



SMS Co., Ltd. (2175 TSE Prime Market) Earnings Presentation for Investors, FY03/2026

April 28, 2026

Table of Contents

01	FY03/2026 Consolidated Financial Results	p.5
02	Corporate Value Creation Roadmap	p.11
03	FY03/2027 Guidance	p.39
04	References	p.49
	Mission and Business Overview	p.50
	Appendix	p.104

Glossary of Terms and Definitions

Terms	Definitions	Related Segment
RAG (Recruiting Agent service)	A business model in which a third-party recruitment agent acts as an intermediary to match employers with job seekers.	Career
CP (Career Partner)	Agents responsible for matching in RAG.	Career
Productivity	Net sales per CP. Calculated by dividing annual net sales of RAG by the average number of CPs during the period.	Career
DR (Direct Recruiting)	A recruiting method where employers directly connect with job seekers via a recruitment platform without human intermediaries, aiming to achieve a match through two-way communication.	Career
Kaipoke	Cloud-based management support software (SaaS) for elderly care and disability welfare service operators.	Elderly Care / Disability Care Management Support
Kabenashi Cloud	Cloud-based management support software (SaaS) for disability welfare service operators.	Elderly Care / Disability Care Management Support
ARPA (Average Revenue Per Account)	Calculated as: Annual net sales ÷ Number of corporate accounts at the end of the period.	Elderly Care / Disability Care Management Support
ARR (Annual Recurring Revenue)	Calculated as: Monthly Recurring Revenue (MRR) of Kaipoke and Kabenashi Cloud at the end of each period × 12.	Elderly Care / Disability Care Management Support
EBITDA	Calculated by adding depreciation and amortization of goodwill to operating income.	—
CAGR (Compound Annual Growth Rate)	Average annual rate of growth	—
TAM (Total Addressable Market)	The maximum market size that a particular business could potentially capture.	—
CAPEX (Capital Expenditure)	Capital investments. In our case, a large portion of this consists of investments in intangible assets, such as software development for Kaipoke and Kabenashi Cloud.	—

Highlights

FY03/26 Results

- Net sales: ¥64.7 billion (+6% YoY), Operating income: ¥6.7 billion (+7% YoY), EBITDA: ¥11.4 billion (+11% YoY)
- Despite year-on-year growth in net sales and profits, results fell short of the initial plan, primarily reflecting underperformance in the Career and Overseas segments.
- Recognized an impairment loss of ¥22.9 billion in the Overseas Business, resulting in a net loss of ¥14.3 billion.
- The dividend forecast remains unchanged at ¥29.5 per share, up ¥1.0 from the prior fiscal year.

Corporate Value Creation Roadmap

- We pursue net sales of at least ¥122.0 billion (5-year CAGR: 14%), EBITDA of at least ¥28.0 billion (5-year CAGR: 20%) in FY03/31, targeting ROE of 30% or higher at the earliest point feasible.
- Change the profit metric to EBITDA to accurately assess business profitability during a phase of expanding investments in M&A and software.
- Decided to strengthen governance structures, including the establishment of the Corporate Value Improvement Committee (CVIC), to accelerate corporate value creation and ensure its timely reflection in share price appreciation.
- Following deliberation by CVIC, we will announce a detailed medium-term management plan by the time of the full-year financial results announcement for FY03/27.

FY03/27 Guidance

- Net sales: ¥71.8 billion (+11% YoY), Operating income: ¥6.8 billion (+0% YoY), EBITDA: ¥10.4 billion (-9% YoY)
- Position FY03/27 as a 'foundational year' for medium- to long-term growth, with EBITDA expected to decline year-on-year due to prioritized strategic investments.
- Growth investments of approximately ¥2.0 billion are planned, focused on: (i) year-round aggressive recruitment of CPs, (ii) strengthening sales and customer success functions and brand awareness initiatives for DR, and (iii) reinforcing the sales capability for Kabenashi Cloud.
- Dividend forecast of ¥30.5 per share, up ¥1.0 from FY03/26.
- Initiate segment-level disclosure and reclassify certain business segments.

01 **FY03/2026 Consolidated Financial Results**

FY03/26 Consolidated Financial Results (Full-year)

- Achieved net sales growth for the 22nd consecutive year since establishment.
- However, both sales and profits fell short of the initial plan, mainly due to a delayed pace of sales recovery centered on the Career and Overseas segments, as well as investments made for medium- to long-term growth.
- An impairment loss of ¥22.9 billion was recorded in the Overseas Business, resulting in a net loss.

	FY03/25 [¥ million]	FY03/26 Guidance	FY03/26 Actual	YoY Change	vs Guidance
Net Sales	60,952	67,544	64,735	+6%	(4%)
EBITDA	10,273	-	11,406	+11%	-
Operating Income	6,335	7,287	6,787	+7%	(7%)
Ordinary Income	8,357	9,468	8,721	+4%	(8%)
Net Income	6,054	7,029	(14,317)	-	-

FY03/26 Career Segment (Full-year)

- Grew with strong demand for hiring professionals by medical/elderly/disability care business operators.
- Net sales growth was limited by operational challenges, including prolonged lead times to job placement in the RAG and the impact of the abolition of "continuous service allowances" in the DR.
- In Q4, initiatives to address prolonged lead times made progress, and the sales growth rate improved.

Net Sales [¥ million]	FY03/25 Actual	FY03/26 Actual	YoY Change
Elderly Care Career	19,320	20,487	+6%
Medical Care Career	16,891	17,788	+5%
Total	36,211	38,276	+6%

FY03/26 Elderly Care / Disability Care Management Support Segment (Kaipoke, Full-year)

- The number of Kaipoke memberships*¹ increased steadily.
 - 60,800 service offices*² (27,000 companies*³) as of April 1, 2026
 - FY03/26 membership increase: 5,250 service offices (2,100 companies)
- In addition to the increased usage of optional add-ons (factoring, tablets, smartphones, etc.), the M&A matching business and RAG for persons with disabilities also contributed to growth.

Net Sales [¥ million]	FY03/25 Actual	FY03/26 Actual	YoY Change
Elderly/Disability Care Operators (Kaipoke)	11,957	13,715	+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.46 for historical data)

FY03/26 Overseas Segment (Full-year*1)

- **Medical Platform Business:** net sales growth was constrained by reduced marketing spend among certain clients.
- **Global Career Business:** net sales declined year-on-year, as deteriorating Middle East geopolitical conditions reduced cross-border mobility of healthcare professionals.

Net Sales [¥ million]	FY03/25 Actual	FY03/26 Actual	YoY Change
Overseas	9,385	8,851	(6%)

1. Income statement of MIMS group is consolidated with a three-month delay and the results are for January to December. (Please refer to p.103)

Recognition of Impairment Loss in the Overseas Business

- In the Overseas Business, we conducted an impairment test under conservative assumptions, reflecting recent operational performance and market conditions. This resulted in an impairment loss of ¥22.9 billion^{*1}. Going forward, this will reduce annual intangible asset amortization by approximately ¥1.5 billion from FY03/27 onward.
- Since this impairment loss is a non-cash item, there is no change to the dividend forecast for FY03/26 of ¥29.5 per share (a ¥1.0 increase compared to FY03/25).
- We are currently executing a fundamental review of our business, centered on future growth potential and profitability. We will explore all strategic options, including alliances with third parties and the utilization of external capital.

Overview of the Impairment Loss

Details

- Breakdown of the impairment loss:
Trademark rights: ¥13,041 million, Goodwill: ¥8,649 million, Software: ¥677 million, Customer-related assets: ¥589 million

Background

- Major pharmaceutical companies face prolonged budget reductions due to factors including patent cliffs of key drugs, resulting in a depressed order environment for our marketing support services.
- Partially revised future plans in the Global Career Business in response to the deteriorating geopolitical environment in the Middle East.

1. Includes an FX impact of approximately 5.4 billion yen compared to the time of acquisition.

02 Corporate Value Creation Roadmap

Message from CEO

Commitment to Achieving Fair Market Valuation

- Since our founding, we have achieved sustainable growth by identifying business opportunities in the challenges in an aging society. However, our current share price does not adequately reflect the value we are creating or our substantial growth potential. As CEO, I am determined to pursue both business acceleration and systematic capital market engagement. We will maintain transparent dialogue with investors while executing management actions that directly drive corporate value creation, ensuring that our operational achievements are fairly recognized and valued by the market.

The Dawn of our Third Founding: Evolving Our Business Model

- Our Company operates under the principle that leadership transitions every ten years or so help maintain organizational adaptability and responsiveness to change. My predecessor, Mr. Goto, who took over from our founder, led the company for approximately a decade. In January 2026, I assumed the role of CEO as his successor. Driven by the mission to maximize corporate value over the next ten years and build a foundation for growth beyond that, we are now entering our "Third Founding Period." Historically, we have built sustainable growth through a labor-intensive model such as RAG. We now face a pivotal transition: evolving toward a capital-intensive, data-driven operating model powered by AI. By leveraging our vast accumulated proprietary data and embedding it with advanced AI capabilities, we will construct a defensible and inimitable information infrastructure. This will unlock substantial productivity gains for our clients. Through this evolution, we will transcend traditional service provision and establish a new industry: the information infrastructure of an aging society.

Synergistic Portfolio Management and Disciplined Governance

- We are implementing "Synergistic Portfolio Management" to optimize our diverse, multi-stage business portfolio and capture cross-business value creation opportunities. This approach combines aggressive pursuit of growth investments and new business initiatives with disciplined capital reallocation, including selective business exits, to ensure rigorous group-wide prioritization. To maximize corporate value, we are establishing a clear capital allocation framework and enhancing our governance infrastructure to drive more effective portfolio monitoring and strategic decision-making.

Capital Allocation: Balancing Growth Investment and Shareholder Returns

- We manage cash deployment according to clearly defined priorities. Our primary commitment is investing in future growth, including strategic M&A initiatives. When cash exceeds growth investment requirements, we recognize such surplus capital fundamentally belongs to shareholders. We will return this excess capital through share buybacks and dividends, calibrating our approach to market conditions while prioritizing shareholder value maximization.

To Our Investors

- The full potential of our company has yet to be realized. The roadmap we are presenting today defines our strategic direction for the Third Founding Period while serving as the foundation for ongoing dialogue with our investor community. We are deeply committed to incorporating your insights and feedback to continually strengthen our management approach. We invite you to witness our transformation of social challenges into compelling business opportunities—executed through scalable, reproducible systems that will drive sustained corporate value creation.

April 28, 2026

CEO, Masaki Takahata

Executive Summary

Formulated a roadmap for maximizing corporate value, including financial targets and management measures, to resolve our management issues and enhance corporate value.

TARGETS – FY03/31 Targets

Net Sales
Over
¥122.0 billion

EBITDA
Over
¥28.0 billion

ROE
Over
30%

**Achieve ROE as early as possible by FY03/31*

1 Business Portfolio Strategy

- Evaluate the business portfolio from a company-wide perspective using an evaluation framework based on growth potential (sales growth rate) and profitability (business profit margin). Execute the reallocation of management resources through selection and concentration, including business withdrawals.
- Subject all businesses, whether new or existing, to reporting and discussion at monthly business progress meetings and Board of Directors meetings, and make annual decisions on whether to continue them.

2 Business Strategy

- **Career:** Model the "matching capabilities" of the RAG with AI and incorporate them into DR, achieving high hiring rates at low cost.
- **Management Support:** Advance the platformization of Kaipoke and expand TAM through domain expansion.
- **Overseas/Other:** Implement radical improvements to the profit structure and explore all options to advance selection and concentration.

3 Governance

- Revamp the Board of Directors structure aiming to improve the quality of management decision-making.
- Continuously discuss and enhance the ideal Board of Directors structure going forward.
- Plan to change the compensation system for internal directors to a design highly linked to corporate value enhancement.

4 Future Steps

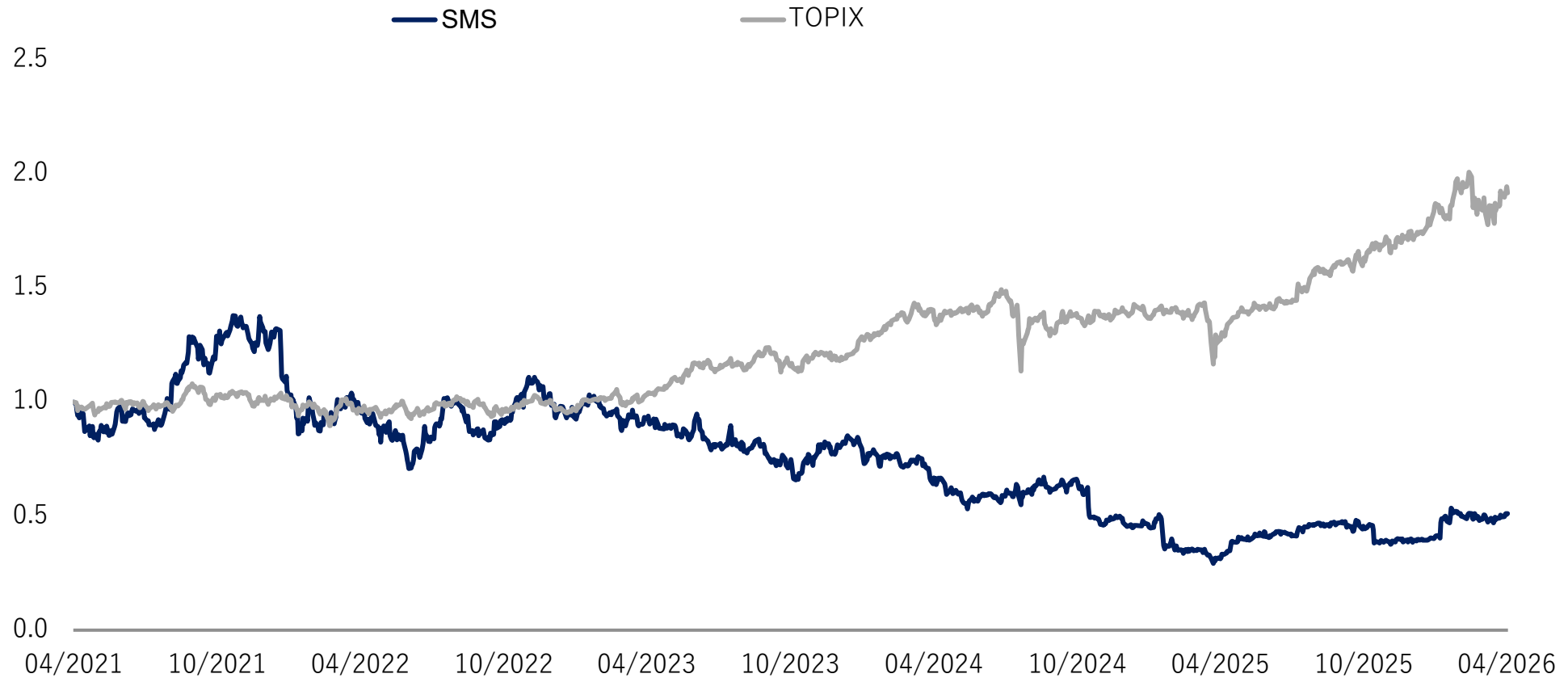
- Establish the Corporate Value Improvement Committee to verify and discuss our management issues, including the content of this growth roadmap.
- Plan to disclose the medium-term management plan, which serves as an update to this growth roadmap, by the FY03/27 earnings release (around late April 2027) at the latest.

Our Perspective on Current Challenges

Our Stock Price Performance

- Since peaking in November 2021, our stock price has declined significantly and substantially underperformed the TOPIX.

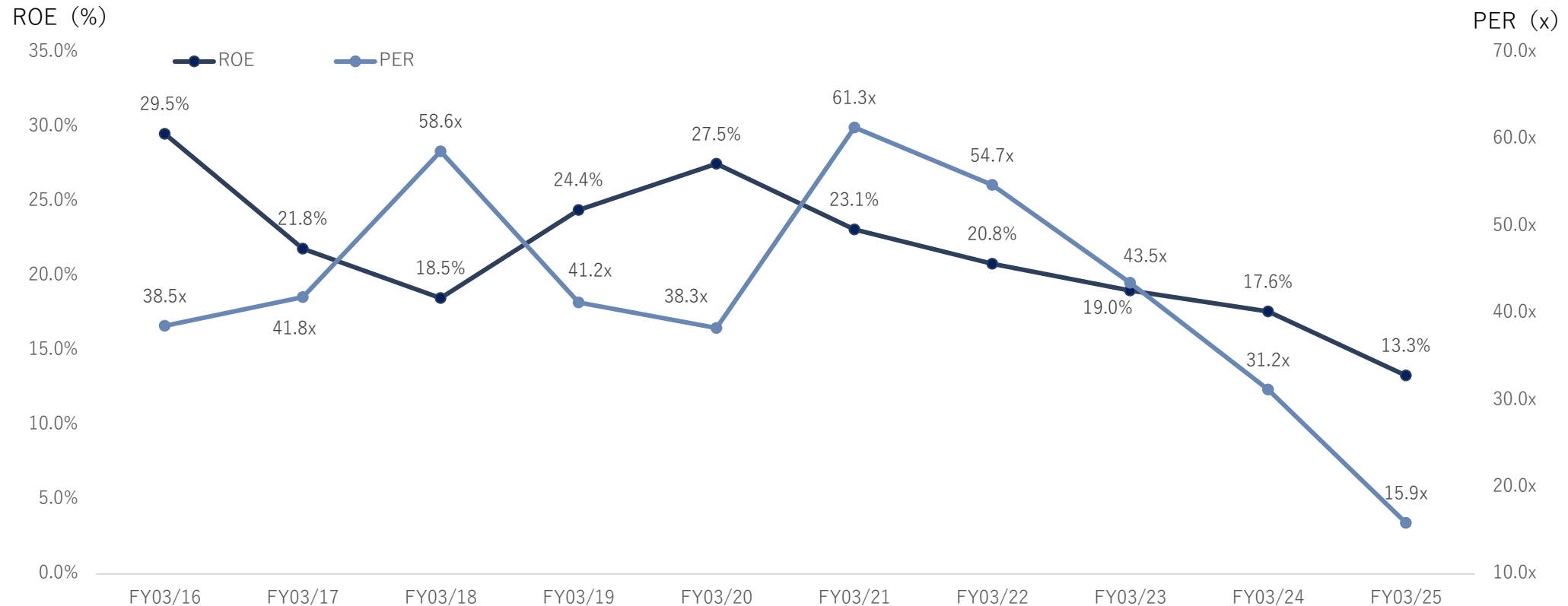
Trends in our stock price and TOPIX over the past 5 years (Indexed to April 2021)



Trends in Financial Indicators

- ROE has declined to historically low levels, reflecting both margin compression in recent periods and the continued accumulation of shareholder equity.
- PER remains on a sustained downward trajectory, indicating persistent market undervaluation.

Our ROE and PER Trends*1



1. Figures for financial indicators for FY03/26 are omitted as a net loss was recorded.

Our Management Challenges

- We recognize that our stock price stagnation reflects underlying management challenges stated below.
- To address these challenges and enhance corporate value, we have formulated a medium- to long-term growth roadmap.

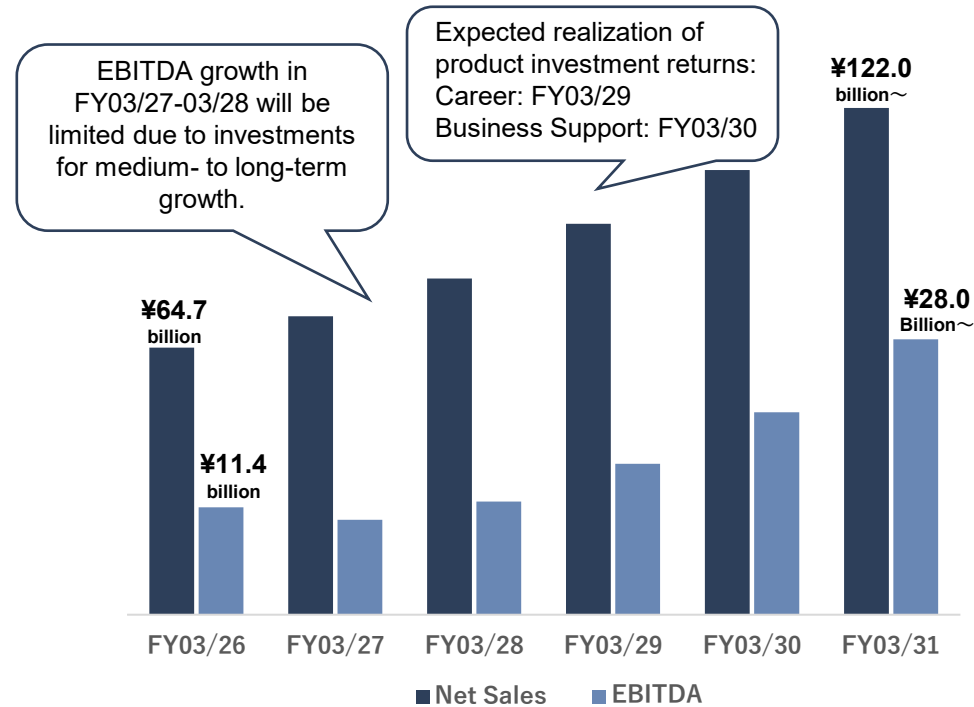
<p>1</p> <p>Short-Term Profit Focus and Inadequate Future Investment</p>	<ul style="list-style-type: none"> ▪ We prioritized consecutive year-on-year growth in sales and profit, which led to investment decisions biased toward short-term targets at the expense of long-term value creation. ▪ This resulted in capital being concentrated on sustaining existing operations rather than new growth. ▪ Insufficient bold investment in growth areas through strategic resource reallocation, after evaluating the profitability and returns of each business and optimizing the business portfolio.
<p>2</p> <p>Growth Stagnation from Labor-Intensive Model Dependency</p>	<ul style="list-style-type: none"> ▪ Our business strategy inadequately addressed the strategic imperative to enhance efficiency and value creation through technology and data integration. ▪ The Career Business persisted with legacy operational approaches, failing to anticipate and respond to evolving market dynamics and technological disruption. This sustained commitment to a traditional labor-intensive model has resulted in competitive erosion.
<p>3</p> <p>Missed Growth Opportunities from Over-Reliance on Internal Capabilities</p>	<ul style="list-style-type: none"> ▪ Over-reliance on internal resources has slowed our growth in recent periods. ▪ Insufficient utilization of external expertise, strategic partnerships, and M&A has led to missed growth opportunities.
<p>4</p> <p>Miscommunication with the Capital Markets</p>	<ul style="list-style-type: none"> ▪ During our period of sustained sales and profit growth, our limited disclosure was offset by strong growth expectations, which supported our stock price. ▪ As our business trajectory changed, we failed to evolve our investor communication. This gap prevented proper market understanding of our business foundation and growth prospects, contributing to share price decline. ▪ Additionally, it remains a challenge that our measures for enhancing capital efficiency, including ROE, are not clearly defined.

Our Vision

Our Vision

- Shift from "short-term profit stability" to "extraordinary medium- to long-term growth," fundamentally redefining our management priorities.
- Drive transformation of our business portfolio through rigorous resource reallocation (selection and concentration), a decisive transition to a capital-intensive model, and systematic growth capture via external partnerships, delivering both accelerated growth and improved profitability.
- Aim to achieve net sales of 122.0 billion yen or more, EBITDA of 28.0 billion yen or more, and an ROE of 30% or more*1 in FY 03/31.
- This numerical plan excludes the potential impact of M&A transactions that have not yet been executed.

	FY03/26	FY 03/31 (in 5 years)	
Net Sales	¥64.7 billion	¥122.0 billion~	CAGR 14%
EBITDA	¥11.4 billion	¥28.0 billion~	CAGR 20%
ROE	(39%)*2	30%~	



1. Aiming to achieve 30% or more as early as possible by FY03/31.
 2. Negative due to impairment loss recognition. Refer to p.16 for historical ROE trends.

Business Portfolio Strategy: Evaluation Framework

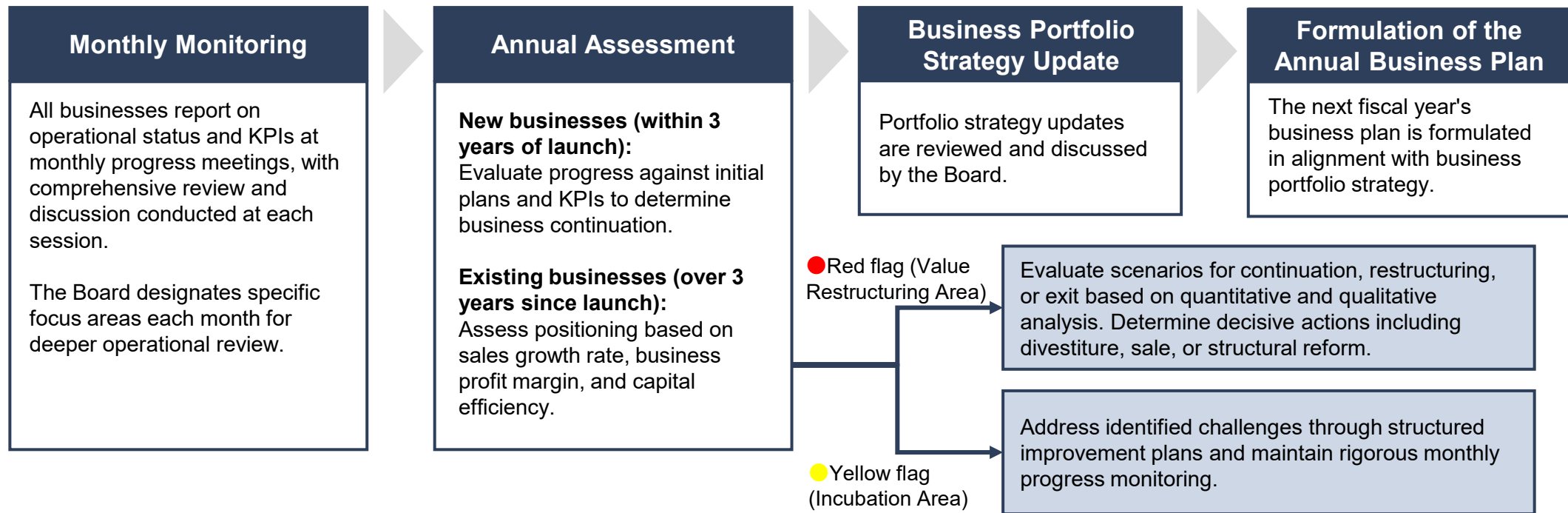
- Classify each business into the following four areas based on growth potential (sales growth rate) and profitability (business profit margin).
- Profitability is evaluated based on required rates of return, taking into account characteristics such as the cost of capital and the capital efficiency of each business.
- The evaluation criteria for growth potential and profitability are reviewed annually in light of changes in the business environment and capital structure.



- 1 High Growth & High Profitability: "Strategic Growth Area"**
Actively invest in improving positioning and deploying new services to establish an overwhelming competitive advantage, achieving both the expansion of business scale and profit growth.
- 2 Low Growth & High Profitability: "Profit Base Area"**
Strictly assess ROI and priorities from the perspective of company-wide optimization, while making proactive investments in businesses expected to transition to the Strategic Growth Area.
- 3 High Growth & Low Profitability: "Incubation Area"**
Make investments and improvements for monetization, aiming to transition to the Strategic Growth Area. Also, make investments to continuously create new businesses entering the Incubation Area (seeds of growth).
- 4 Low Growth & Low Profitability: "Value Restructuring Area"**
Carefully assess business value and the potential for future improvement; if improvement is not expected, make strict decisions regarding responses, including downsizing or withdrawal.

Business Portfolio Strategy: Monitoring and Response Process

- All businesses—new and existing—are subject to rigorous monthly monitoring through operational review meetings and periodic Board deliberation. Business continuation decisions are formally evaluated on an annual basis.
- Portfolio strategy decisions, including business continuation or exit determinations, are reviewed and discussed by the Board prior to finalizing the following fiscal year's business plan.



Road to "Overwhelming No. 1" : AI-Driven and RAG-DR Integrated Model

- AI modeling of RAG matching expertise embedded in our DR platform will deliver superior hiring rates with reduced costs, creating competitive advantages.
- Integrating RAG/DR hybrid model with management support business (SaaS) creates a proprietary ecosystem, positioning SMS as market leader in the medical care, elderly care, and disability care fields.

FY03/31 VISION
Realization of an "Overwhelming No. 1" Position through the Structural Establishment of Competitive Advantage

Net Sales	EBITDA	EBITDA margin	Sales Share*1
¥72.0 billion	¥19.0 billion	26%	30%
FY03/26: ¥38.2 billion CAGR: 13%	FY03/26: ¥7.8 billion CAGR: 19%	FY03/26: 20%	FY03/26: 20%

MARKET CONTEXT — Demands from the Market Environment

Supply	Amid a declining working population, competition for active candidates continues to intensify. Approaching passive candidates is essential.
Demand	Operators are struggling with hiring difficulties and rising costs. "Low-cost, highly efficient recruiting methods" and "talent retention" are demanded.
Technology	Advancements in AI have enabled the transition from a "labor-intensive" to a "capital-intensive (software)" model.

STRATEGIC INITIATIVES — Four Key Measures

<p>1 Optimizing Existing Business Models</p> <ul style="list-style-type: none"> • RAG: Improve productivity through technology utilization. • DR: Maximize job listing quality and volume while improving job seeker acquisition and application conversion through strategic capital concentration. 	<p>2 Expanding Customer Touchpoints and TAM</p> <ul style="list-style-type: none"> • Establish continuous touchpoints with medical and nursing care professionals through apps and other tools, and approach passive candidates early on. • Strengthen the placement of foreign talent and expand job categories to essential workers, including those in construction, logistics, and manufacturing. 	<p>3 Transition to Capital-Intensive Model and Recruitment DX</p> <ul style="list-style-type: none"> • Codify our "matching expertise" into proprietary AI models. • Combine CP expertise with advanced software to achieve superior hiring rates with significantly reduced costs. 	<p>4 Synergies with Management Support Business</p> <ul style="list-style-type: none"> • Combine management support business data with recruitment insights to create a talent intelligence platform. Leverage integrated vacancy data to deliver automated, high-precision recruitment proposals and new value-added services.
---	--	--	---

1. Our combined market share in RAG and DR across major occupational categories we serve. Based on our research.

RAG: Dramatic Improvement in Productivity and Maximization of CP Value Creation through AI Utilization

- In RAG, we will promote a process transformation that dramatically increases productivity using AI while emphasizing the essential value that human CPs uniquely deliver.

Productivity Improvement through AI Utilization



Productivity

+50%

Improvement of placement rates by elevating CP capabilities



Reduction of CP man-hours through operational efficiency and process streamlining

Maximization of CP Value Creation



Leverage the power of "humans" to strengthen essential matching capabilities

- Through dialogue with job seekers and operators, uncover true needs beyond surface-level conditions, constructing high-value-added proposal stories for both candidates and operators.
- Accumulate unique information obtained through dialogue to continuously improve matching accuracy. Form data assets that are difficult for competitors to imitate, accelerating AI implementation.

Initiatives toward FY03/31

PHASE 1

Streamline CP operations using AI and technology Refine the matching capabilities of RAG

- Engage passive candidates through an enhanced telemarketing organization and targeted CRM.
- Fully utilize AI for automated conversation summarization, recommendation/job posting creation support, and individual advice functions to improve CP productivity.



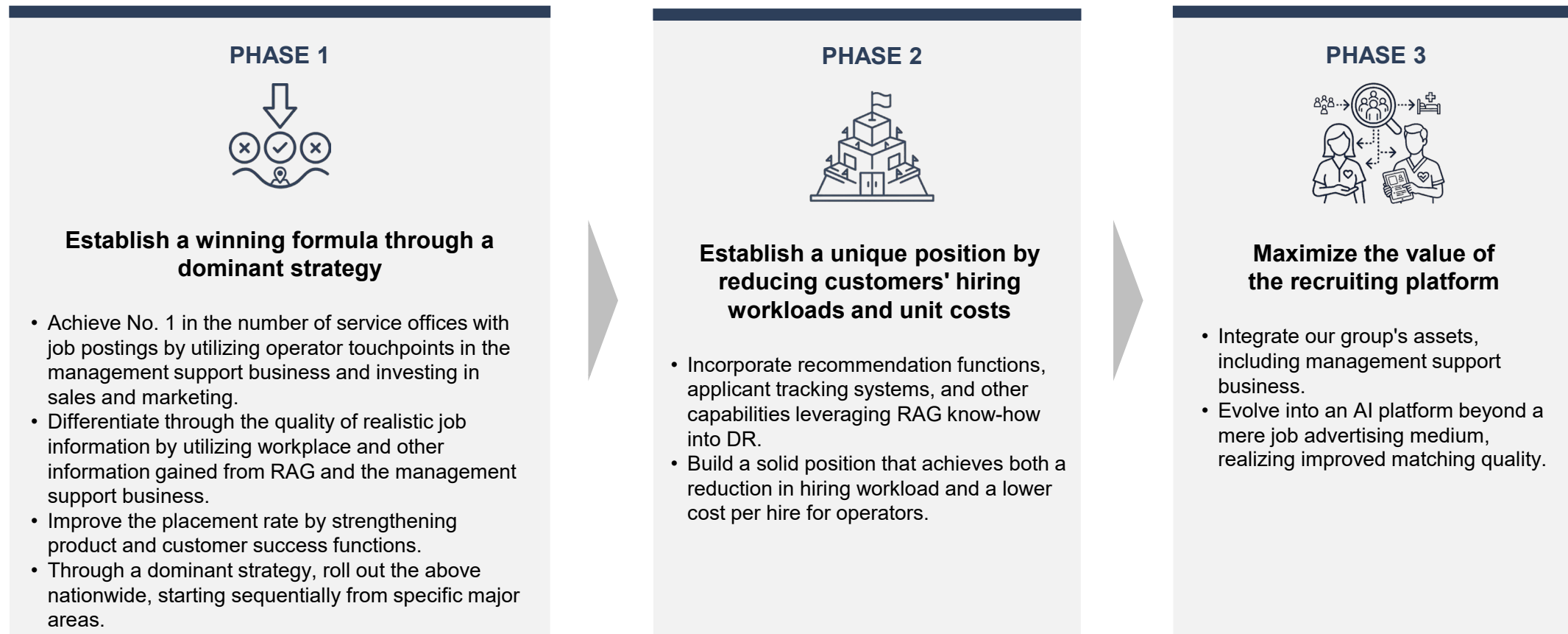
PHASE 2

Provide advanced AI experiences to job seekers and operators, evolving into RAG with high-quality matching capabilities

Incorporate AI into direct customer experiences, improving both matching quality and productivity simultaneously through the integration of humans and AI.

DR: Building a Unique Position and Evolving the Recruiting Platform

- In the DR area, which has significant room for growth, we will differentiate ourselves from competitors and establish a unique position by leveraging our strengths (placement know-how cultivated in RAG and the foundation of our management support business).



Promoting Kaipoke's Platform Transition and Expanding TAM through Area Expansion

- We have significant growth opportunities in the elderly and disability care market, where structural demand for SaaS exists.
- In addition to investments aimed at building a dominant platform position in community-based comprehensive care, we aim to expand our TAM by expanding into the disability care area, which has significant room for growth, as well as expanding into other areas, including via M&A and alliances.

FY03/31 VISION

Become the industry infrastructure as the **No. 1 platform** for elderly and disability care management support

Net Sales	EBITDA	Membership Share*1	Home-care Connection Share*2
¥26.0 billion	¥12.0 billion	21%	90% or more
FY03/26: ¥13.4 billion CAGR: 14%	FY03/26: ¥6.0 billion CAGR: 15%	FY03/26: 14%	FY03/26: 62%

MARKET CONTEXT — The Market and Our Positioning

Market	The elderly and disability care market consists of approximately 429,000 service offices , primarily small-scale corporations, creating structural demand for SaaS .
Opportunity	Our paid membership share remains at only 14% , leaving an untapped market of 86% .
Foundation	Kaipoke has established a solid position as an infrastructure connecting 62% of home-care service offices .

STRATEGIC INITIATIVES — Two Key Measures

1 Evolution of Kaipoke through investment

- Execute investments to evolve into "Kaipoke Connect," a network hub for community-based comprehensive care.
- Realize an AI-native system to improve operational efficiency and value proposition.
- Achieve growth through customer expansion driven by network effects and a value-linked pricing strategy.
- Build overwhelming barriers to entry and become an infrastructure covering 90% or more of home-care service offices.

2 Expansion of TAM

- Leverage regulatory compliance expertise cultivated in the elderly care domain to roll out our business model horizontally to the disability care domain, which has large market potential.
- Consider expanding into other domains, including through M&A and alliances.
- Maximize LTV through synergy with the Career business.

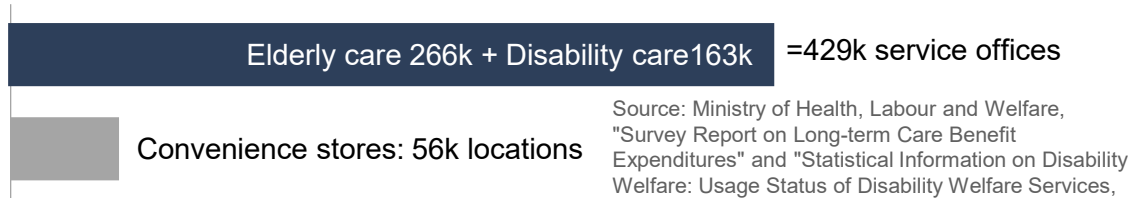
1. Paid membership share among elderly and disability care service offices.
 2. Share of paid and free memberships among home-care service offices, which are our focus area.

Massive Market Opportunity and Overwhelming Track Record as a Vertical SaaS

- The elderly and disability welfare market has an extremely large number of service offices, and this number continues to increase.
- As there are many small-scale corporations, in-house IT implementation and efficiency improvement are difficult, creating strong structural demand for SaaS.*1
- Kaipoke has become an overwhelming presence, especially as a Vertical SaaS in the home-care area.

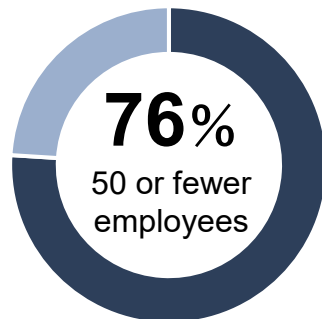
MARKET OPPORTUNITY – Attractive market environment generating structural demand

- The number of service offices continues to increase



Source: Ministry of Health, Labour and Welfare, "Survey Report on Long-term Care Benefit Expenditures" and "Statistical Information on Disability Welfare: Usage Status of Disability Welfare Services, etc."; JFA, "Convenience Store Statistics Monthly Report (March 2026)"

- Predominantly small-scale corporations



Source: Ministry of Health, Labour and Welfare, "Long-term Care Service Information Disclosure System" and "WAM NET"

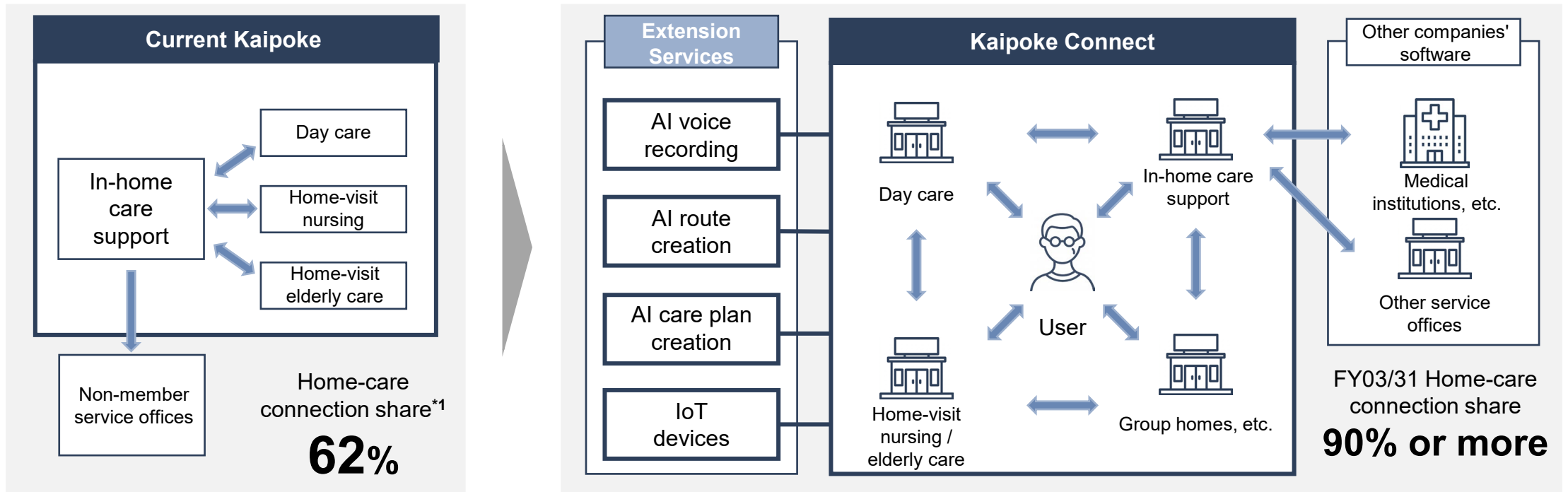
1. As a result, the possibility of replacement by AI is low. For details, please refer to p.81.
2. Paid membership share among elderly and disability care service offices.
3. Share of paid and free memberships among home-care service offices, which are our focus area.
4. Scale of Vertical SaaS among listed companies in Japan. Based on our research.

PROVEN POSITION – Solid track record as a Vertical SaaS

<p>Sales CAGR (FY22-25)</p> <p>17%</p> <p>Solid growth driven by an increase in memberships and ARPA</p>	<p>Paid Membership Share*2</p> <p>14%</p> <p>86% is white space (untapped market)</p>	<p>Home-care Connection Share*3</p> <p>62%</p> <p>Expanded use of information linkage functions between care managers and other service offices</p>
<p>Monthly Churn Rate</p> <p><0.6%</p> <p>Low churn rate for a SaaS business</p>	<p>Annual Claims Processed for Nursing Care Fees, etc.</p> <p>¥1.3 trillion</p> <p>Established a solid position as an infrastructure</p>	<p>Vertical SaaS ARR*4</p> <p>No.1</p> <p>¥13.5 billion (End of FY03/26)</p>

Elderly Care SaaS: Evolution into a Network Hub for Community-Based Comprehensive Care

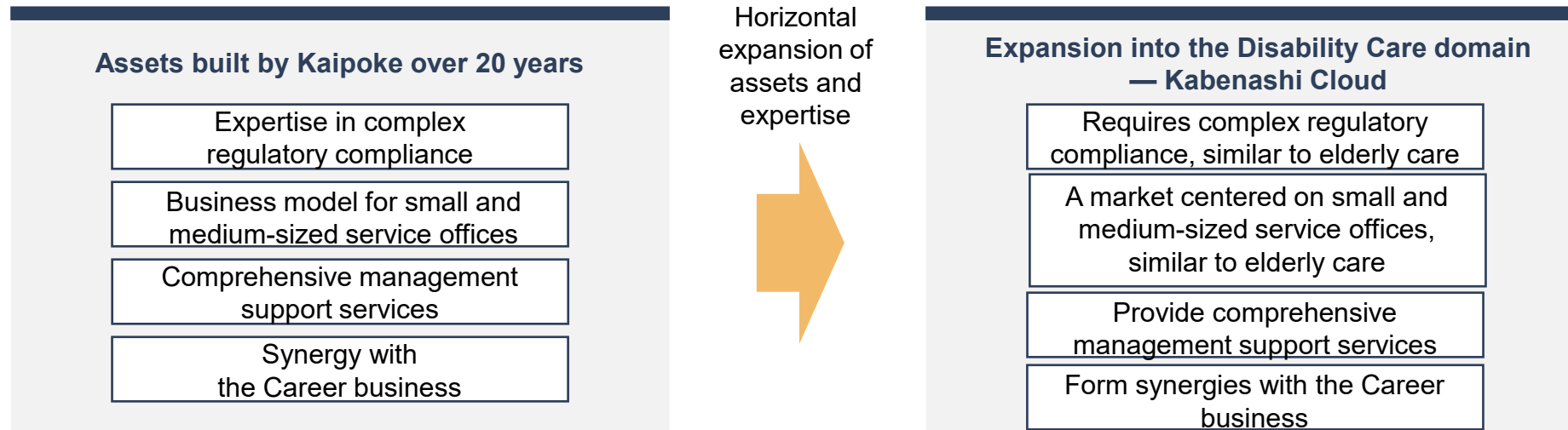
- Through investment, we will evolve Kaipoke—which is used by over 60% of home-care service offices due to its information linkage functions between in-home care support offices and other service offices—into "Kaipoke Connect," equipped with an AI-native structure.
- Kaipoke Connect will realize seamless information linkage, such as user information and care information, among service offices that have implemented Kaipoke. We aim to establish a platform for community-based comprehensive care by serving as a network hub that links with other companies' software, peripheral software, and medical facilities.



1. Share of paid and free memberships among home-care service offices.

Disability Care SaaS: Expanding into a Similar, Untapped Market

- The Disability Care area closely resembles the structure of the Elderly Care market just before Kaipoke experienced rapid growth, and there is a large white space.
- Based on the expertise gained from Kaipoke, we will refine our products and services of Kabenashi Cloud,, build a sales and marketing structure optimized for a market structure with many small and medium-sized operators, and aim to expand our market share in a short period of time through strong price appeal compared to competitors.



GO-TO-MARKET STRATEGY

By designing superior products and services and building a sales and marketing structure tailored to the market structure, we aim to rapidly expand our market share through a cost leadership strategy.

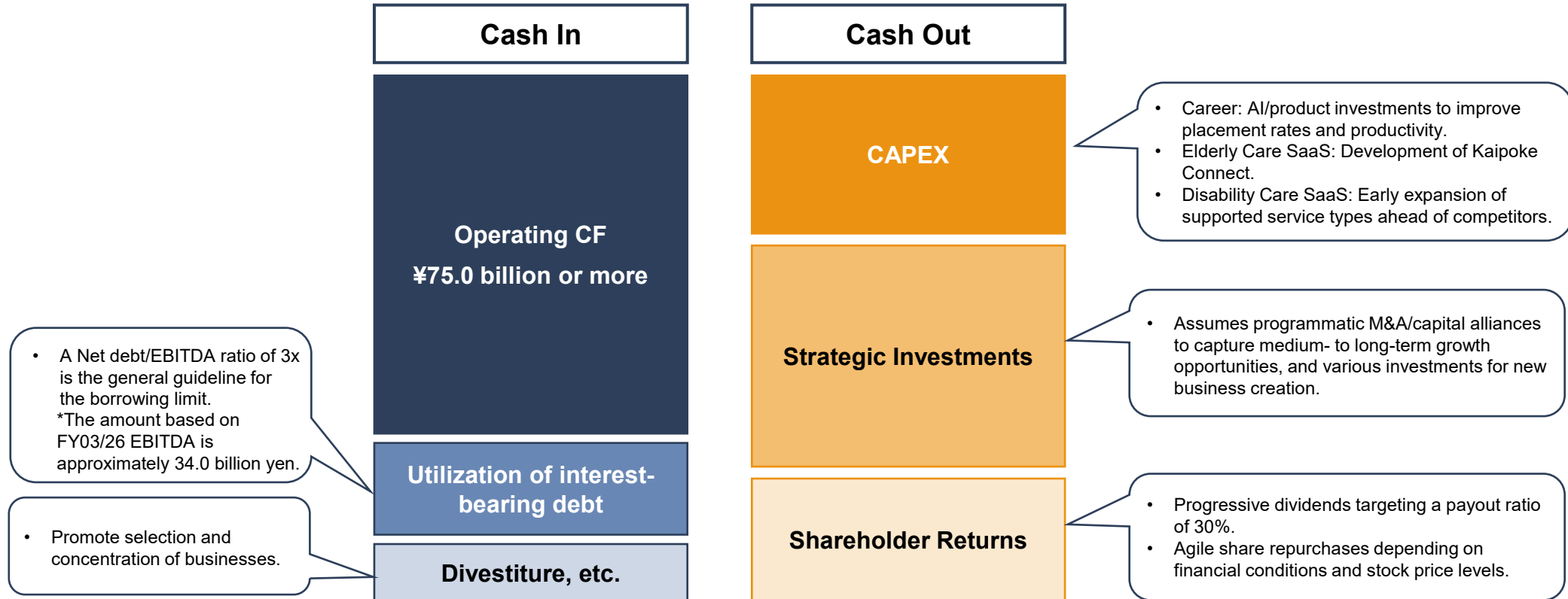
Building New Pillars Following Career and Kaipoke through Focused Investment

- For the Overseas segment, we will fundamentally improve the profit structure and explore all available options.
- For other areas, while advancing selection and concentration through a reevaluation of all businesses, we will actively pursue business development in areas where future growth and synergies with other businesses can be expected, building pillar businesses that follow Career and Kaipoke.

Business Area	Current Status	Strategic Actions
Overseas Medical Platform Business	Sales growth has been limited due to the impact of marketing budget reductions by pharmaceutical companies, and profitability has also declined.	<ul style="list-style-type: none"> • Improve profitability by transferring operations to low-cost countries. • Consider all options, including alliances with other companies and the introduction of external capital.
Overseas Global Career Business	Geopolitical risks exist, such as the impact of the worsening situation in the Middle East.	<ul style="list-style-type: none"> • Focus on acquiring job openings in massive markets such as the U.S., Australia, and Germany. • Collaboration with the domestic Career Business (introductions elderly care workers to Japan).
Others (Business Development Area)	Amid an increase in the number of services deployed, there are multiple businesses that require decisions on whether to continue.	<ul style="list-style-type: none"> • Make continuation decisions in light of the criteria for business withdrawal. • For areas where market potential, growth, and synergies with other businesses can be expected, consider aggressive business development, including room for expansion into peripheral areas.

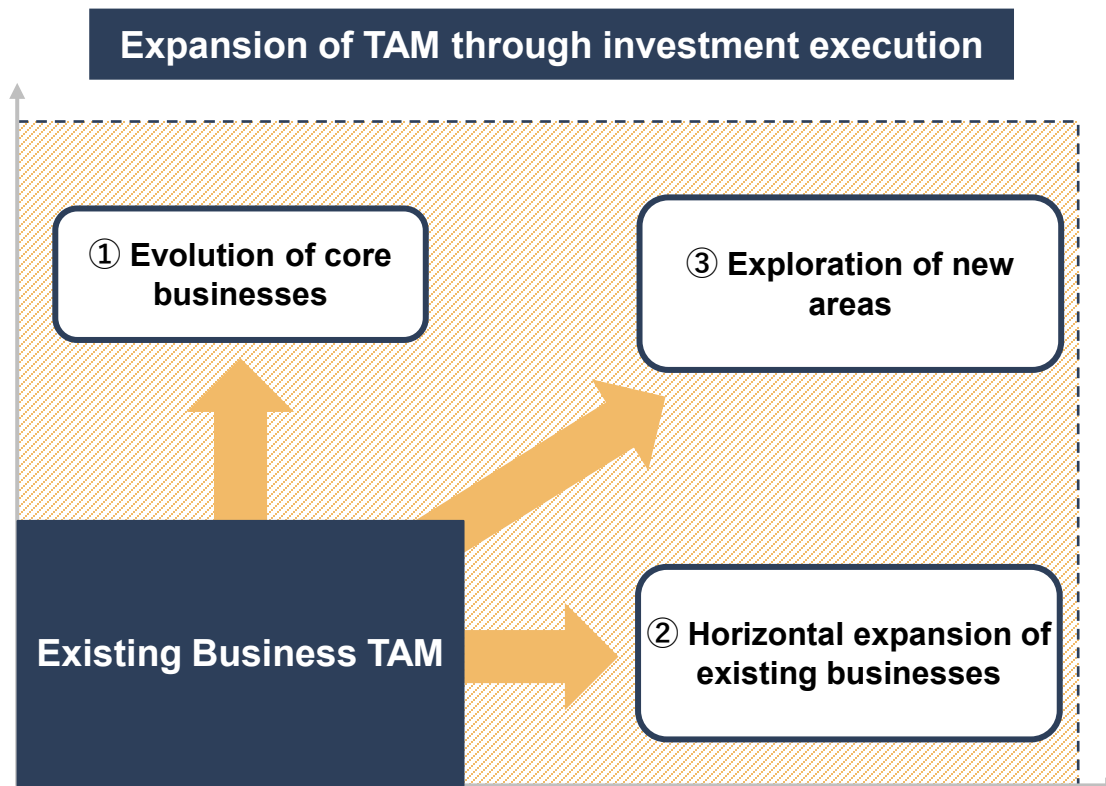
Capital Allocation (FY03/27-FY03/31 Total)

- Based on the generation of robust operating cash flow through business growth, we will consider proactive financing as needed.
- We will prioritize investments for growth, and flexibly return excess cash to shareholders.
- Plan to finalize the details of investments and other matters following discussions on capital policy at the Corporate Value Improvement Committee.



Potential Investment Areas

- There is massive room for TAM expansion through the execution of investments, including M&A.
- Growth from these investments is not reflected in the business plan up to FY03/31, excluding certain items in the core businesses.



Investment Items

① Evolution of core businesses

- Construction of Kaipoke Connect and making it AI-native
- Expansion of supported service types for Kabenashi Cloud
- AI integration in RAG and fusion with DR, and strengthening synergies with management support business
- Employment support for foreign workers entering Japan
- Entry into the spot-work market for elderly/medical care
- Acquisition of technologies such as AI for advancing services and operations

② Horizontal expansion of existing businesses

- Expansion of career and management support businesses into essential worker areas such as construction, logistics, and manufacturing
- Expansion of Vertical SaaS into areas other than elderly/disability care*¹

③ Exploration of new areas

- Business development areas such as health and productivity management / inheritance
- Physical AI for elderly care, etc.
- RAG and staffing of international healthcare professionals in the U.S. and Australia

1. Apply our unique ecosystem of Career × Management Support to areas that, like medical and Elderly Care, are labor-intensive and face challenges such as labor shortages and the need for productivity improvement. Achieve comprehensive customer acquisition, including the existing Career Business, by expanding into areas with overlapping job seeker attributes, such as Elderly Care workers.
2. Select areas based on perspectives such as "size of social issues and TAM," "synergies with existing businesses," "competitive environment and barriers to entry," and "whether network effects and the accumulation of valuable data can be expected," and apply the "mechanism to expand Vertical SaaS" cultivated through Kaipoke.

(Repost) Our Management Challenges

- | | |
|--|---|
| <p>1</p> <p>Short-Term Profit Focus and Inadequate Future Investment</p> | <ul style="list-style-type: none"> ▪ We prioritized consecutive year-on-year growth in sales and profit, which led to investment decisions biased toward short-term targets at the expense of long-term value creation. ▪ This resulted in capital being concentrated on sustaining existing operations rather than new growth. ▪ Insufficient bold investment in growth areas through strategic resource reallocation, after evaluating the profitability and returns of each business and optimizing the business portfolio. |
| <p>2</p> <p>Growth Stagnation from Labor-Intensive Model Dependency</p> | <ul style="list-style-type: none"> ▪ Our business strategy inadequately addressed the strategic imperative to enhance efficiency and value creation through technology and data integration. ▪ The Career Business persisted with legacy operational approaches, failing to anticipate and respond to evolving market dynamics and technological disruption. This sustained commitment to a traditional labor-intensive model has resulted in competitive erosion. |
| <p>3</p> <p>Missed Growth Opportunities from Over-Reliance on Internal Capabilities</p> | <ul style="list-style-type: none"> ▪ Over-reliance on internal resources has slowed our growth in recent periods. ▪ Insufficient utilization of external expertise, strategic partnerships, and M&A has led to missed growth opportunities. |
| <p>4</p> <p>Miscommunication with the Capital Markets</p> | <ul style="list-style-type: none"> ▪ During our period of sustained sales and profit growth, our limited disclosure was offset by strong growth expectations, which supported our stock price. ▪ As our business trajectory changed, we failed to evolve our investor communication. This gap prevented proper market understanding of our business foundation and growth prospects, contributing to share price decline. ▪ Additionally, it remains a challenge that our measures for enhancing capital efficiency, including ROE, are not clearly defined. |

v

To ensure the enhancement of corporate value through the resolution of the above management challenges and its reflection in the stock price, we will strengthen our governance structure.

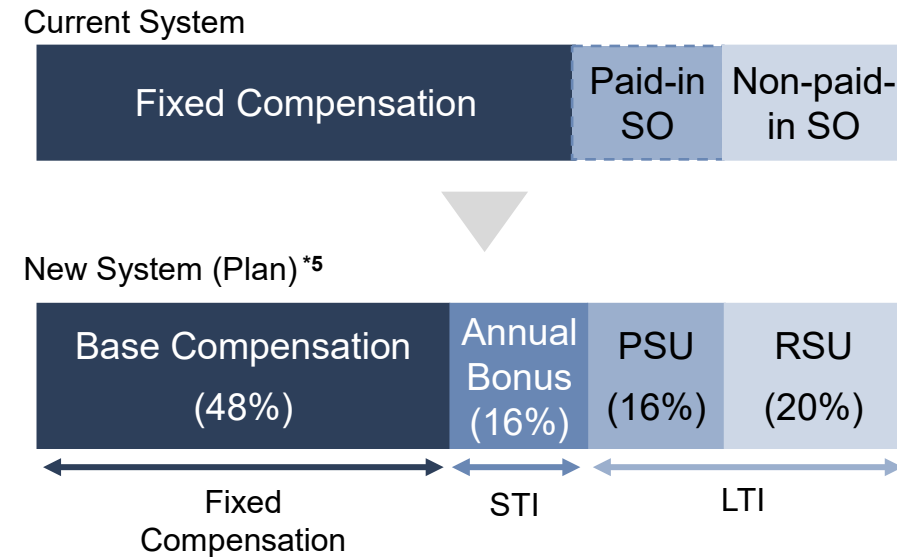
Management Structure: Strengthening Governance

- Revamp the Board of Directors structure*1 in conjunction with the change in CEO, aiming to further improve the quality of decision-making.
- Continuously discuss and enhance the ideal Board of Directors structure going forward.
- Plan to redesign the compensation system for executive directors to be highly aligned with corporate value enhancement. Additionally, we will establish a target level for share ownership by the CEO, who is scheduled to acquire a certain amount of shares through market purchases *2.

Status of the Board of Directors

Internal	Representative Director and CEO	Masaki Takahata
Internal	Director	Natsuki Goto (Scheduled to retire)
Internal	Director	Masato Sugizaki (Scheduled to retire)
Outside	Lead Independent Outside Director (Chairperson of the Audit & Supervisory Committee)	Tomoki Matsubayashi (Scheduled to retire)
Outside	Independent Outside Director (Audit & Supervisory Committee Member)	Nobuko Takagi
Outside	Independent Outside Director (Audit & Supervisory Committee Member)	Toyotaro Suzumura (Scheduled to retire)*3

Compensation Design*4 for the CEO



1. To be submitted to the Ordinary General Meeting of Shareholders scheduled to be held in June 2026.
2. Acquisition through a method exempt from insider trading regulations.
3. We plan to conclude an advisory contract with him from June 2026 onwards, as an advisor in advanced technology domains including our AI.
4. SO: Stock Option, PSU: Performance Share Unit, RSU: Restricted Stock Unit, STI: Short-Term Incentive, LTI: Long-Term Incentive.
5. The percentages shown are based on the standard amount assuming the set performance requirements are achieved exactly at target. Note that the annual bonus and PSU vary depending on the achievement level, ranging from 0x to 1.5x and 0x to 2.0x the standard amount, respectively.

Executive Team (1)

Representative Director and CEO

Masaki Takahata

Born in April 1984. After graduating from the University of Tokyo with a degree in Economics in 2007, he began his career at AZSA & Co. (currently KPMG AZSA LLC). Following his tenure at Frontier Management Inc., he joined SMS Co., Ltd. in 2013, and led Group-wide corporate planning as its head. He subsequently served as CFO of the MIMS Group before being appointed its CEO in 2021, where he led the SMS Group's overseas operations. He was appointed as a Director of SMS in 2025 and has served in his current role as Representative Director, President and CEO since January 2026.



Head, Medical Care and Welfare Career Business Promotion Division / Medical Care Career Business Division

Ken Yamamoto

After graduating from the School of Science and Engineering at Waseda University in 2000, he joined a consulting firm specializing in BPR (Business Process Re-engineering) for R&D departments in the automotive industry. He joined SMS in 2012, after serving as General Manager at a wedding venue operator where he led business promotion. He has since spearheaded business planning and organizational growth within the HR matching domain. Simultaneously, he held key leadership roles in human resources—including recruitment, talent allocation, and the management of evaluation and compensation systems—driving organizational development from multiple perspectives. In 2019, he became a business manager for the nursing field, followed by his appointment as Head of the Medical Care Career Business in 2020. Since 2026, he has concurrently served as Head of the Business Promotion Division for the entire Career Segment. He also contributes to the industry as a Director of the Japan Executive Search and Recruitment Association and as the Representative Secretary of the Medical, Elderly Care, and Childcare Recruitment Council.



Head, Welfare Career Business Division

Yuichiro Shiozaki

After graduating from Kobe University with a degree in Engineering in 2005, he began his career in sales management and strategy, overseeing multiple store locations. He subsequently worked at a creative agency, where he produced product planning and promotional development projects for corporate clients. Joining SMS in 2008, he oversaw cross-platform web media management and led marketing and product design within the Media Planning Department. Following his role as a business manager of the certification support service in 2013, he was appointed as General Manager of the Elderly Care Career Business in 2015. After leading numerous strategic initiatives, including new business launches and M&A, he has served as Head of the Career Business for Elderly Care, Childcare, and Disability Welfare since 2022.



Head, Elderly Care Management Support Business Division / Well-being Support Business Division

Chief, Business Development Office

Issei Sonoda

After graduating from the University of Tokyo with a degree in Law in 2009, he built an extensive background in business management and new business development at an IT startup and within the M3 Group. He joined SMS in 2017, where he oversaw overseas operations and post-merger integration (PMI). After a period of pursuing his own entrepreneurial ventures, he rejoined SMS in 2020. In 2022, he was appointed as Head of the Elderly Care and Disability Welfare Management Support Business. In 2024, he spearheaded the establishment of SMS Welfare Technology Co., Ltd. to lead the vertical launch of its SaaS platform for the disability welfare field, serving as its Representative Director. Since April 2025, he has concurrently served as Head of the Healthcare Business (currently Well-being Support Business) and Chief of the Business Development Office. He also contributes to the industry as a Director of the Japan Day Service Association.



Executive Team (2)

Head, Senior Life Support Business Division Tatsuya Yano

After graduating with a master's degree from the Graduate School of Engineering, Kyoto University in 2003, he began his career at a major chemical manufacturer. He joined SMS in 2005, where he managed marketing for various business units, including educational and human resources services. In addition to leading diverse functions such as advertising operations and editorial management, he spearheaded the establishment of a company-wide marketing organization. Following these roles, he led the launch of the Senior Life Support Business Division and has served as its Head since 2015. Thereafter, he has driven multifaceted business expansion into areas related to housing and end-of-life planning, alongside the development of multiple new businesses.



Head, Product Promotion Division Sunao Tanabe

Beginning his career as an engineer in 2001, he gained extensive experience at an AIG Group life insurance company, where he contributed to a major system integration project for three insurers, the development of a mobile service with 2 billion monthly PVs, and the launch of an e-commerce joint venture. In 2011, he joined DeNA Co., Ltd., where he established the development infrastructure team, drove development efficiency through CI (Continuous Integration) implementation, and launched a genetic testing service. Joining SMS in 2015 as Engineering Lead, he spearheaded the shift to in-house development, product modernization, and organizational growth. After serving as Chief of the Technology Promotion Office and General Manager of the Product Development Department, he currently leads the company's product development as Head of the Product Promotion Division.



Chief Executive Officer, MIMS Group Sohil Goswami

Beginning his career in 2007, he held leadership roles at NEC Corporation and Deloitte Consulting in Japan, and NRI Singapore, spanning product development, sales, and consulting, where he led business strategy formulation and the implementation of business transformations. He joined MIMS Group in 2019, after which he earned his MBA from the National University of Singapore (NUS). After serving in leadership roles as Head of the Listing Business and Clinical Decision Solutions divisions, he was appointed as Chief Executive Officer. He has since spearheaded the redefinition of products and business models, the acceleration of digital innovation, and the restructuring of commercial and delivery capabilities to drive long-term, sustainable growth. He holds an MBA from the National University of Singapore (NUS).



President, Recruiting Services, MIMS Tatsuya Koike

After graduating from university in 2007, he began his career at SMS. Following various roles in marketing, sales support, and as a business manager in Japan, he transitioned to the Overseas Business in 2013. He led the business in India and served as Chairman & CEO of eChannelling PLC, a listed company in Sri Lanka. Since being appointed as Head of the Global Career Business in 2016, he has spearheaded the launch and expansion of businesses across multiple countries, driving growth through both M&A and the establishment of local operations from the ground up.



Executive Team (3)

Head, Corporate Planning

Shinichiro Tanaka

After completing his Master's degree at the Graduate School of Science, the University of Tokyo, he joined Nikkei Inc. in 2007. As a journalist, he covered technology, the stock market, and the apparel and food service sectors before moving to the Corporate Planning Office, where he engaged in M&A and startup investment. He joined SMS in 2018 and, after serving in Investor Relations (IR) and as Manager of Management Accounting, became Head of the Corporate Planning Division in 2025. In this role, he leads group-wide management strategies, including medium-term business planning, M&A, and FP&A for overseas subsidiaries.

Head, IR / Sustainability

Miori Muroga

After graduating from the Faculty of Engineering at Kyoto University in 2002, she joined Fast Retailing Co., Ltd., where she gained experience in store management for UNIQLO and corporate accounting. She subsequently participated in the Risk Management Leadership Program at GE Capital and established the administrative functions for a real estate startup before joining SMS in 2014. Having served as Head of Risk Management and Corporate Planning, she has overseen Investor Relations (IR) since 2017 and Sustainability since 2022. She is a Certified Member Analyst of the Securities Analysts Association of Japan.

Head, Finance / Accounting

Makiko Nakazawa

After graduating from the School of Economics at Osaka University in 2007, she joined Deloitte Touche Tohmatsu LLC in 2008. As a Certified Public Accountant (CPA), she was engaged in auditing and IFRS implementation consulting, and also gained international experience through an assignment in Canada. She joined Shizen Energy Inc. in 2017, where she oversaw accounting, general affairs, and legal affairs as the General Manager of the Corporate Department. She joined SMS in 2019 and has served as Head of Finance and Accounting since 2021, driving key initiatives such as subsidiary mergers and ERP implementation. Since 2025, she has also served as Director of SMS Financial Service Co., Ltd.

Head, Legal / Compliance

Gen Sakai

After graduating from the Faculty of Law at Keio University in 2001, he was admitted to the Japan Bar (Dai-ichi Tokyo Bar Association) in 2004 and joined Anderson Mori (currently Anderson Mori & Tomotsune). From 2009 to 2011, he was seconded to a joint venture between the Tokyo Stock Exchange and the London Stock Exchange. In 2012, he joined UniCarriers Corporation, a portfolio company of the Innovation Network Corporation of Japan (INCJ). He joined SMS in 2016 and has since served as Head of Legal and Compliance. He also serves as Corporate Auditor for three of the Company's domestic subsidiaries.

Head, Human Resources

Kazuhiro Fujita

After graduating from university in 2004 and working at an advertising production company and a procurement consulting company, he joined SMS in 2010. He initially engaged in a wide range of functions within the Corporate Management Division, including general affairs, labor relations, and corporate planning. In 2015, he transitioned to the business side, where he drove the expansion of a diverse portfolio, including elderly care housing, finance, and procurement support businesses. Since 2018, he has overseen Human Resources and Shared Services Promotion. Since 2025, he has also served as Corporate Auditor of M3 Career, Inc. and Director of SMS Support Service Co., Ltd.

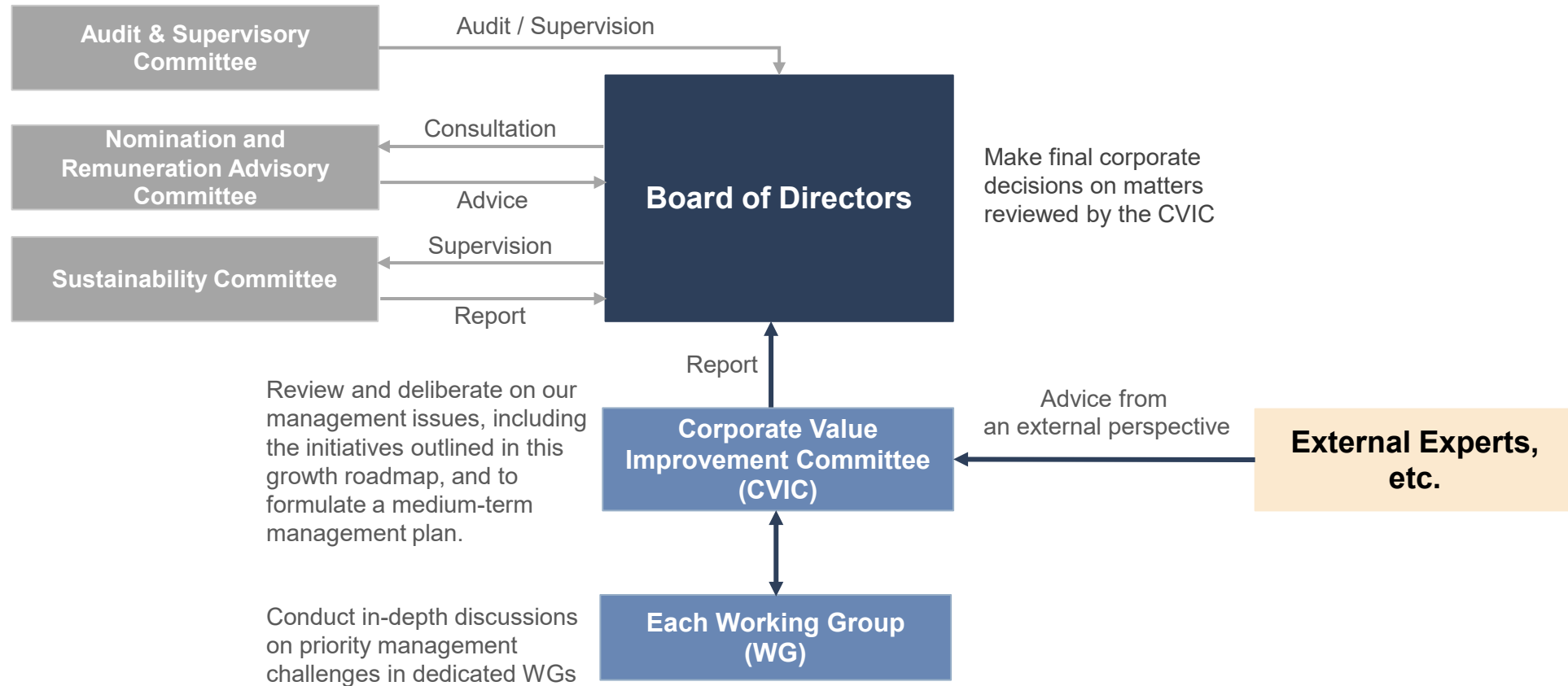
Head, BPR / Internal IT

Akira Inadome

After graduating from the School of Commerce at Meiji University in 2002, he joined Nomura Research Institute, Ltd. (NRI). Starting his career as an engineer, he gained extensive experience as an IT consultant in system architecture and new service development. He then joined GREE, Inc., where he spearheaded cross-functional projects and held key roles in the Human Resources department, before joining SMS in 2015. He subsequently established our BPR (Business Process Re-engineering) organization and expanded his leadership to include public relations and the corporate strategy secretariat. Since 2020, he has overseen BPR, internal IT systems, office facilities, and public relations.

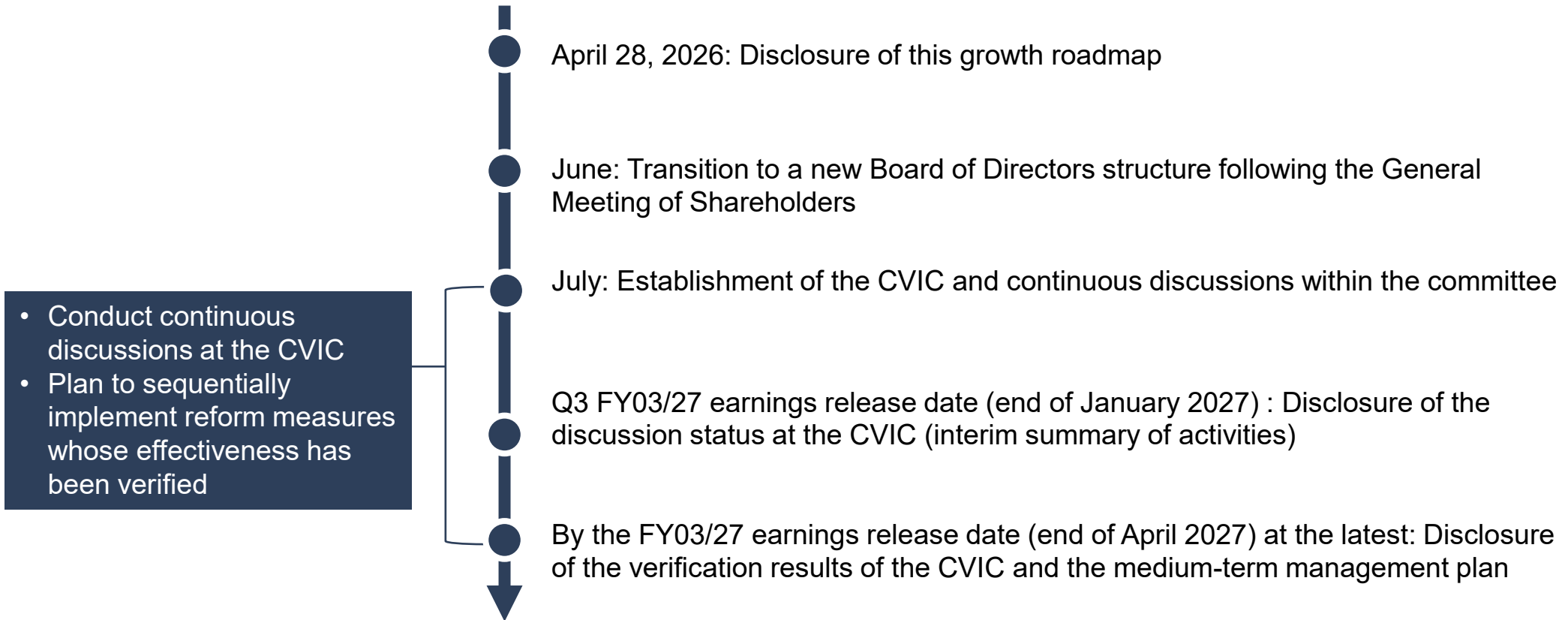
Establishment of the Corporate Value Improvement Committee

- Plan to establish the Corporate Value Improvement Committee to review and deliberate on our management issues, including the initiatives outlined in this growth roadmap, and to formulate a medium-term management plan.



Upcoming Schedule for Our Deliberations

- Going forward, we will verify the business portfolio and growth strategy from all angles through the CVIC
- We plan to sequentially execute reforms without exceptions (no sacred cows). In addition, we plan to disclose updates to this roadmap by the announcement of financial results for FY03/27 (end of April 2027) at the latest.



Thereafter, update the medium-term management plan as necessary to achieve sustainable enhancement of corporate value, while executing the measures of the plan.

FY03/2027 Guidance

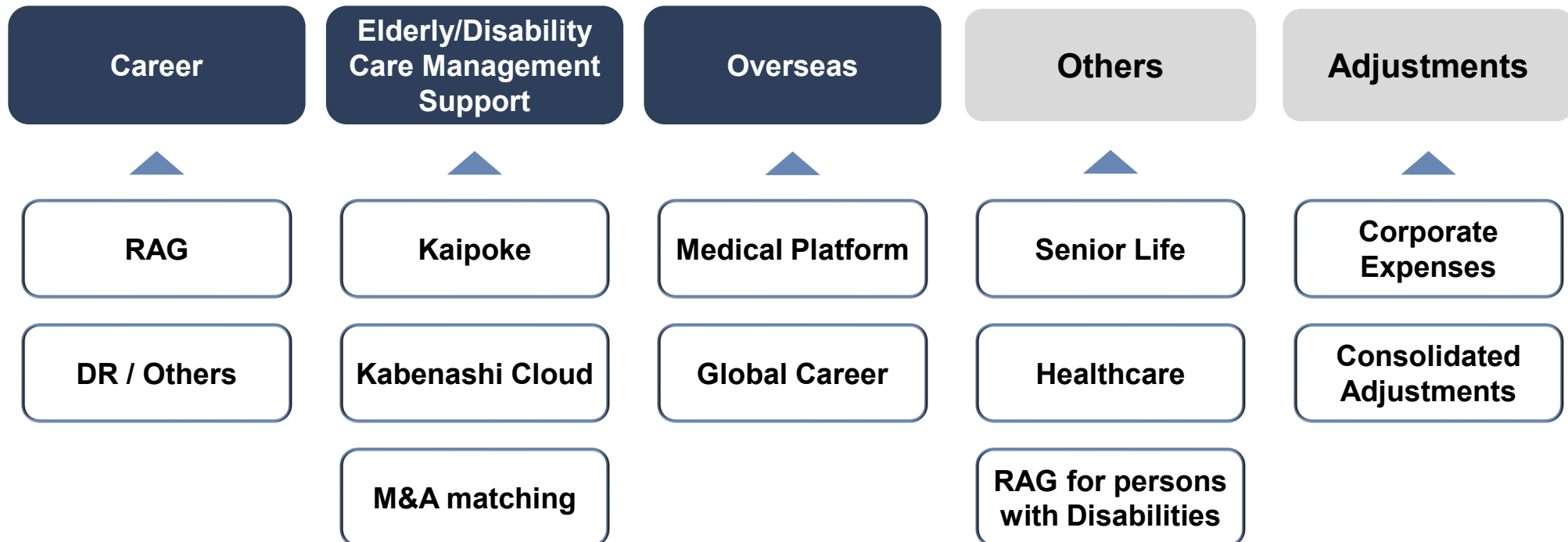
FY03/27 Consolidated Financial Guidance

- **Foundation-Building Year: FY03/27 prioritizes strategic investments for future growth. EBITDA is projected to decline year-on-year as we invest in establishing our future earnings base.**
- **Approximately ¥2.0 Billion Strategic Investment: We accelerate recruitment of CPs throughout the year, strengthen DR's sales and customer success functions and brand awareness, and reinforce Kabenashi Cloud's sales organization. These investments establish the foundations for sustained growth acceleration.**
- **Strengthen initiatives to transition to a capital-intensive model, including the AI platformization of Career and the development of Kaipoke Connect.**

[¥ millions]	FY03/26 Actual	FY03/27 Guidance	Difference (Amount)	YoY Change
Net Sales	64,735	71,834	7,099	+11%
EBITDA	11,406	10,431	(975)	(9%)
Operating Income	6,787	6,801	14	+0%
Ordinary Income	8,721	8,731	9	+0%
Net Income	(14,317)	6,165	20,483	-

Commencement of Segment-Specific Disclosure

- Effective FY03/27, we transition from a single reportable segment to a three-segment structure: "Career," "Elderly/Disability Care Management Support," and "Overseas."
- The RAG service for persons with disabilities, previously included in the Elderly/Disability Care Management Support segment, has been reclassified to "Others." Additional segment boundaries have been optimized to accurately reflect our evolving business structure.
- Going forward, we will provide segment-level business narratives and financial disclosures.



Reference: Pro-Forma Performance Under New Segment Structure*1

	FY03/2023 Actual	FY03/2024 Actual	FY03/2025 Actual	FY03/2026 Actual	FY03/2027 Guidance
Net Sales					
[¥ millions]					
Career	27,264	32,380	36,214	38,279	41,914
Elderly/Disability Care Management Support	8,362	9,805	11,868	13,471	15,190
Overseas	7,815	9,002	9,385	8,851	9,786
EBITDA					
Career	8,111	9,191	7,104	7,815	7,556
Elderly/Disability Care Management Support	3,538	4,121	5,188	6,091	6,420
Overseas	1,757	1,835	1,653	1,336	1,271
EBITDA Margin					
Career	29.8%	28.4%	19.6%	20.4%	18.0%
Elderly/Disability Care Management Support	42.3%	42.0%	43.7%	45.2%	42.3%
Overseas	22.5%	20.4%	17.6%	15.1%	13.0%

1. In addition to the above segments, total Net Sales includes "Others," while EBITDA includes "Others" and "Adjustments." "Others" primarily consists of businesses in the business development area, and its profit contribution is currently limited. "Adjustments" mainly comprise various administrative expenses of corporate departments, accounting for approximately 7% of total Net Sales.

FY03/27 Guidance: Career Segment

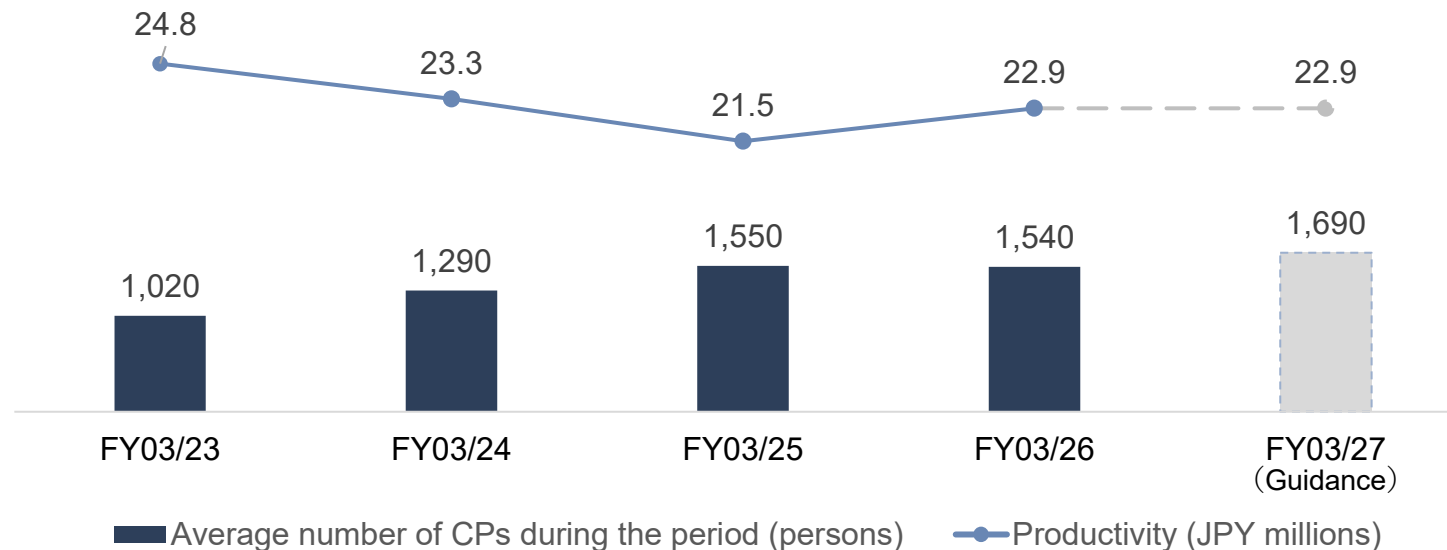
- Demographic shifts—aging populations and shrinking working-age cohorts—are driving sustained expansion of human capital needs in medical care and elderly care fields, establishing a long-term, secular growth tailwind for SMS.
- RAG Strategy: We are accelerating CP recruitment across high-potential segments including childcare and elderly/disability care. Our approach combines FY03/27 revenue maximization with deliberate pipeline building for FY03/28, ensuring sustained placement volume.
- DR Strategy: We are deploying strategic capital to strengthen our sales capacity to improve job seeker acquisition and application rates by expanding the number of job listings. Concurrently, we are investing in brand awareness and scaling customer success functions to enhance placement capture rates.

	[¥ millions]	FY03/26 Actual	FY03/27 Guidance	YoY Change
Net Sales		38,279	41,914	+10%
	RAG	35,309	38,638	+9%
	DR / Others	2,969	3,276	+10%
EBITDA		7,815	7,556	(3%)

KPI: Number of CPs and Productivity

- Following COVID-19 headcount constraints, we prioritized aggressive CP recruitment from FY03/23. Consequently, sales per CP experienced a temporary decline.
- In FY03/26, we moderated new hiring while strengthening management systems, enhancing training programs, and strategically integrating generative AI, successfully reversing the productivity decline.
- For FY03/27, we are resuming aggressive year-round CP hiring while maintaining FY03/26 productivity levels by automating critical matching process workflows through AI.

Trend in the number of CPs and productivity*1



1. Calculated by dividing the annual net sales of RAG by the average number of CPs during the period.

FY03/27 Guidance: Elderly/Disability Care Management Support Segment

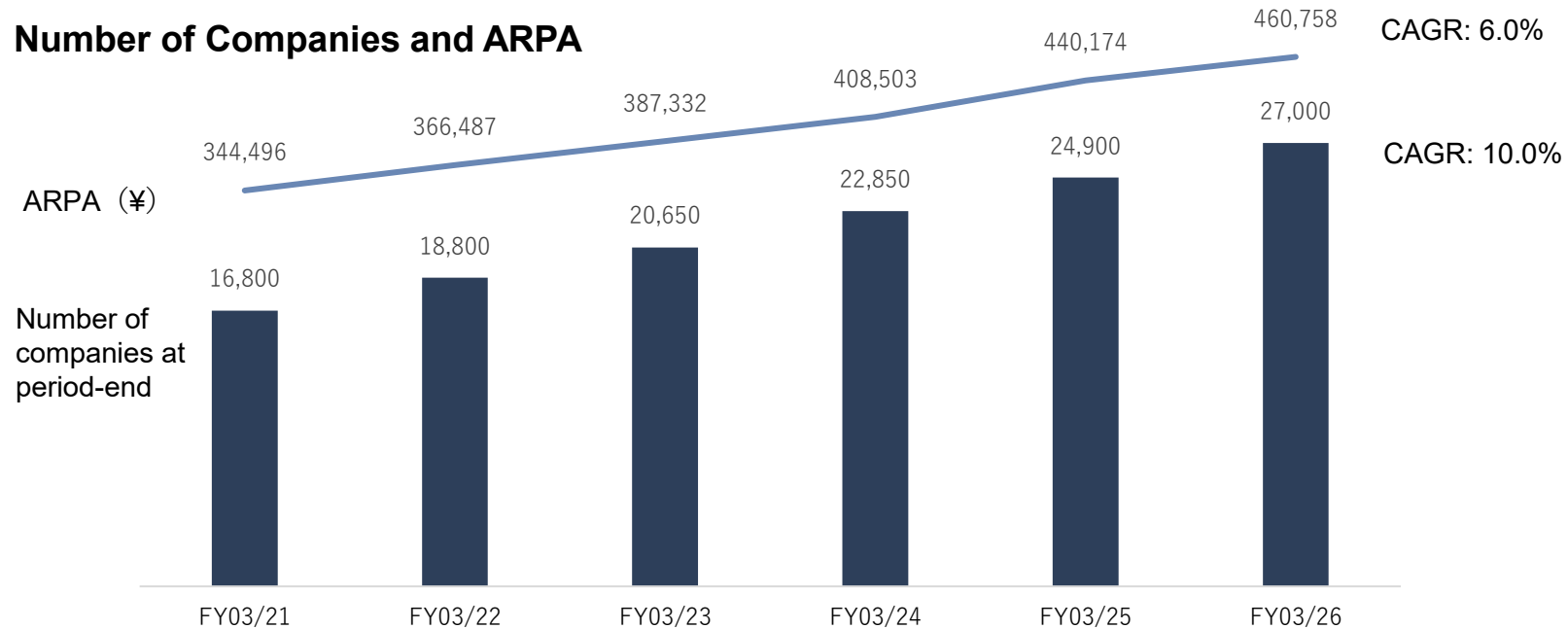
- The market for elderly/disability care management support remains robust, driven by sustained growth in operator numbers and rising management needs—establishing a durable growth foundation.
- Kaipoke and Kabenashi Cloud will grow through rising memberships and increased adoption of value-added services including factoring and smartphone/tablet rentals, alongside M&A matching scaling.
- Execute a comprehensive transformation: transitioning Kaipoke to "Kaipoke Connect" and integrating advanced AI capabilities through strategic partnerships and capital alliances to establish a high-value product, and reinforcing Kabenashi Cloud's sales infrastructure.

		FY03/26 Actual	FY03/27 Guidance	YoY Change
[¥ millions]				
Elderly/Disability Care Management Support Segment	Net Sales	13,471	15,190	+13%
	EBITDA	6,091	6,420	+5%

1. In March 2026, we concluded a strategic partnership with Welmo, a provider of DX solutions for the nursing care industry.

Various Indicators of Elderly/Disability Care Management Support

- The number of customers and ARPA 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 including Kabenashi Cloud.
- Our ~15% CAGR with sub-0.6% churn represents SaaS operational excellence. We consistently achieve the “Rule of 40”^{*1}—the gold standard for SaaS profitability—demonstrating our model's ability to deliver sustainable, profitable scaling.



1. 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.

FY03/27 Guidance*1: Overseas Segment

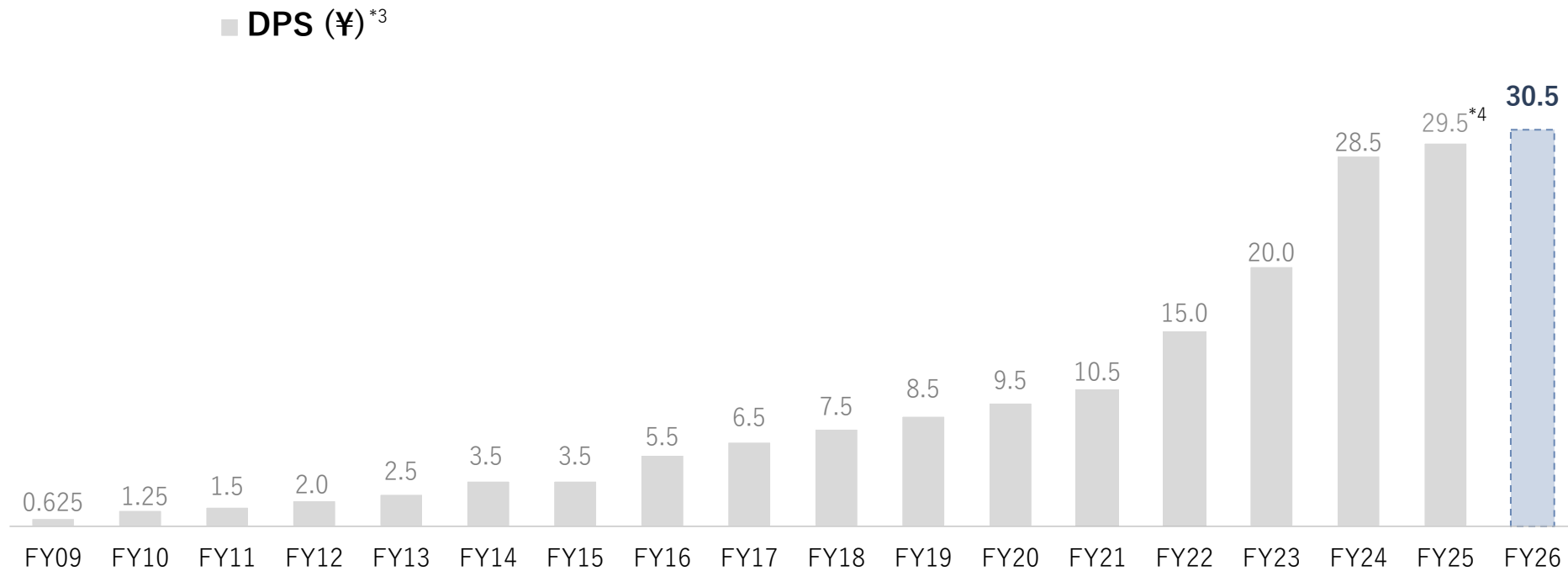
- **Medical Platform Business:** We are executing a comprehensive review based on growth potential and profitability. We are evaluating all strategic options including partnerships, external capital, and restructuring to optimize long-term value.
- **Global Career Business:** Global demand for healthcare professionals is expanding structurally, establishing significant growth potential. Despite Middle East geopolitical challenges, we are accelerating growth through healthcare provider network expansion and geographic diversification into the U.S., Europe, and Australia.

[¥ millions]		FY03/26 Actual	FY03/27 Guidance	YoY Change
Overseas	Net Sales	8,851	9,786	+11%
	EBITDA	1,336	1,271	(5%)

1. Income statement of MIMS group is consolidated with a three-month delay and the results are for January to December. (Please refer to p.103)

Dividend Forecast

- Based on our dividend policy^{*1}, the dividend forecast per share for FY03/27 is planned to be 30.5 yen (an increase of 1.0 yen compared to FY03/26).
- Consolidated dividend payout ratio^{*2} based on the EPS forecast: 40.6%



1. 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.
2. Dividend payout ratio = DPS / EPS
3. Historical DPS is calculated taking into account past stock splits.
4. The dividend for FY25 is subject to approval at the Ordinary General Meeting of Shareholders scheduled to be held in June 2026.

04 References

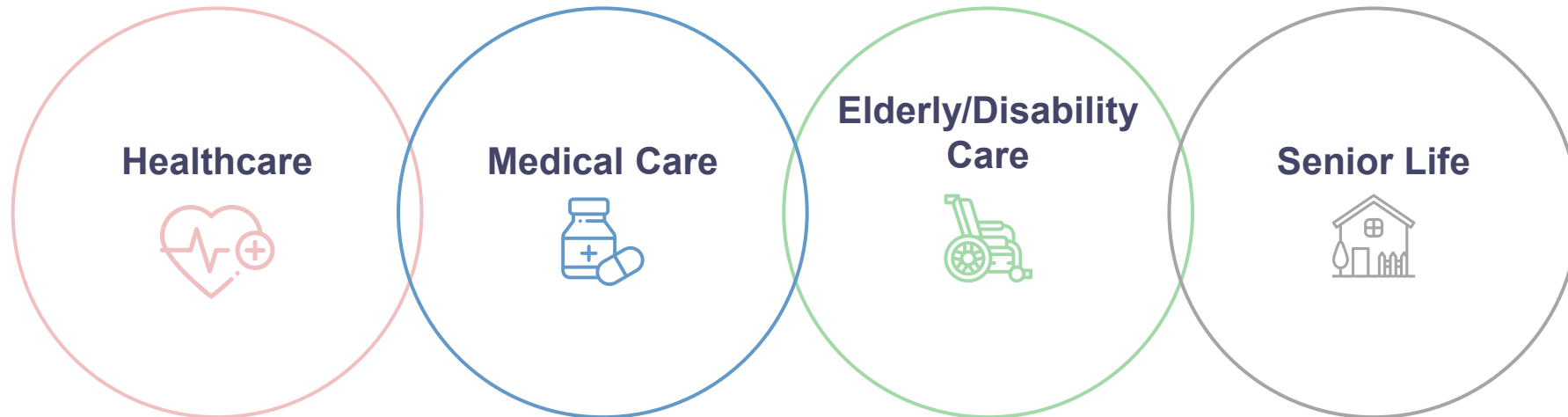
Mission and Business Overview

Group Mission

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

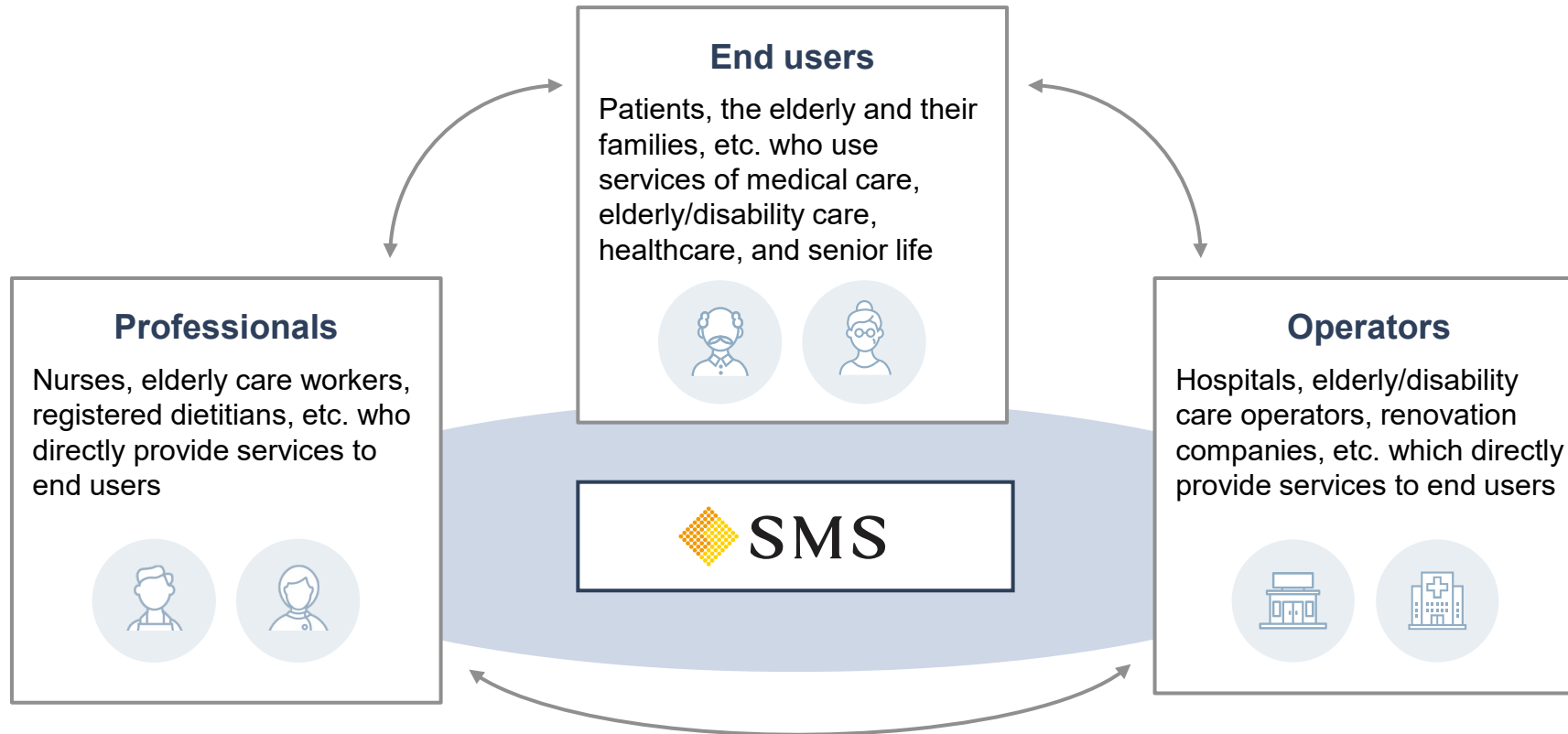
Aging Society

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.

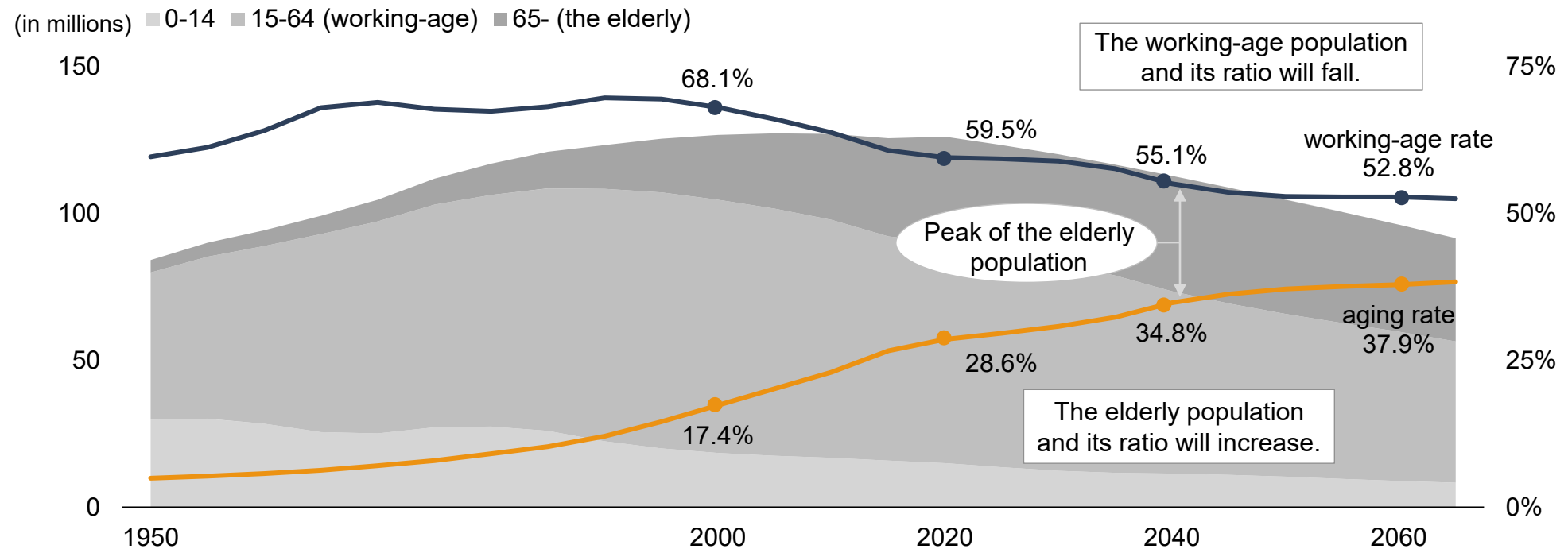
	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 
Professionals 				
Operators 	Business Areas			
End users 				

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"

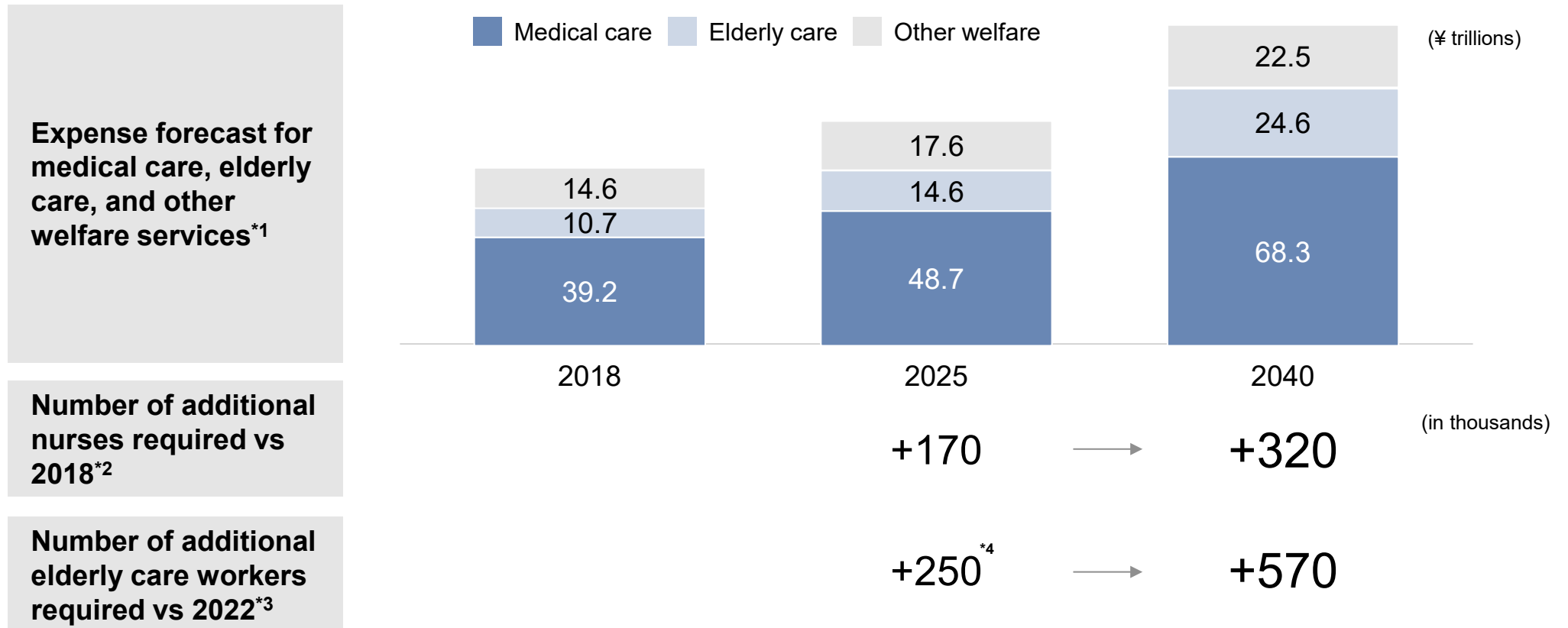
Three Critical Issues Faced by an Aging Society

- 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.

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

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

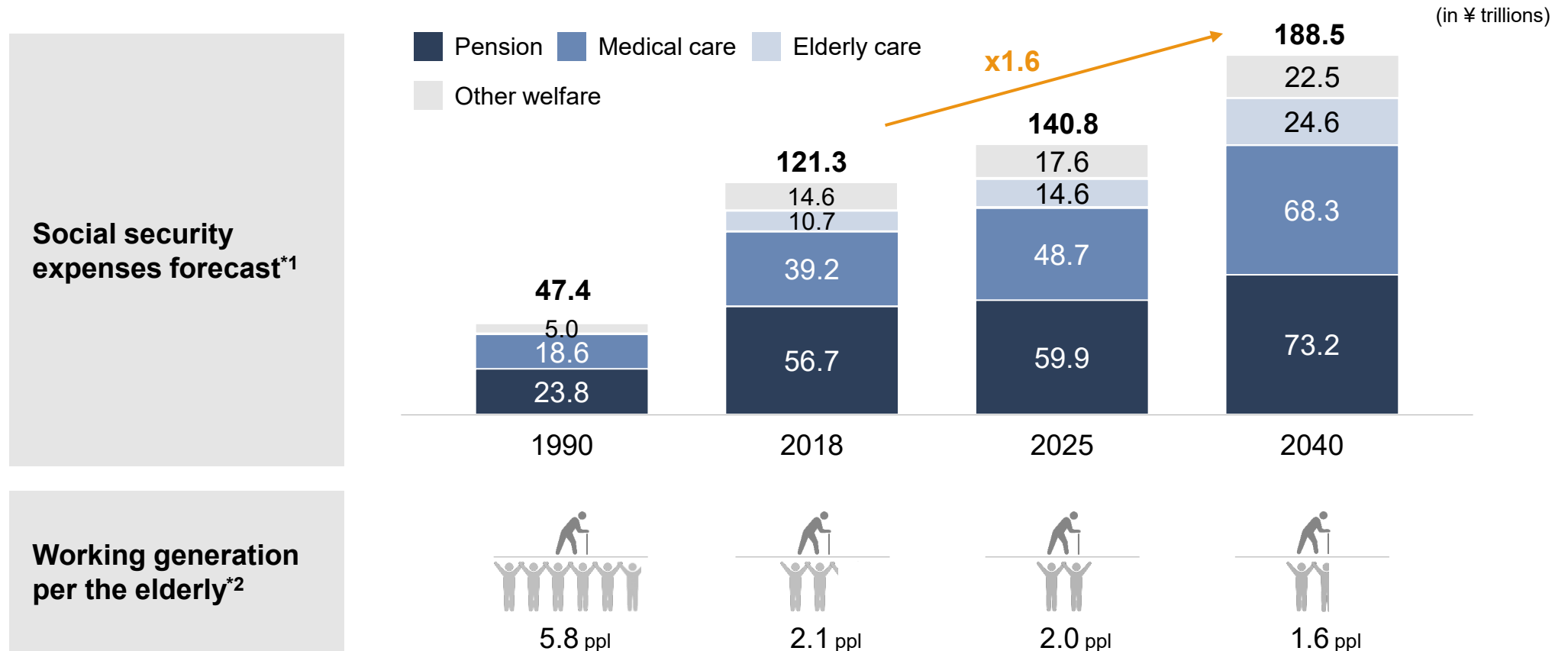
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



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

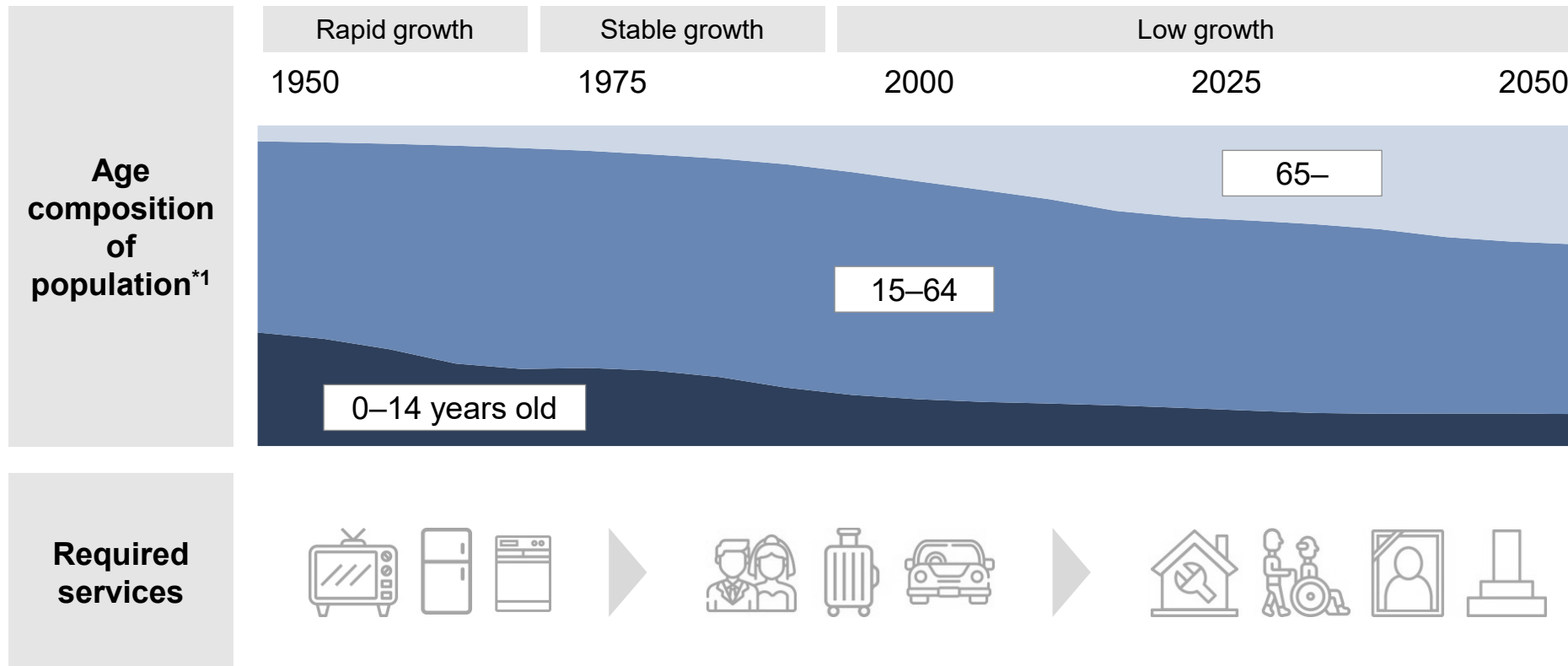
The burden on the working generation will become more serious due to the increasing social security expenses for pensions, medical care, elderly care, and other welfare services, as well as the declining working-age population who cover these expenses.



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

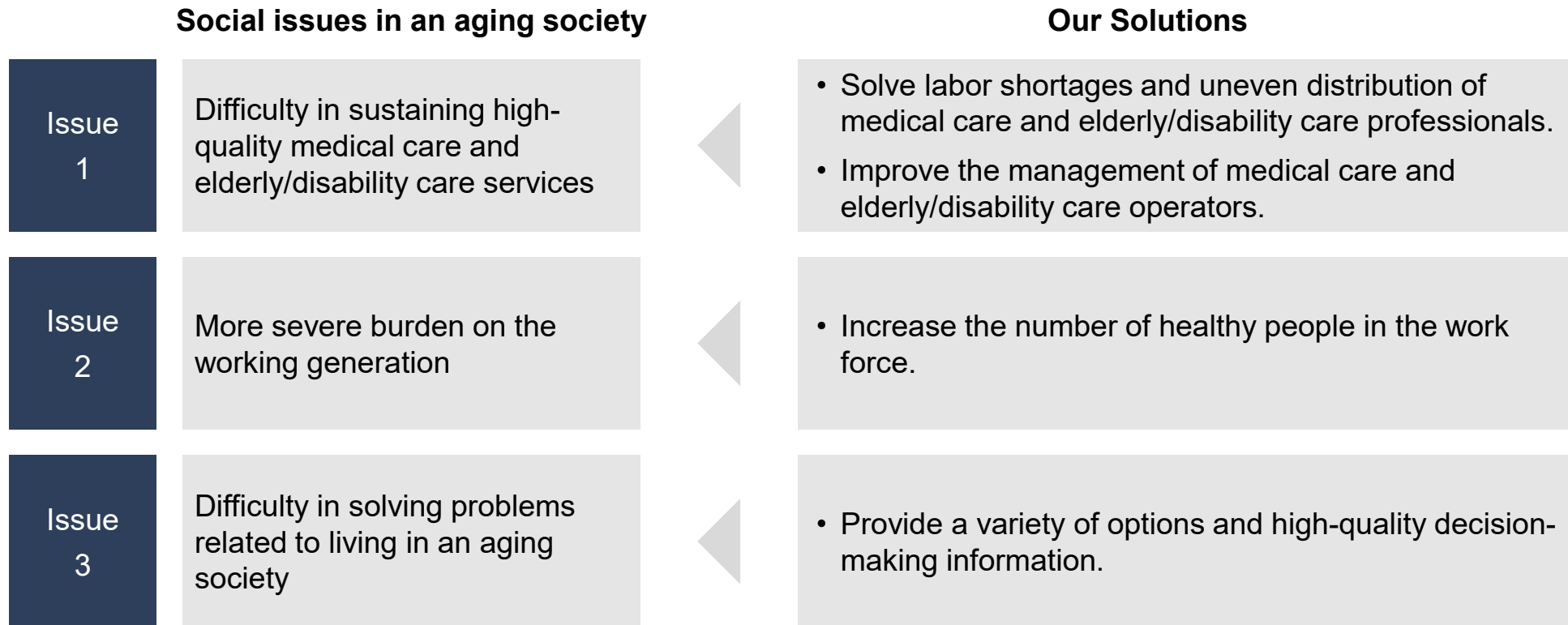
- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and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



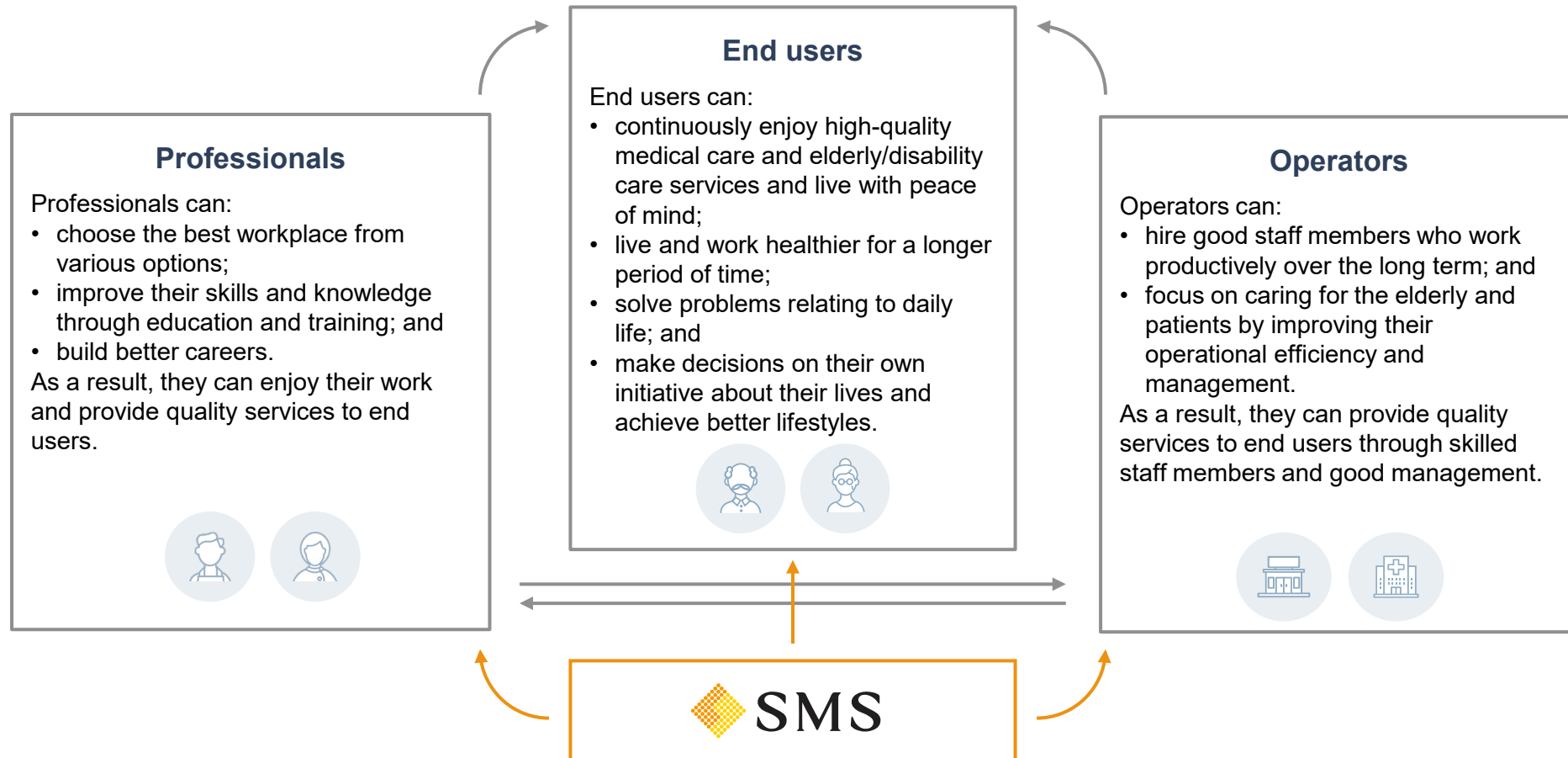
Strategic Business Areas

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.

	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 
Professionals 	<div data-bbox="930 906 1031 1006" style="background-color: #333; color: white; padding: 5px; border-radius: 10px; text-align: center;">Issue 2</div> <div data-bbox="891 1035 1070 1106" style="text-align: center;">Healthcare Business</div>	<div data-bbox="1223 806 1324 906" style="background-color: #333; color: white; padding: 5px; border-radius: 10px; text-align: center;">Issue 1</div> <div data-bbox="1350 821 1503 892" style="text-align: center;">Career Business</div>		<div data-bbox="1949 906 2051 1006" style="background-color: #333; color: white; padding: 5px; border-radius: 10px; text-align: center;">Issue 3</div> <div data-bbox="1911 1035 2089 1106" style="text-align: center;">Senior Life Business</div>
Operators 		<div data-bbox="1567 849 1668 949" style="background-color: #333; color: white; padding: 5px; border-radius: 10px; text-align: center;">Issue 1</div> <div data-bbox="1503 963 1796 1078" style="text-align: center;">Elderly/Disability Care Management Support Business</div>		
End users 				

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

Business Portfolio

- Develop diverse services centered on three segments: "Career," "Elderly Care / Disability Care Management Support," and "Overseas."

Business Areas

Career - RAG, DR / Others

- RAG for nurses: "Nurse-senka Tenshoku"
- RAG for care workers: "Kaigo Job Agent"
- RAG for childcare workers: "Hoikushi Jinzai-bank"
- Cross-occupational DR platform: "Wellme Job"

Elderly Care / Disability Care Management Support

- Management support platforms for elderly/disability care operators: "Kaipoke," "Kabenashi Cloud"

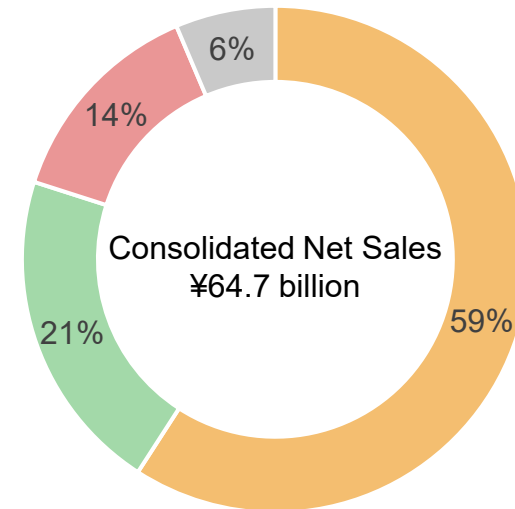
Overseas

- Marketing support service for medical-related companies
- Clinical decision support
- Domestic/cross-border recruiting service of HCPs

Others

- Developing and nurturing new businesses mainly in the Healthcare and Senior Life domains

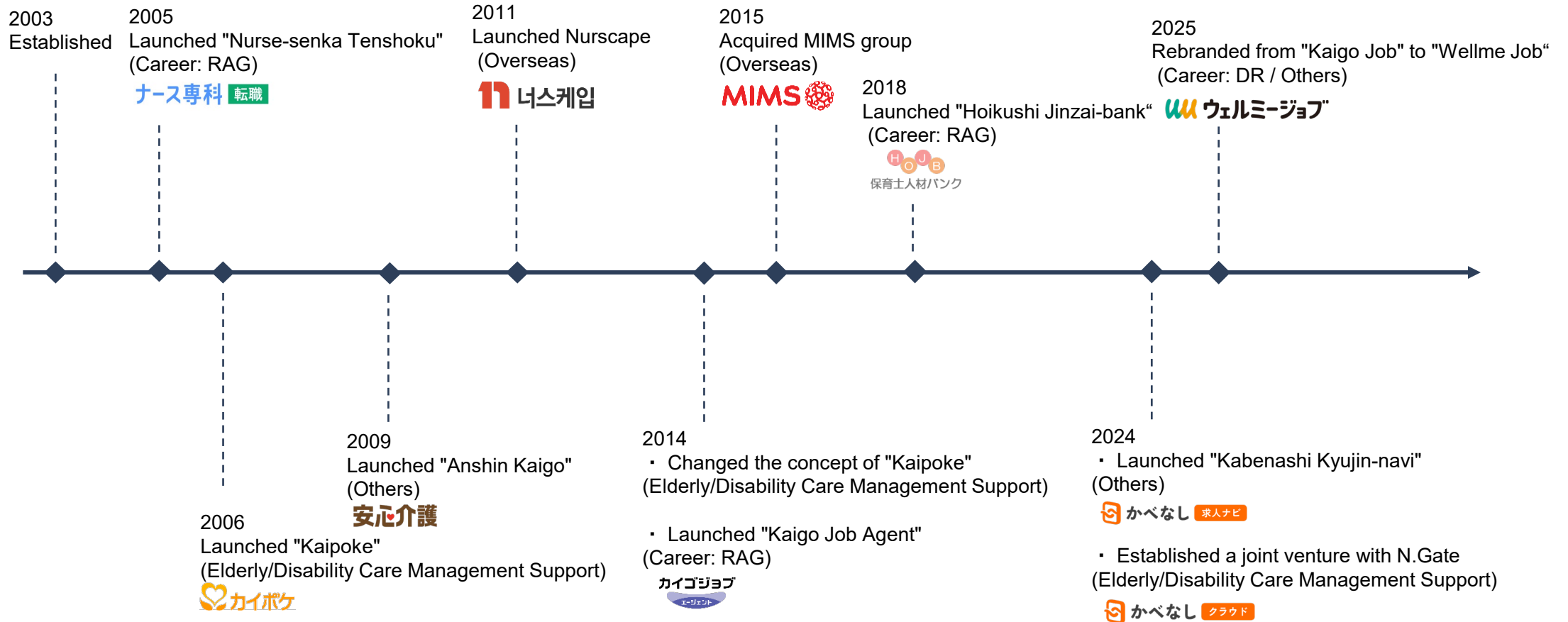
Sales by Segment (FY03/26)



- Career
- Elderly Care / Disability Care Management Support
- Overseas
- Others

Our History

- Since our establishment, the recruiting agent service (RAG) for nurses has driven our growth.
- Expanded businesses including RAG for elderly care workers and childcare workers, Kaipoke, and the Overseas business.
- We will achieve further growth by developing and nurturing new businesses mainly in the Healthcare and Senior Life domains.



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.



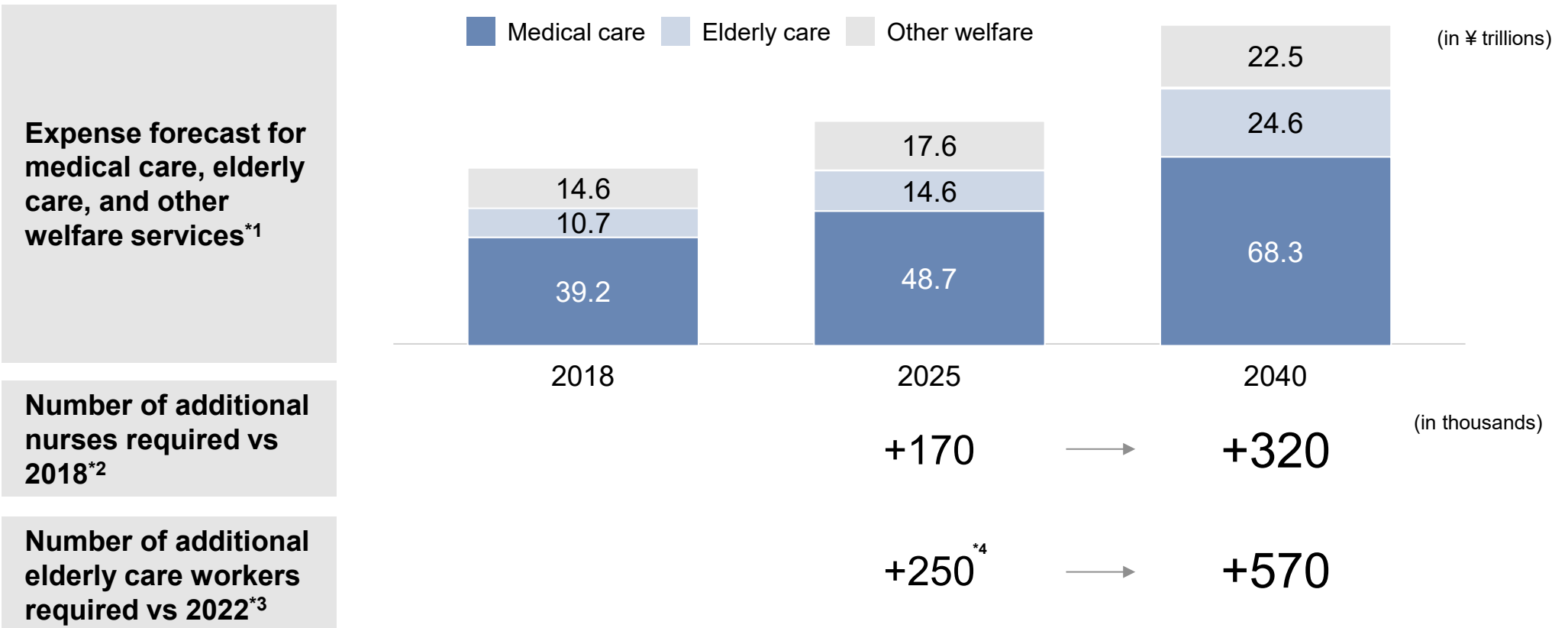
Japan
 South Korea
 China
 Hong Kong
 Taiwan
 Singapore
 Malaysia
 Indonesia
 Thailand

Vietnam
 Philippines
 India
 Australia
 New Zealand
 UAE
 Ireland
 Germany

Career Business

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

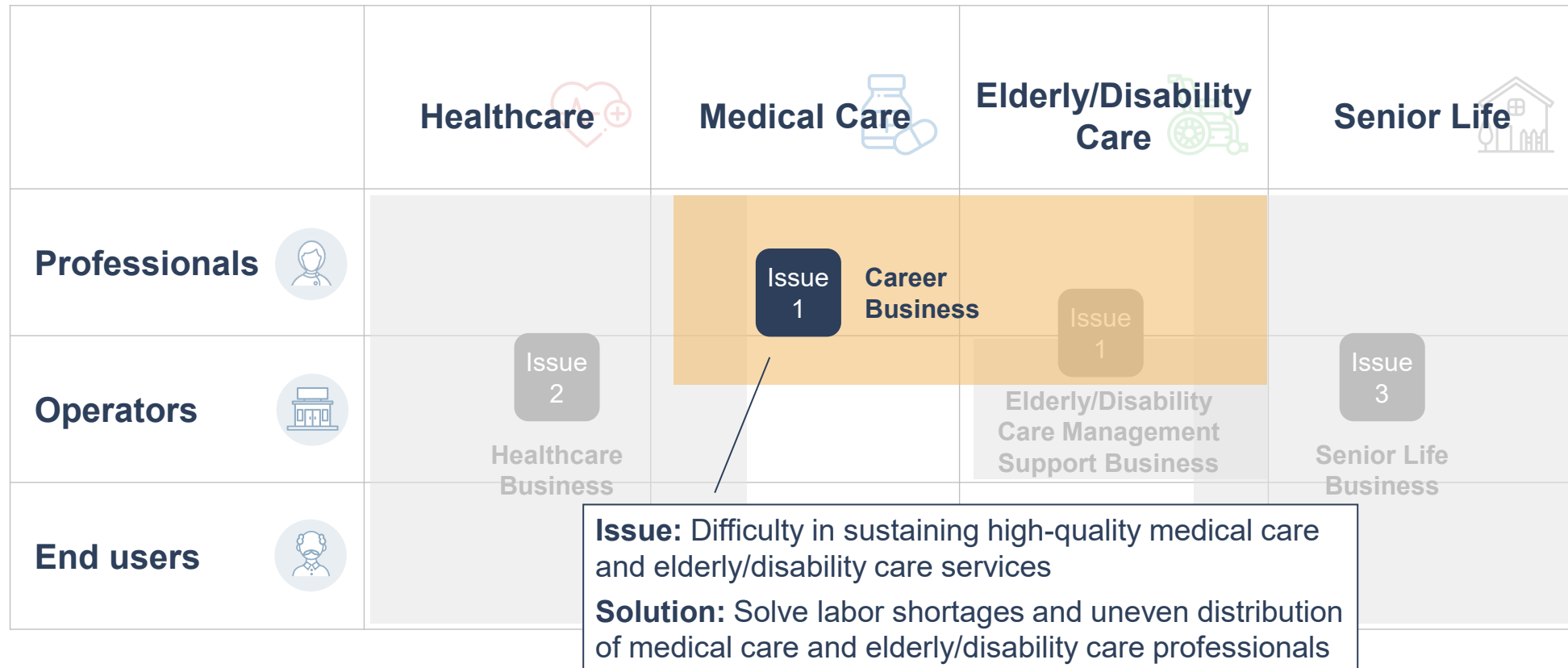
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



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

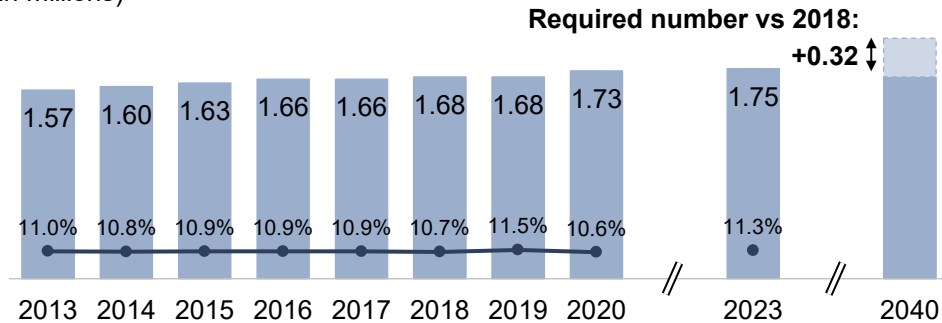
Contribute to solving the social issue “difficulty in sustaining high-quality medical care and elderly/disability care services” by solving labor shortages and uneven workforce distribution through optimized matching of professionals and operators.



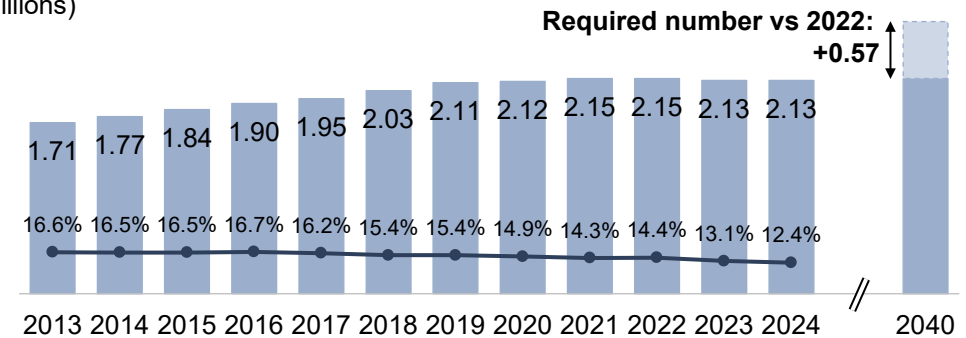
Shortage of Professionals

- 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.

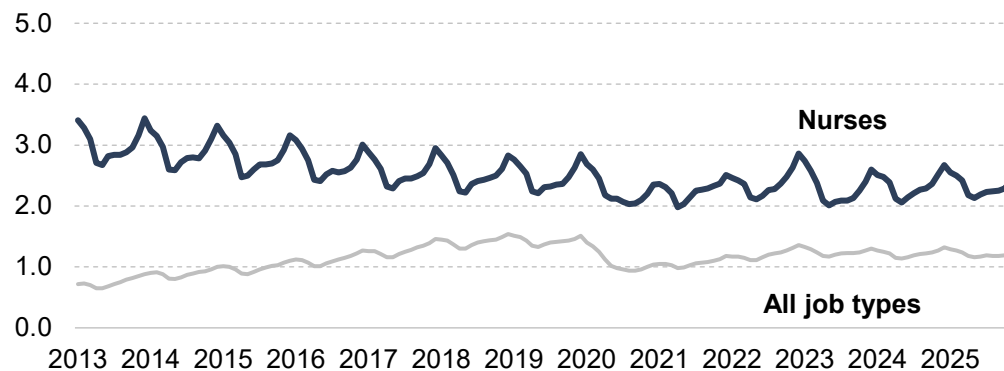
Number of nurses / their turnover rate*1
(in millions)



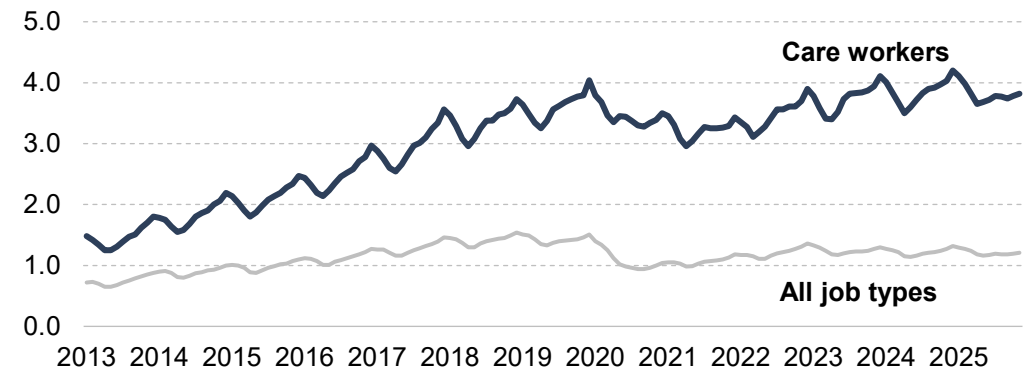
Number of care workers / their turnover rate*2
(in millions)



Jobs-to-applicants ratio of nurses*3



Jobs-to-applicants ratio of care workers*3

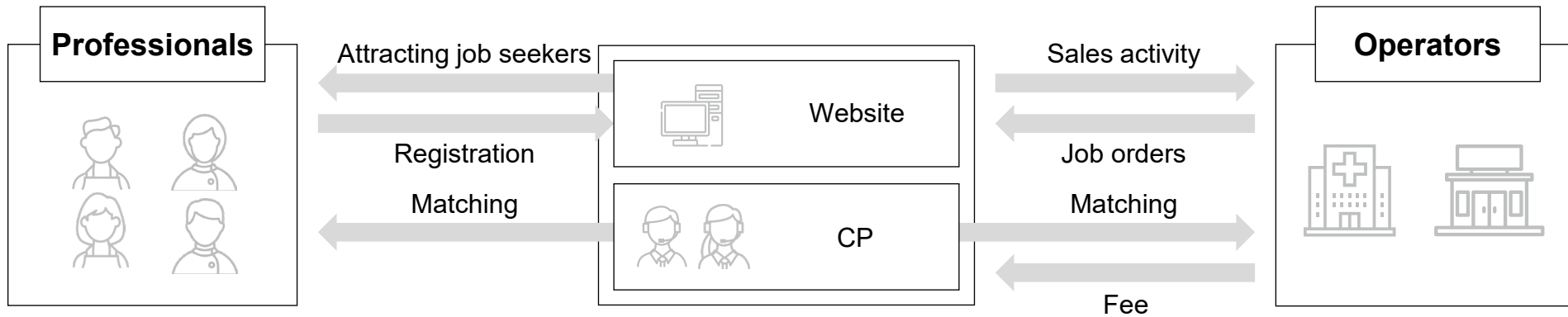


1. Number of nurses/their turnover rate: Japanese Nursing Association "Nursing Statistics", Required number in 2040: MHLW, "Status of securing nurses and other nursing staff"
 2. Number of elderly care workers: MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance", "Survey of institutions and establishments for long-term care", Turnover rate: Care Work Foundation "Care Work Survey"
 3. MHLW, "Employment referrals for general workers"

Business Model of Career Business

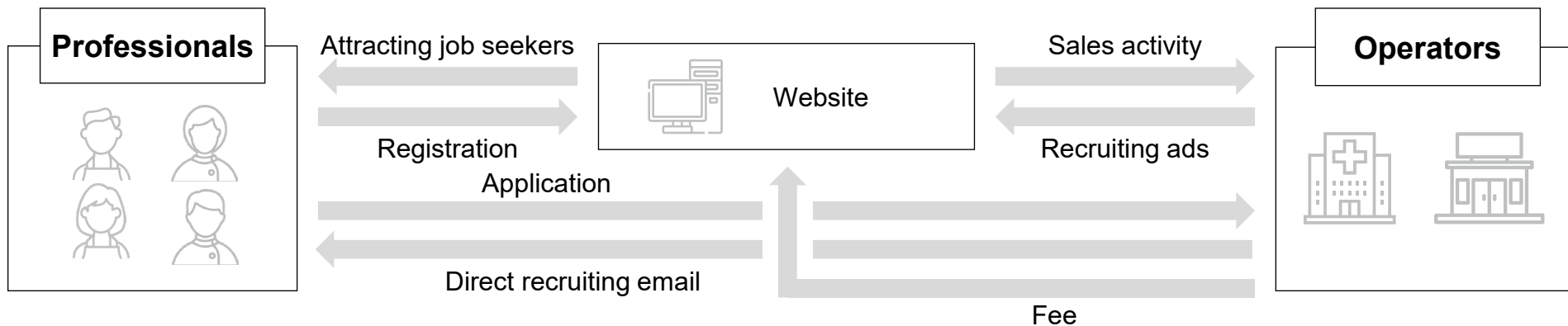
Business model of RAG

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 DR

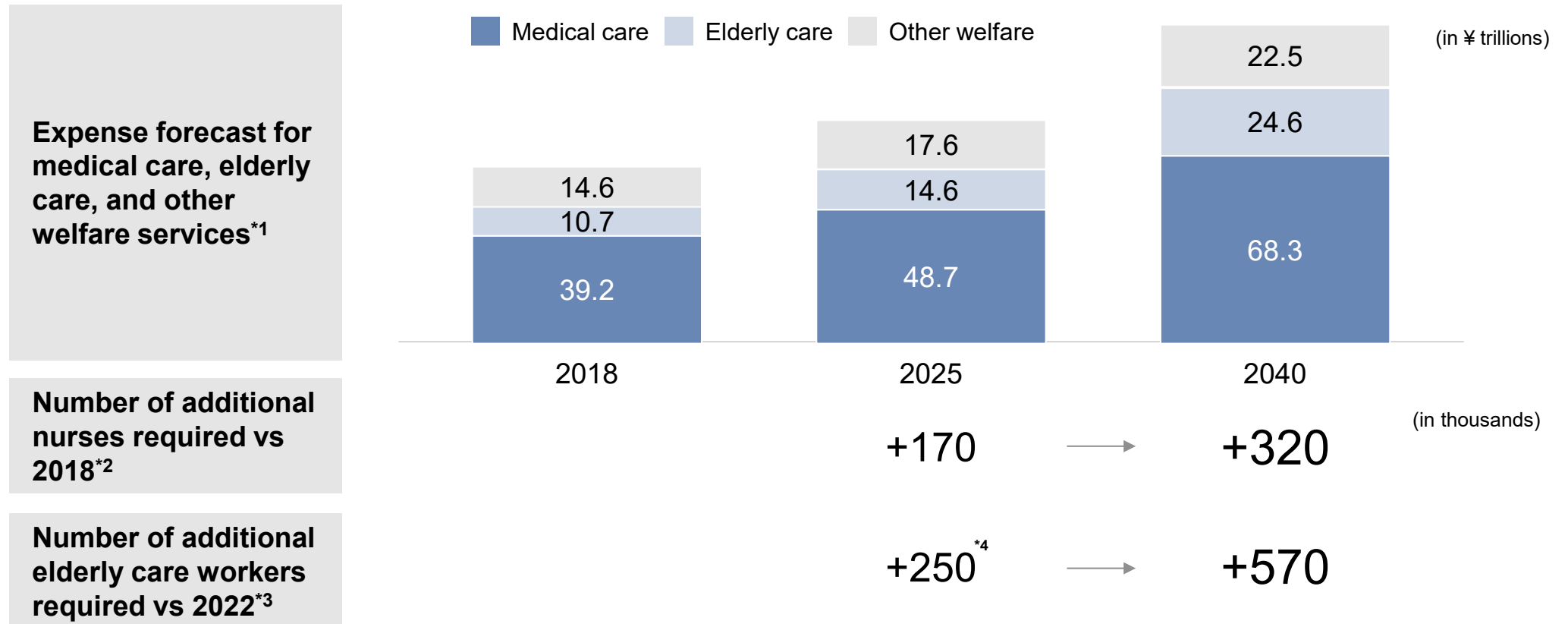
Receive a fee from a hiring business operator, based on the occupation, when an applicant joins.



Elderly Care / Disability Care Management Support Business

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

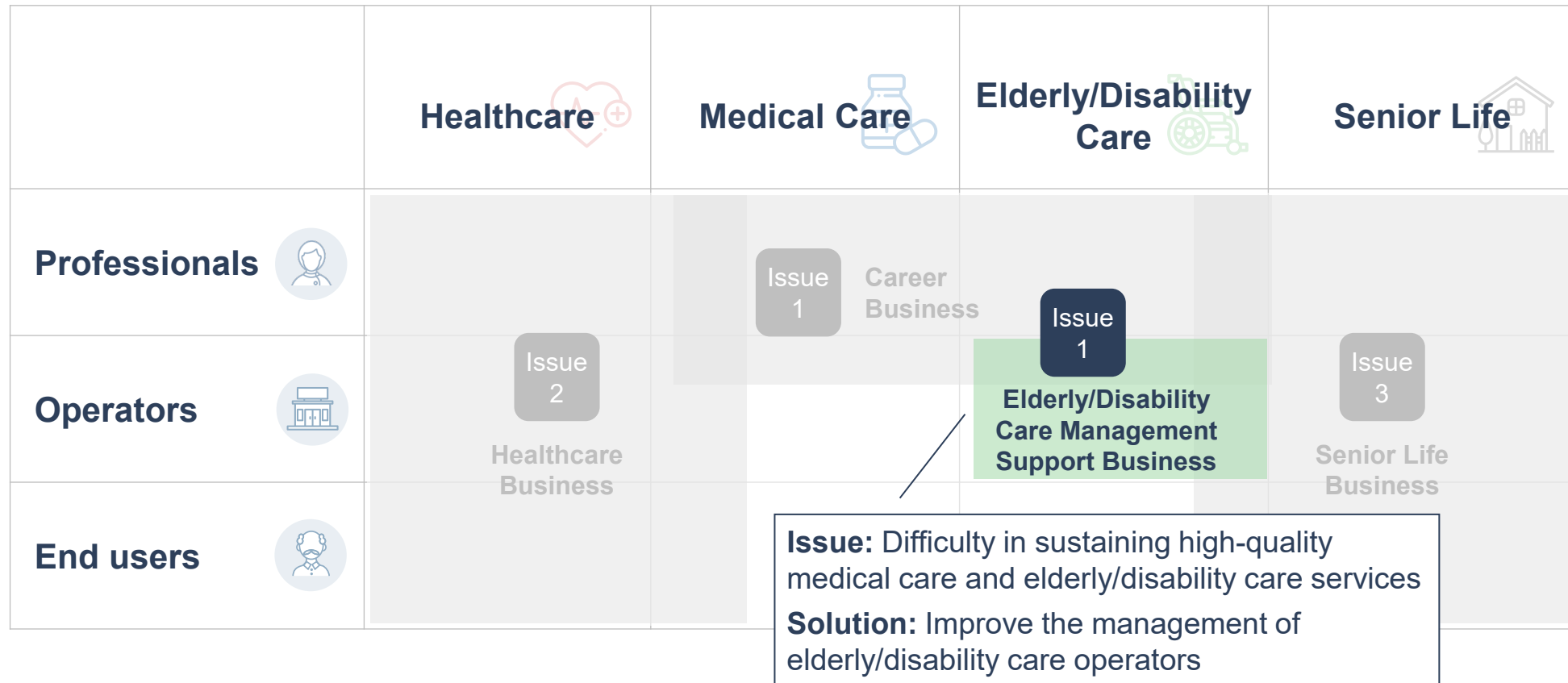
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



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 Care / Disability Care Management Support 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” and “Kabenashi Cloud”.



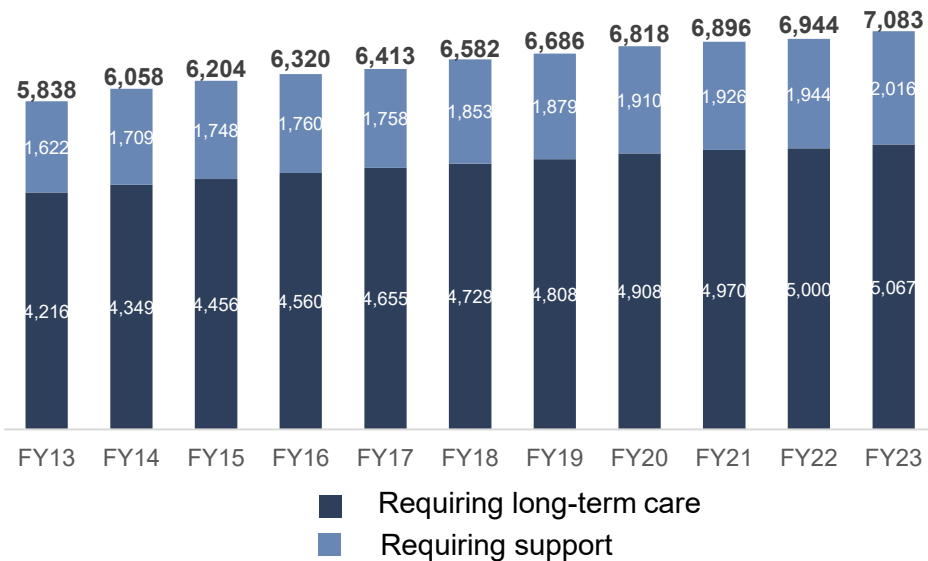
Business Environment of Elderly Care Services

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 need*1

(in thousands)

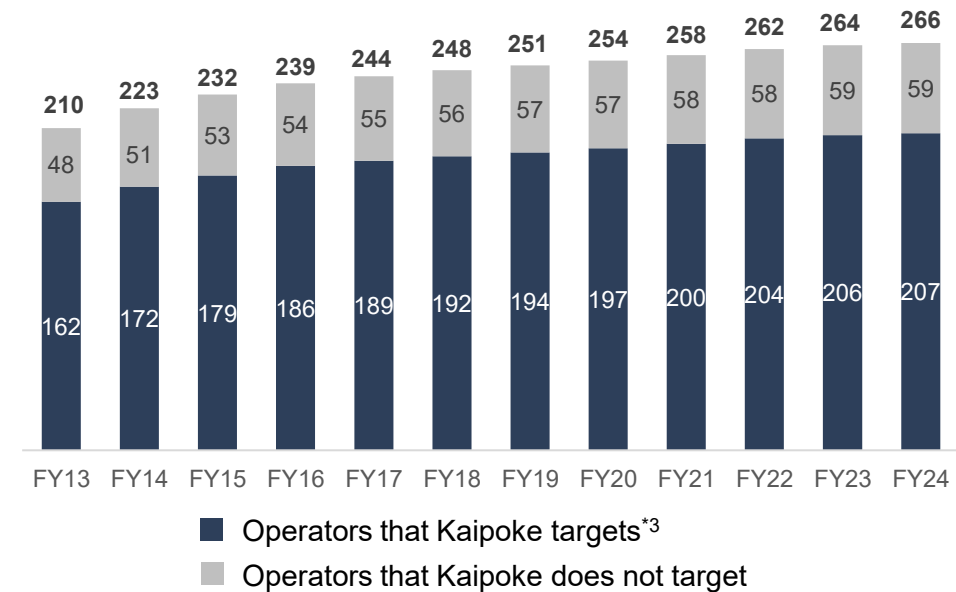
Average annual rate of increase: 2.0%



Number of elderly care service offices*2

(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.

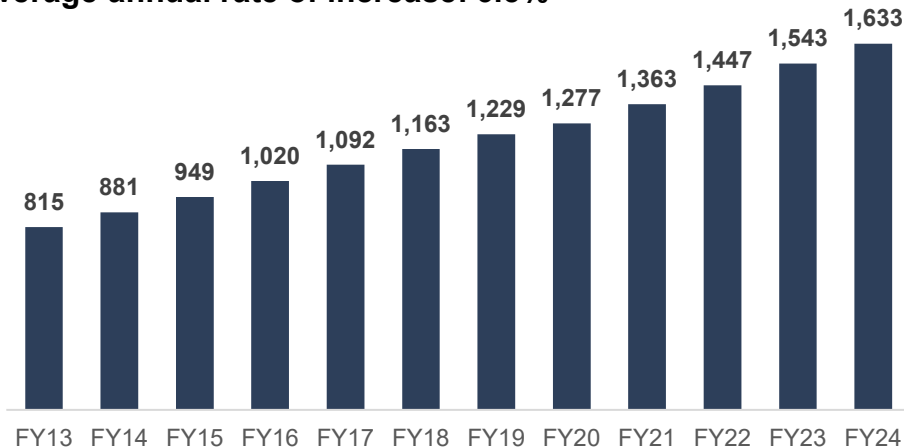
Business Environment of Disability Welfare Services

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)

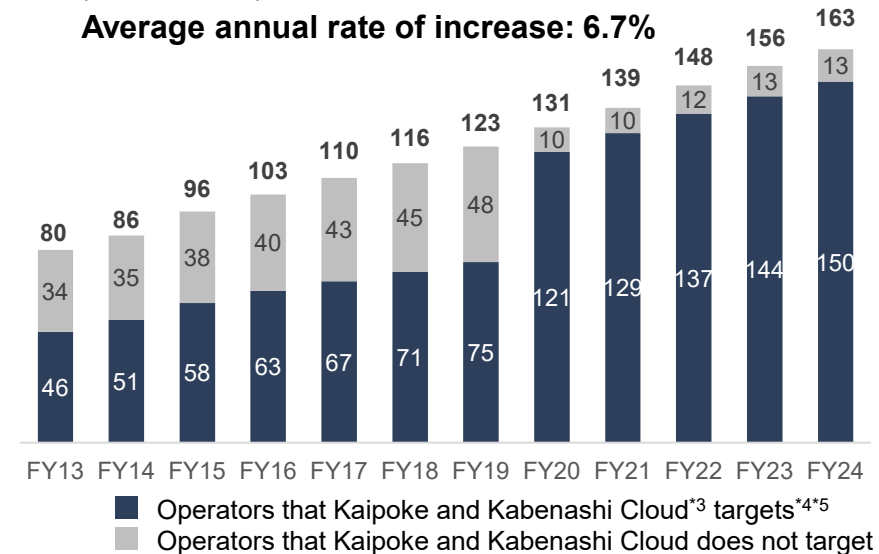
Average annual rate of increase: 6.5%



Number of welfare service offices for persons with disabilities^{*2}

(in thousands)

Average annual rate of increase: 6.7%

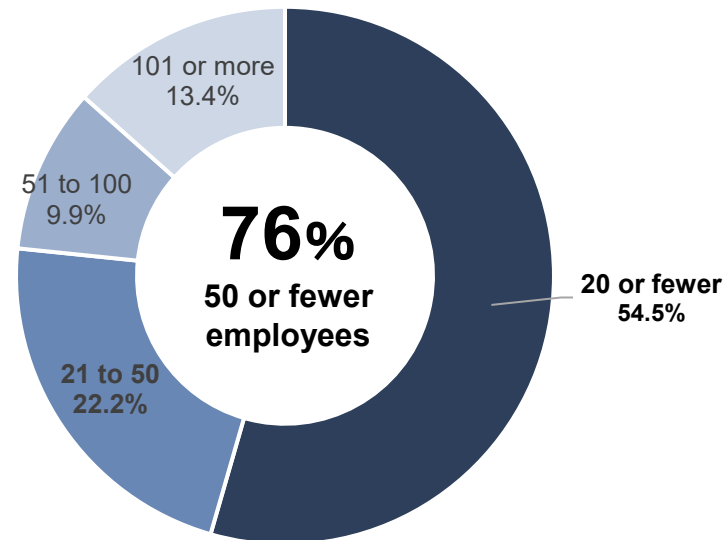


1. MHLW, "Statistical Information on Welfare for Persons with Disabilities: Status of Use of Welfare Services for Persons with Disabilities, etc."
2. MHLW, "Statistical Information on Welfare for Persons with Disabilities: Status of Use of Welfare Services for Persons with Disabilities, etc.", "Recent 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.

The Environment Surrounding Elderly/Disability Care Operators

- Three-quarters of Elderly/Disability Care operators are small-scale corporations with 50 or fewer employees.
- Facing operational and management issues such as a heavy burden of indirect tasks like paperwork, labor shortages, weak purchasing power, and cash flow difficulties, it is difficult for them to focus on their primary mission of elderly care and disability care.
- It is difficult for them to implement IT and improve efficiency in-house, creating a structural demand for SaaS and comprehensive management support.

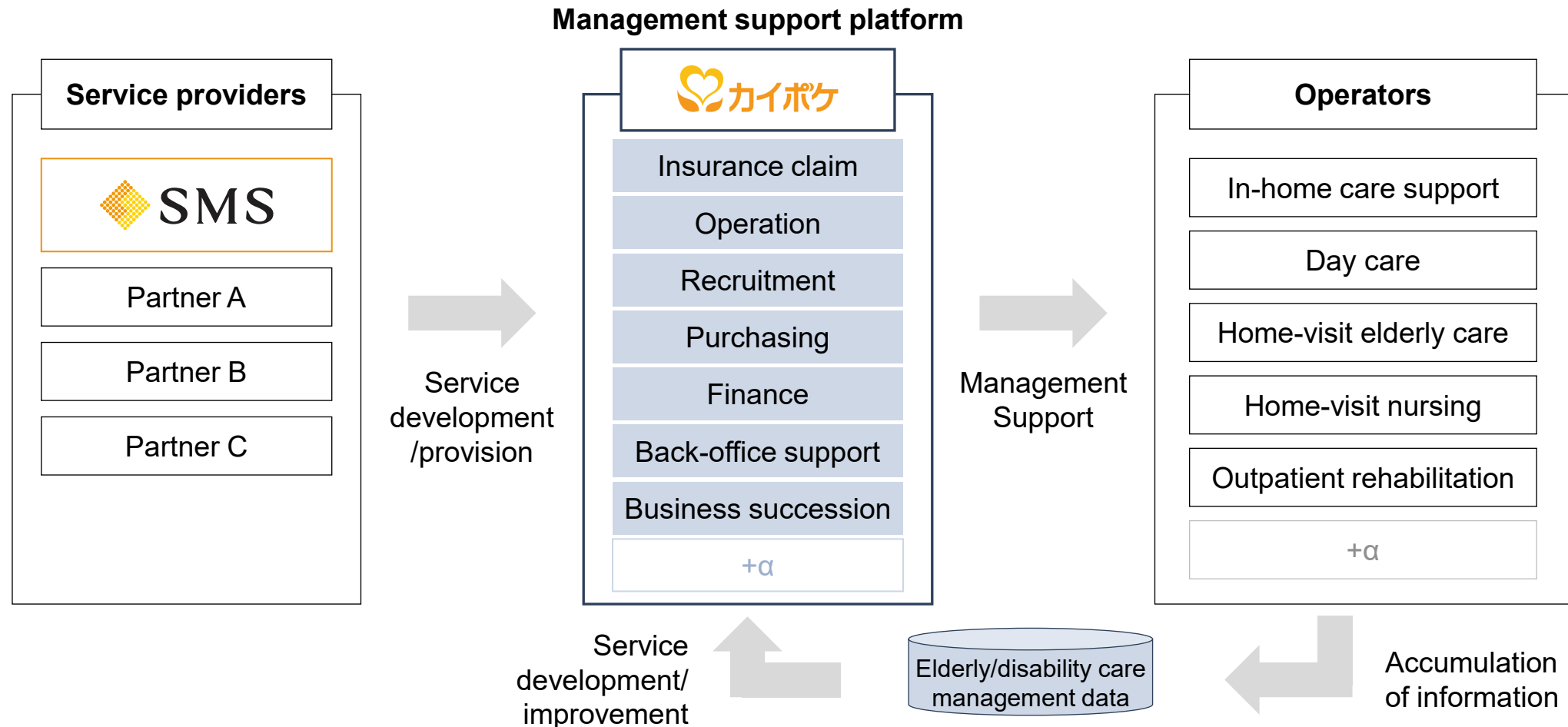
Number of Employees at Corporations Operating Elderly/Disability Care Service Offices*¹



1. Compiled from information as of March 2026 from MHLW, "Elderly Care Service Information Disclosure System" and "WAM NET".

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.



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.

Kaipoke and Kabenashi Cloud will be further strengthened by AI

- Our Kaipoke and Kabenashi Cloud do not meet the conditions for SaaS with a high risk of being replaced by AI, enabling continuous growth going forward.

Regulatory requirements act as barriers to AI substitution

Specialization in complex regulated industries

Continuous compliance with elderly care insurance, medical insurance, and disability care systems, as well as immediate responses to fee revisions, are required. General-purpose AI cannot handle the complexity of regulatory compliance and industry-specific contexts.

Recording systems subject to legal retention obligations

The necessity to retain records required for administrative guidance (on-site inspections). AI cannot bear the responsibility for retaining legally valid records.

High strictness required by regulations

Records and billing data for medical, elderly, and disability care have an extremely low tolerance for errors, requiring strict management of personal and medical information under high-level security.

A structure highly resistant to switching

High data migration costs

Past user records and billing histories are subject to a 5-year retention obligation, making the cost of transferring past data extremely high.

Value provision beyond software

Providing multifaceted management-related value outside of software, such as financial support, business launch support, recruiting support, and operational support.

Usage structure expanding within and beyond operators

Integrated into the operational workflow of the entire service office, from recording to billing and payment collection, penetrating multiple layers including management, frontline staff, and users. Network effects from inter-operator collaboration further strengthen the barriers to exit.

Room for growth leveraging AI

Qualitative deepening into systems that support actions and practices

Starting from the data accumulated through service provision, we will roll out operational support functions such as AI recording support, AI form creation support, and AI refund prediction.

Expansion into Kaipoke Connect

Create new value utilizing AI as a platform for collaboration among operators and multidisciplinary teams in community-based comprehensive care.

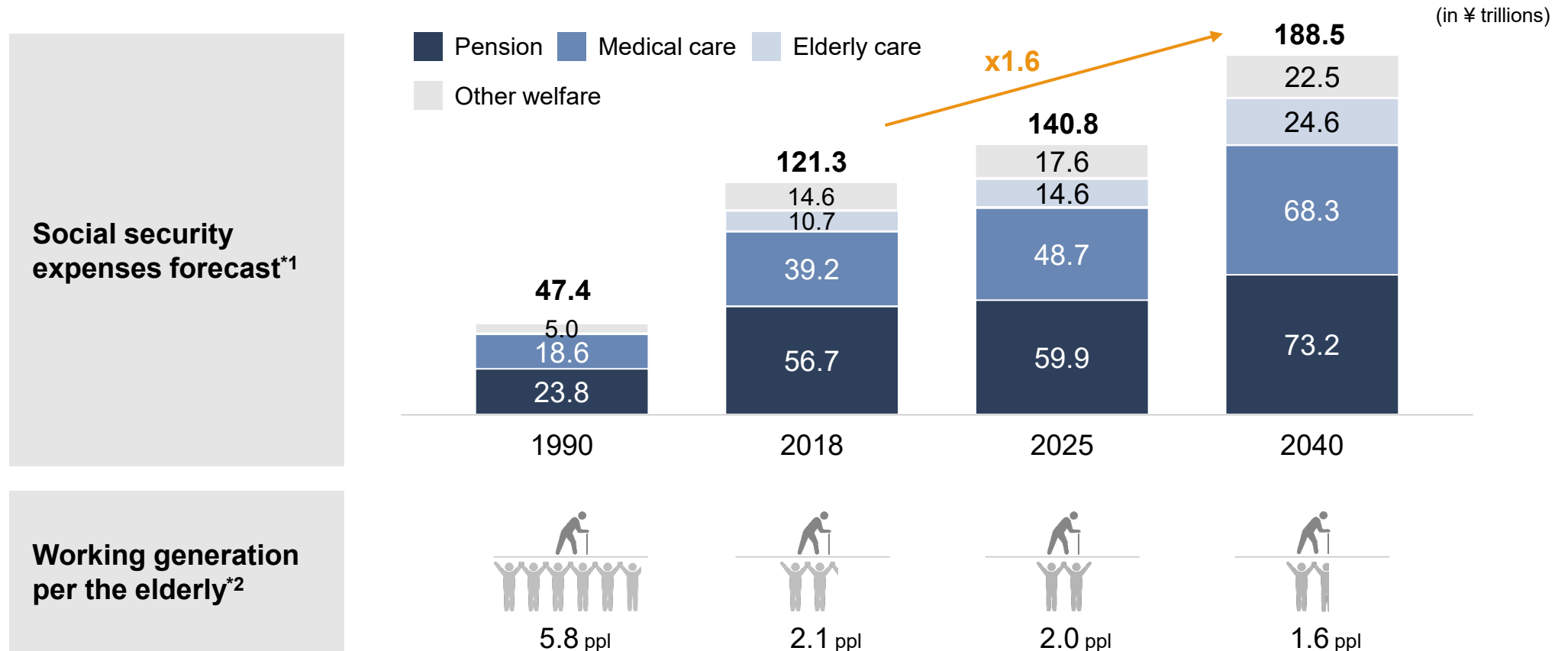
Superiority of industry-specific data

The industry's largest class of data related to management and care services, along with customer-specific data accumulated in recording systems, continuously improves AI accuracy. This forms a barrier to entry for competitors that self-strengthens over time.

Healthcare Business

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.

	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 	
Professionals 	<div data-bbox="930 906 1031 1013" style="background-color: #1a3d4d; color: white; padding: 5px; display: inline-block;">Issue 2</div> Healthcare Business	<div data-bbox="1235 806 1337 906" style="background-color: #666; color: white; padding: 5px; display: inline-block;">Issue 1</div> Career Business	<div data-bbox="1579 849 1681 949" style="background-color: #666; color: white; padding: 5px; display: inline-block;">Issue 1</div>		
Operators 				Elderly/Disability Care Management Support Business	<div data-bbox="1949 906 2051 1006" style="background-color: #666; color: white; padding: 5px; display: inline-block;">Issue 3</div> Senior Life Business
End users 					

Issue: More severe burden on the working generation

Solution: Increase the number of healthy people in the work force

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

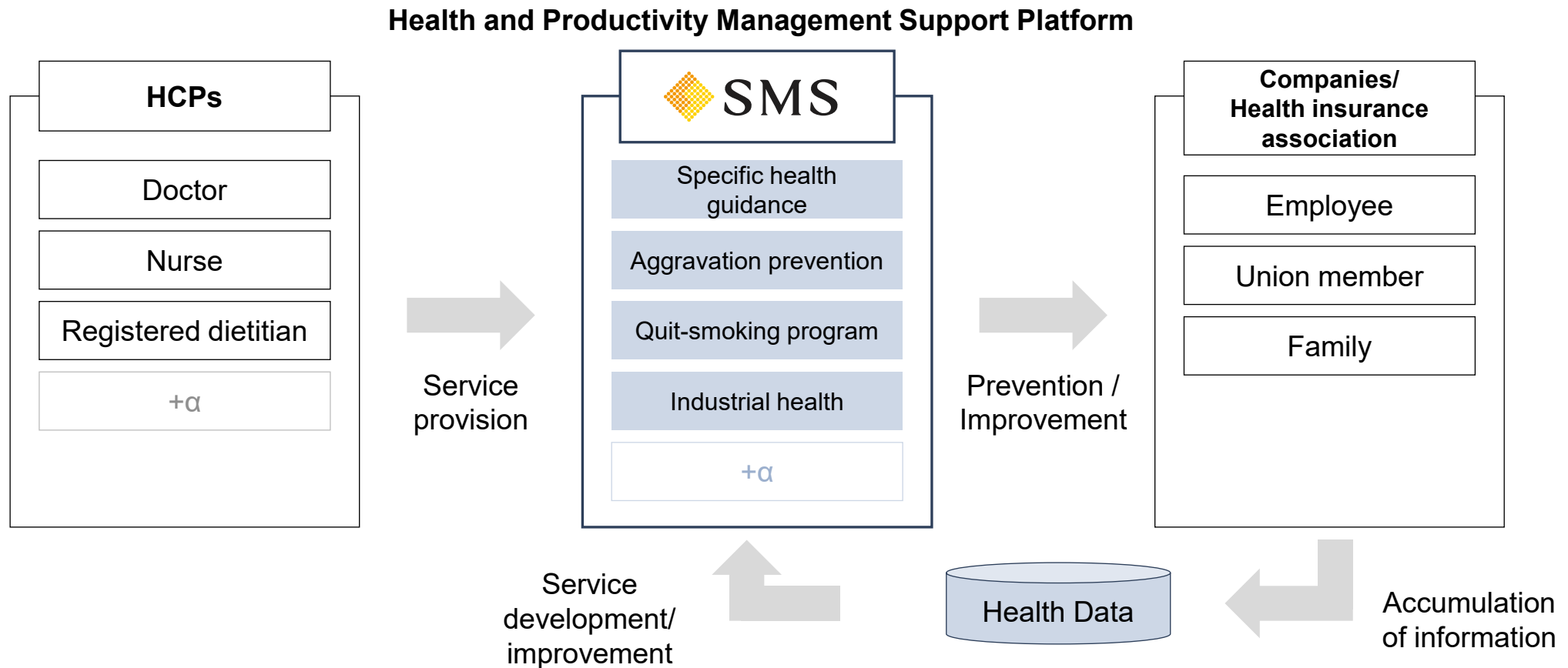
- Among the working generation, there are many patients/potential patients with life-style related diseases, which often progress to critical illnesses such as diabetes.
- Mental disorders caused by overworking or workplace stress are increasing in recent years.
- The government encourages “health and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

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

Health and Productivity Management Support Platform

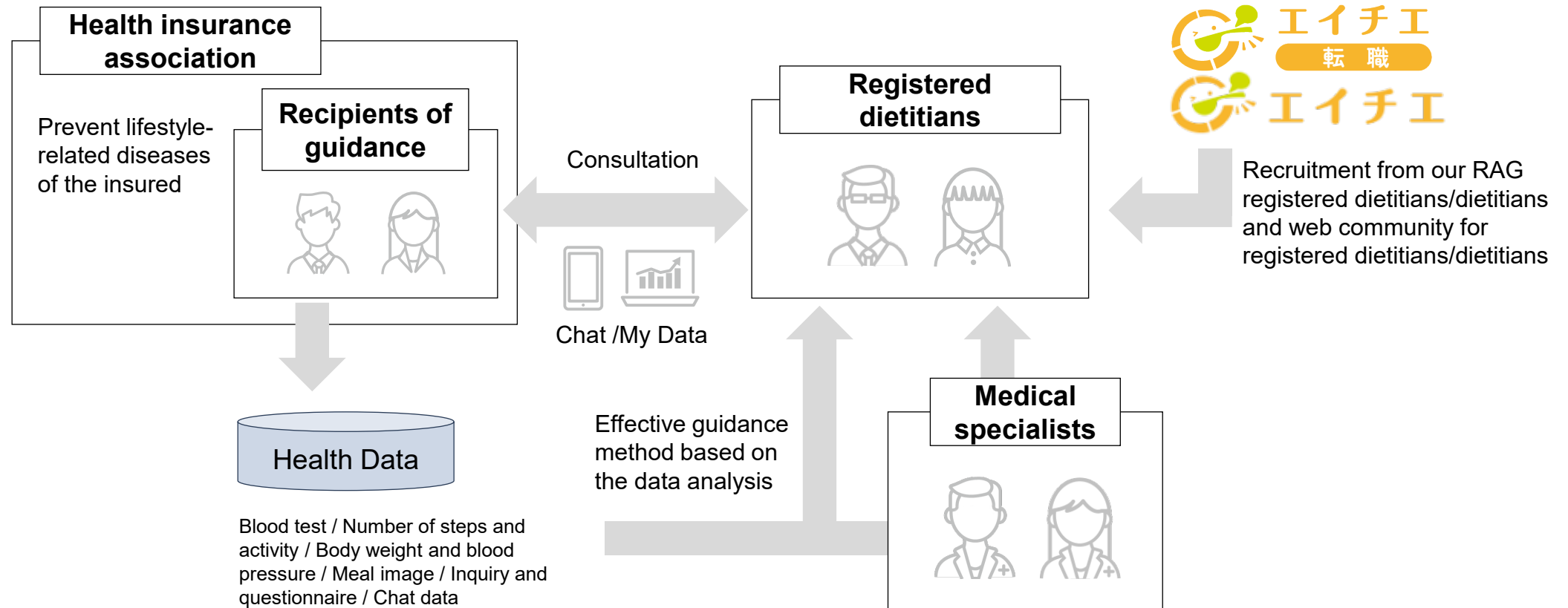
- Provide digital health services*1 for companies and health insurance associations.
- The services are based on scientific evidences and provided by seasoned healthcare professionals (HCPs) including doctors, nurses, and registered dietitians.



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

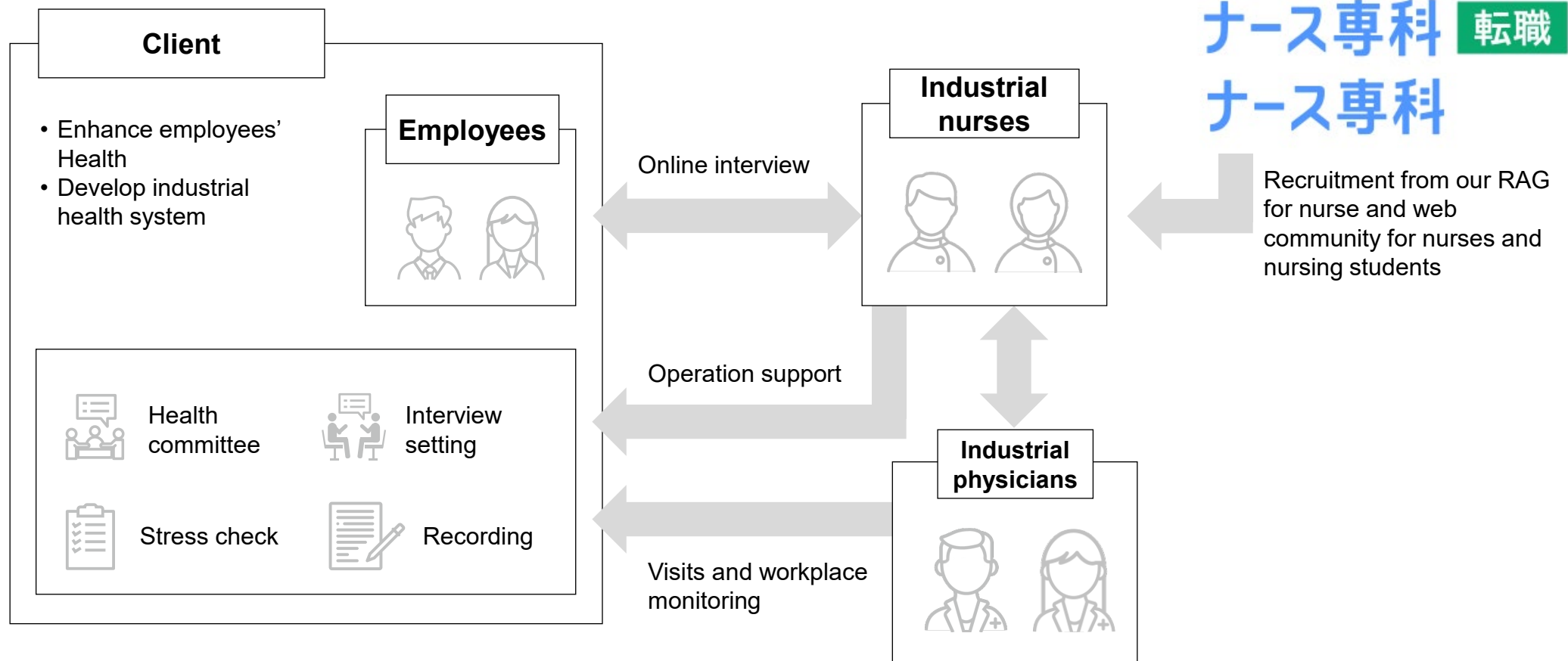
- Provide specific health guidance service for HIAs*1 aiming to prevent lifestyle-related diseases of employees and their families. The service is provided by registered dietitians and based on the results of verification projects conducted with MHLW.
- Remote service using smartphones enables frequent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



1. HIA: Health insurance association

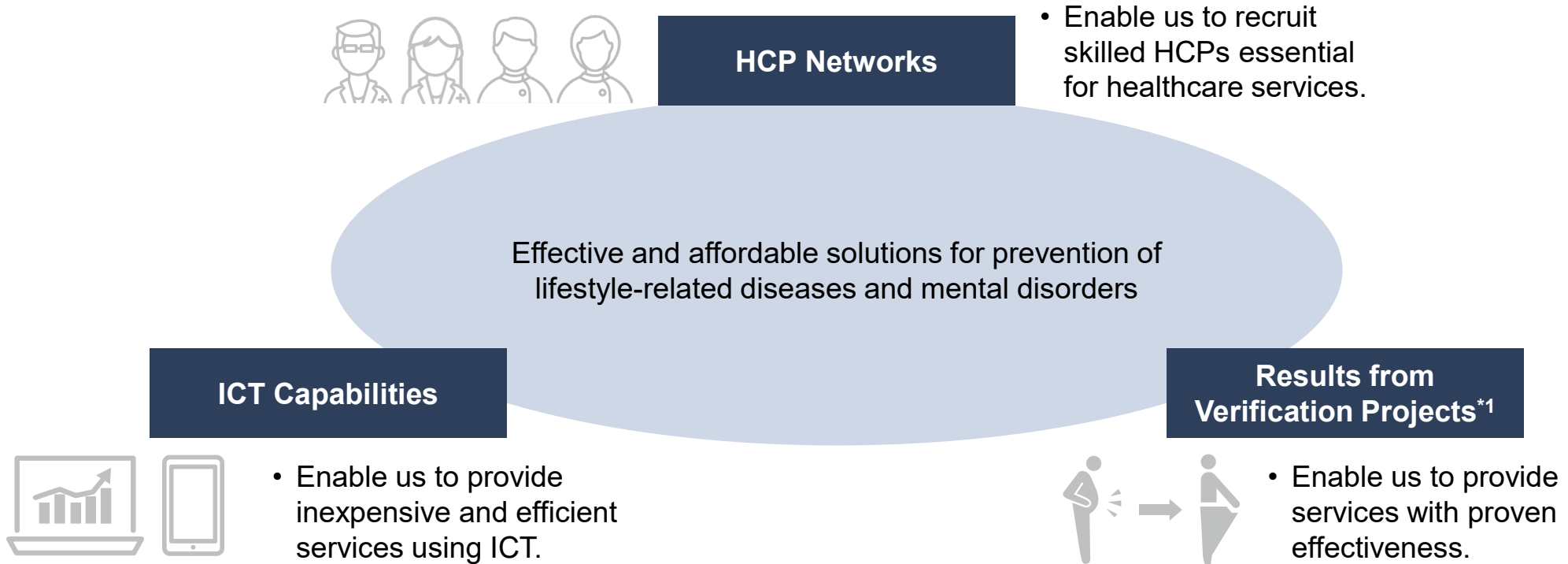
Remote Industrial Health Service

- 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.



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.

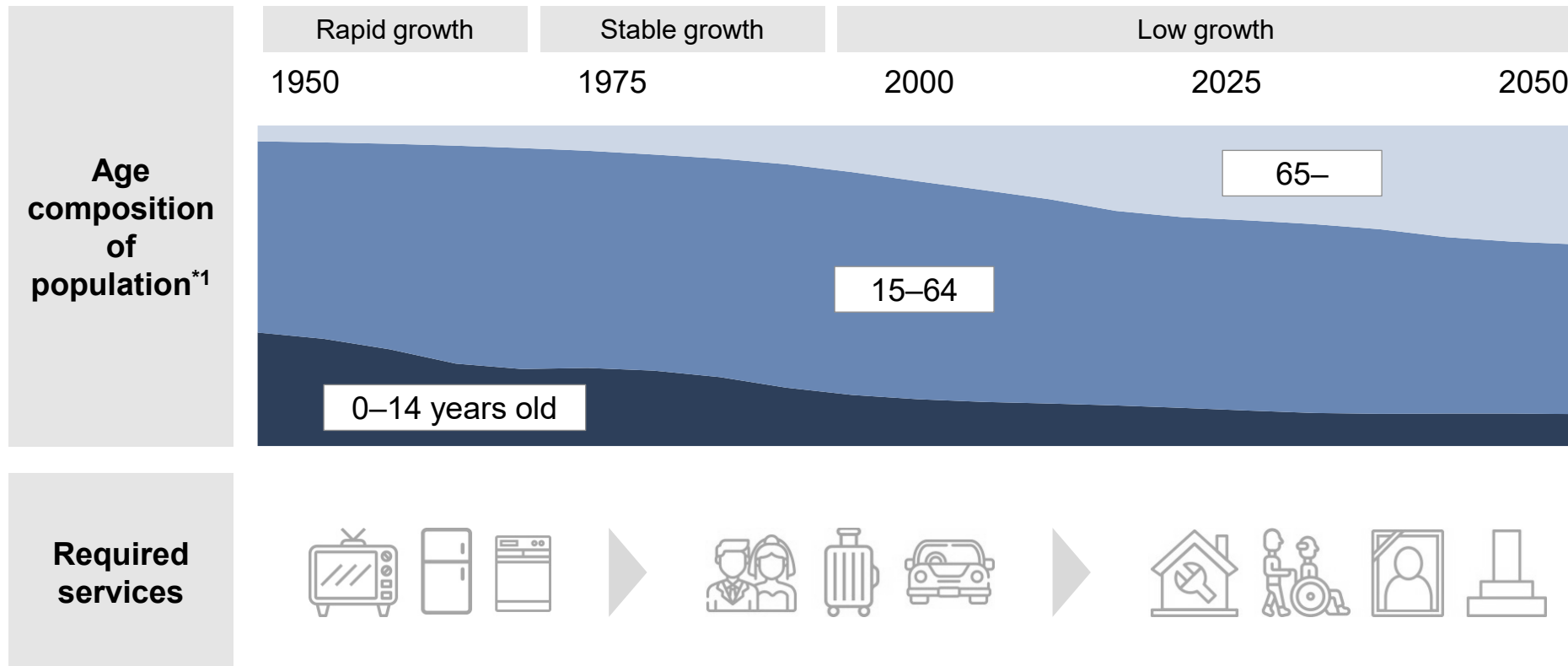


1. Joint project with MHLW, METI, and national hospitals

Senior Life Business

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

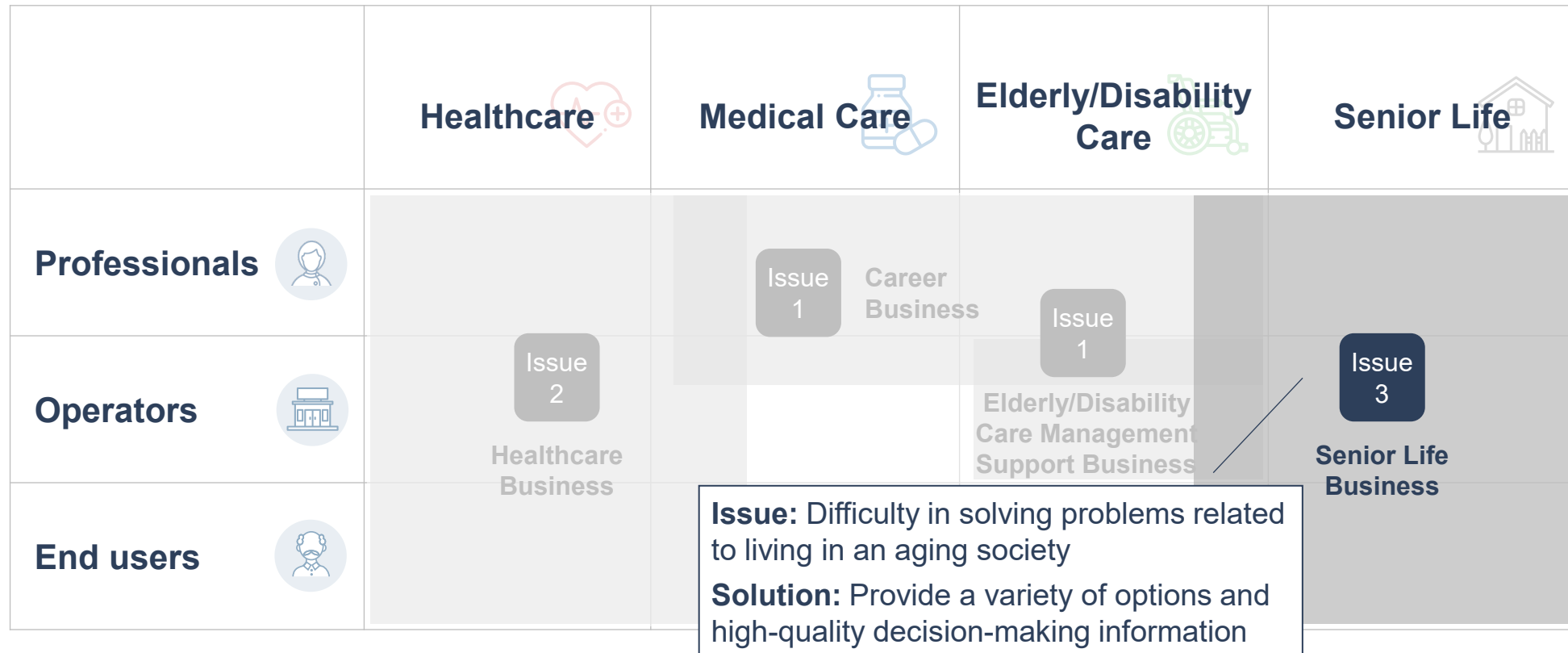
- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and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

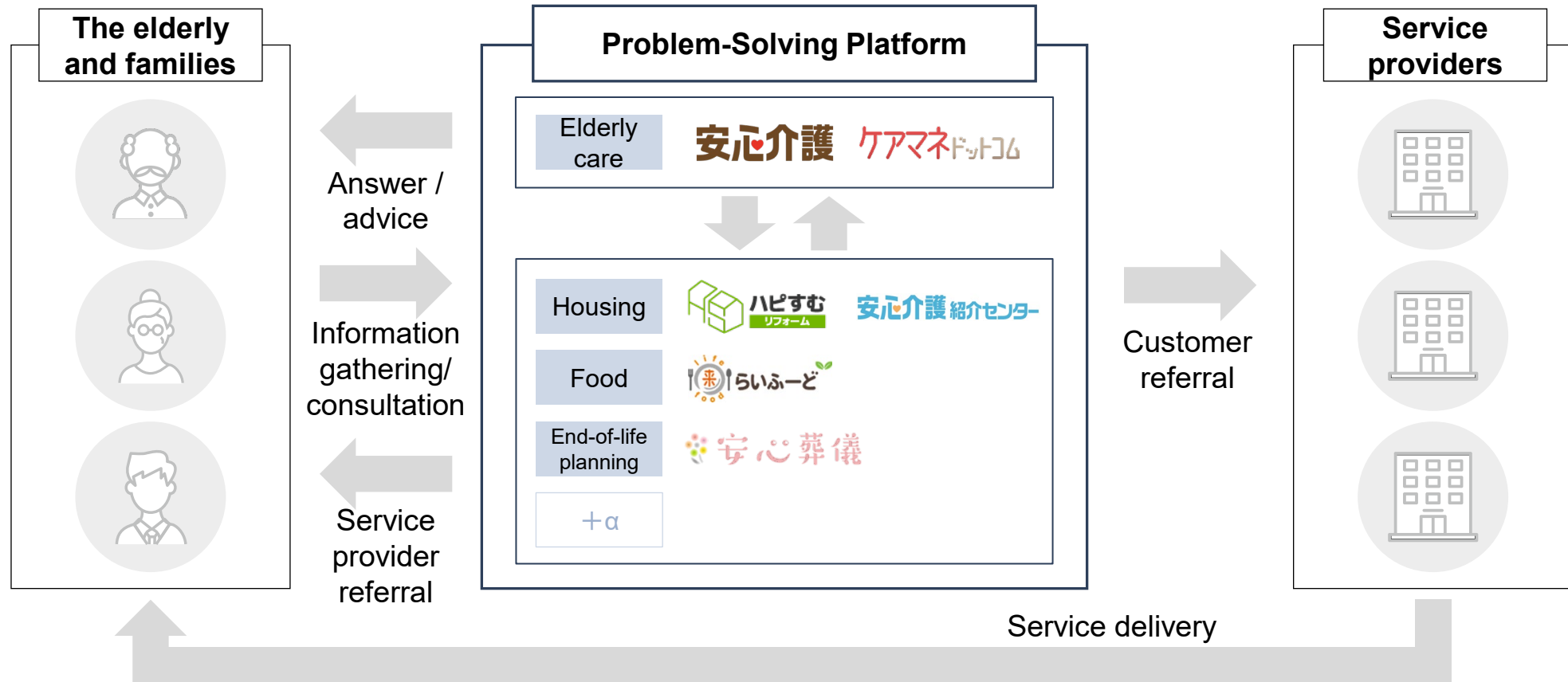
Solution for Issue 3 in Senior Life Business

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.



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.

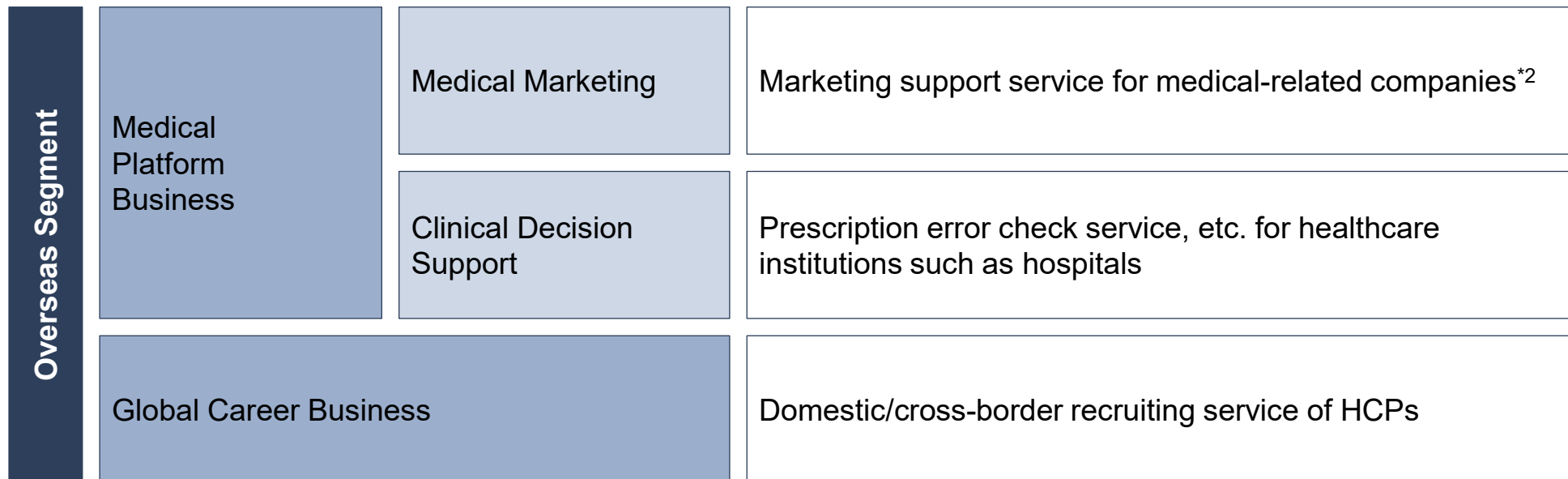


Overseas Business

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

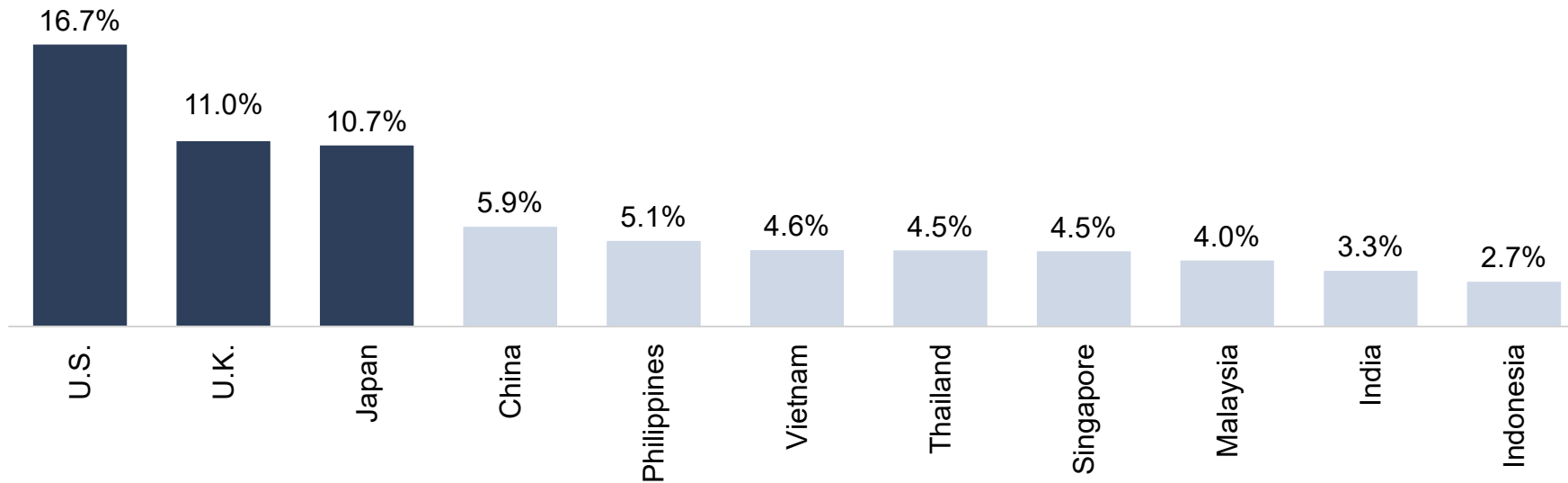
2. Operators such as pharmaceutical companies, medical device manufacturers, healthcare service operators, and industrial group.

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.

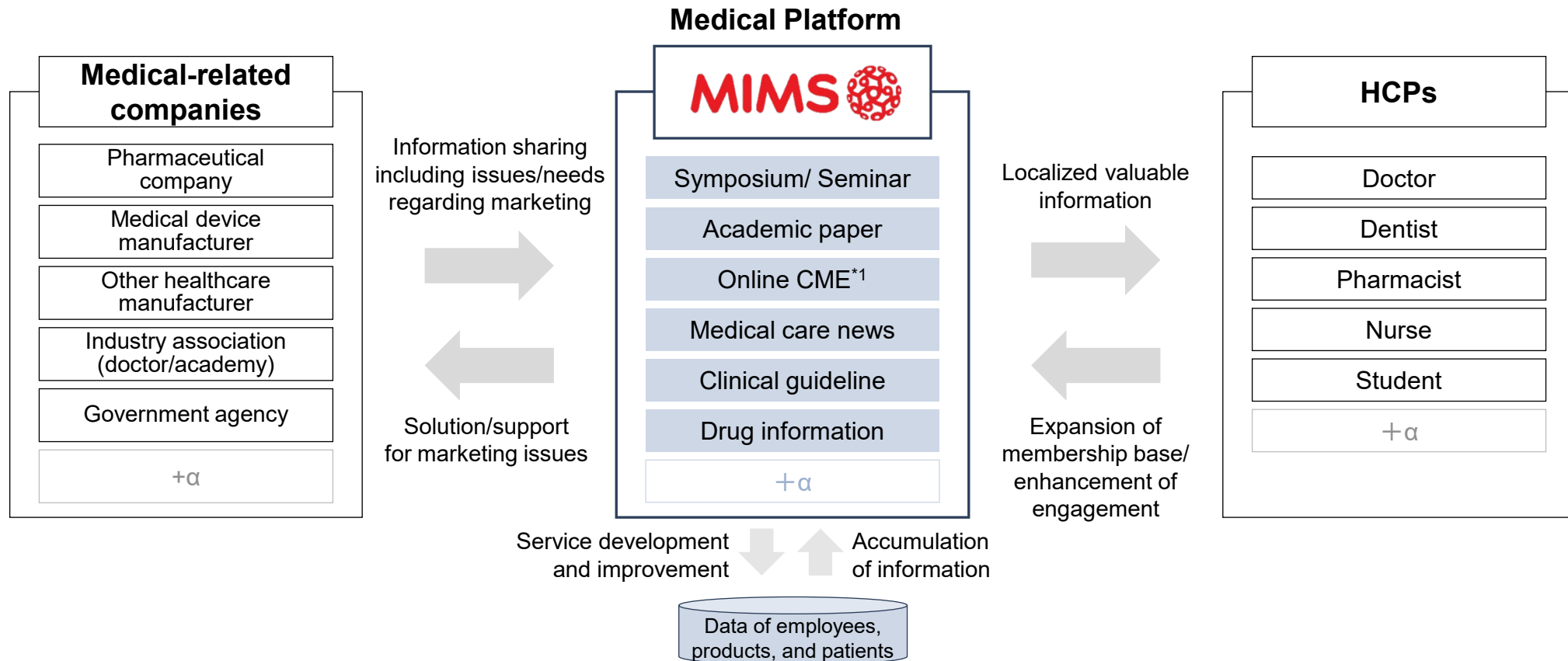
Health Expenditure to GDP*1



1. WHO "Global Health Expenditure Database" (2023)

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.



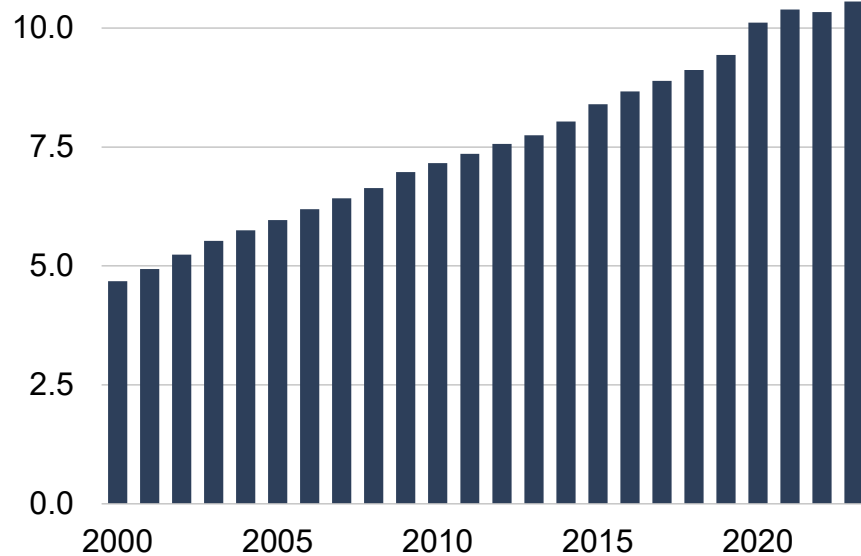
1. CME: Continuing medical education

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)

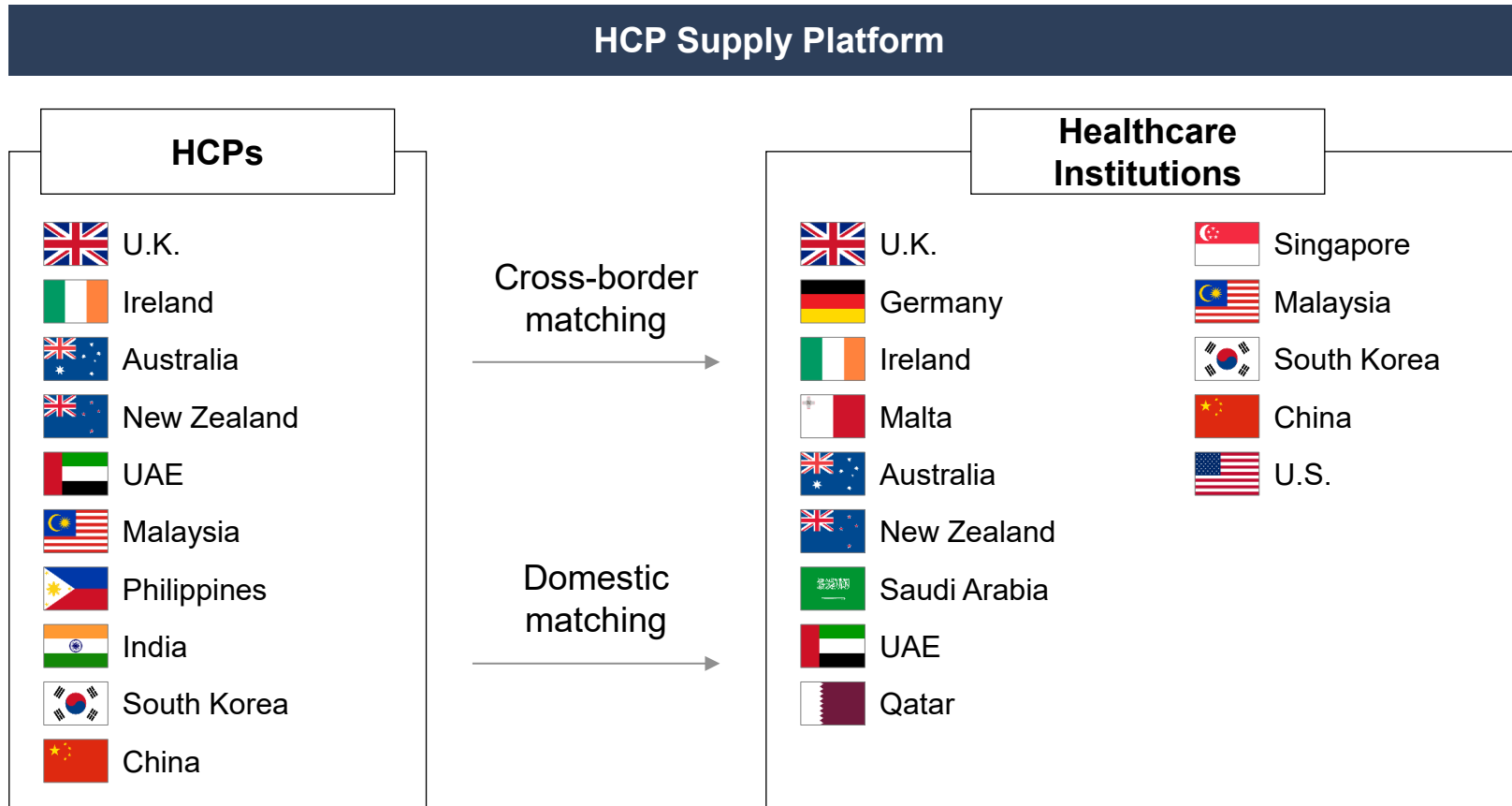
	Japan	320	(2040)
	Germany	390	(2035)
	Australia	120	(2030)
	South Korea	160	(2030)
	Saudi Arabia	100	(2030)

1. WHO "Global Health Expenditure Database" (FX rates: 2023)

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"

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.

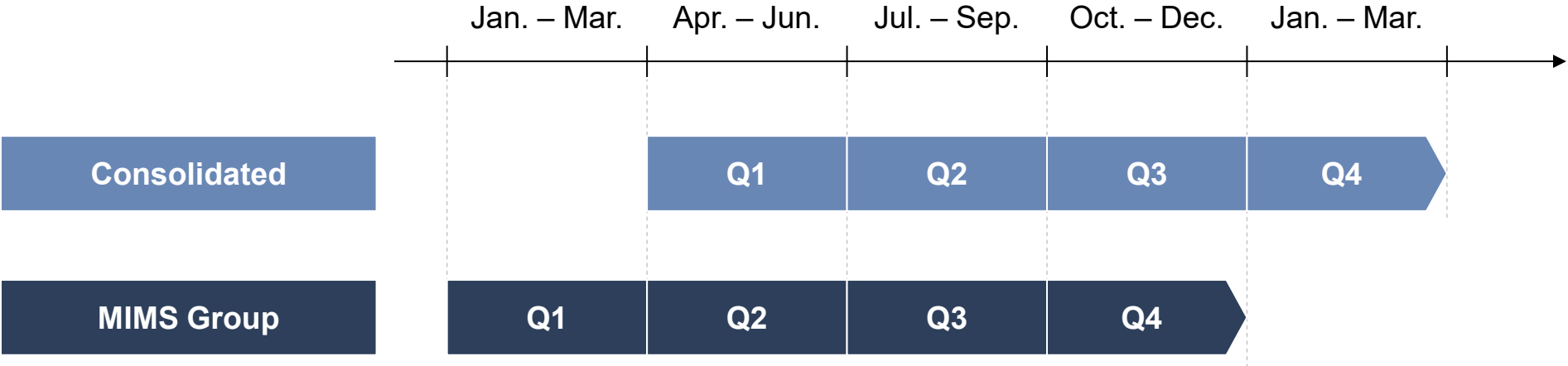
Expansion of the Global Career Business

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	Launched the Global Career Business. <ul style="list-style-type: none"> Started career-related business for nurses in South Korea
Jun. 2017	 Malaysia	 Acquired MELORITA	Launched cross-border matching. <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	Increased the number of countries from which nurses are introduced. <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	Expanded business to Europe and Oceania. <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	Expanded business to Germany. <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.



Appendix





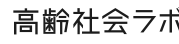





















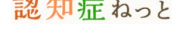
Business Portfolio*1 – Career*2

Segment	Category	Services					
Career	RAG	RAG for care workers 	RAG for nurses 	RAG for childcare workers 	RAG for registered dietitians/dietitians 	RAG for PT/OT/ST 	RAG for care managers, social workers, and disability care workers 
		RAG for radiological technologists 	RAG for medical technologists 	RAG for clinical engineers 	RAG for Judo therapists etc. 	School for workers in the elderly care field 	
	DR / Others	Cross-occupational DR platform 	Web community for nurses and nursing students 	Workplace assessment tool for nurses 	Employment support for nursing students 	Certification course information 	
		Web community for registered dietitians/dietitians 	National examination reference book for Judo therapists etc. 				

1. As of April 2026

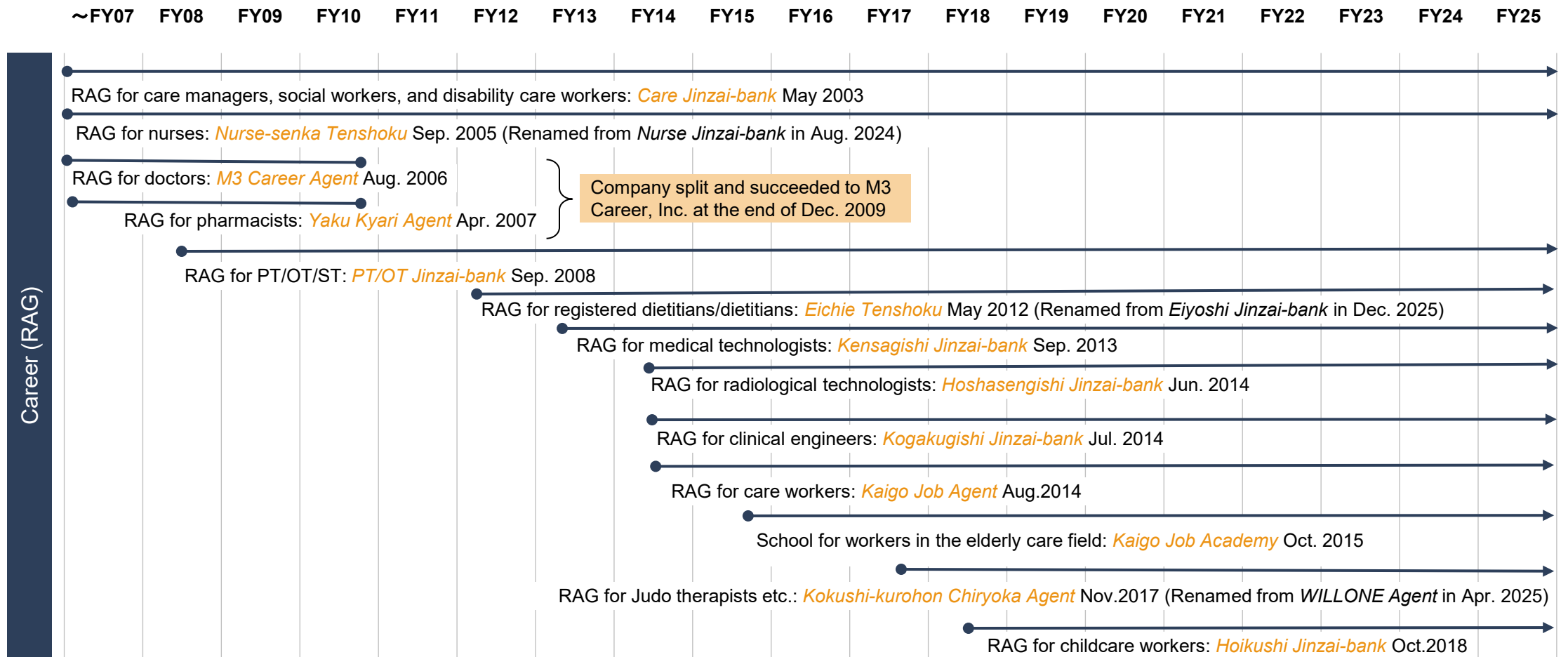
2. Career businesses for doctors and pharmacists are operated by M3 Career, Inc., a JV between M3, Inc.(51%) and SMS (49%).

Business Portfolio*1 – Elderly/Disability Care Management Support, Overseas, Others

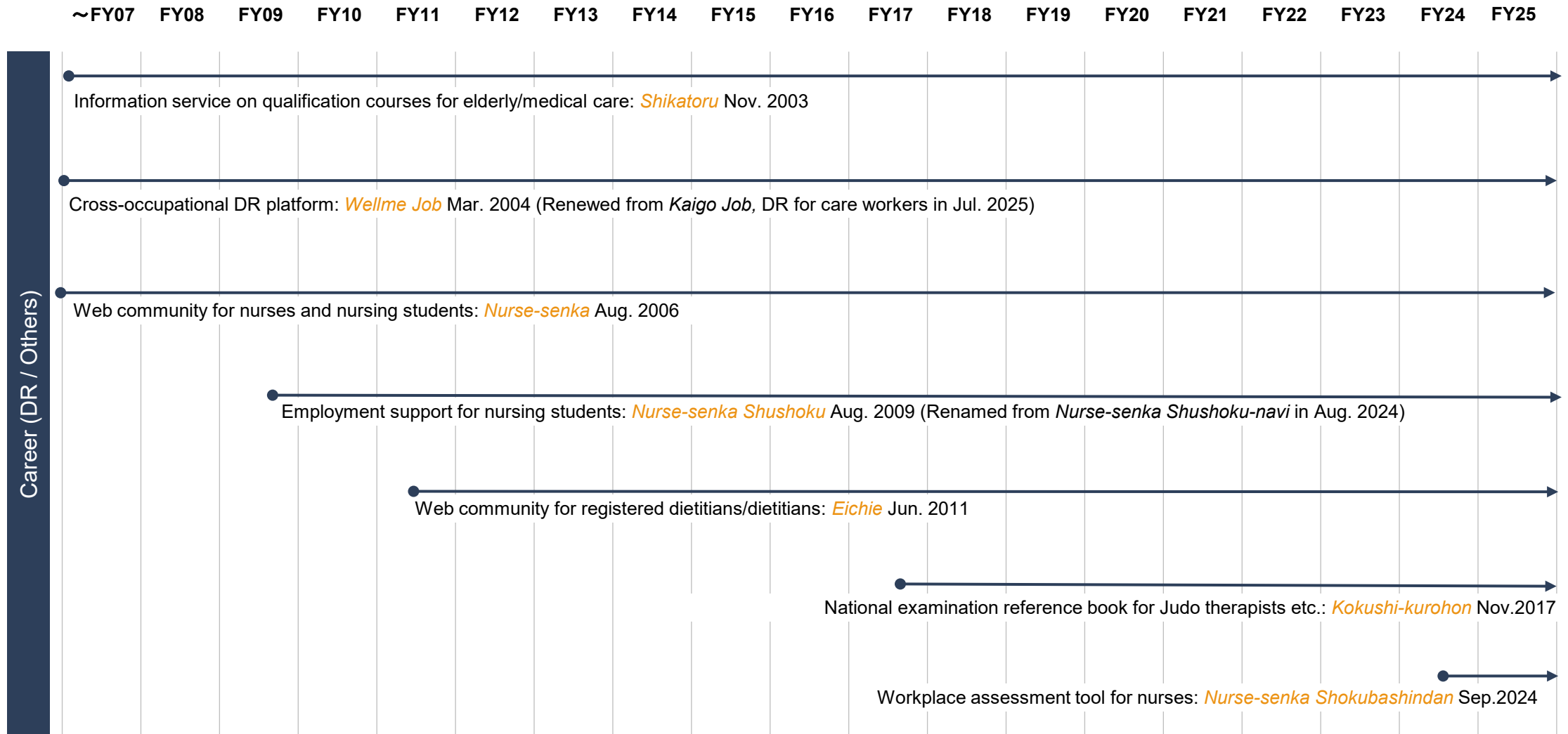
Segment	Services							
Elderly/Disability Care Management Support	Management support platform for elderly/disability care operators   		Information portal for management of elderly care operators 		Research and information on the aging society 			
Overseas	Medical Marketing Clinical Decision Support 			Cross-border RAG for healthcare professionals (Malaysia, Philippines, Ireland, UK, Germany, etc.)     			Career related service for nurses (South Korea) 	
Others	RAG for persons with disabilities 	Information service on employment support offices for persons with disabilities 	Remote industrial health service 	Preventive solution for lifestyle-related diseases 	Health guidance solution 	Stress checks specialized for medical care and elderly care industries 	Solution for balancing work with family care 	
	Referral service of renovation operators 	RAG for construction industry 	Referral service of funeral companies 	Web community for people struggling with elderly care 	Referral service of housing for the elderly 	Referral service of home-delivered meals 	Web community for care managers 	Information portal of dementia 

1. As of April 2026

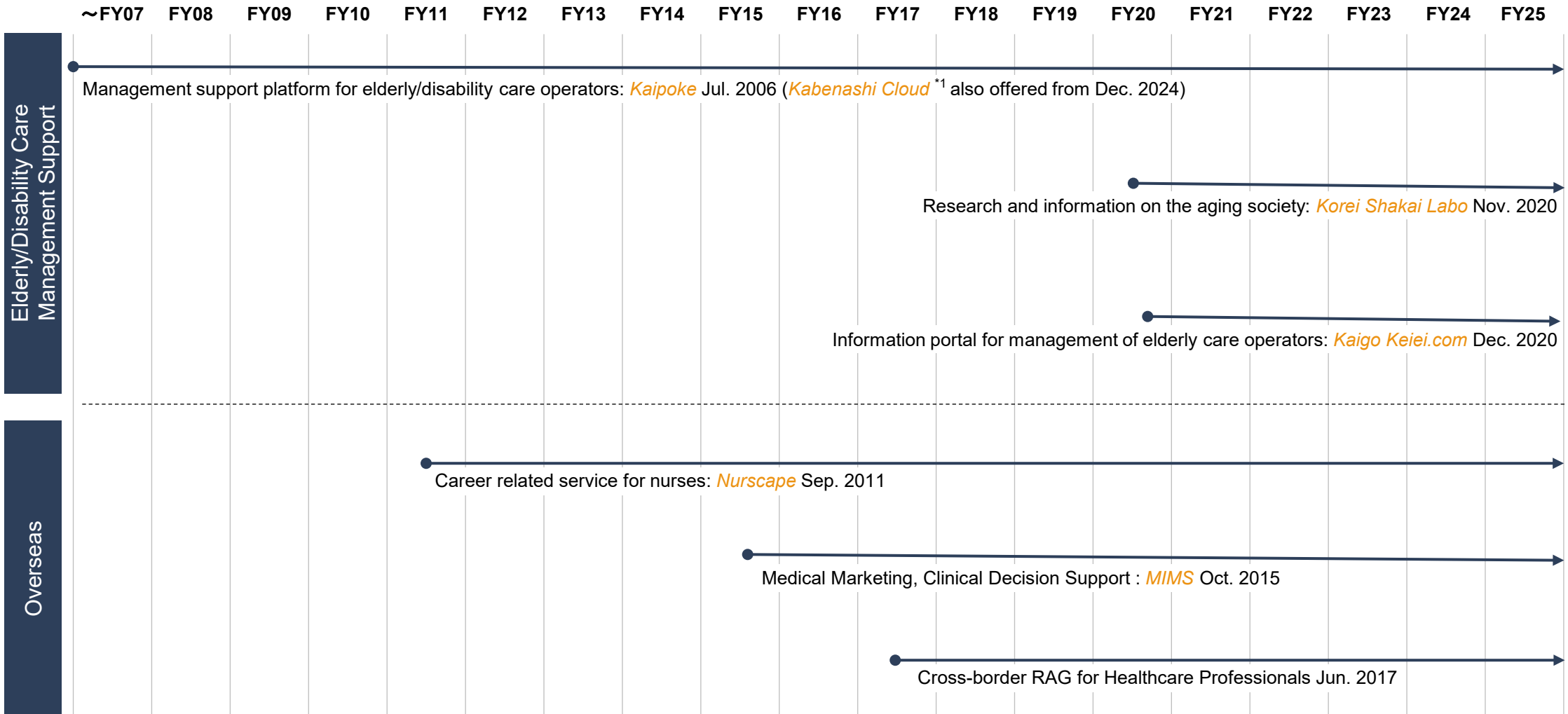
History of Service Launches – Career (RAG)



History of Service Launches – Career (DR / Others)

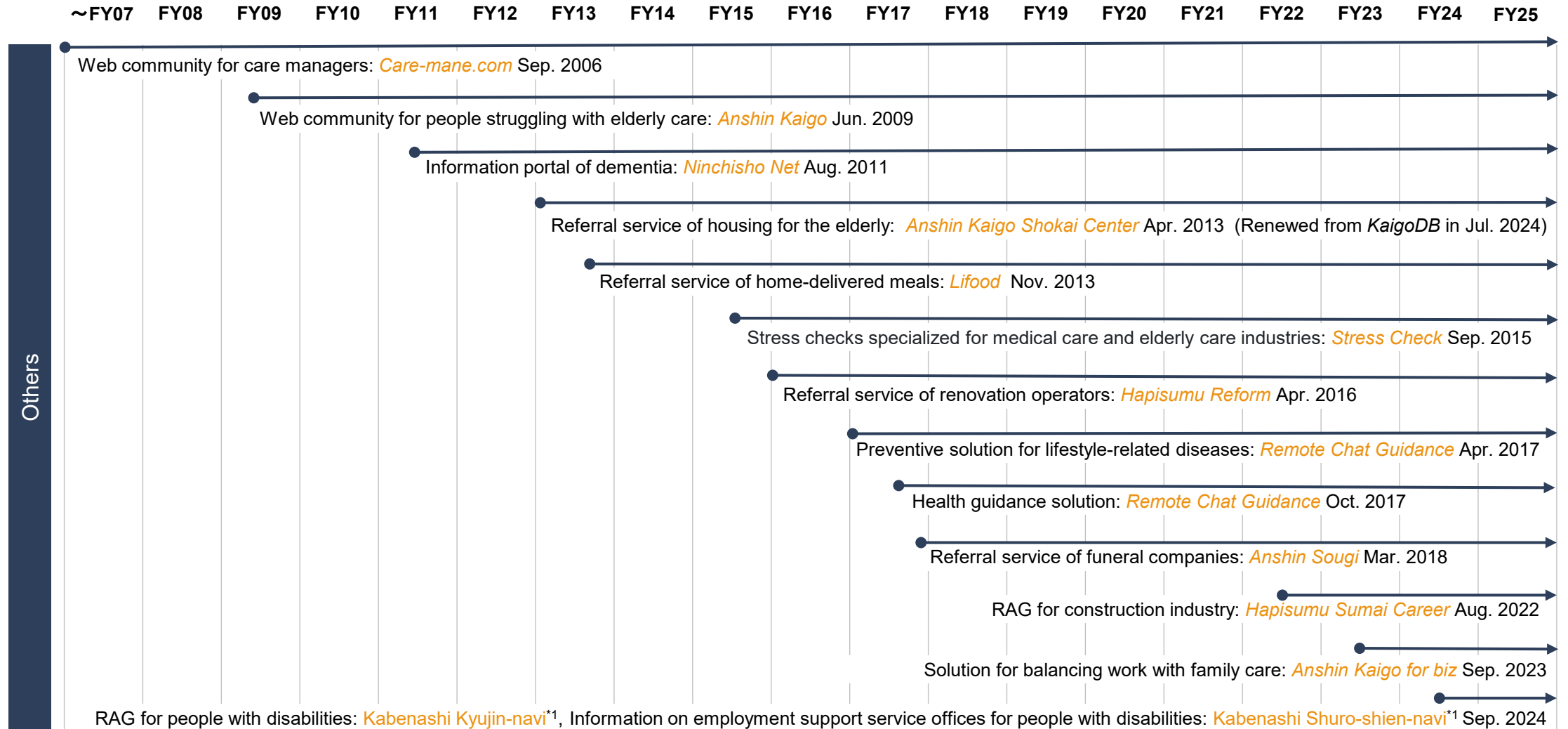


History of Service Launches – Elderly/Disability Care Management Support, Overseas



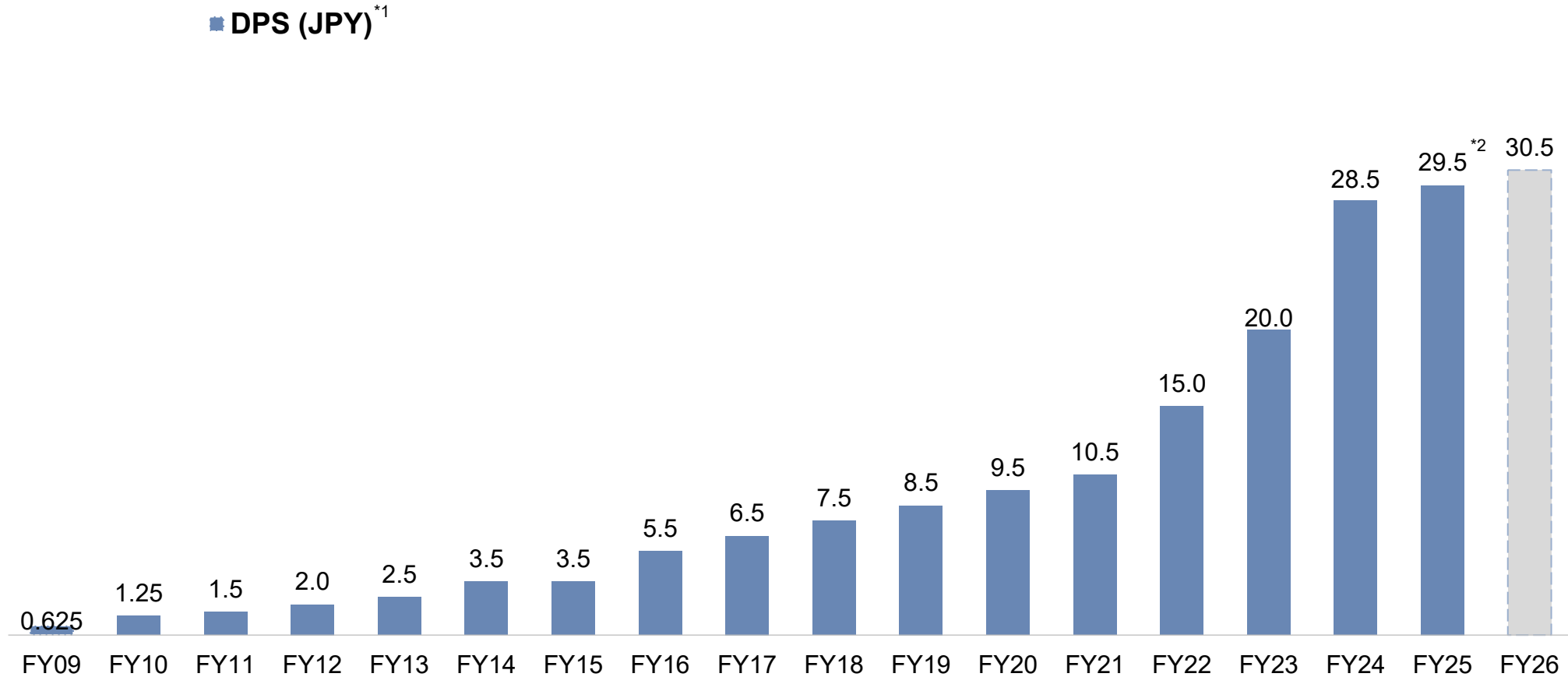
1. Renewed from "PROJECT RIN" in June 2025.

History of Service Launches – Others



1. Rebranded from "DEIGO Kyujin-navi" and "DEIGO Shuro-shien-navi" in September 2025.

Dividends



1. Past stock splits are taken into account for the DPS calculation.
 2. This dividend is subject to approval at the Ordinary General Meeting of Shareholders scheduled to be held in June 2026.

Historical Financial Results

(in ¥ millions)

	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Net Sales	19,069	23,054	26,611	30,836	35,140	35,960	38,899	45,667	53,973	60,952	64,735
EBITDA	3,740	5,163	5,729	6,612	6,956	7,656	8,801	10,260	11,835	10,273	11,406
Operating Income	2,756	3,646	4,021	4,743	4,935	5,470	6,318	7,279	8,269	6,335	6,787
Ordinary Income	3,509	4,430	5,007	5,979	6,355	6,653	7,726	8,759	9,901	8,357	8,721
Net Income	2,265	2,801	3,361	4,216	4,760	4,800	5,408	6,406	7,227	6,054	(14,317)
EPS*1 (¥)	27.9	33.7	38.7	48.5	54.7	55.1	62.1	73.5	83.0	71.0	(173.7)
Total Assets	41,689	43,231	46,087	47,467	50,996	49,444	56,585	65,098	72,475	76,540	52,774
Liabilities	28,532	21,648	22,446	31,928	31,597	26,785	26,594	26,677	28,190	29,221	26,050
Net Assets	13,157	21,583	23,641	15,539	19,398	22,658	29,991	38,421	44,284	47,319	26,724
Equity Ratio (%)	20.5	39.6	41.8	32.4	37.7	45.3	52.4	58.3	60.7	61.5	50.2
ROE (%)	29.5	21.8	18.5	24.4	27.5	23.1	20.8	19.0	17.6	13.3	(38.9)
DPS*1 (¥)	3.5	5.5	6.5	7.5	8.5	9.5	10.5	15.0	20.0	28.5	29.5
Dividend Payout Ratio (%)	12.5	16.3	16.8	15.5	15.5	17.2	16.9	20.4	24.1	40.2	-
TSR*1*2 (%)	1,150.3	1,057.5	682.8	402.3	263.6	317.8	243.5	143.2	132.6	57.8	51.7

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

2. (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

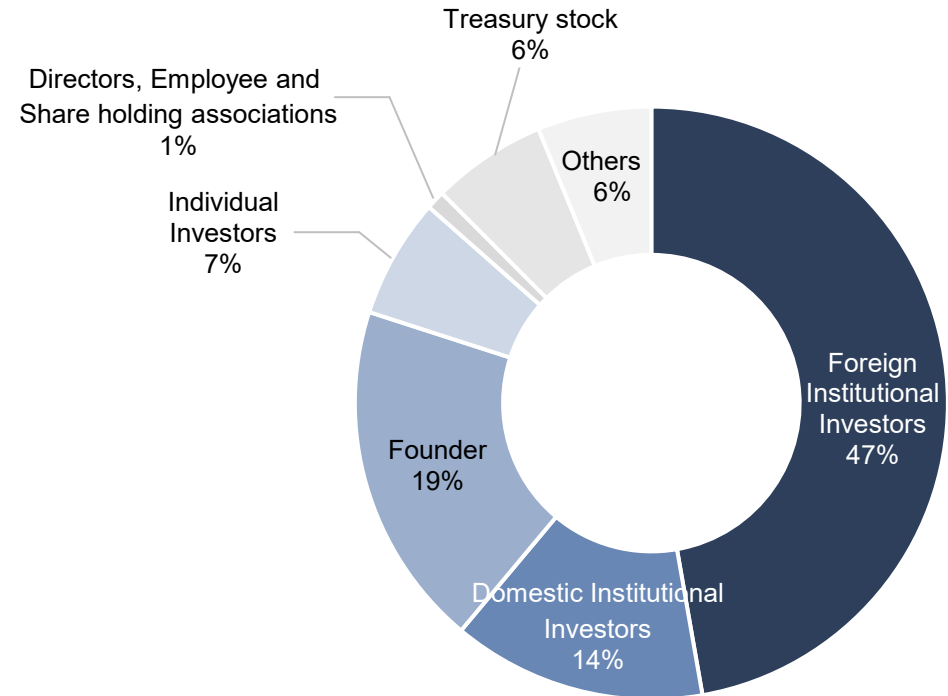
As of March 31, 2026:

Category	# of Employees
Consolidated	4,660
Japan	3,532
Overseas	1,128

Shareholder Composition*1

As of March 31, 2026 :

Number of shareholders 8,642



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 March 31, 2026. 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; and
- 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.

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:

IR and Research Department

Email: irinfo@bm-sms.co.jp

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