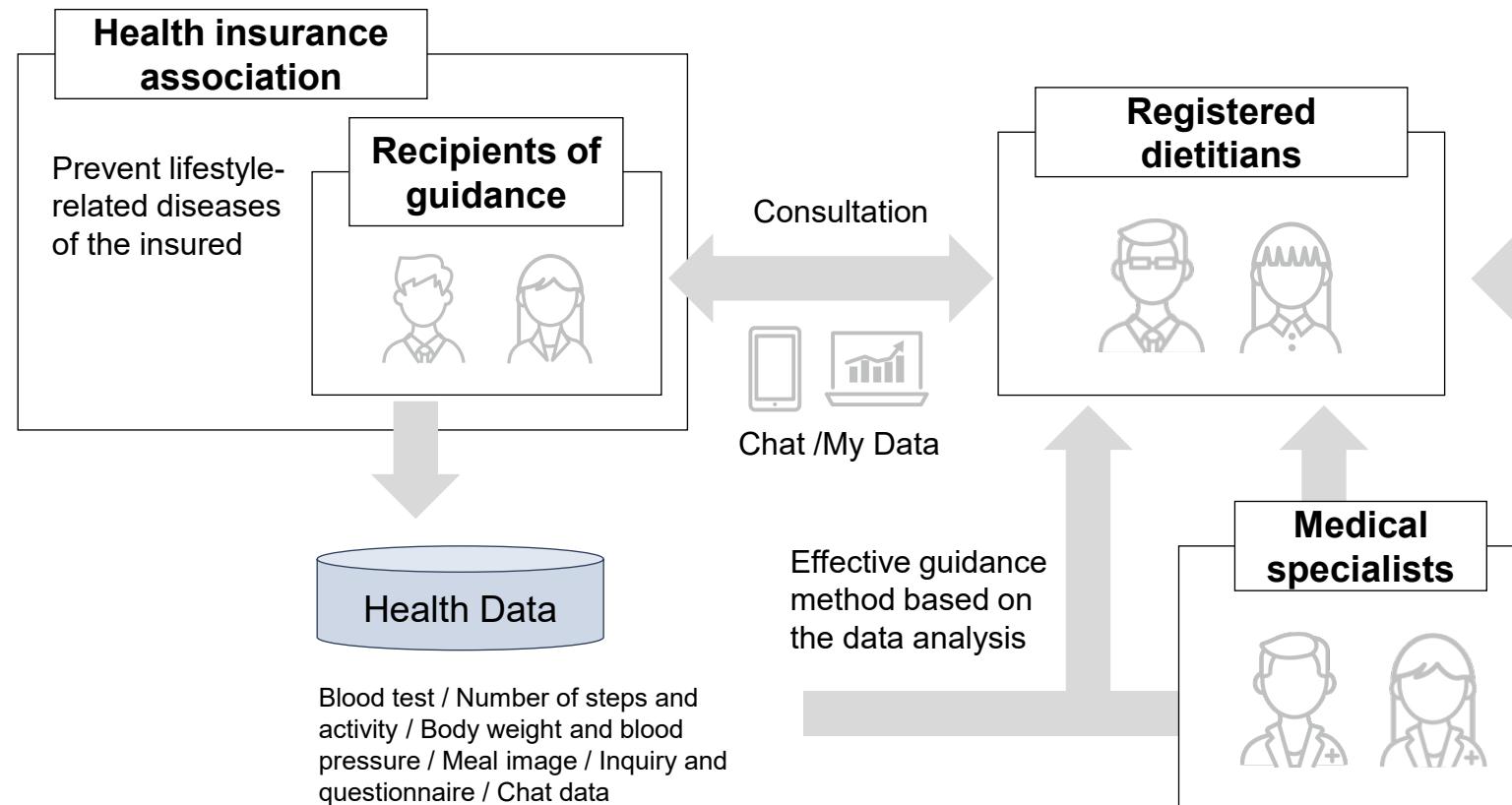
- Provide digital health services^{*1} for companies and health insurance associations.
- The services are based on scientific evidences and provided by seasoned healthcare professionals (HCPs) including doctors, nurses, and registered dietitians.



1. Digital Health: Improving the effects of medical care and healthcare by utilizing the latest digital health technologies such as AI, ICT, IoT, wearable devices, and big data analysis.

Remote Health Guidance Service

- Provide specific health guidance service for HIAs^{*1} aiming to prevent lifestyle-related diseases of employees and their families. The service is provided by registered dieticians and based on the results of verification projects conducted with MHLW.
- Remote service using smartphones enables frequent and continuous intervention.

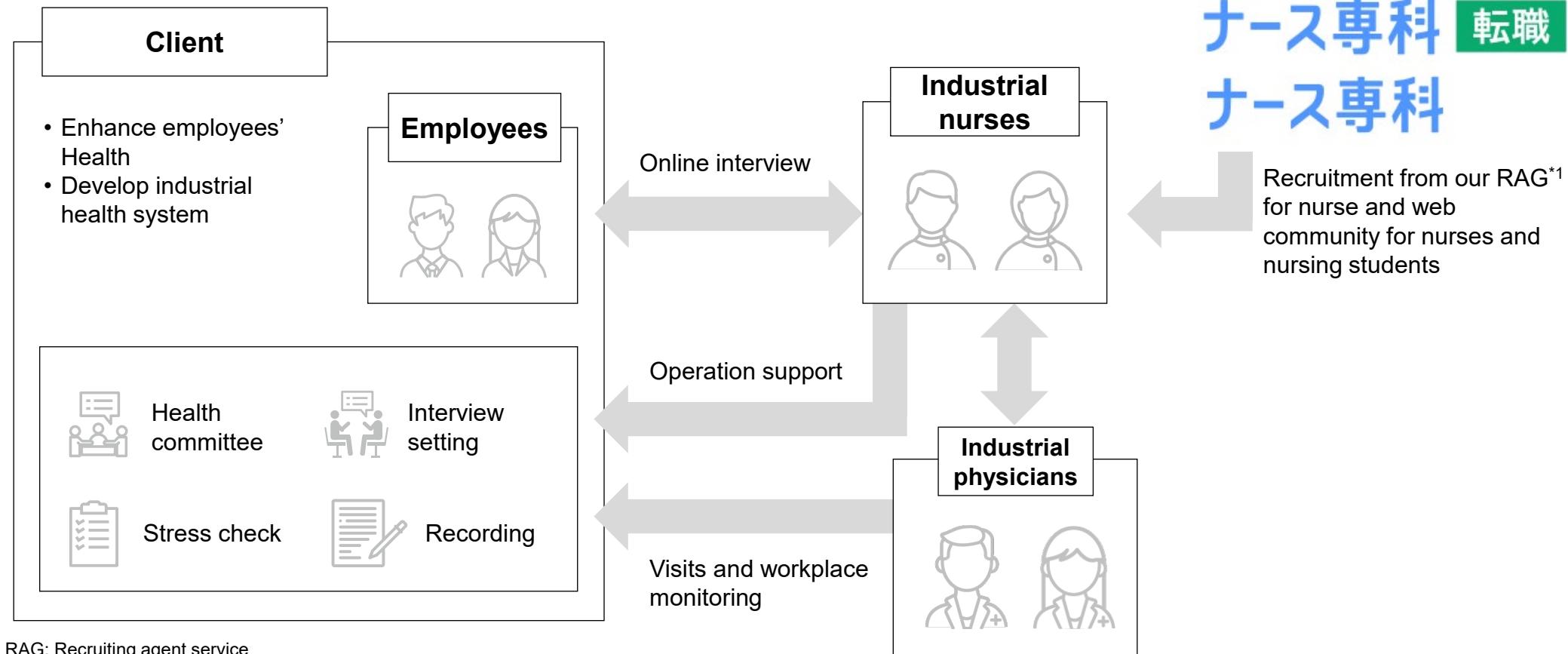


Recruitment from our RAG^{*2} registered dietitians/dietitians and web community for registered dietitians/dietitians

1. HIA: Health insurance association
2. RAG: Recruiting agent service

Remote Industrial Health Service

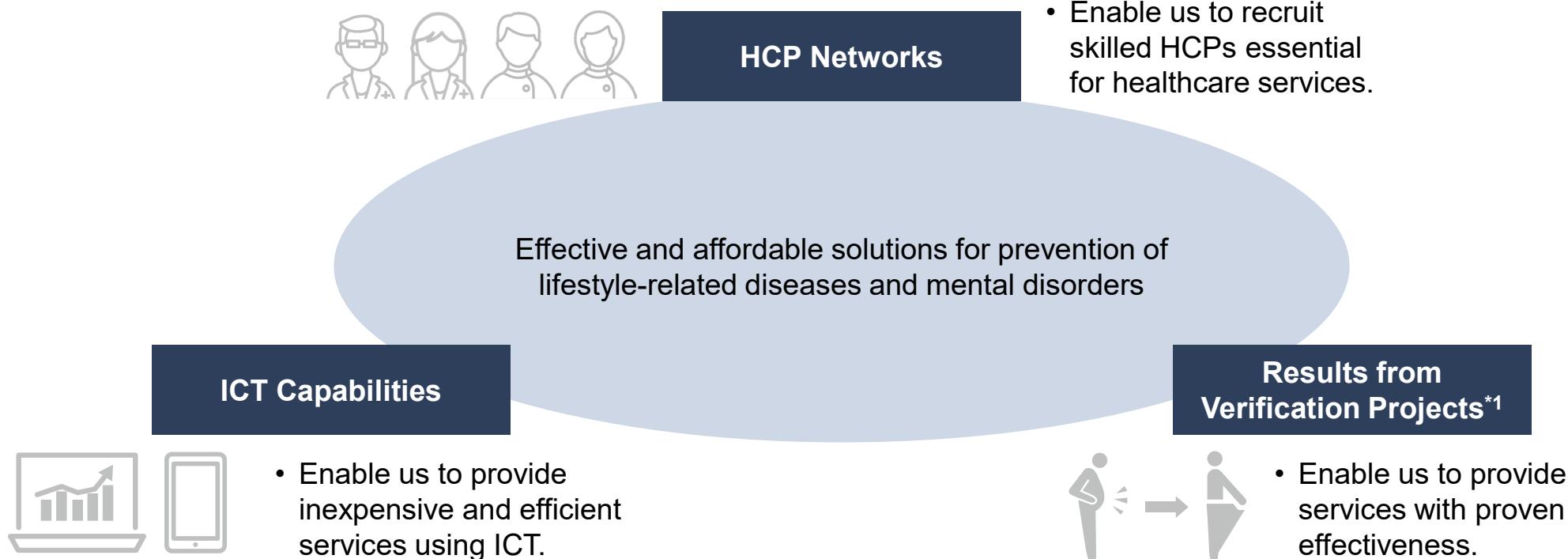
- Provide comprehensive support for industrial health operations in the human resources and labor departments of companies, including visits by industrial physicians, stress checks, and the establishment and operation of health committees.
- Reduce the workload of HR and realize effective mental care through the service provided by the two-person system of an industrial physician and an industrial nurse.



1. RAG: Recruiting agent service

Our Strength

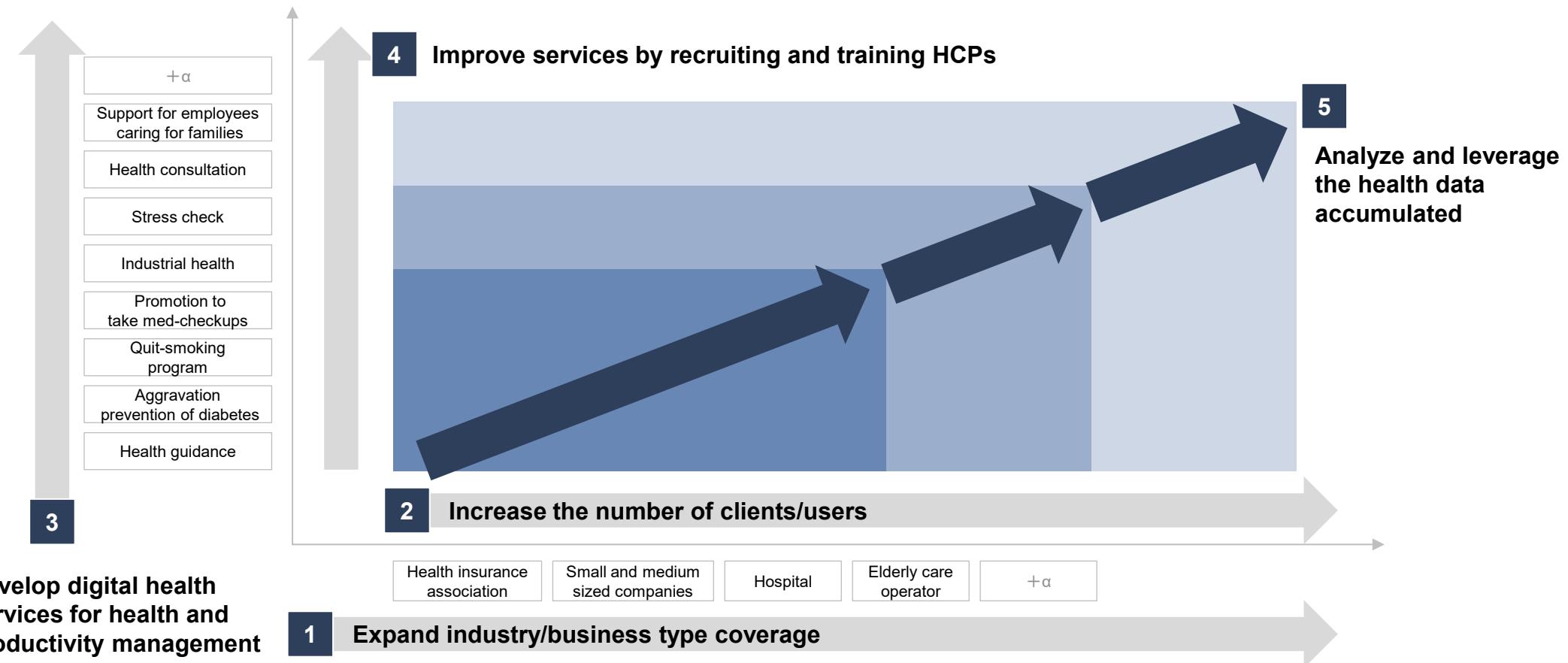
Leveraging our strengths in healthcare professional (HCP) networks, ICT capabilities, and proven results from verification projects conducted with ministries and national agencies, we offer effective solutions with a reasonable price for prevention of lifestyle-related diseases and mental disorders.



1. Joint project with MHLW, METI, and national hospitals

Strategy of Healthcare Business

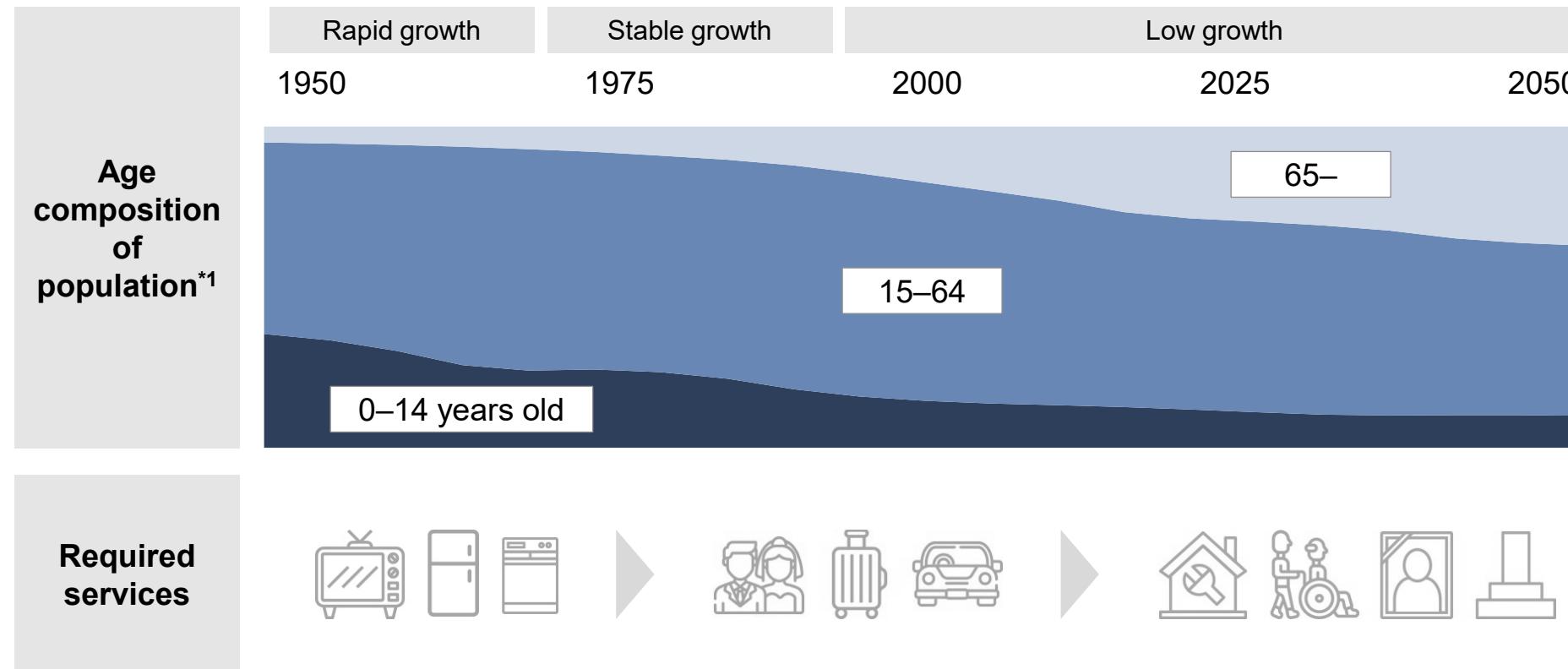
Maximize the value as a health and productivity management support platform by No. 1 – 5 below.



New Business (Senior Life) Strategy

Issue 3: Difficulty in solving problems related to living in an aging society (Repost)

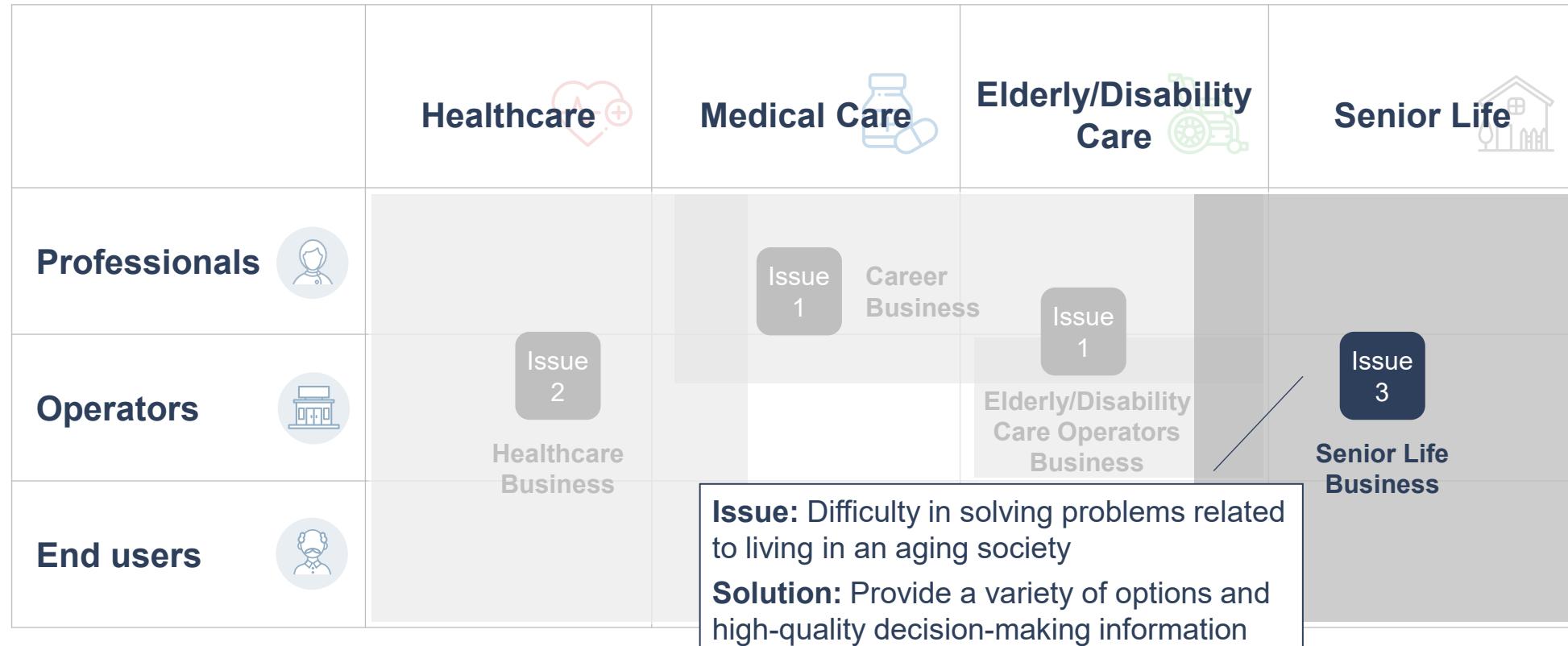
- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and their families will have difficulties in solving life-related problems in an aging society.



1. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"

Solution for Issue 3 in Senior Life Business

Contribute to solving the social issue “difficulty in solving problems related to living in an aging society” by developing a platform that connects people who have some worries or problems in their lives, with advisors and solution services.

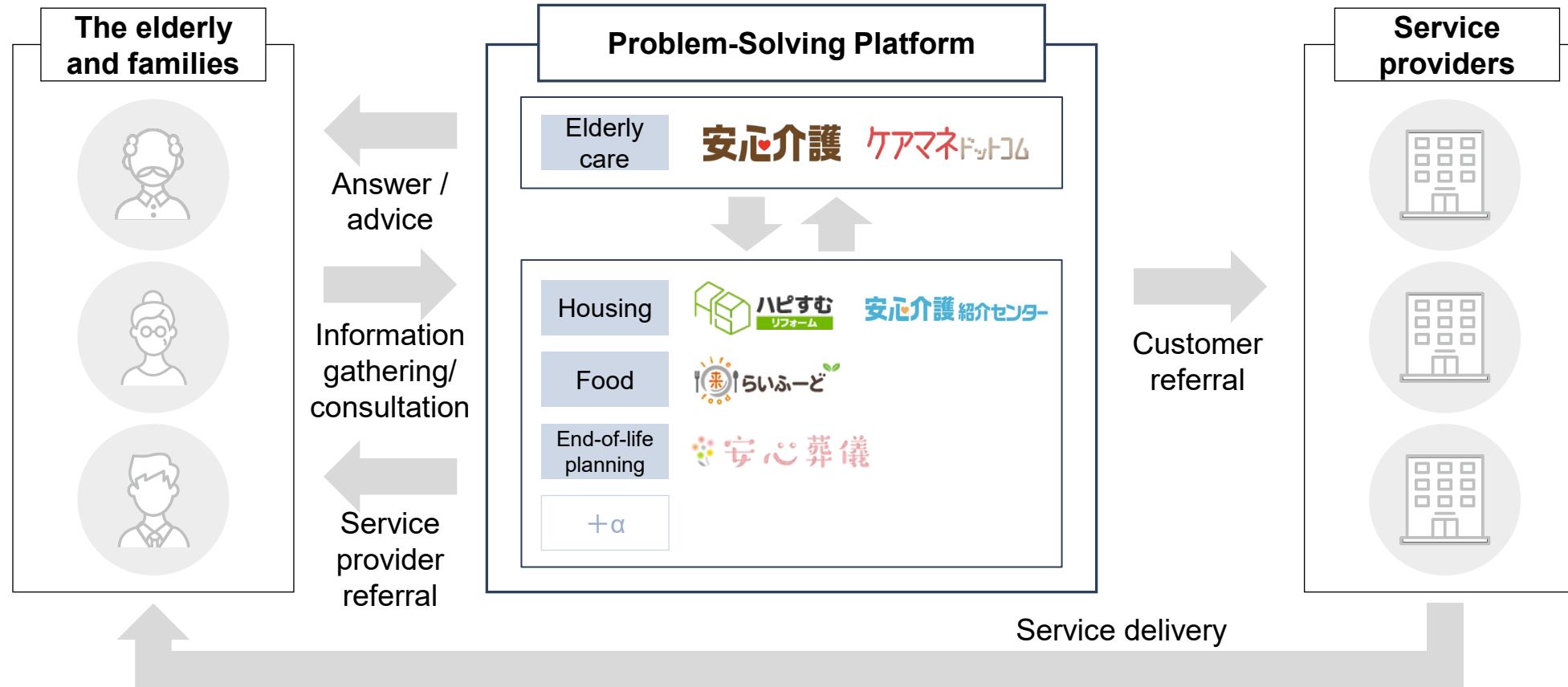


Mission of Senior Life Business

**We aim to contribute to improving people's lives
by offering a wide range of options and
information related to living in an aging society.**

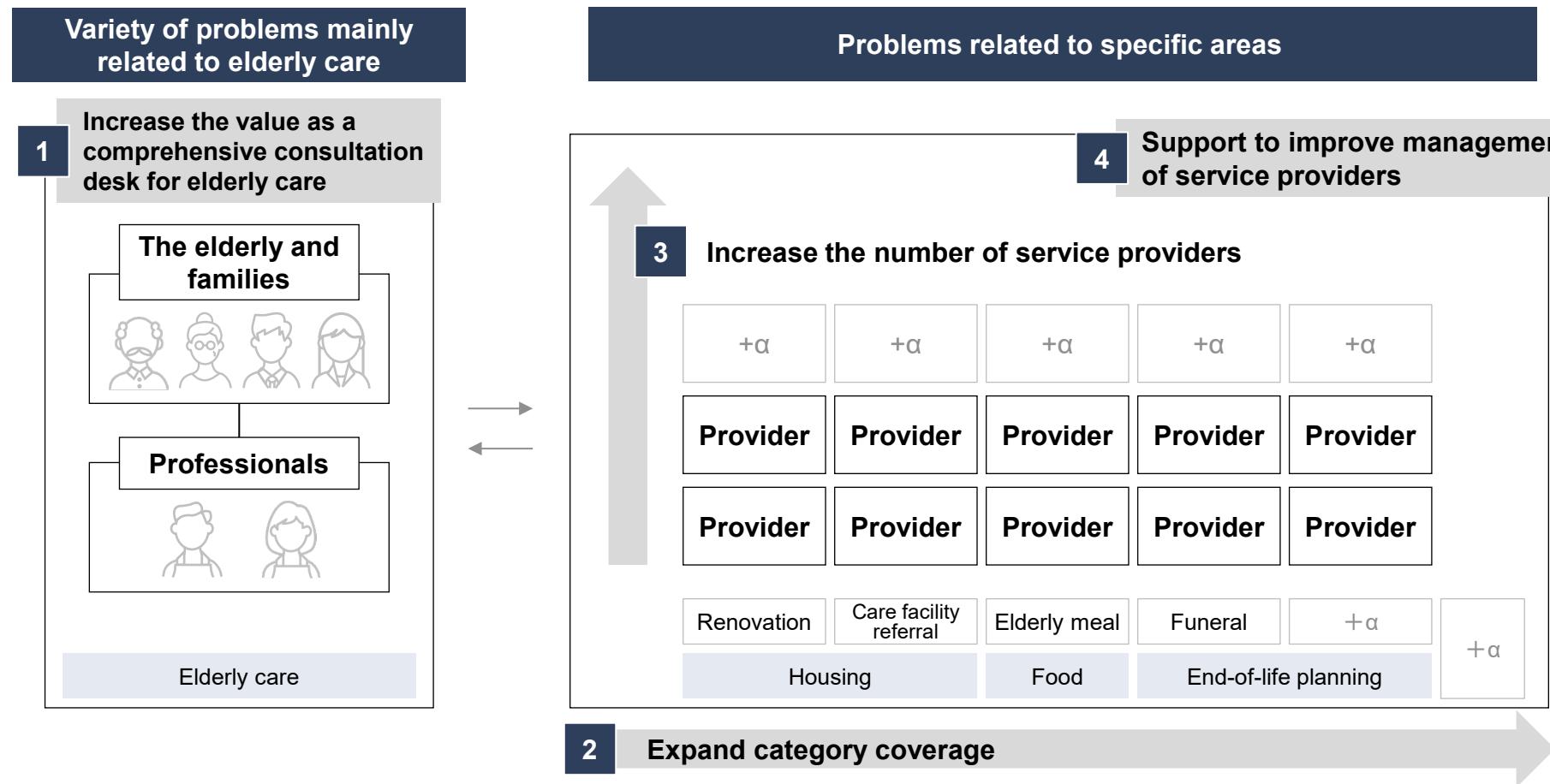
Problem-Solving Platform

- Help to solve a variety of problems, mainly related to elderly care, through communication among those who have similar problems and advice from professionals.
- Refer service providers to solve problems related to specific categories such as housing, food, and end-of-life planning.



Strategy of Senior Life Business

Maximize the value as a problem-solving platform by No. 1 – 4 below.

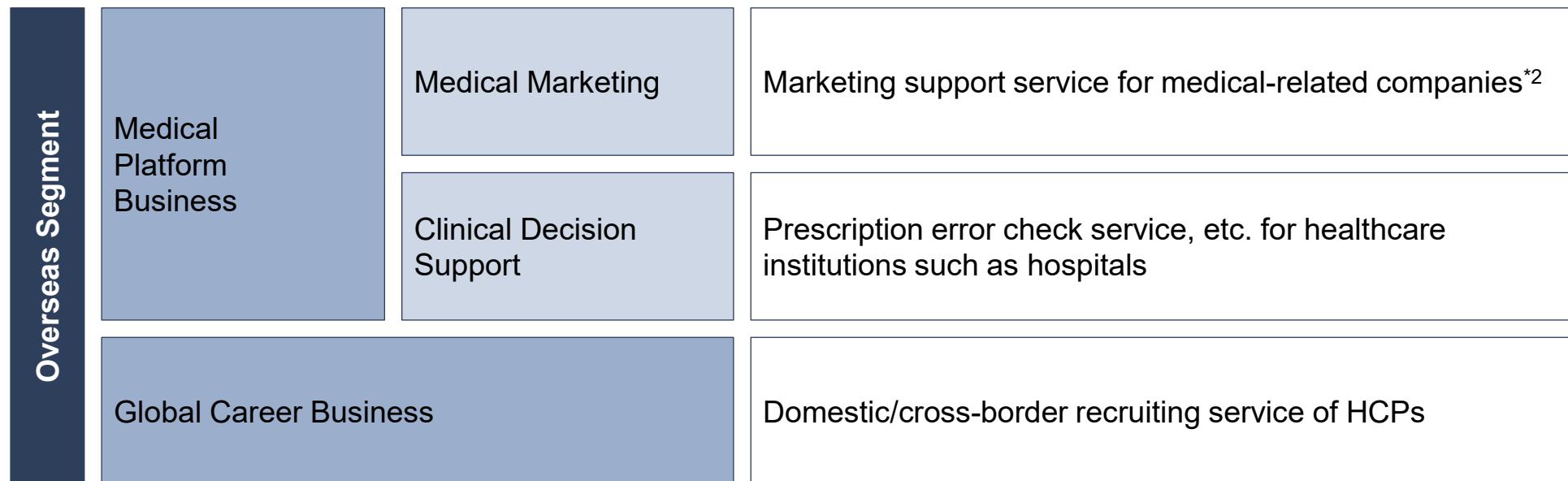


Overseas Strategy

Overview of Overseas Segment

- Define two strategic business areas in the segment:
 - **Medical Platform Business**, operated mainly in MIMS group, which we acquired in 2015, and
 - **Global Career Business**, which supports recruitment of HCPs^{*1} around the world.

Overseas Business Structure



1. HCP: Healthcare professionals

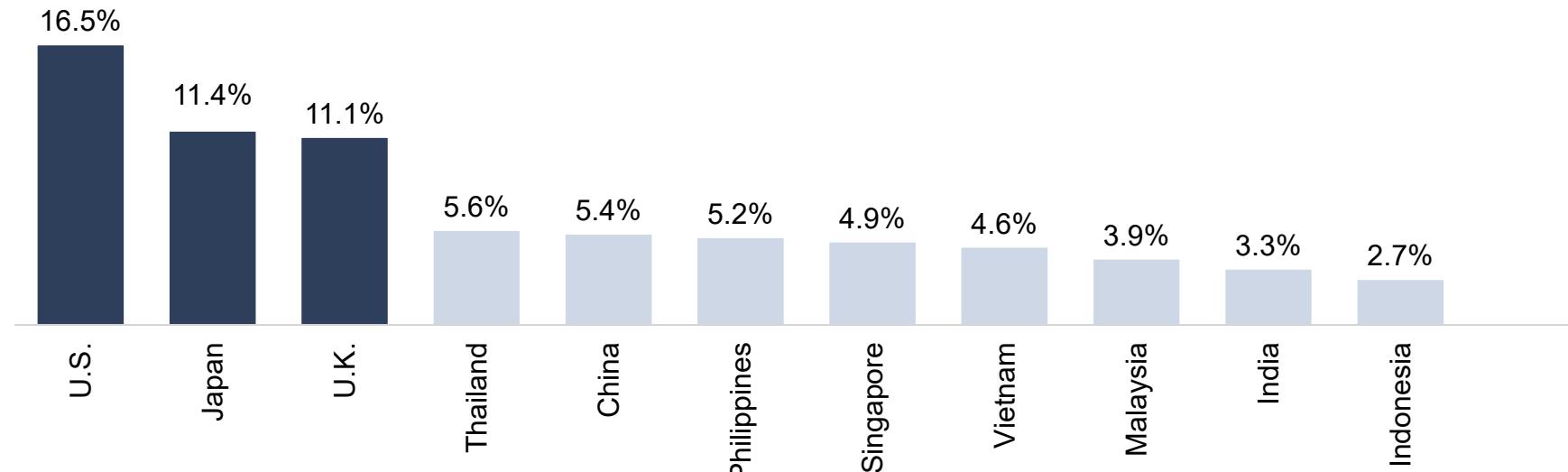
2. Operators such as pharmaceutical companies, medical device manufacturers, healthcare service operators, and industrial group.

Medical Platform Business

Issue: Low Availability of Medicines and Medical Devices, and Inadequate Quality of Medical Care in APAC

- Health expenditure per economic scale in APAC is less than in developed countries.
- Medical-related companies face high entry barriers, as the medical systems, regulations, languages, cultures, and social customs are different by country.
- This results in the social issue of low availability of medicines/medical devices and inadequate quality of medical care.

Health Expenditure to GDP^{*1}



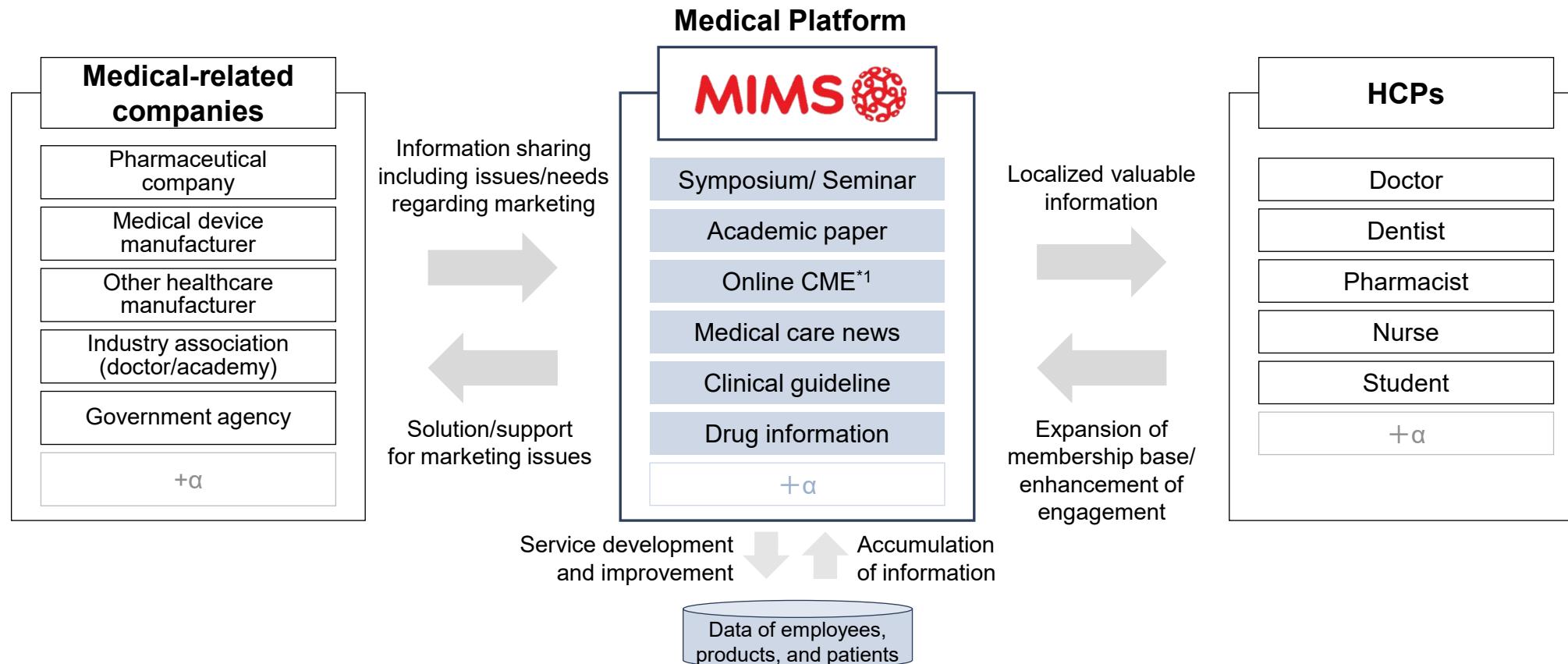
1. WHO "Global Health Expenditure Database" (2022)

Mission of Medical Platform Business

We aim to contribute to realizing healthy and high-quality lives by improving the availability and safety of medical care in APAC.

Medical Platform

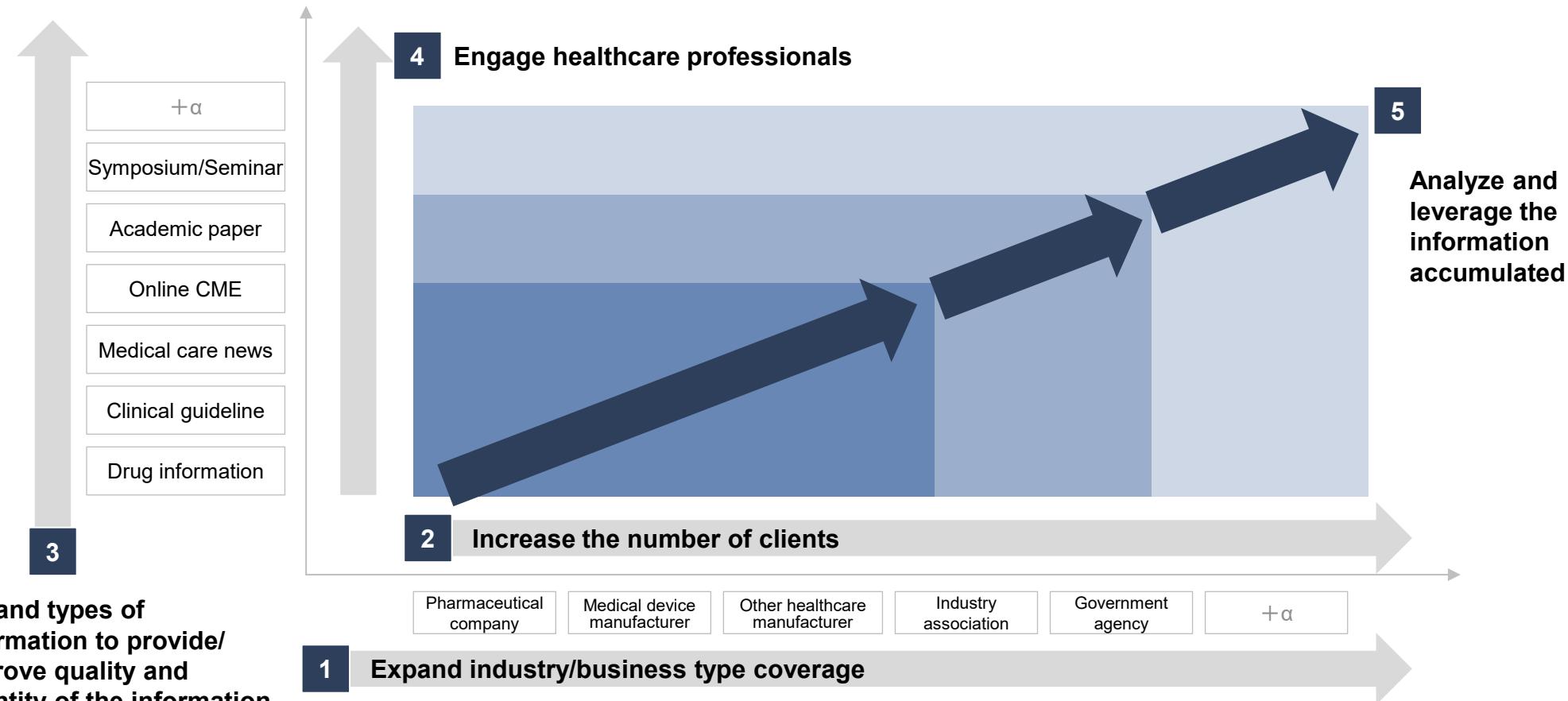
- Support the marketing activities of medical-related companies by using our membership base of healthcare professionals (HCPs) in APAC.
- Expand our membership base of HCPs and enhance their engagement by providing localized valuable information, thereby making marketing activities of medical-related companies more effective and efficient.



1. CME: Continuing medical education

Strategy of Medical Platform Business

Maximize the value as a medical platform by No. 1 – 5 below.

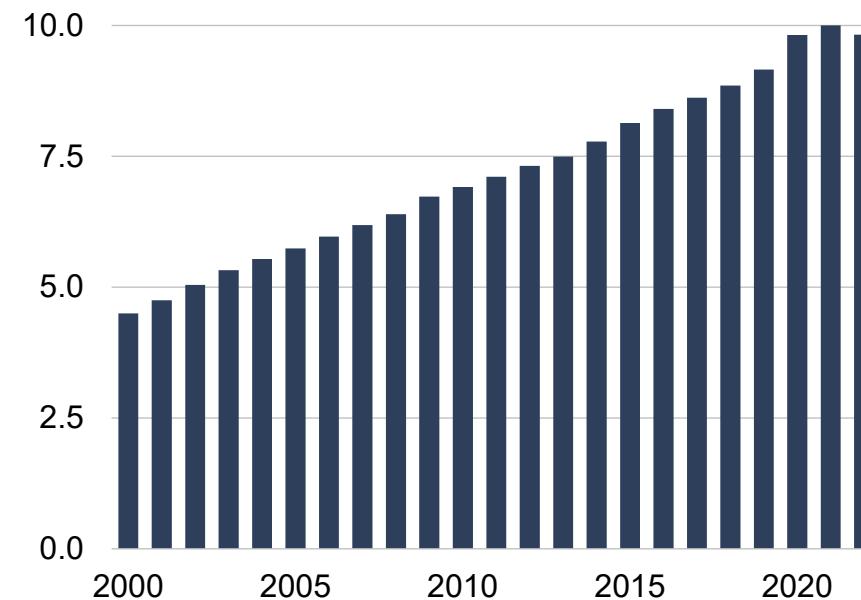


Global Career Business

Issue: Global Shortage and Uneven Distribution of Healthcare Professionals

- While the situation surrounding medical care services differs greatly among countries and regions, the demand for medical care is continuously increasing around the world due to economic growth and population aging.
- The shortage and uneven distribution of healthcare professionals has become an issue in many countries due to the increasing demand for medical care.

Health Expenditure^{*1}
(in USD trillions)



Expected Shortage of Nurses^{*2}
(in thousands)

	Japan	320	(2040)
	Germany	390	(2035)
	Australia	120	(2030)
	South Korea	160	(2030)
	Saudi Arabia	100	(2030)

1. WHO "Global Health Expenditure Database" (FX rates: 2022)

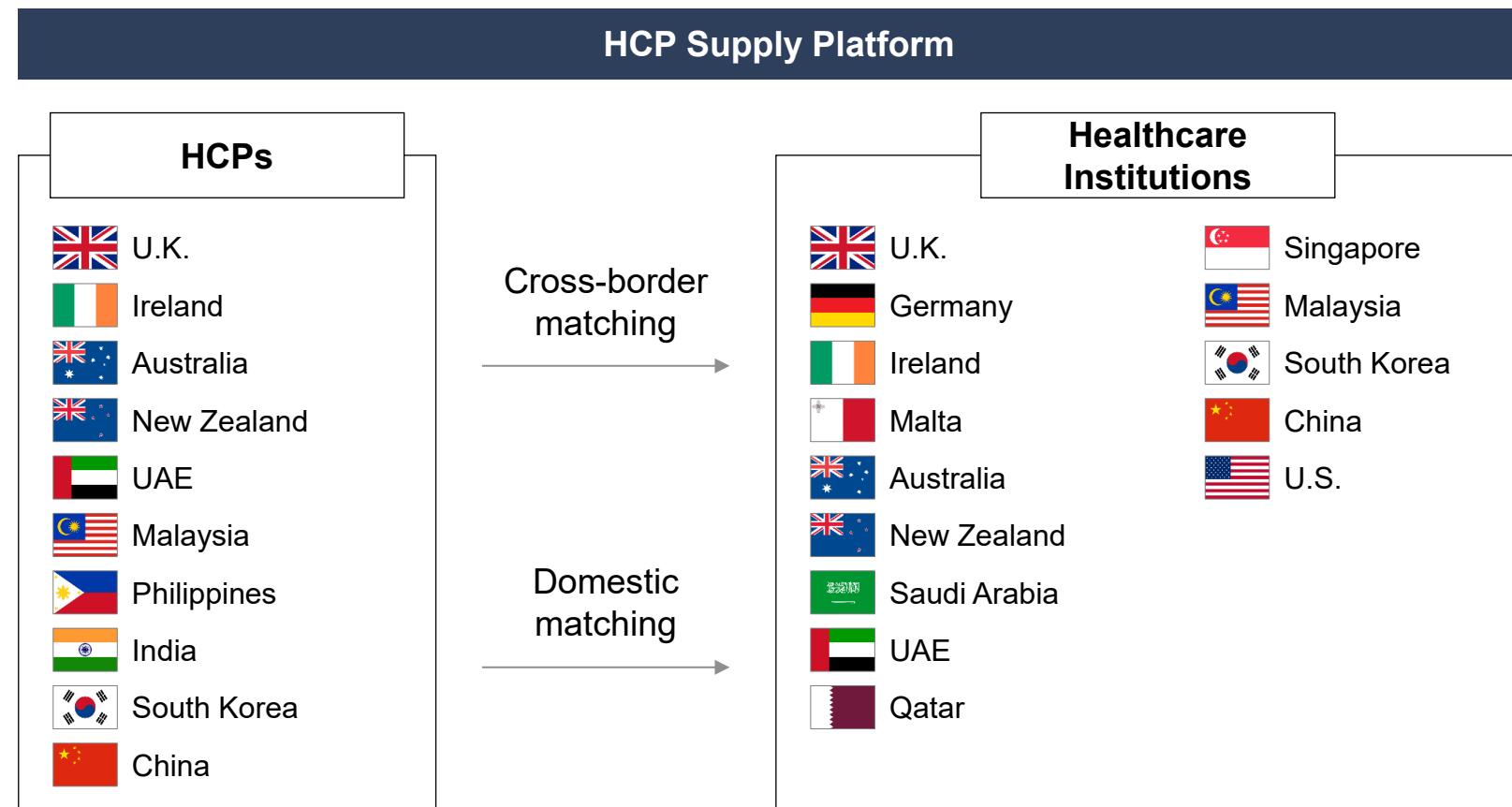
2. Japan: MHLW, "Status of securing nurses and other nursing staff", Germany: PwC "Fachkräftemangel im Gesundheitswesen: Wenn die Pflege selbst zum Pflegefall wird", Australia: Department of Health and Aged Care "Australia's Future Health Workforce – Nurses Overview Report", South Korea: Korea Institute for Health and Social Affairs "2017 mid- to long-term supply and demand outlook for major health and medical personnel", Saudi Arabia: Nourah Alsadaan, Linda K. Jones, Amanda Kimpton and Cliff DaCosta "Challenges Facing the Nursing Profession in Saudi Arabia: An Integrative Review"

Mission of Global Career Business

We aim to contribute to improving the quality of medical care around the world by solving the shortage and uneven distribution of healthcare professionals.

HCP^{*1} Supply Platform

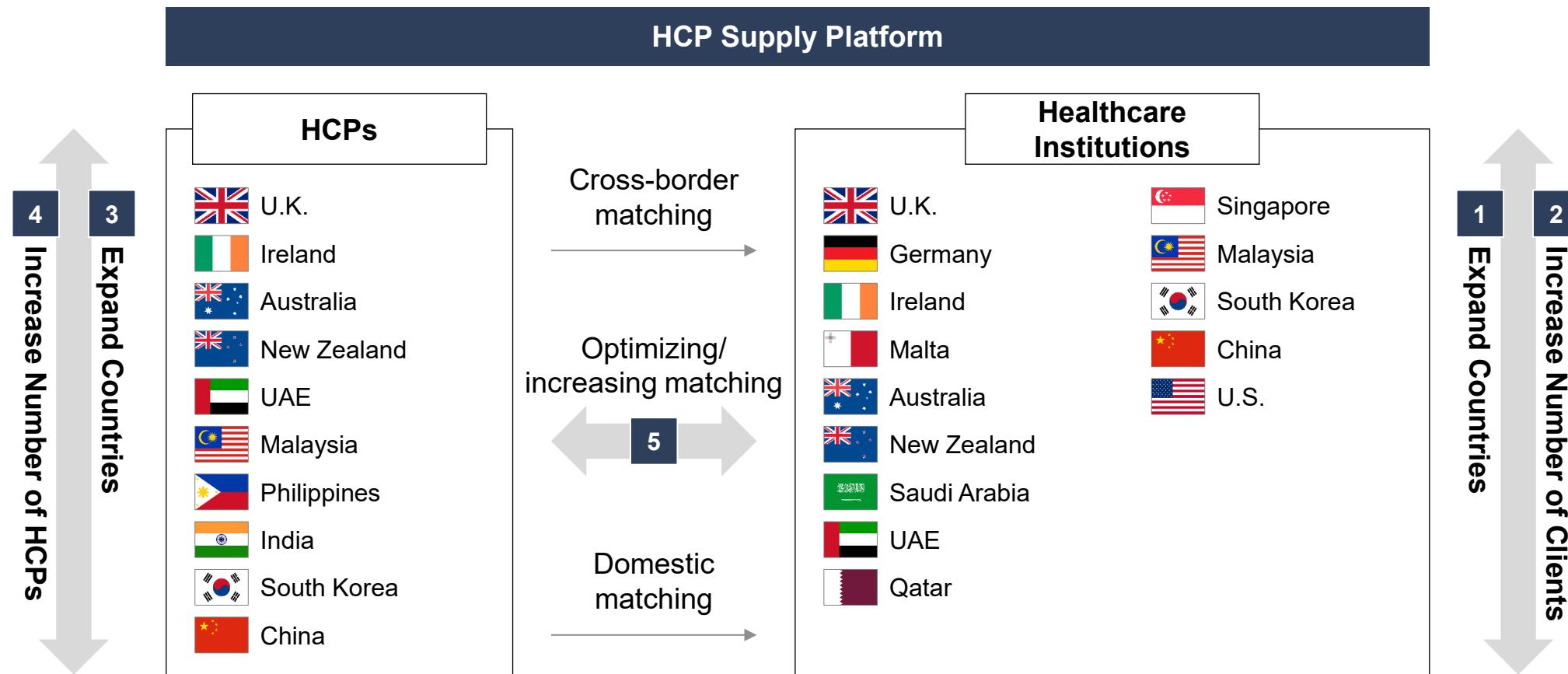
Promote optimal cross-border and domestic matching according to the supply of HCPs and the demand from healthcare institutions^{*2}.



1. HCP: Healthcare professional
2. Hospitals, clinics etc.

Strategy of Global Career Business

Maximize the value as a HCP supply platform by No. 1 – 5 below.

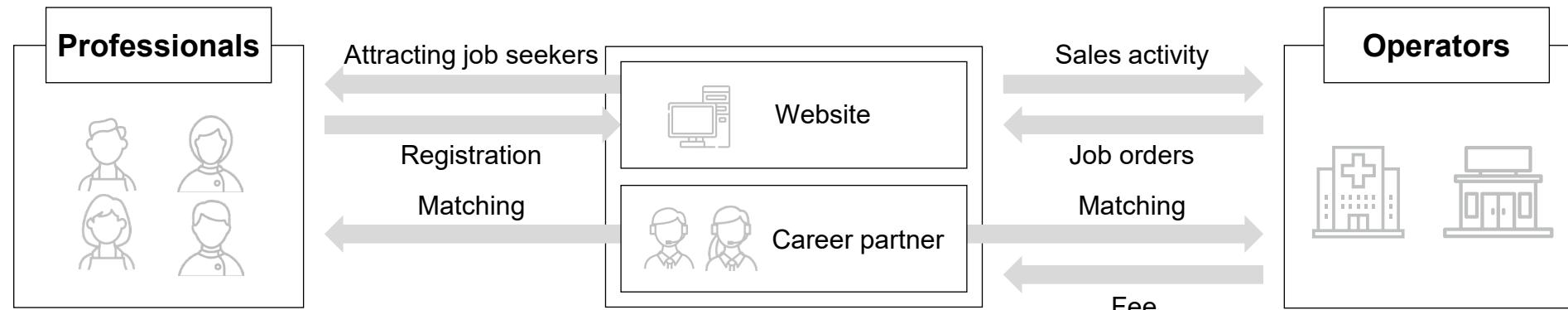


Appendix

Business Model of Career Business

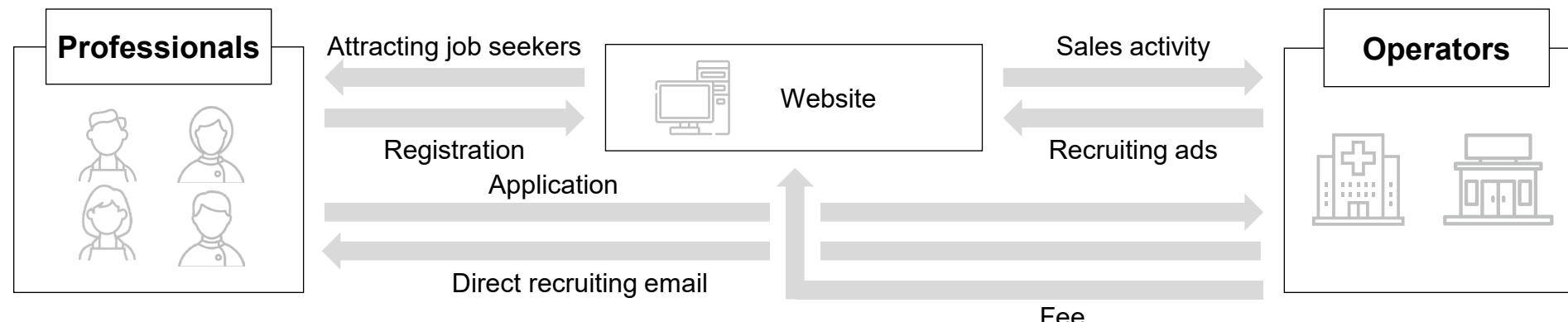
Business model of Recruiting Agent

Receive a fee from a hiring business operator, calculated as a certain percentage of an annual salary, depending on the occupation, when an applicant joins.



Business model of Direct Recruiting

Receive a fee from a hiring business operator, based on the occupation, when an applicant joins.



Kaipoke's Main Services

Subscription-based management support platform providing more than 40 services as a package^{*1}

Insurance Claim	<ul style="list-style-type: none">• Elderly care operators can claim for the reimbursement of insurance efficiently.
Recruitment	<ul style="list-style-type: none">• Support the recruitment of professionals working for elderly/disability care operators, in collaboration with Career Business.
Back-office Support	<ul style="list-style-type: none">• Support for improving the efficiency of back-office operations, including labor management (such as staff attendance management, payroll calculation/transfers), business management, client billing information management, and accounting processing.
Operation Improvement	<ul style="list-style-type: none">• Provide iPads to care workers, allowing them to complete documentation on-site.
Opening Support	<ul style="list-style-type: none">• Support procedures needed to open an elderly care business such as application for designation, financing, finding office properties and market research.
Finance	<ul style="list-style-type: none">• Provide factoring services to improve operators' cash flows.
Purchasing	<ul style="list-style-type: none">• Elderly/disability care operators can procure various equipment and supplies, such as rental smartphones, in an easy and inexpensive way.
Business Succession	<ul style="list-style-type: none">• Supporting the succession of elderly/disability care operators

1. Additional payments are required for the use of iPads, factoring, etc.

MIMS Group Profile

MIMS group global coverage



MIMS group profile

Founded 1963

Business • Medical Platform
• Global Career

Global coverage 17 countries and regions,
mainly in APAC

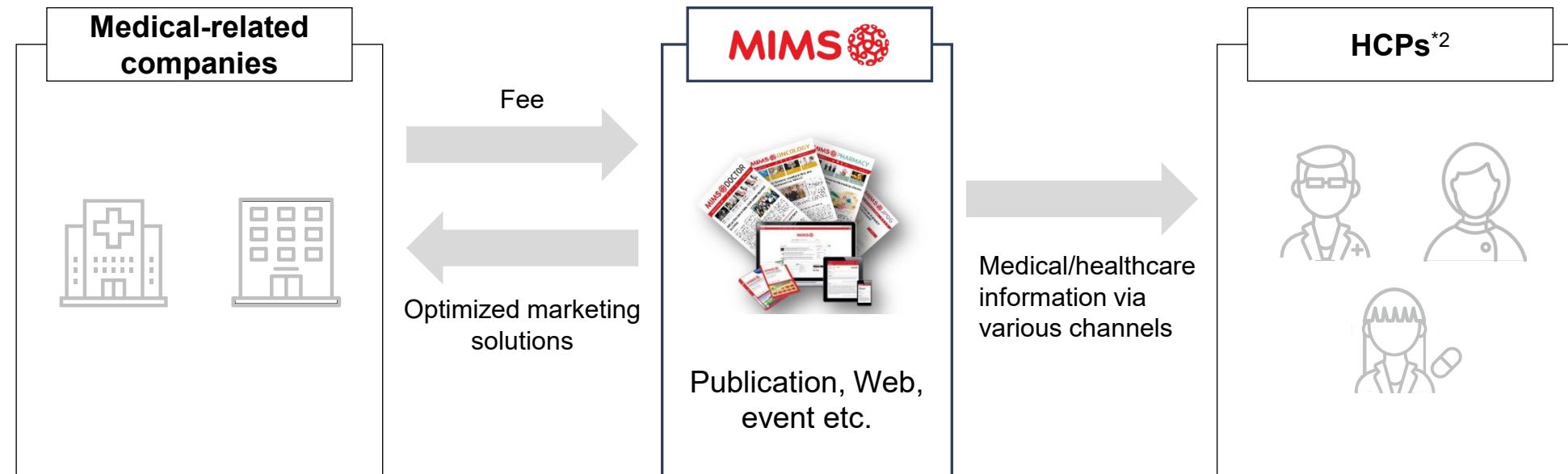
Number of
memberships 3.65 million^{*1}

Acquisition date October 7, 2015

1. As of December 2024

Business Model of Medical Marketing

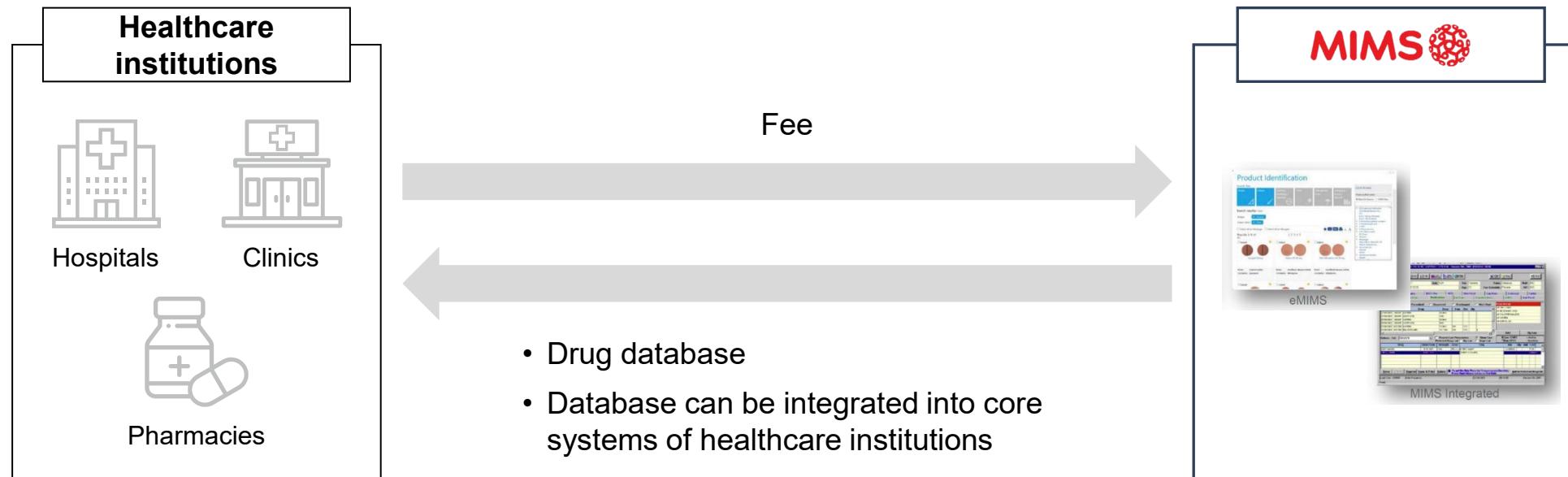
Support marketing activities of medical-related companies^{*1}



1. Operators such as pharmaceutical companies, medical device manufacturers, healthcare service operators, and industrial group
2. Healthcare professionals such as doctors, nurses, and pharmacists

Business Model of Clinical Decision Support

Provide a drug database for prescription error checks in healthcare institutions



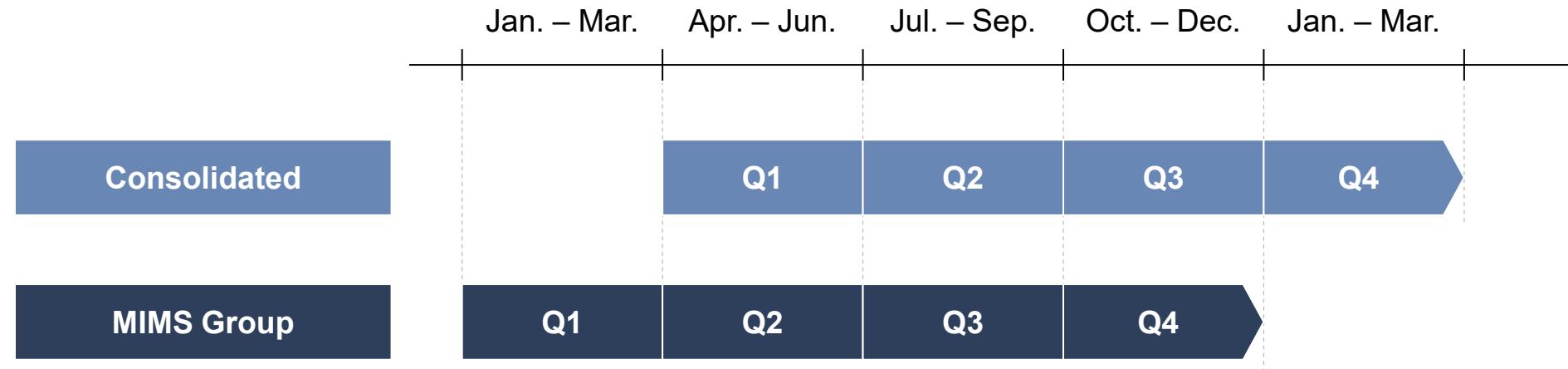
Expansion of the Global Career Business

Starting with the acquisition of NURSCAPE in South Korea in 2011, we have expanded our overseas bases steadily to Malaysia in 2017, to the Philippines in 2018, to Europe and Oceania in 2019, and to Germany in 2022.

Sep. 2011	 South Korea	 Acquired NURSCAPE	<p>Launched the Global Career Business.</p> <ul style="list-style-type: none"> Started career-related business for nurses in South Korea
Jun. 2017	 Malaysia	 Acquired MELORITA	<p>Launched cross-border matching.</p> <ul style="list-style-type: none"> Started cross-border introduction of Malaysian healthcare professionals(HCPs) to hospitals in the middle east and other countries.
May 2018	 the Philippines	 Acquired MSR	<p>Increased the number of countries from which nurses are introduced.</p> <ul style="list-style-type: none"> Started introduction of Filipino HCPs to hospitals in the middle east and other countries.
Aug. 2019	 Ireland Australia	 Acquired CCM	<p>Expanded business to Europe and Oceania.</p> <ul style="list-style-type: none"> Started matching for European/Oceanian HCPs. Expanded client hospitals in Europe/Oceania for HCPs from Southeast Asia and other countries.
Dec. 2022	 Germany	 Acquired CWC/CF	<p>Expanded business to Germany.</p> <ul style="list-style-type: none"> Started cross-border introduction of foreign nurses to healthcare institutions and elderly care operators in Germany.

Consolidation of MIMS Group Financial Results

Income statement of MIMS group is consolidated to income statement of SMS following a time lag of three months.



Business Portfolio*1 – Career*2

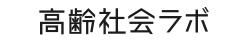
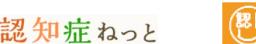
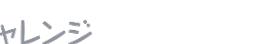
Segment	Category	Services				
Elderly Care Career	RAG*3 services	RAG for care workers カイゴジョブ イーアジエント	RAG for PT/OT/ST PT OT 人材バンク PT/OT JINZAI BANK	RAG for care managers, social workers, and disability care workers C&B ケア人材バンク		
	Others	Cross-occupational DR*3 platform ウェルミージョブ	School for workers in the elderly care field カイゴジョブ アカデミー	Certification course information 認証日記		
Medical Care Career	RAG services	RAG for nurses ナース専科 転職	RAG for radiological technologists HJB 放射線技師人材バンク	RAG for medical technologists KJB 検査技師人材バンク	RAG for clinical engineers CEJB 工学技士人材バンク	RAG for childcare workers HOJB 保育士人材バンク
	Others	RAG for Judo therapists etc. 国試黒本 ■就職・転職■ 治療家エージェント	RAG for registered dietitians/dietitians エイチエイ 転職	Web community for nurses and nursing students ナース専科	DR for Judo therapists etc. JOB NOTE	National examination reference book for Judo therapists etc. 国試黒本

1. As of January 2026

2. Career businesses for doctors and pharmacists are operated by M3 Career, Inc., a JV between M3, Inc.(51%) and SMS (49%).

3. DR: Direct recruiting RAG: Recruiting agent service

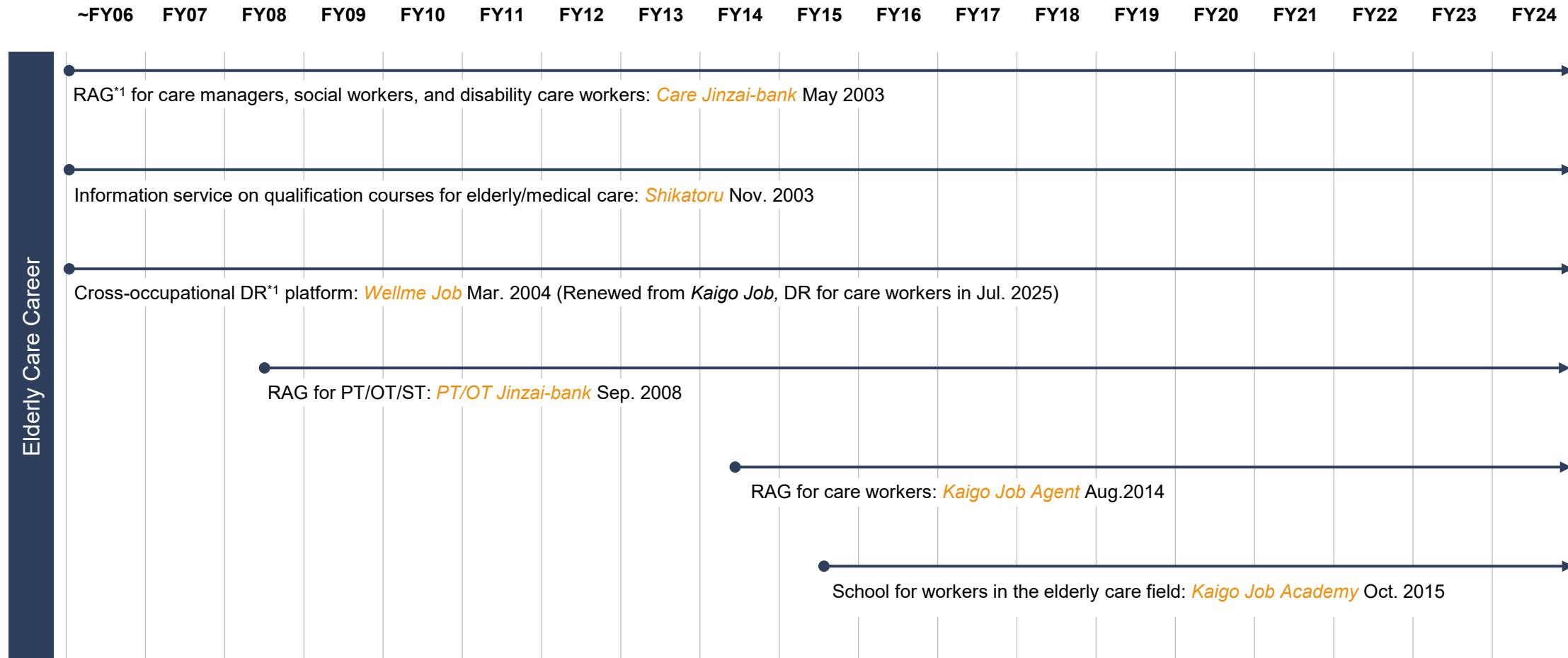
Business Portfolio*1 – Elderly/Disability Care Operators, Overseas, New Business

Segment	Services						
Elderly/Disability Care Operators	Management support platform for elderly/disability care operators  カイポケ  かべなし クラウド	Information portal for management of elderly care operators  介護経営ドットコム	Research and information on the aging society  高齢社会ラボ	RAG*2 for persons with disabilities  かべなし 求人ナビ	Information service on employment support offices for persons with disabilities  かべなし 就労支援ナビ		
Overseas	Medical Marketing Clinical Decision Support  MIMS	Cross-border RAG for healthcare professionals (Malaysia, Philippines, Ireland, UK, Germany, etc.)  MSR  CCM RECRUITMENT INTERNATIONAL		Career related service for nurses (South Korea)  care forward		 너스케임	
New Business (Healthcare)	Preventive solution for lifestyle-related diseases  専門医・管理栄養士による遠隔チャット指導	Health guidance solution  専門医・管理栄養士による遠隔チャット指導	Quit-smoking support using ICT  バーソナライズ 禁煙指導サービス	Quit-smoking solution with behavior therapy  1to1 One to One 禁煙指導サービス	Information portal of dementia  認知症ねっと	Solution for dementia prevention  専門医監修 認ドトレ	Habitual support for dementia prevention  認ドチャレンジ
New Business (Senior life)	Web community for registered dietitians/dietitians  エイチエイ	Frailty prevention service  介護・フレイル予防DX	Health maintenance/promotion support for women  LADY to GO!	Remote industrial health service  リモート産業保健	Information portal of industrial health service  サンエイ	Stress checks specialized for medical care and elderly care industries  Stress Check	Solution for balancing work with family care  仕事と介護の両立支援サービス 安心介護 for biz

1. As of January 2026

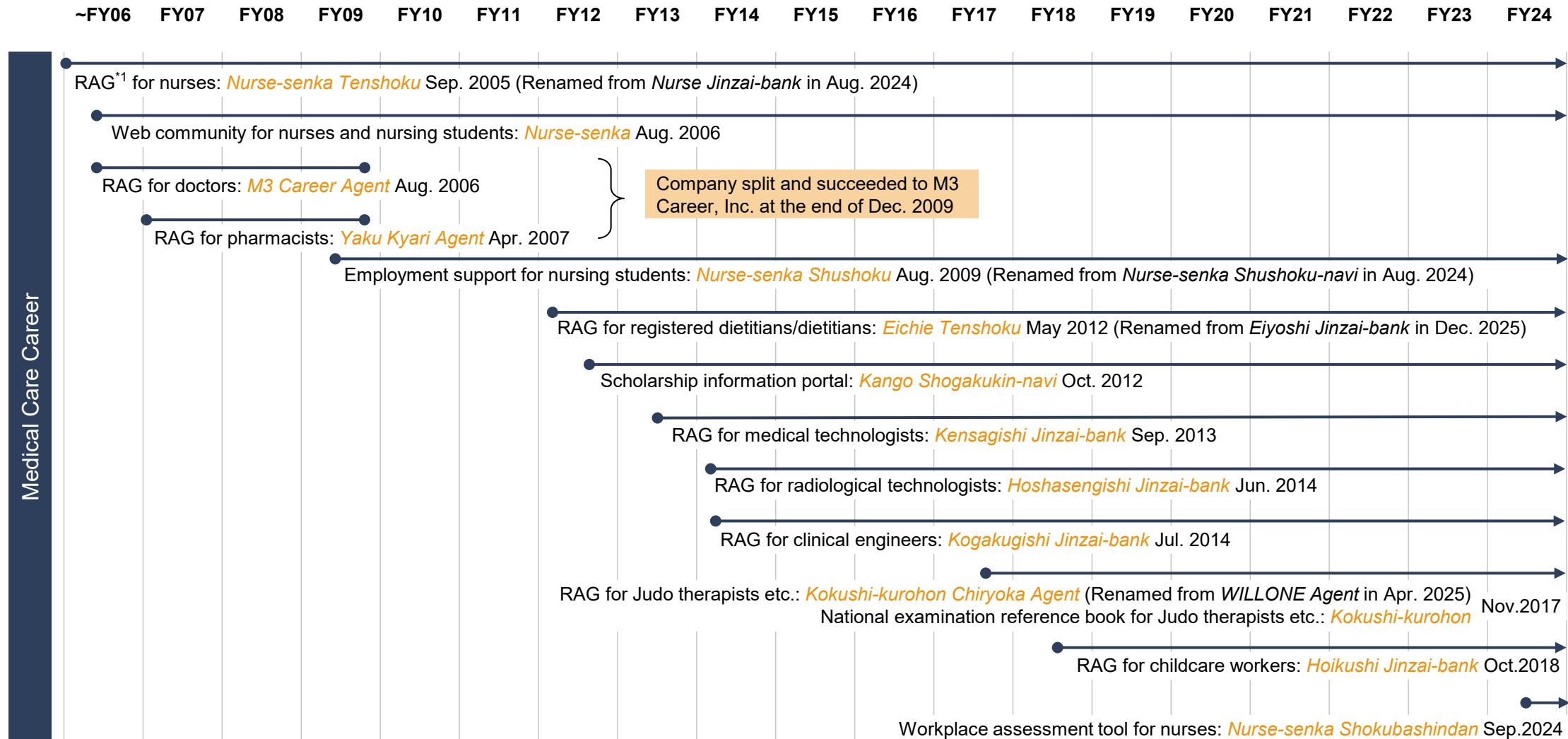
2. RAG: Recruiting agent service

History of Service Launches – Elderly Care Career



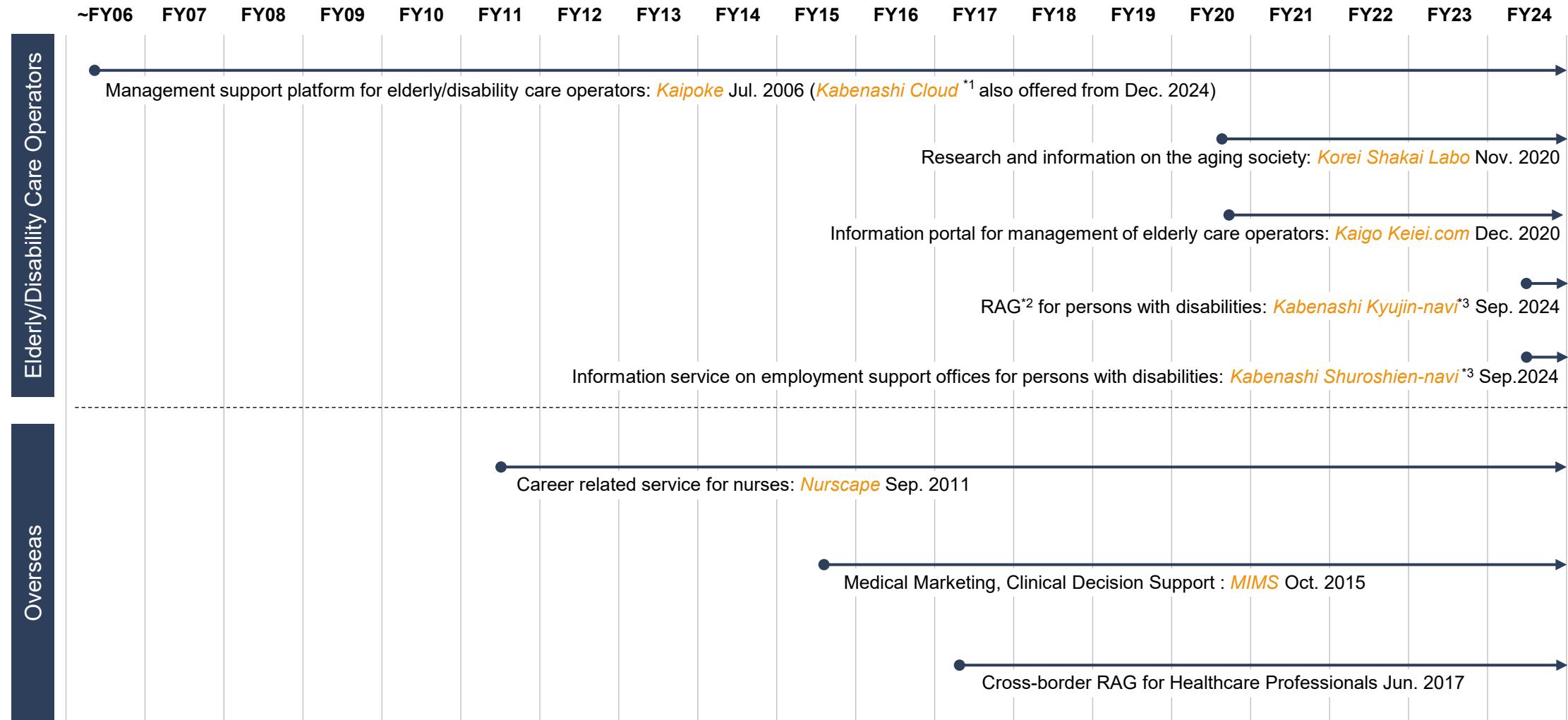
1. RAG: Recruiting agent service DR: Direct recruiting

History of Service Launches – Medical Care Career



1. RAG: Recruiting agent service

History of Service Launches – Elderly/Disability Care Operators, Overseas

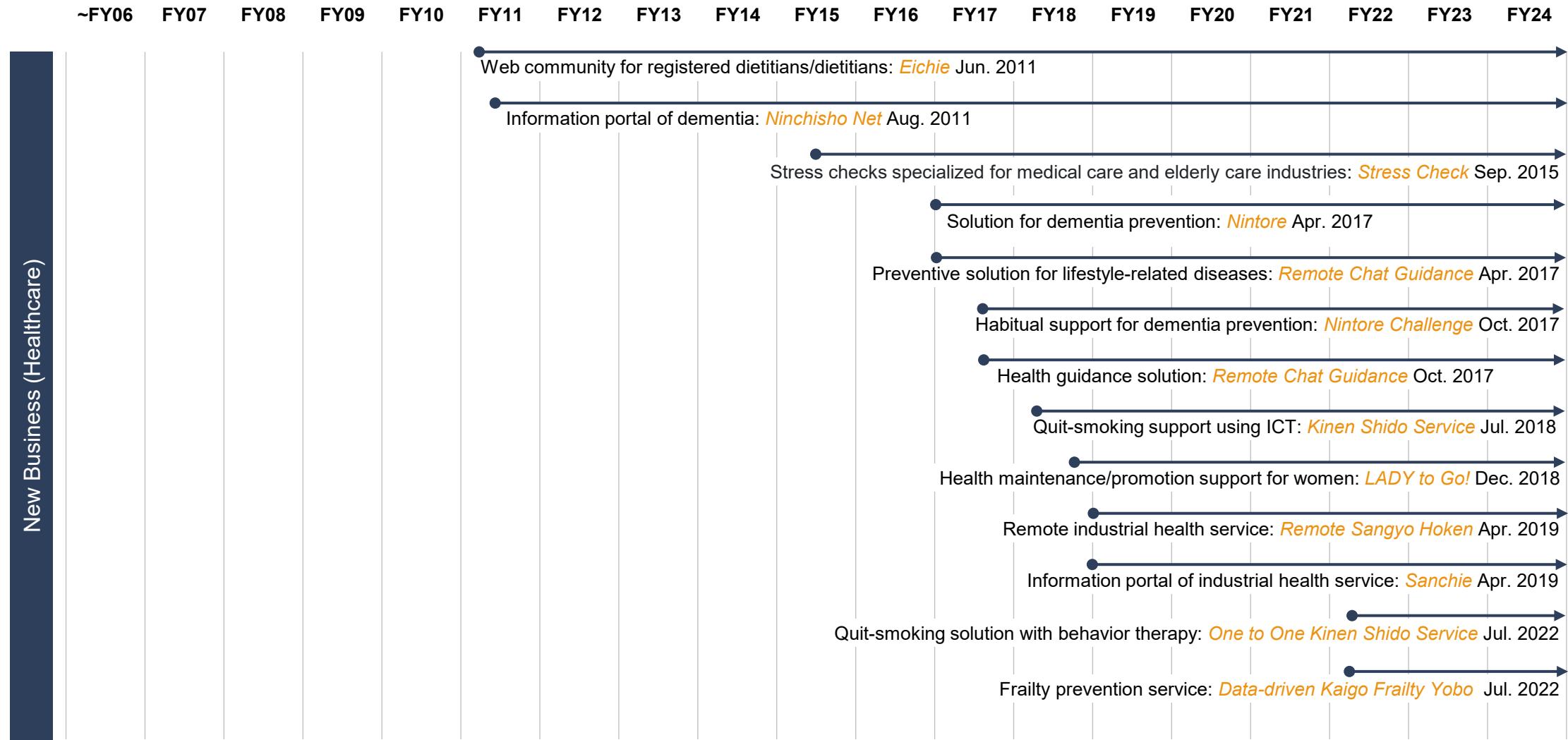


1. Renewed from "PROJECT RIN" in June 2025.

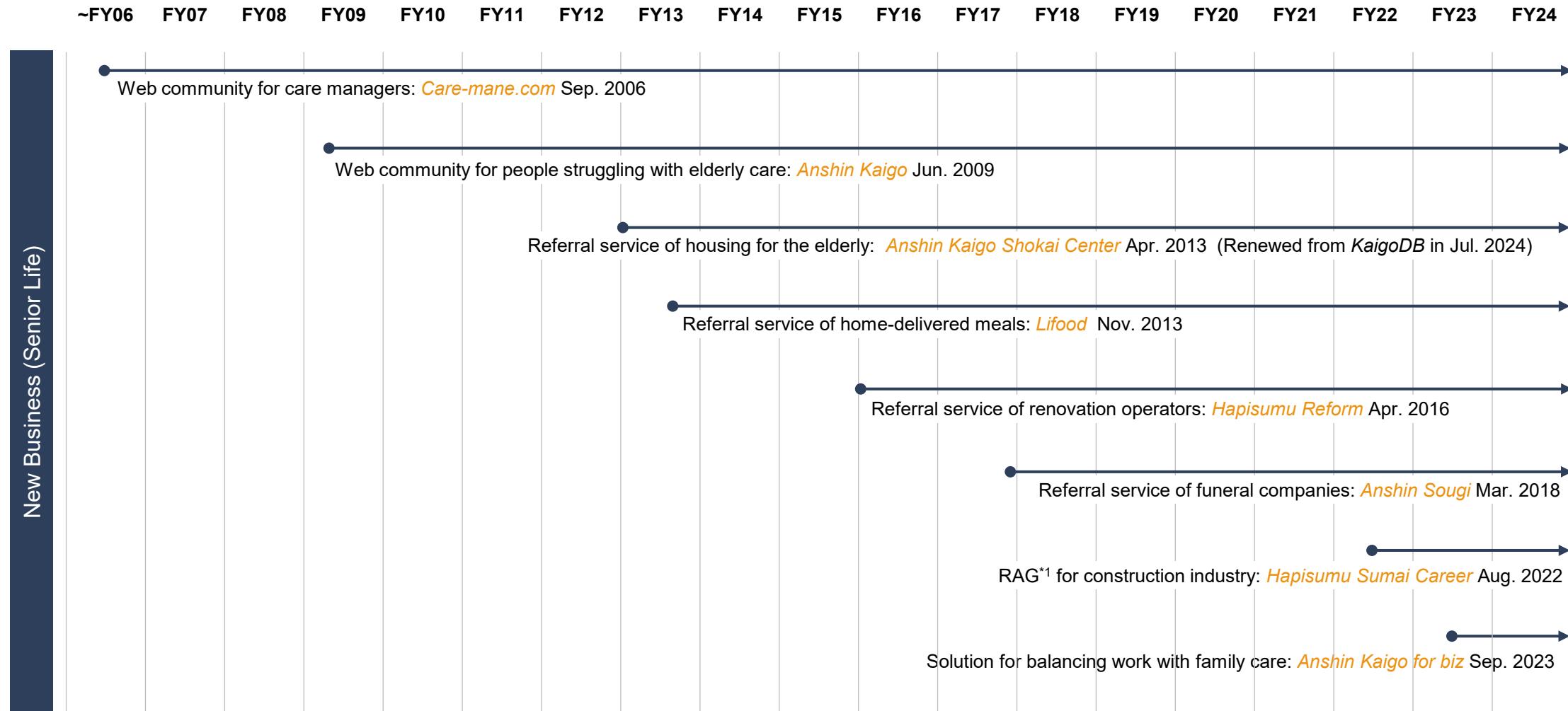
2. RAG: Recruiting agent service

3. Renewed from "DEIGO Kyujin-navi" and "DEIGO Shuroshien-navi" in September 2025.

History of Service Launches – New Business (Healthcare)



History of Service Launches – New Business (Senior Life)



1. RAG: Recruiting agent service

Medium-Term Targets

- Aim to achieve a Compound Annual Growth Rate (CAGR) of 15% in Earnings Per Share (EPS) and a Return on Equity (ROE) of 20%.
- We will continue to invest aiming for EPS growth and ROE improvement, while also flexibly implementing measures for shareholder returns.

Medium-term targets for management indicators and approach to shareholder returns

Management indicators	EPS	Achieve 15% or higher CAGR by FY03/31 ^{*1}
	ROE	Achieve 20% ROE at the earliest possible time, by FY03/31 ^{*2}
Shareholder returns	Dividends	Dividend payout ratio of 30% and progressive dividend policy ^{*3*4}
	Share Repurchase	Implement flexibly, according to financial conditions and share price levels

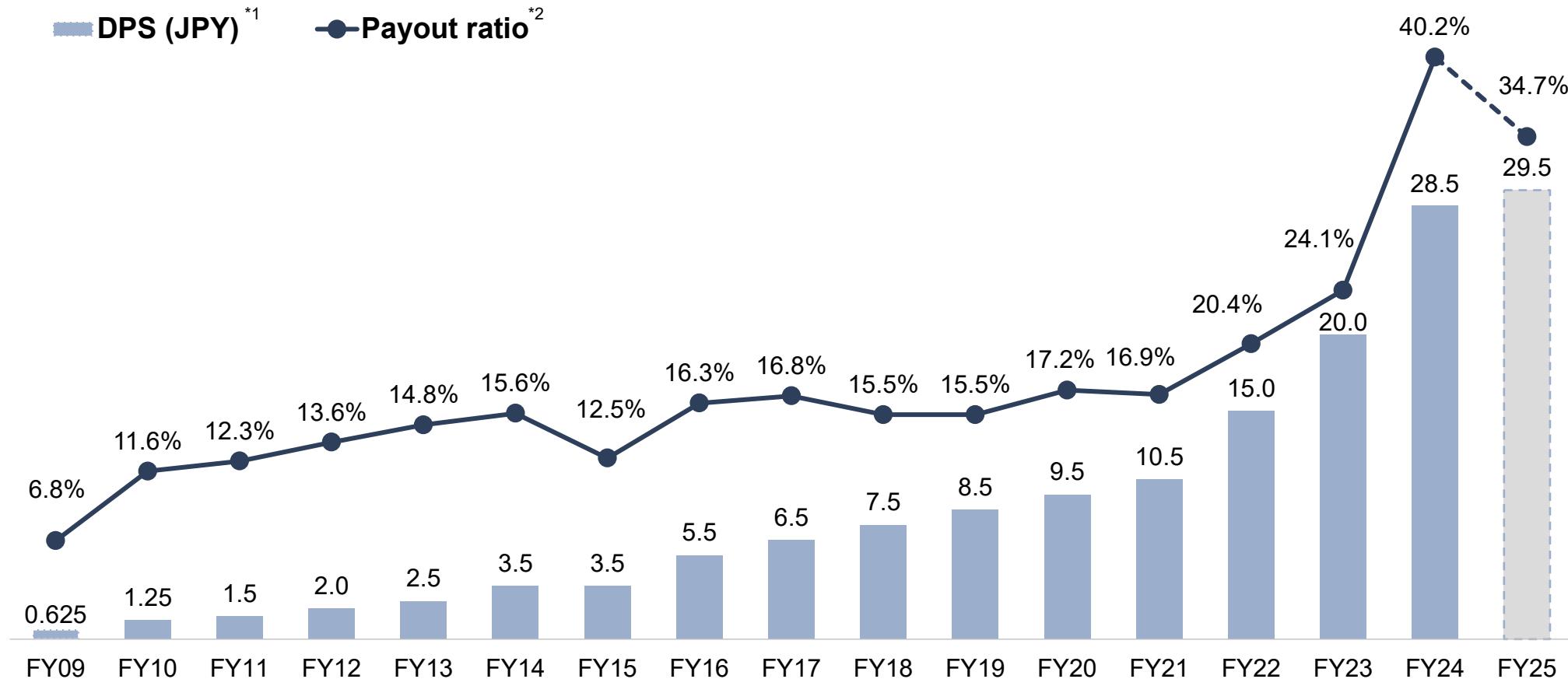
1. Compound Annual Growth Rate (CAGR) calculated based on results from FY03/25 through FY03/31

2. ROE calculated excluding foreign currency translation adjustments, which are subject to significant fluctuations due to foreign exchange effects, from the denominator

3. Dividend per share to be maintained or increased compared with the previous fiscal year

4. However, this does not apply in the event of major investment opportunities such as M&A.

Dividends



1. Past stock splits are taken into account for the DPS calculation.

2. Payout ratio = DPS / EPS

Historical Financial Results

(in JPY millions)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Net Sales	58	383	835	1,545	2,715	5,177	7,172	7,618	8,692	10,181	12,046	15,056	19,069	23,054	26,611	30,836	35,140	35,960	38,899	45,667	53,973	60,952
Operating Income	(5)	52	109	269	426	1,230	1,261	1,480	1,519	1,570	1,730	2,079	2,756	3,646	4,021	4,743	4,935	5,470	6,318	7,279	8,269	6,335
Ordinary Income	(5)	49	108	269	415	1,238	1,266	1,530	1,734	1,990	2,340	2,693	3,509	4,430	5,007	5,979	6,355	6,653	7,726	8,759	9,901	8,357
Net Income	(5)	31	63	157	244	719	717	876	1,004	1,226	1,380	1,824	2,265	2,801	3,361	4,216	4,760	4,800	5,408	6,406	7,227	6,054
EPS ¹ (JPY)	(5.8)	1.8	1.5	2.2	3.3	9.2	9.2	11.1	12.2	14.9	16.8	22.4	27.9	33.7	38.7	48.5	54.7	55.1	62.1	73.5	83.0	71.0
Total Assets	59	357	566	1,016	1,806	3,118	3,645	4,672	5,716	6,948	8,406	11,421	41,689	43,231	46,087	47,467	50,996	49,444	56,585	65,098	72,475	76,540
Liabilities	55	166	196	489	822	1,410	1,266	1,430	1,579	1,794	2,331	4,497	28,532	21,648	22,446	31,928	31,597	26,785	26,594	26,677	28,190	29,221
Net Assets	4	190	369	527	983	1,708	2,379	3,242	4,136	5,153	6,074	6,923	13,157	21,583	23,641	15,539	19,398	22,658	29,991	38,421	44,284	47,319
Equity Ratio (%)	7.5	53.3	65.3	51.9	54.4	54.8	65.2	69.2	72.3	74.1	71.5	59.7	20.5	39.6	41.8	32.4	37.7	45.3	52.4	58.3	60.7	61.5
ROE ² (%)	(124.9)	31.8	22.8	35.1	32.3	53.4	35.1	31.2	27.1	26.2	24.7	29.1	30.3	21.2	17.4	22.3	24.7	20.5	19.2	19.2	18.9	14.9
DPS ¹ (JPY)	-	-	-	-	-	0.625	0.625	1.25	1.5	2.0	2.5	3.5	3.5	5.5	6.5	7.5	8.5	9.5	10.5	15.0	20.0	28.5
Dividend Payout Ratio (%)	-	-	-	-	-	6.8	6.8	11.6	12.3	13.6	14.8	15.6	12.5	16.3	16.8	15.5	15.5	17.2	16.9	20.4	24.1	40.2
TSR ^{1,3} (%)	-	-	-	-	-	-	-	-	-	-	177.1	514.5	1,150.3	1,057.5	682.8	402.3	263.6	317.8	243.5	143.2	132.6	57.8

1. Past stock splits are taken into account for the EPS, DPS and TSR calculations.

2. ROE (from FY10 onwards) calculated excluding foreign currency translation adjustments, which are subject to significant fluctuations due to foreign exchange effects, from the denominator

3. (Ending share price of the fiscal year + Total dividends paid over 5 years) / Ending share price 5 fiscal years ago

Number of Employees and Shareholder Composition

Number of Employees

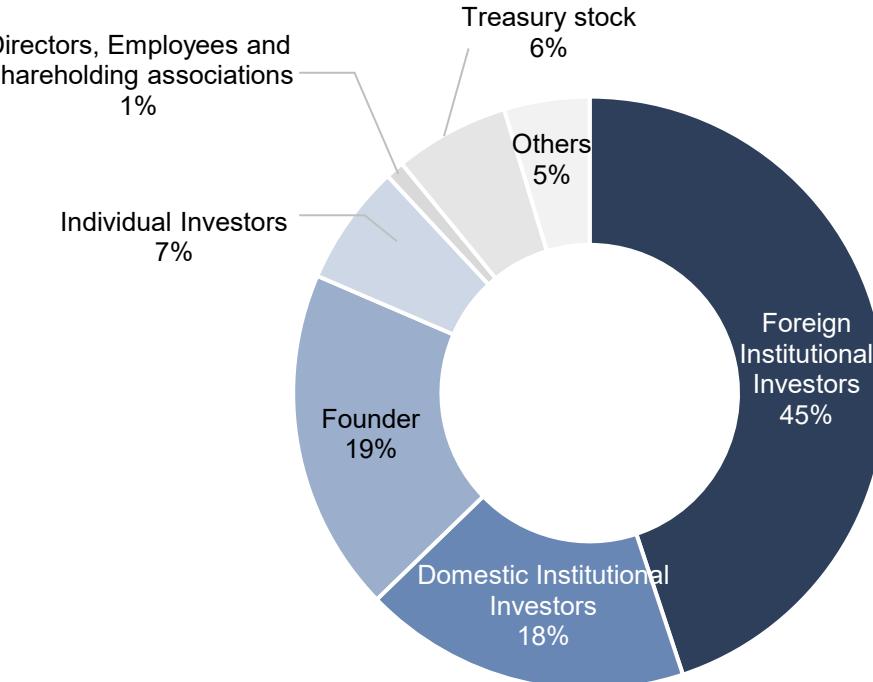
As of December 31, 2025:

Category	# of Employees
Consolidated	4,731
Japan	3,587
Overseas	1,144

Shareholder Composition*1

As of September 30, 2025 :

Number of shareholders 8,994



1. Pie chart shows the ratio of number of stocks held by each category.

Cautionary Statement with Respect to Forward-Looking Statements

These materials contain forward-looking statements, including estimates, projections, and statements related to the business operations of SMS Co., Ltd. (hereinafter, "the Company") based on current expectations and assumptions in light of the information available to the Company as of December 31, 2025. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. These factors include, but are not limited to:

- changes in economic conditions, market demand, and the competitive environment affecting Japan, Asia and other markets in which the Company operates;
- reliance on digital and information technology, including with respect to the handling of medical care, elderly/disability care and other client information and operation of the Company's online community services;
- Inability to effectively execute M&A/business alliance and overseas expansion strategies;
- Changes in the laws, regulations and government policies in the markets in which the Company operates, particularly relating to employment placement, medical care, and elderly/disability care;
- any damage to the brand image;
- risk of infringing intellectual property rights;
- fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the US dollar, the Singapore dollar, the Hong Kong dollar and the Australian dollar; and
- risk of impairment losses, particularly with respect to goodwill, trademark right and customer-related assets recognized in connection of the acquisition of Medica Asia (Holdco) Limited in October 2015.

A discussion of these and other factors which may affect the Company's actual results, performance, achievements or financial position is described in "Business Risks" contained in the Company's corporate website^{*1}.

We do not intend, and disclaim any duty, to update or revise any forward-looking statements contained in these materials to reflect new information, future events or otherwise. We caution you not to place undue reliance on any forward-looking statements contained in these materials.

For any inquiries on the materials, please contact below:

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1. https://global.bm-sms.com/ir/management/risk_factor/