



# **SMS Co., Ltd. (2175 TSE Prime Market) Earnings Presentation for Investors, 1H FY03/2026**

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October 28, 2025

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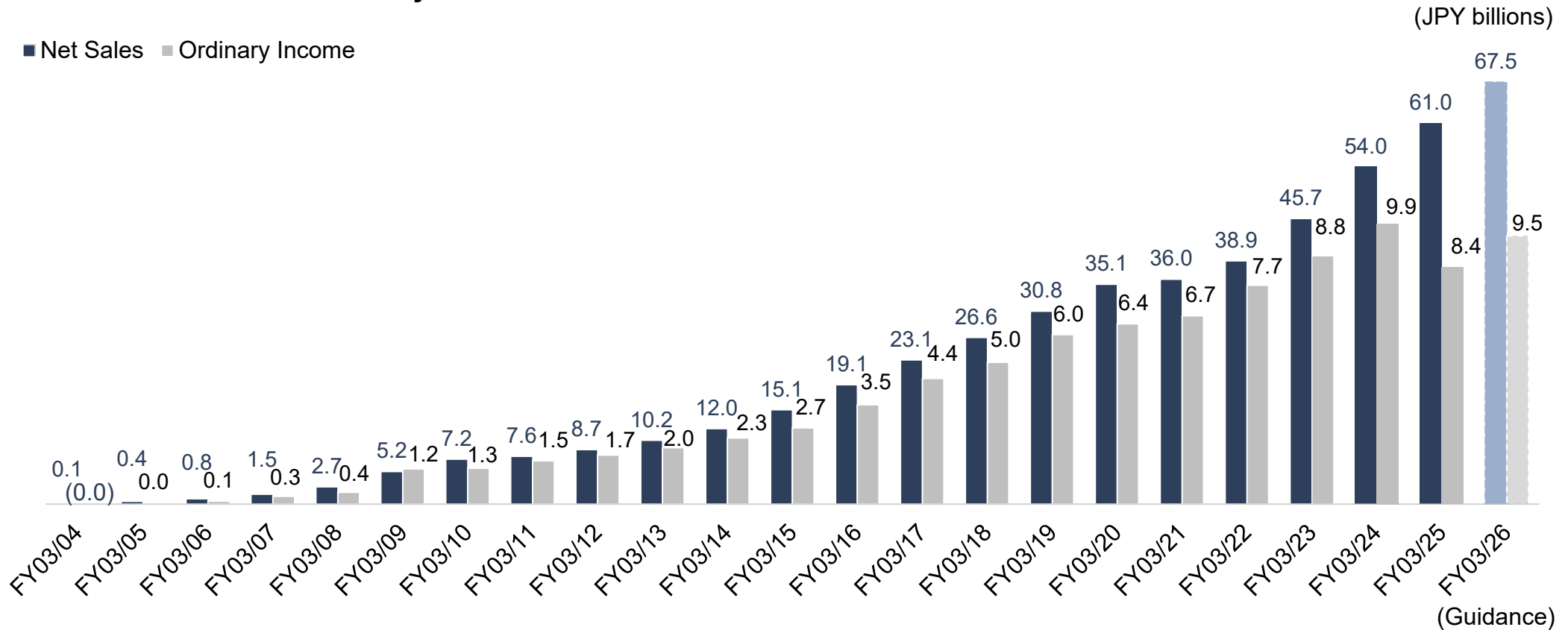
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# 01 **1H FY03/2026 Consolidated Financial Results**

# Historical Financial Results and FY03/26 Guidance

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

## Trends in net sales and ordinary income



# FY03/26 Consolidated Financial Results (1H)

- Achieved YoY growth in both sales and profits.
- Profits remain firmly on track to meet our full-year guidance for FY03/26 despite the impact of external factors on sales in the Career Segment and the Overseas Segment.
- Profits grew significantly as we limited expense growth by factors such as the reduced hiring of career partners.

## 1H FY03/26 [JPY million]

	1H FY03/25 Actual	1H FY03/26 Actual	YoY Change
Net Sales	31,842	<b>33,475</b>	+5%
Operating Income	3,574	<b>4,391</b>	+23%
Ordinary Income	4,926	<b>5,750</b>	+17%
Net Income	3,670	<b>4,992</b>	+36%

# FY03/26 Career Segment (1H)

- Grew with strong demand for hiring professionals by medical/elderly/disability care business operators.
- The competitive environment has eased YoY and job seeker acquisition is improving.
- Sales growth was limited, due to an increase in job seekers with longer lead times from job search to placement.
- Our RAG<sup>\*1</sup> matching performance is trending upward, driven by enhancements to the matching process tailored to the recent shift in job seeker profiles, and greater efficiencies from technology.

Sales, 1H FY03/26 [JPY million]

	1H FY03/25 Actual	1H FY03/26 Actual	YoY Change
Elderly Care Career	10,330	11,042	+7%
Medical Care Career	10,327	10,648	+3%
Total	20,657	21,691	+5%

1. RAG: Recruiting agent service

# FY03/26 Elderly/Disability Care Operators Segment (Kaipoke, 1H)

- The number of Kaipoke memberships\*<sup>1</sup> increased steadily.
  - 58,100 service offices\*<sup>2</sup> (25,900 companies\*<sup>3</sup>) as of October 1, 2025
  - 1H membership increase: 2,550 service offices (1,000 companies)
- In addition to the increased usage of optional add-ons (factoring, tablets, smartphones, etc.), the M&A matching business and RAG\*<sup>4</sup> for persons with disabilities also contributed to growth.

Sales, 1H FY03/26 [JPY million]

	1H FY03/25 Actual	1H FY03/26 Actual	YoY Change
Elderly/Disability Care Operators (Kaipoke)	5,770	6,591	+14%

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 are shifting 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.)  
 4. RAG: Recruiting agent service

# FY03/26 Overseas Segment (1H\*1)

- Sales growth of Medical Platform Business was limited due to factors such as reductions in marketing budgets by some customers.
- Sales of Global Career Business decreased YoY, mainly due to concerns over the Middle East situation, affecting cross-border travel of healthcare professionals.

Sales, 1H FY03/26 [JPY million]

	1H FY03/25 Actual	1H FY03/26 Actual	YoY Change
Overseas	3,879	3,418	(12%)

1. Income statement of MIMS group is consolidated with a three-month delay and the 1H results are for January to June. (Please refer to p.82)



# Topic: Change of Representative Director (President and CEO)

- On January 1, 2026, Masaki Takahata will be appointed Representative Director (President and CEO), marking the transition to a new management structure.
- Natsuki Goto and Masato Sugizaki are scheduled to retire as members of the Board at the conclusion of the Annual General Meeting of Shareholders in June 2026.
- We will formulate and drive SMS Group strategy under the new management.

## Biography of the Newly Appointed Representative Director (President and CEO)

Name	Career summary	
<b>Masaki Takahata</b>	Apr. 2007	Joined KPMG AZSA & Co. (Currently, KPMG AZSA LLC)
Date of birth: April 14, 1984	Jul. 2011	Joined Frontier Management Inc.
	Sep. 2013	Joined SMS Co., Ltd.
	Apr. 2015	Head of Corporate Planning Group
	May 2016	CFO of the MIMS Group
	Mar. 2021	CEO of the MIMS Group
	Jun. 2025	Member of the Board (Current position)

# 02 References

# Mission and Strategy

# Mission

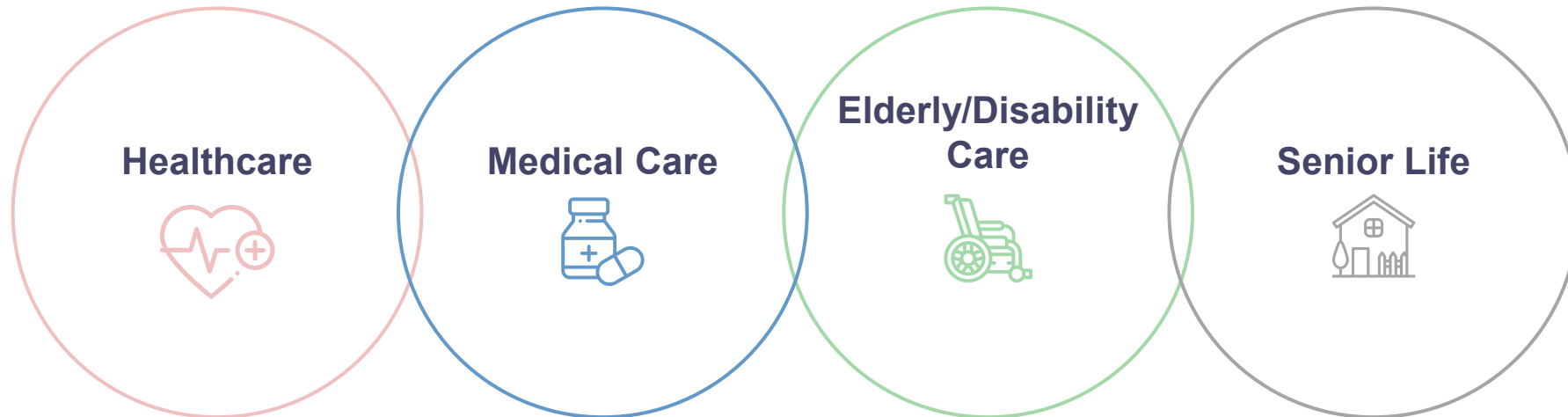
# Group Mission

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

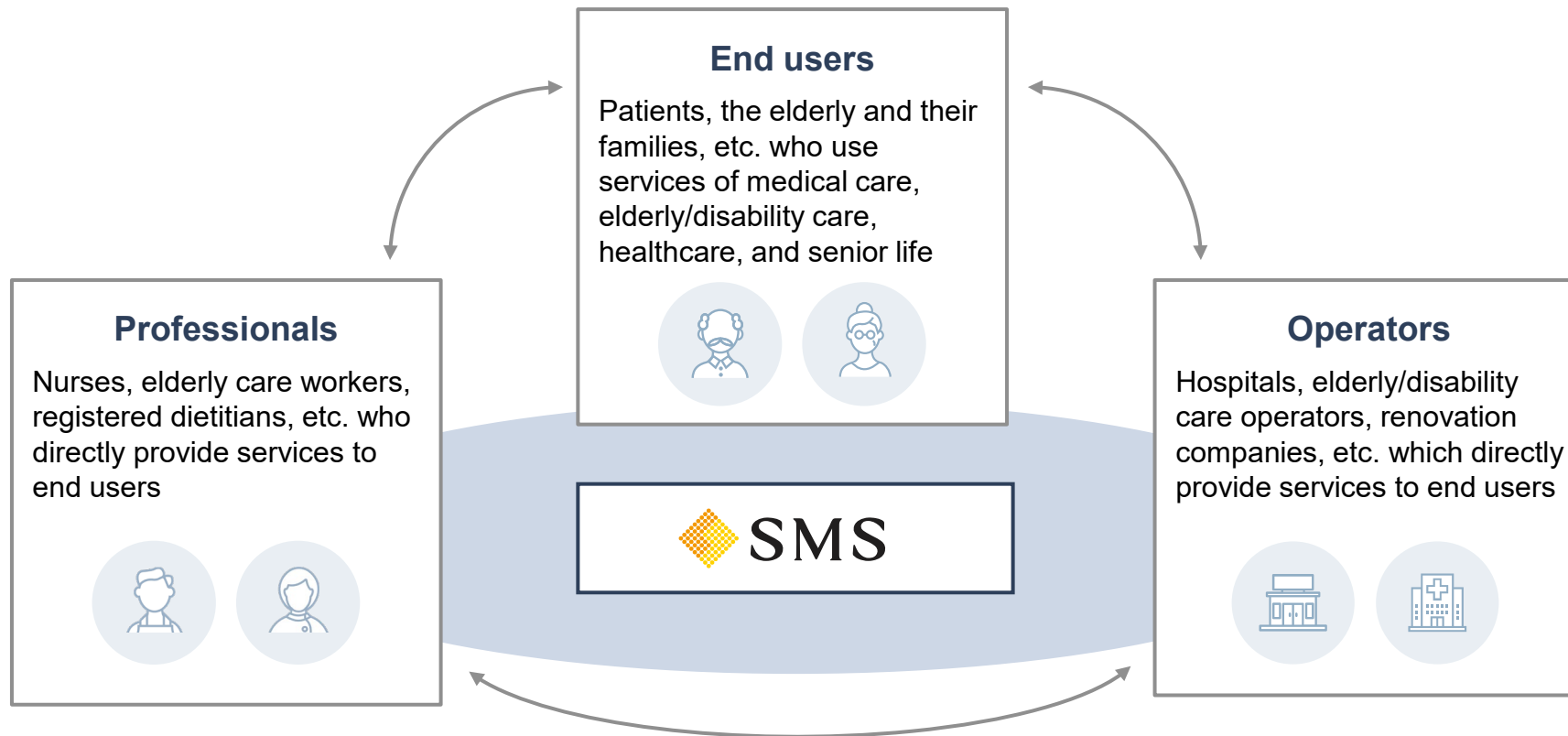
# Aging Society

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 	<b>Business Areas</b>			
End users 				

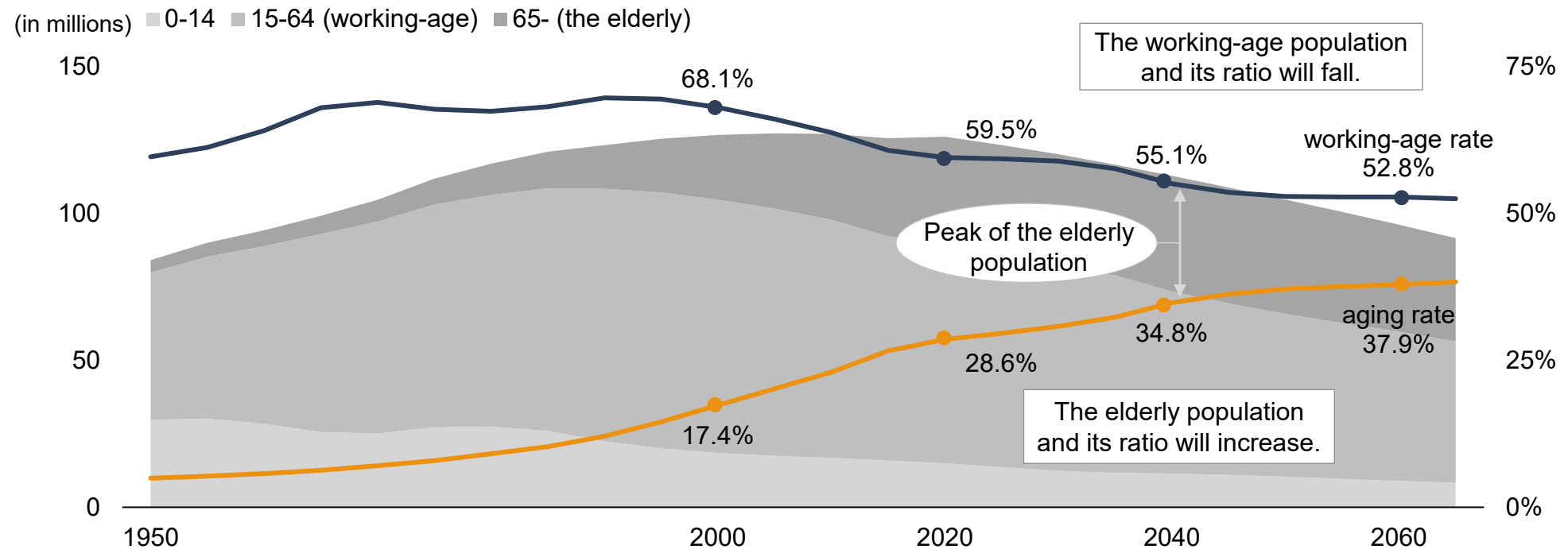


# **Issues in an Aging Society and Our Solutions**

# 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

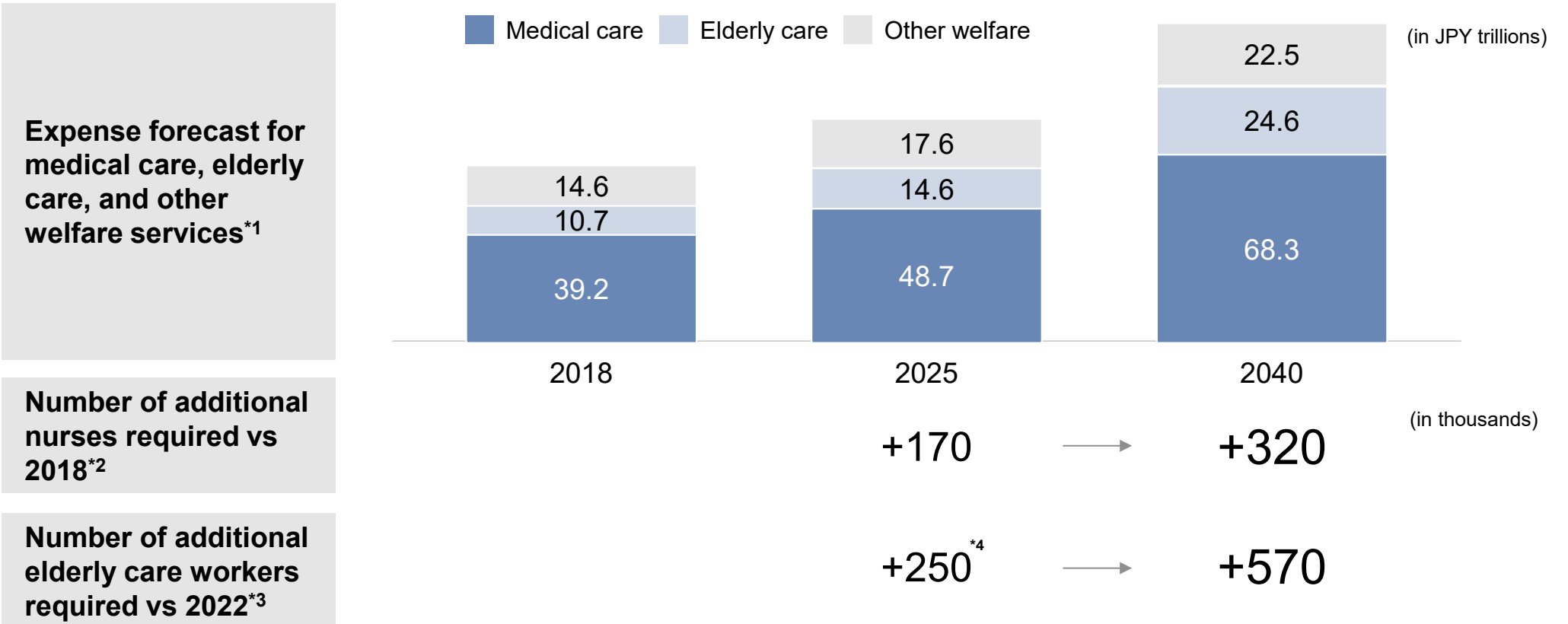
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- We are facing three critical social issues in an aging society with the low birth rate, aging and population decline.
- Need to solve these issues in order to improve people's quality of life in an aging society.

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

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

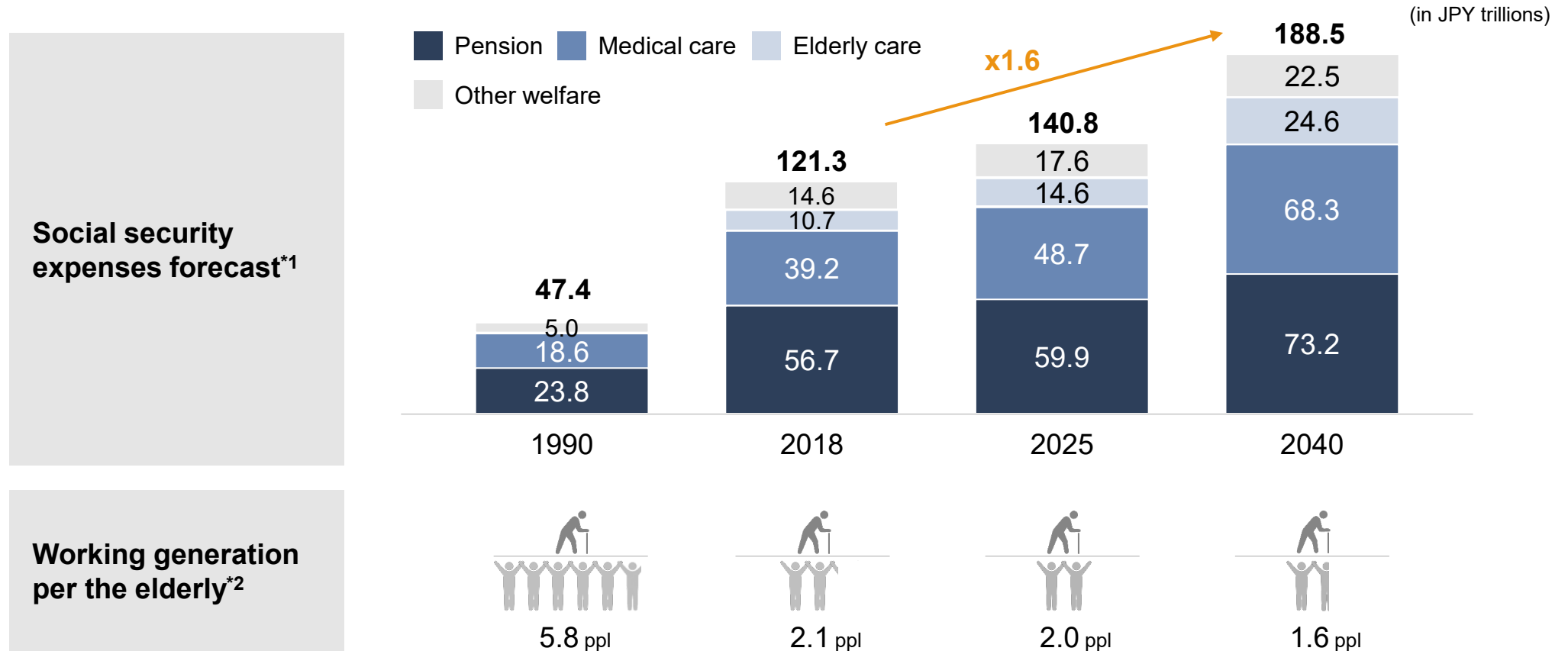
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"  
 2. MHLW, "Status of securing nurses and other nursing staff"  
 3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"  
 4. Required number as of 2026

# Issue 2: More severe burden on the working generation

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

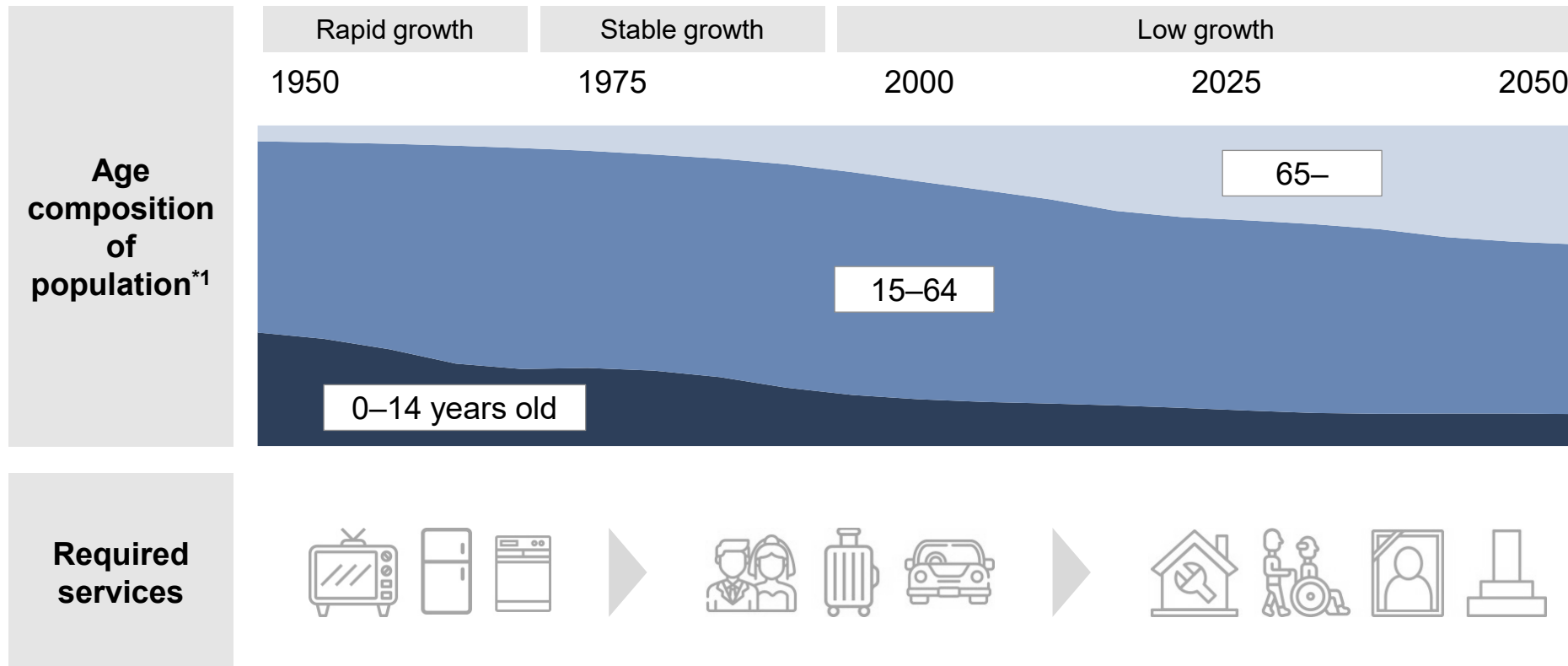


1. MHLW, "Trends in Social Security Benefits", Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"

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

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

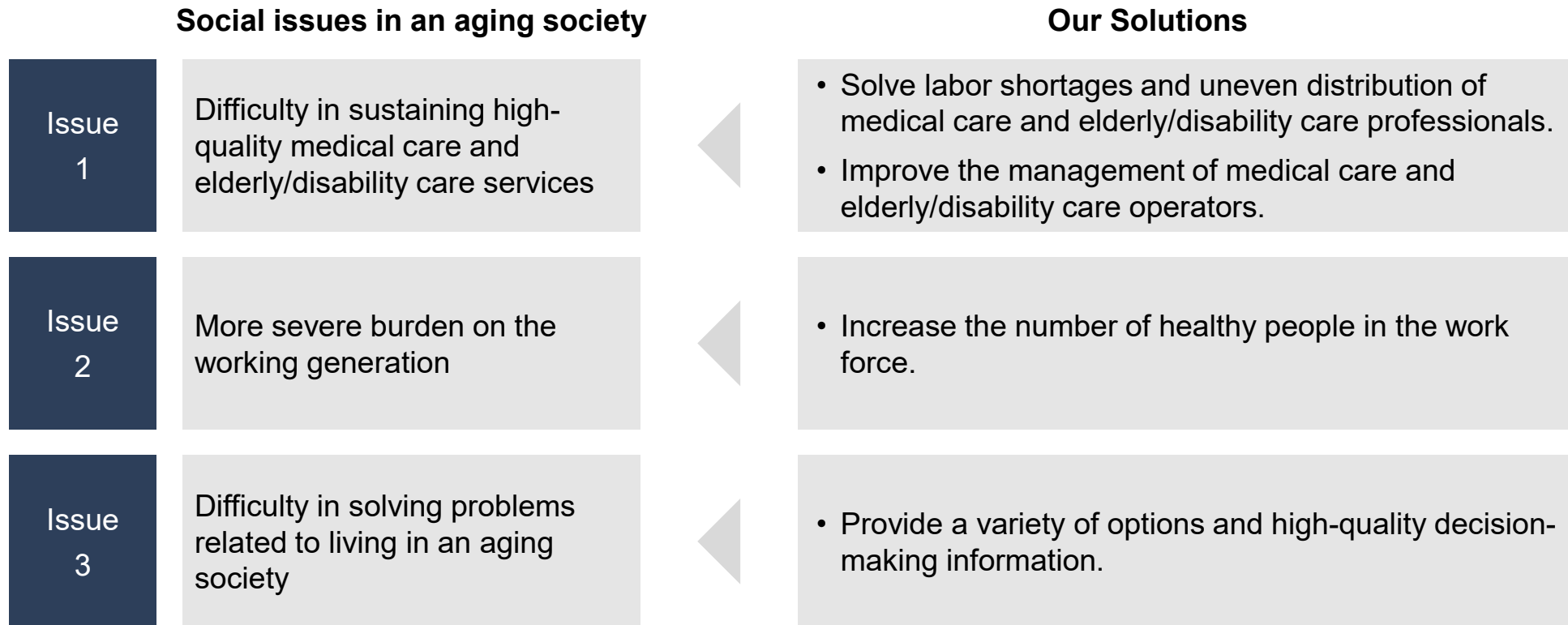
- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and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



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








# Our Solutions for Issues in an Aging Society

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



# Strategic Business Areas

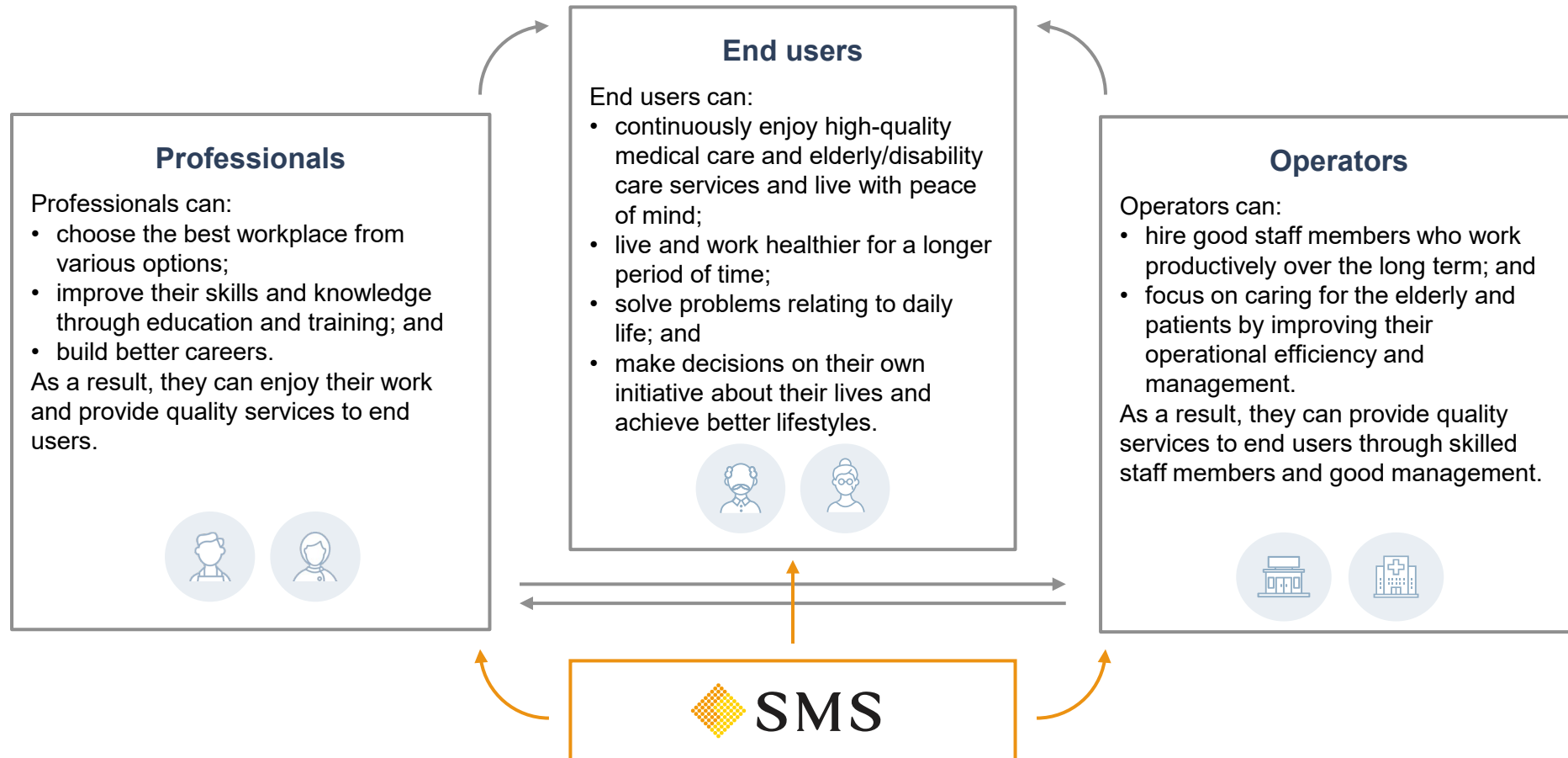
Aim to solve the three critical issues in an aging society by defining our strategic business areas as Career, Elderly/Disability Care Operators, Healthcare, and Senior Life, and by strategically developing and nurturing businesses to address the issues.

	Healthcare 	Medical Care 	Elderly/Disability Care 	Senior Life 
Professionals 	Healthcare Business	Issue 1 Career Business		Senior Life Business
Operators 		Issue 1 Elderly/Disability Care Operators Business		
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

# 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

# Business Portfolio

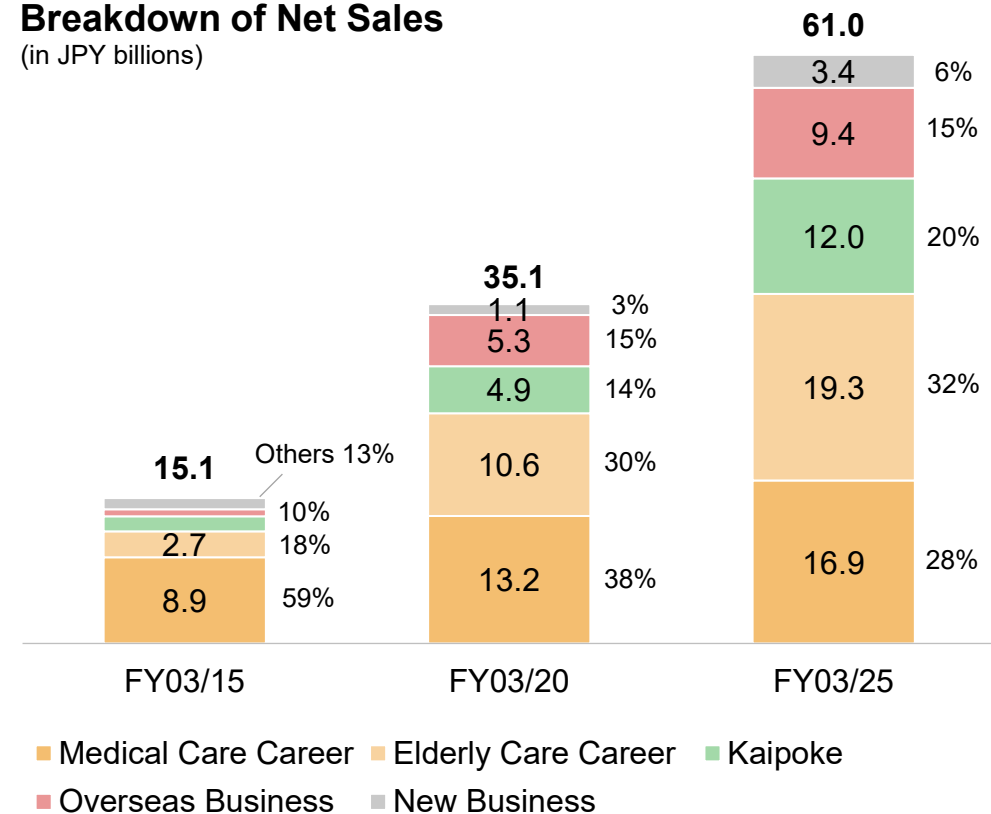
- **Medical Care Career** has been driving our growth since our establishment.
- **Elderly Care Career, Kaipoke and Overseas business** are growing as the new pillars of our business portfolio.
- **Actively develop new businesses, mainly in healthcare and senior life domains, to create next pillars of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

## Business Areas

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

## Breakdown of Net Sales

(in JPY billions)

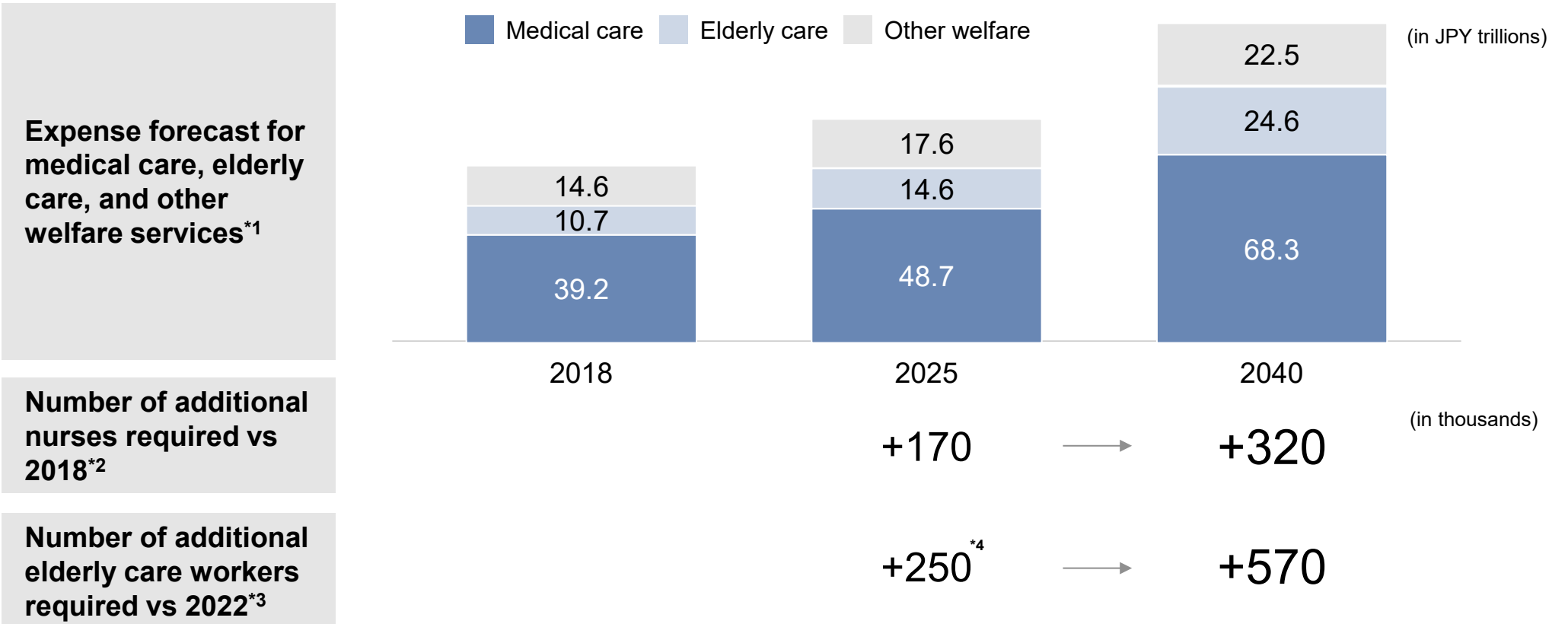


1. HCP: Healthcare professionals

# Career Strategy

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

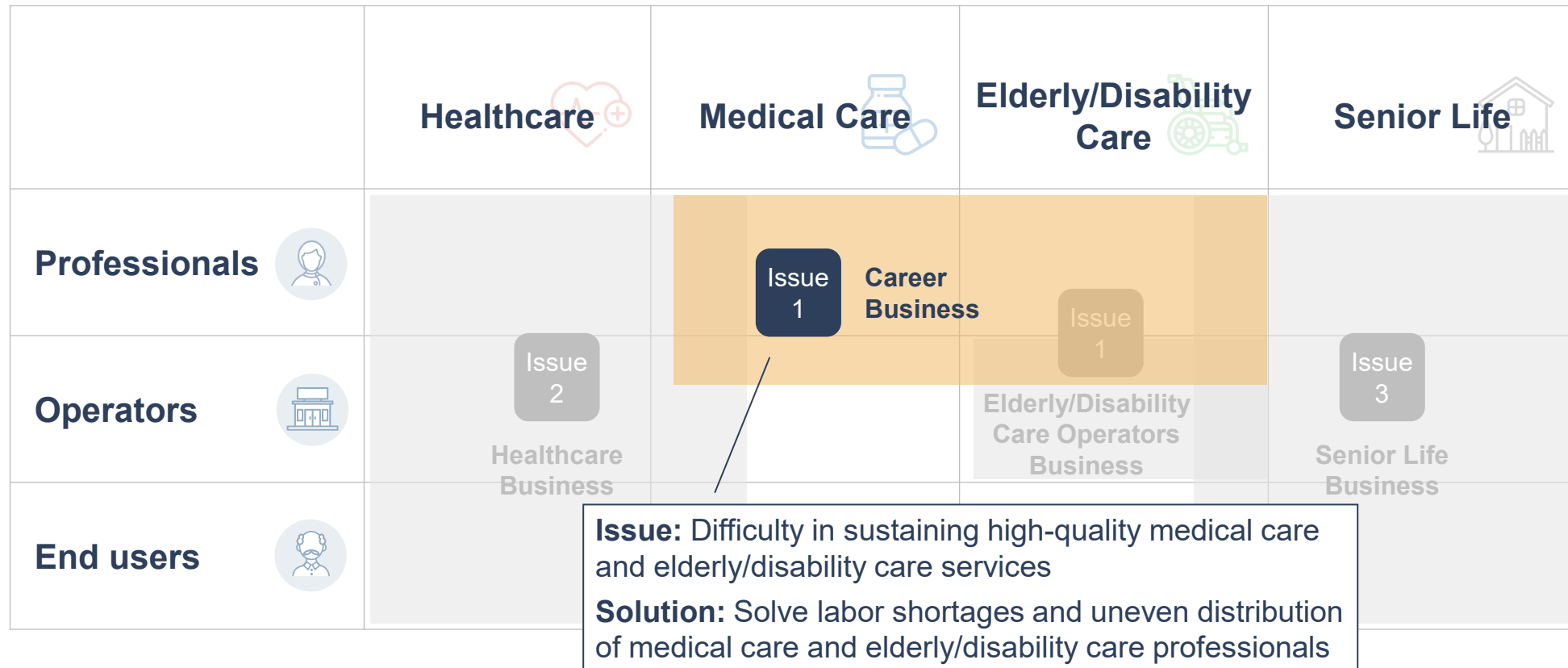
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"
2. MHLW, "Status of securing nurses and other nursing staff"
3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"
4. Required number as of 2026

# Solution for Issue 1 in Career Business

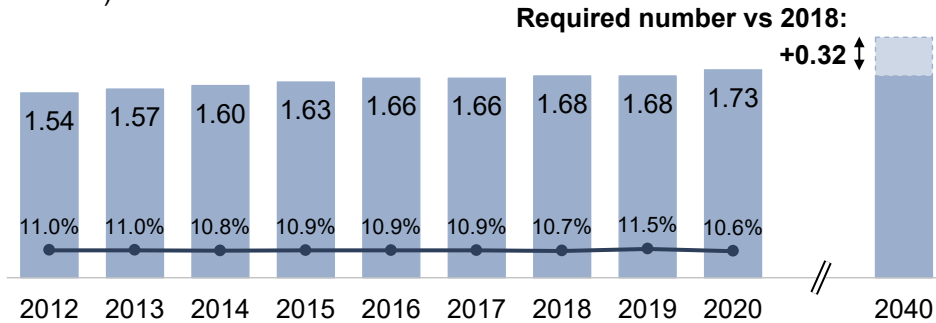
Contribute to solving the social issue “difficulty in sustaining high-quality medical care and elderly/disability care services” by solving labor shortages and uneven workforce distribution through optimized matching of professionals and operators.



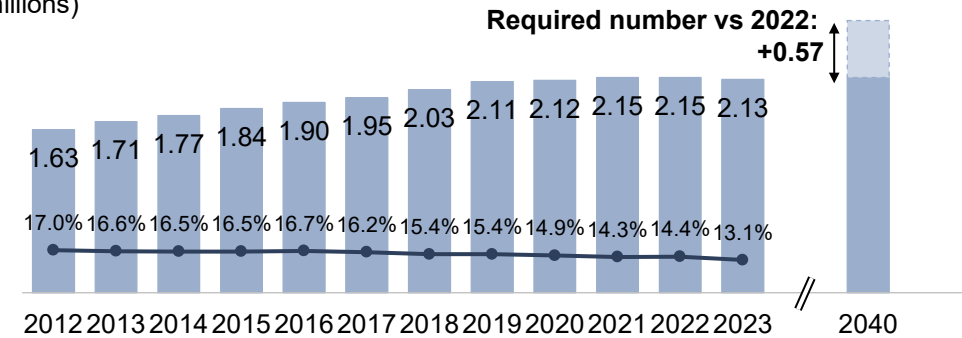
# Shortage of Professionals

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

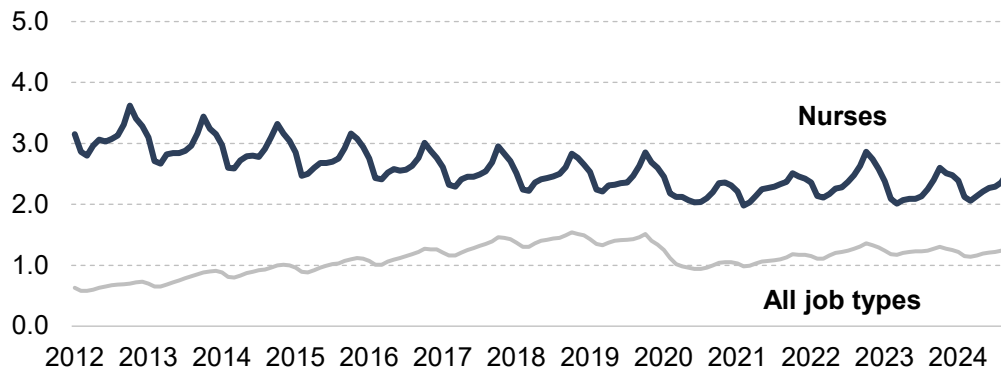
**Number of nurses / their turnover rate\*1**  
(in millions)



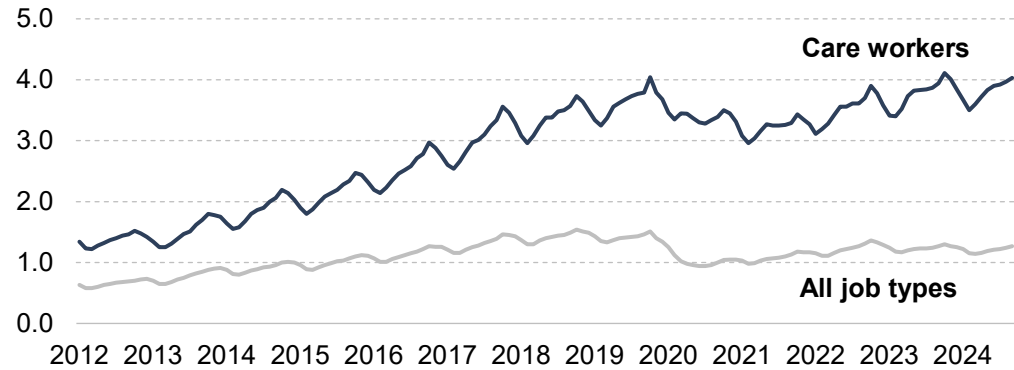
**Number of care workers / their turnover rate\*2**  
(in millions)



**Jobs-to-applicants ratio of nurses\*3**



**Jobs-to-applicants ratio of care workers\*3**



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



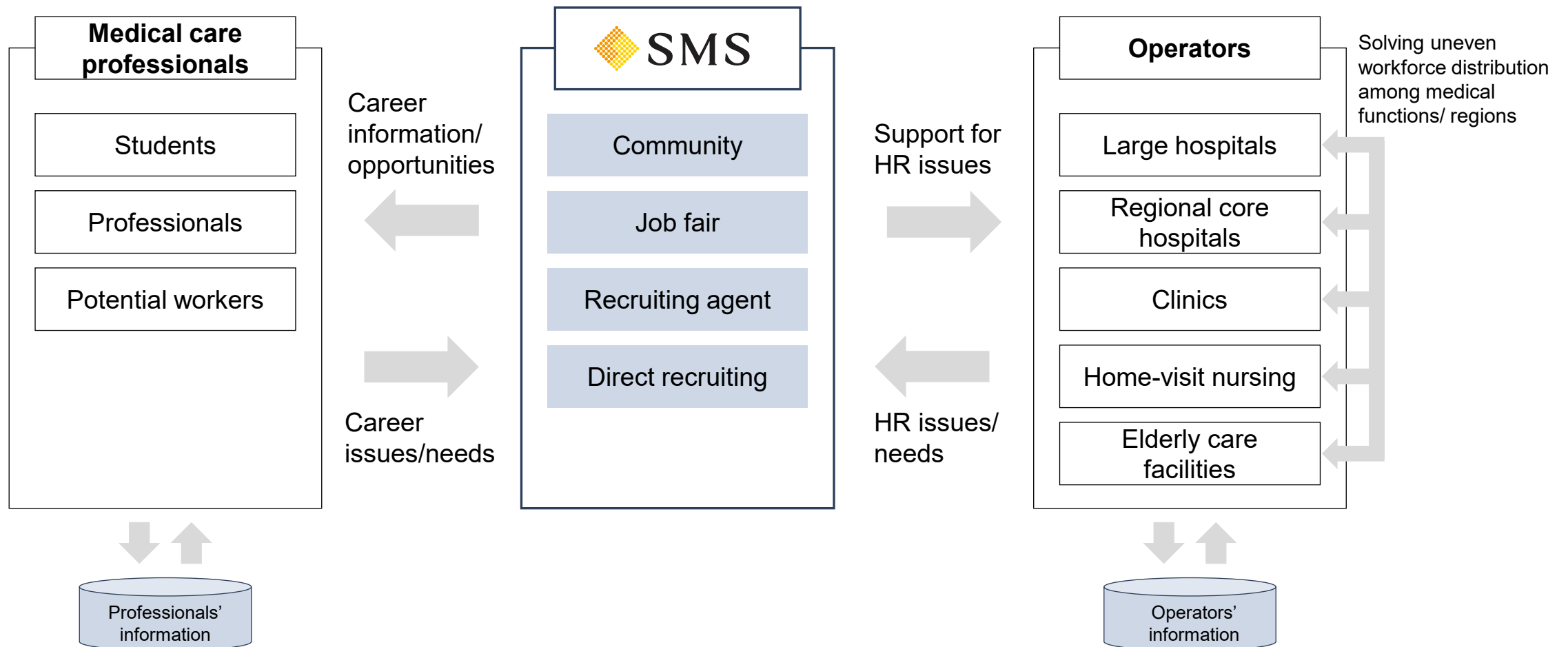
# Mission of Career Business

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

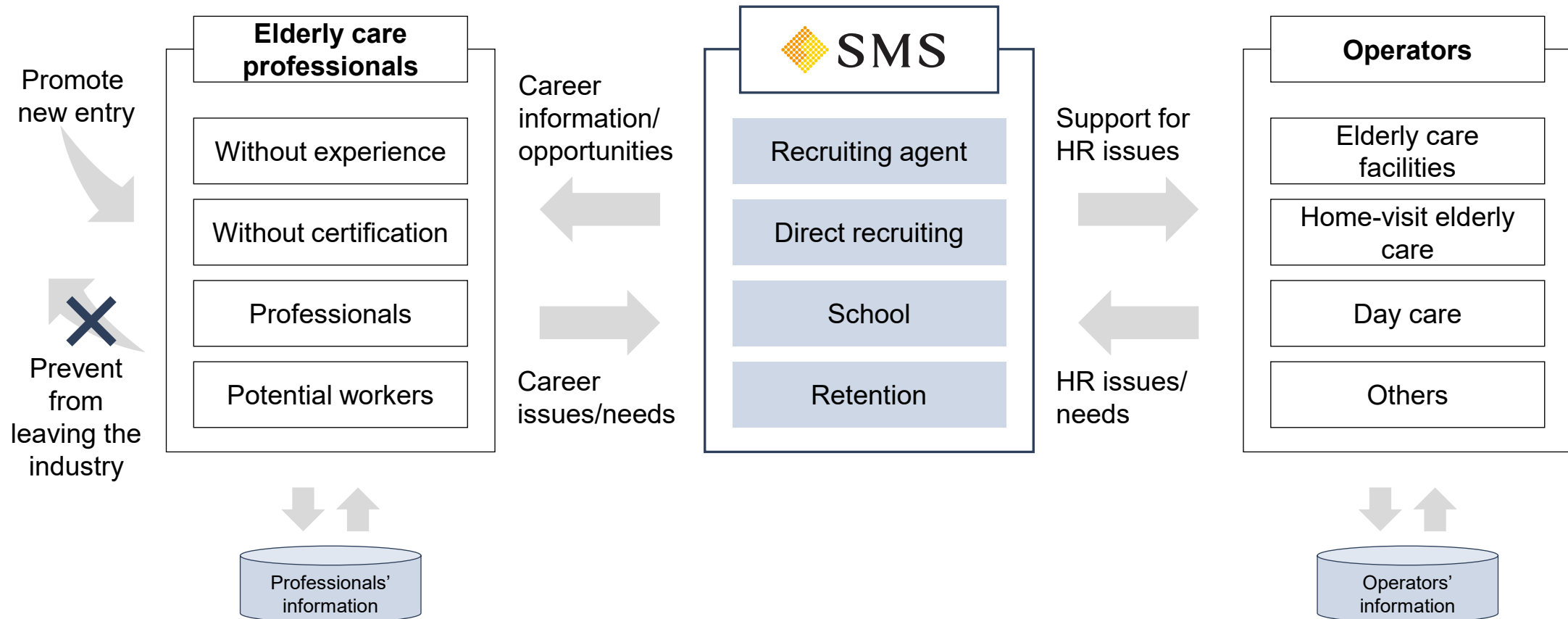
# Strategy of Medical Care Career

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



# Strategy of Elderly Care Career

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

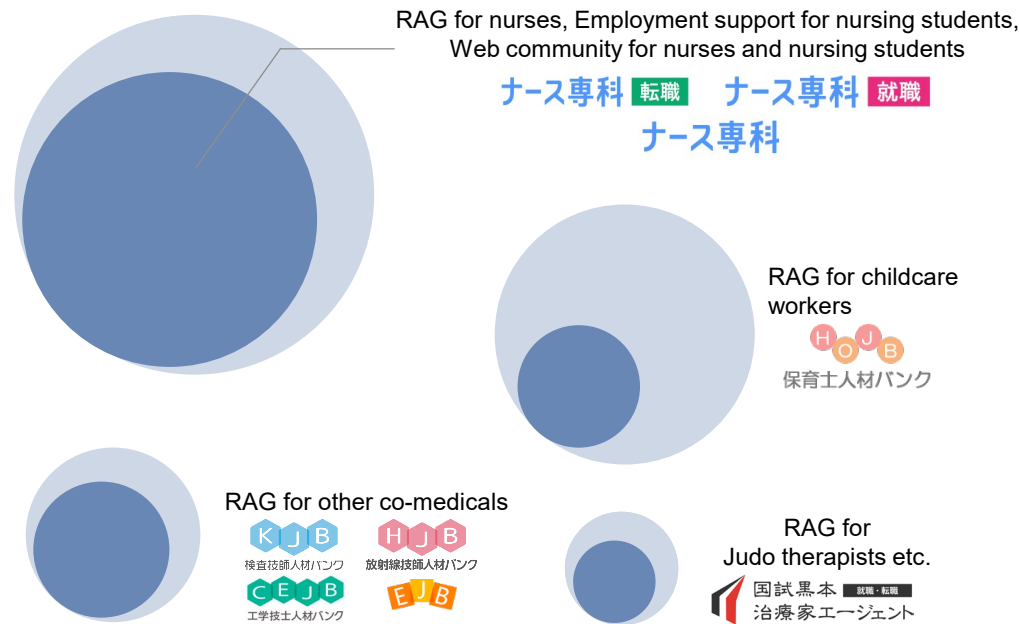


# Growth Scenario

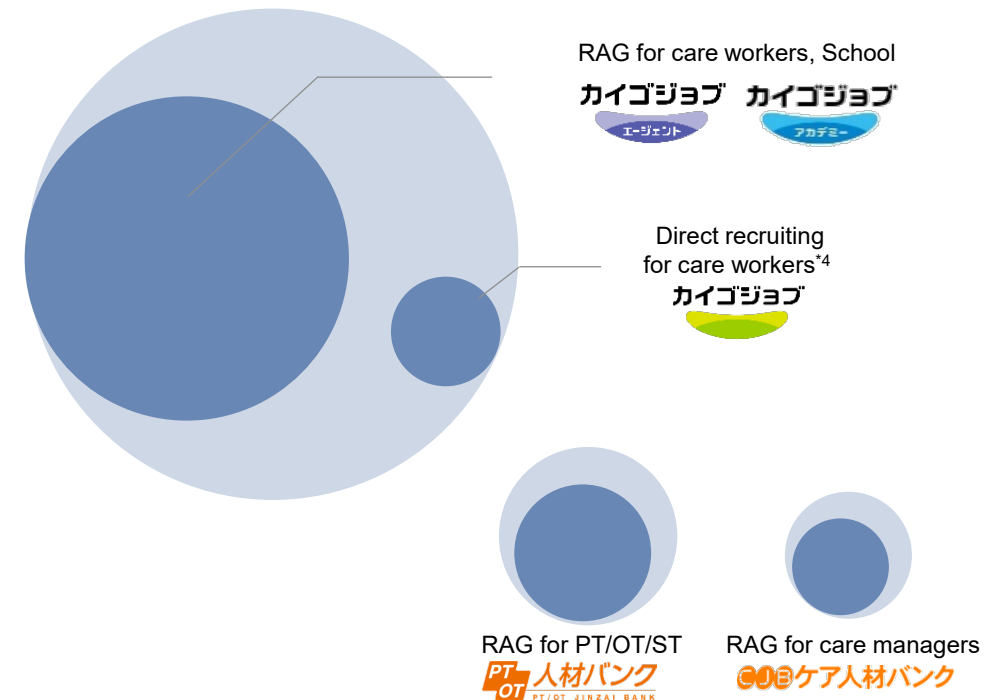
- The Career Segment has huge growth opportunities.
- Leveraging our Career Business expertise developed as an industry pioneer, we are driving growth led by the stable growth in services for nurses, as well as services for care workers with severe labor shortages and RAG\*1 for childcare workers, which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

## Sales of Medical Care Career: JPY 16.9 billion\*2\*3

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



## Sales of Elderly Care Career: JPY 19.3 billion\*3

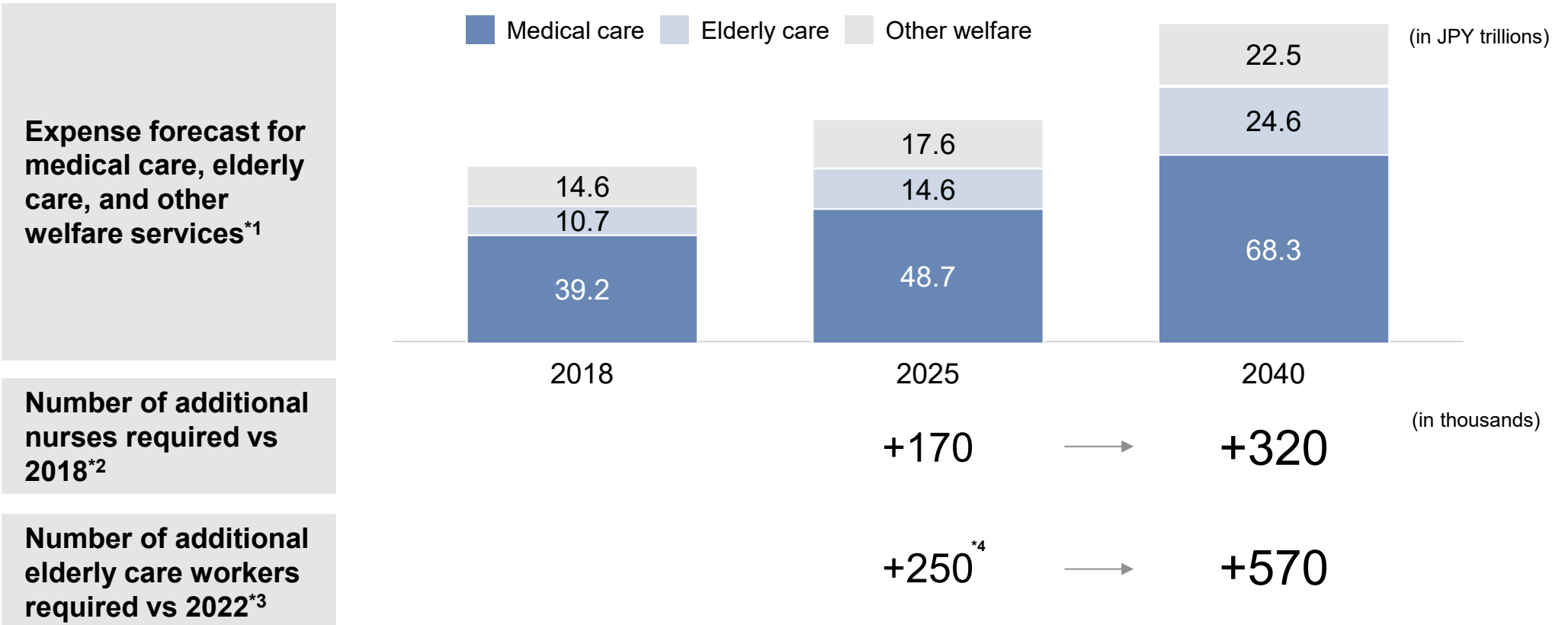


1. RAG: Recruiting agent service
2. Career businesses for doctors and pharmacists are operated by M3 Career, Inc., a JV between M3, Inc.(51%) and SMS (49%).
3. Sales for FY03/25
4. Renewed to "Wellme Job," a cross-occupational direct recruiting platform, from July 2025.

# **Elderly/Disability Care Operators (Kaipoke) Strategy**

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

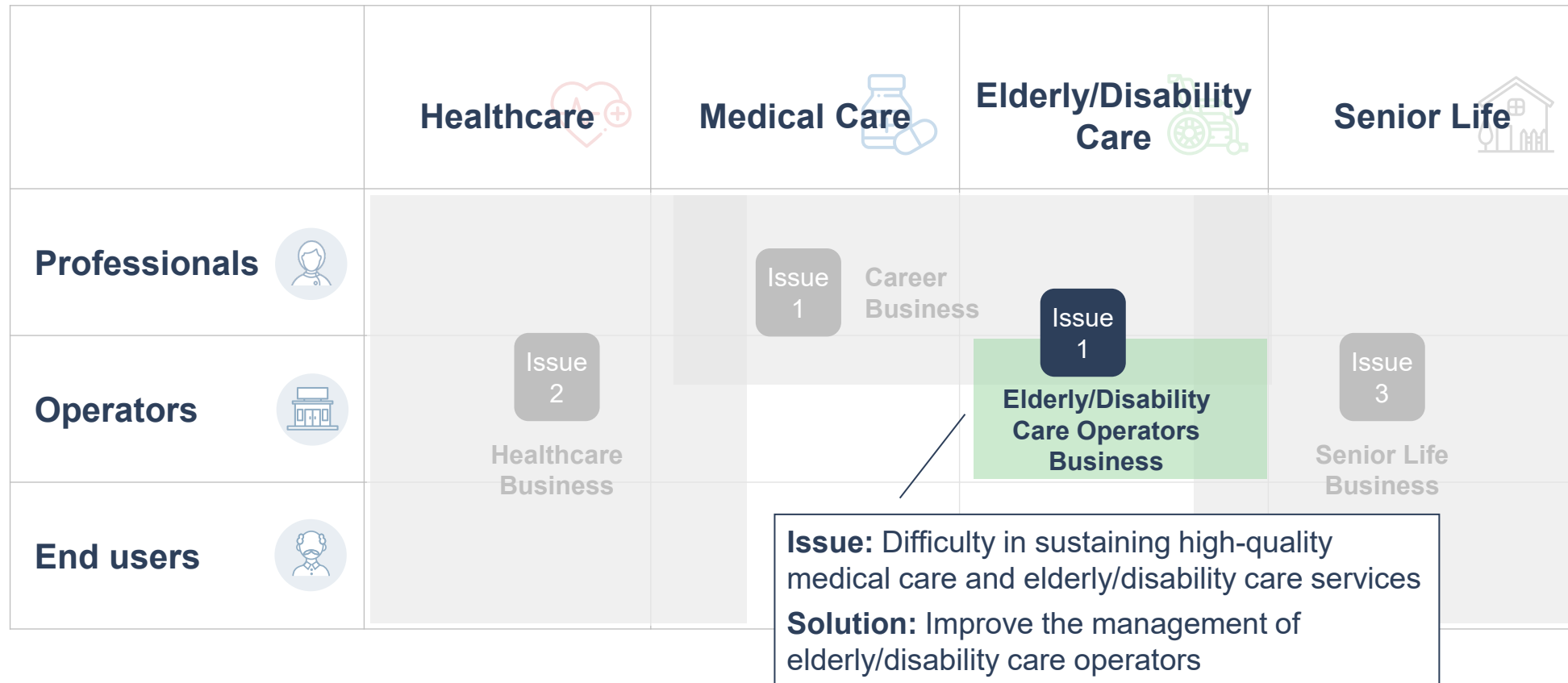
While the demand for medical care and elderly/disability care services is increasing due to the population aging, a growing shortage of medical care and elderly care professionals is making it difficult to sustain high-quality medical care and elderly/disability care services.



1. Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"  
 2. MHLW, "Status of securing nurses and other nursing staff"  
 3. MHLW, "Required number of elderly care staff based on the 9th plan for long-term care insurance"  
 4. Required number as of 2026

# Solution for Issue 1 in Elderly/Disability Care Operators Business

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



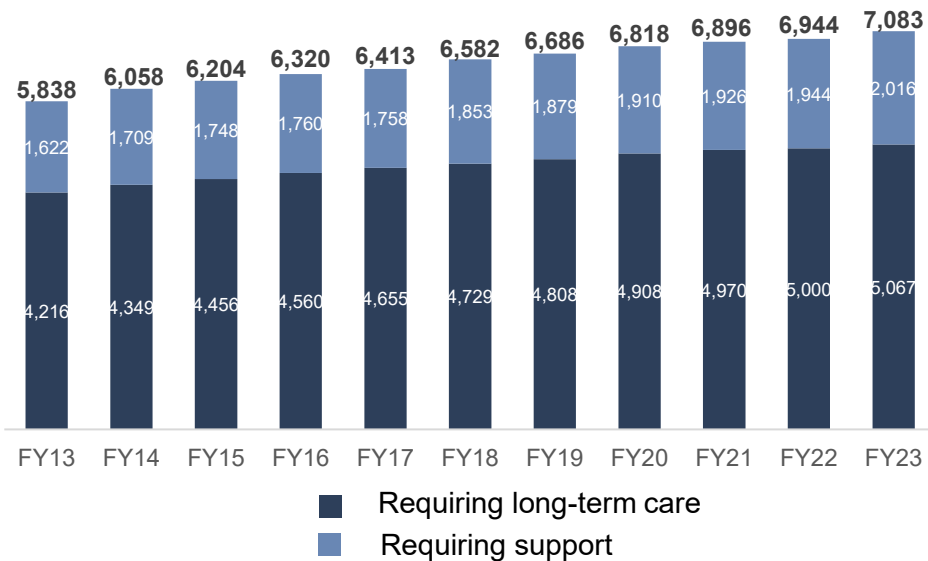
# Business Environment of Elderly Care Services

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

## Number of people certified for long-term care/support need\*1

(in thousands)

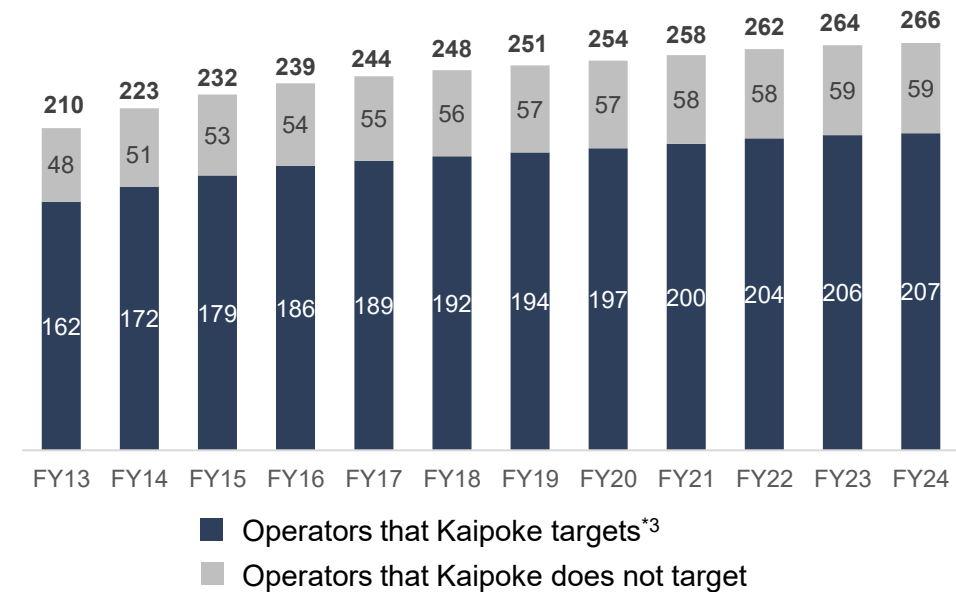
Average annual rate of increase: 2.0%



## 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)

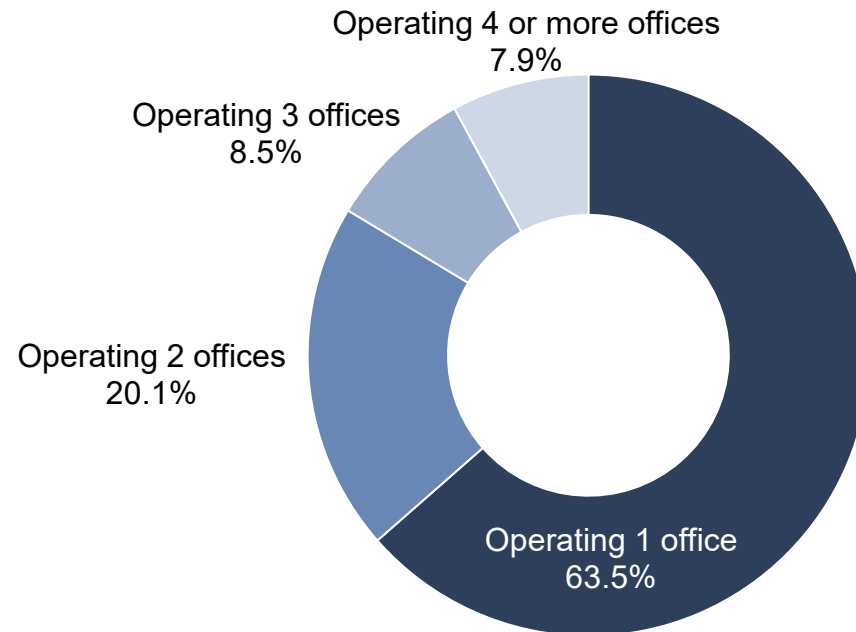
3. Kaipoke targets in-home services such as in-home care support, home-visit elderly care, day care, home-visit nursing, and outpatient rehabilitation, etc., and does not target facility services such as commuting care for elderly with dementia, short stay, daily life care for elderly in specific facilities,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



# Business Environment of Elderly Care Services

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

Size of corporations operating elderly care service offices\*1



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

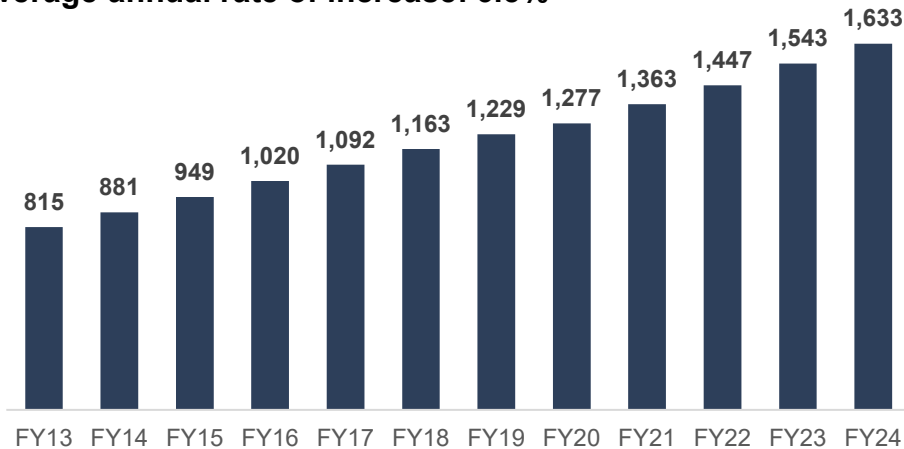
# Business Environment of Disability Welfare Services

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

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

(in thousands)

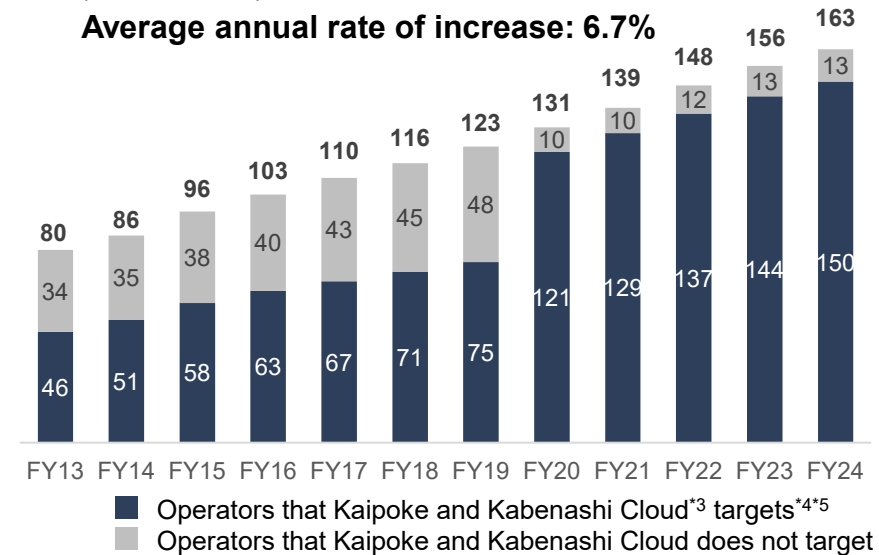
Average annual rate of increase: 6.5%



## Number of welfare service offices for persons with disabilities\*2

(in thousands)

Average annual rate of increase: 6.7%



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

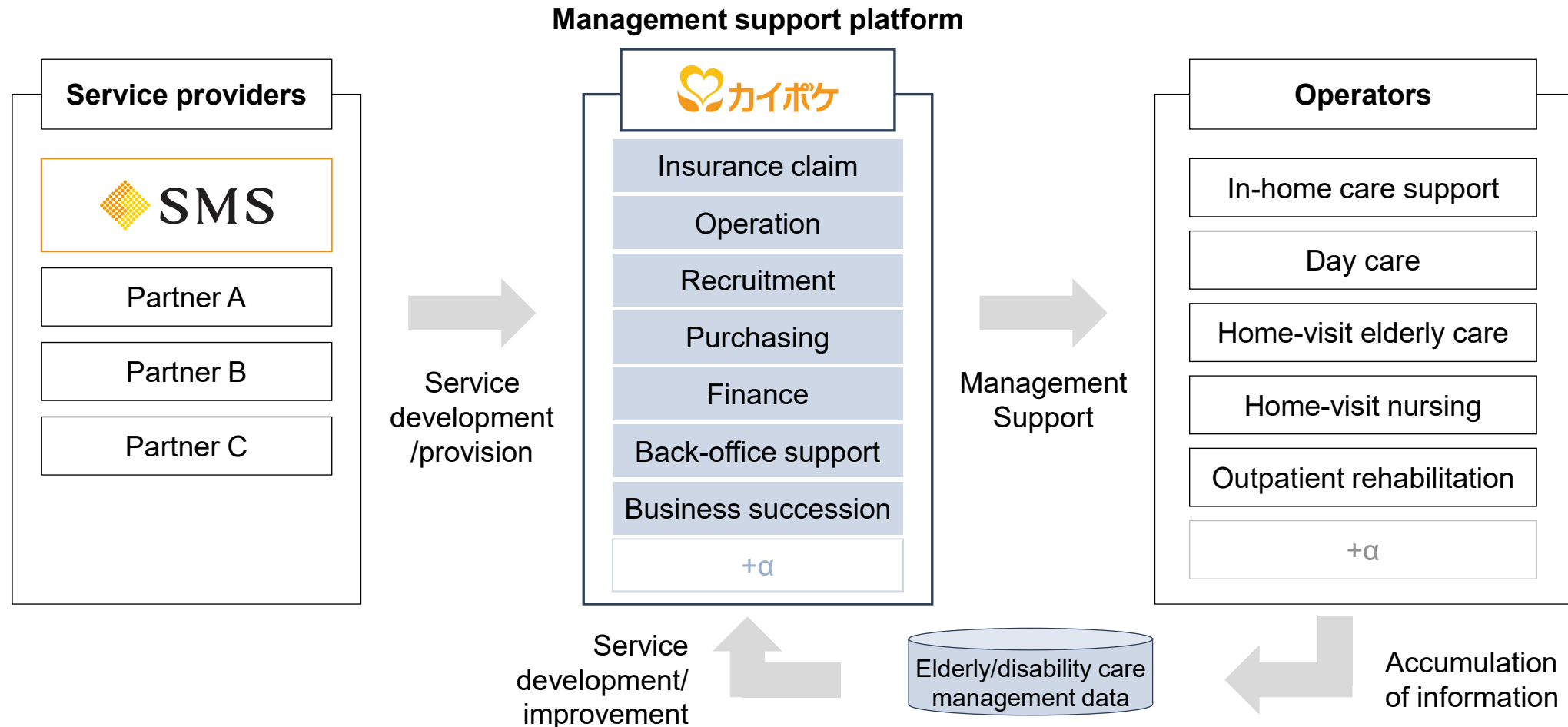
# Mission of Elderly/Disability Care Operators Business (Kaipoke)

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

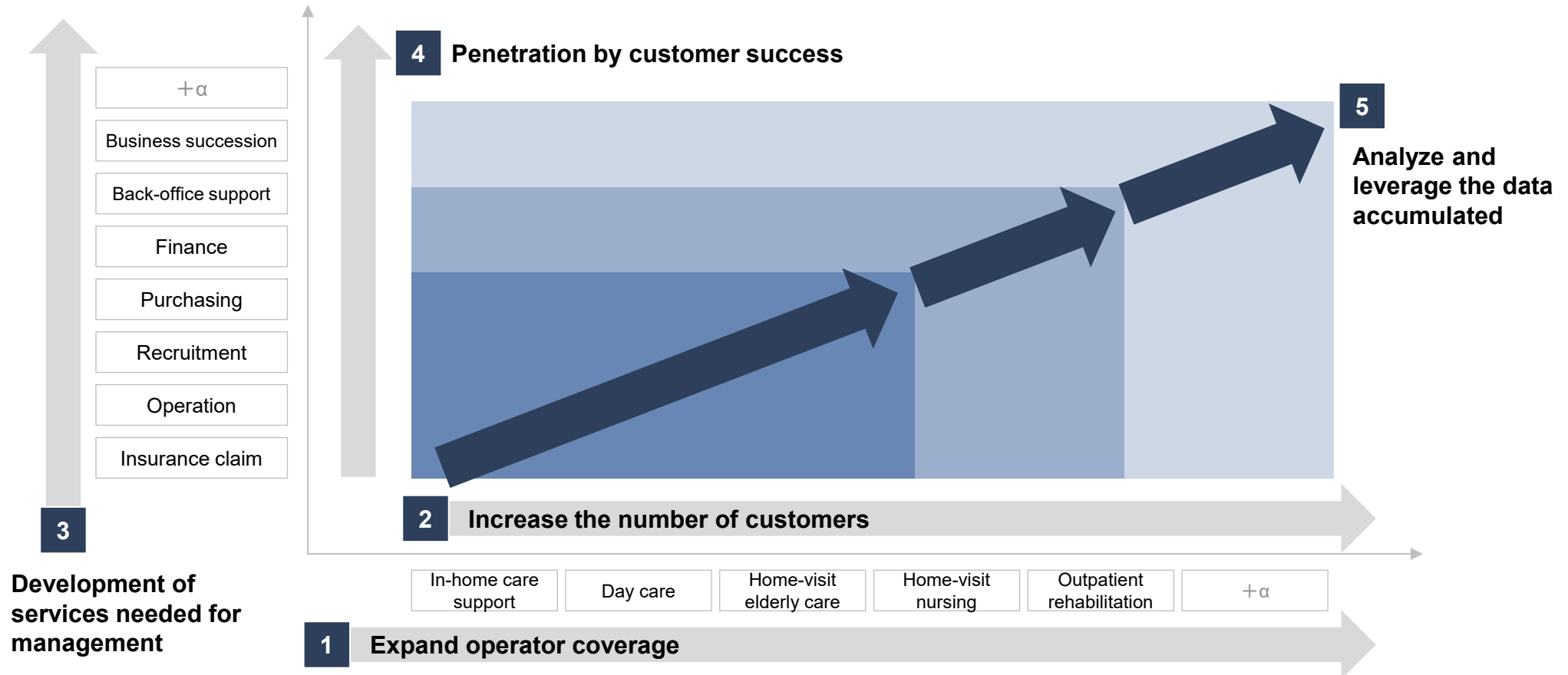
# Management Support Platform

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



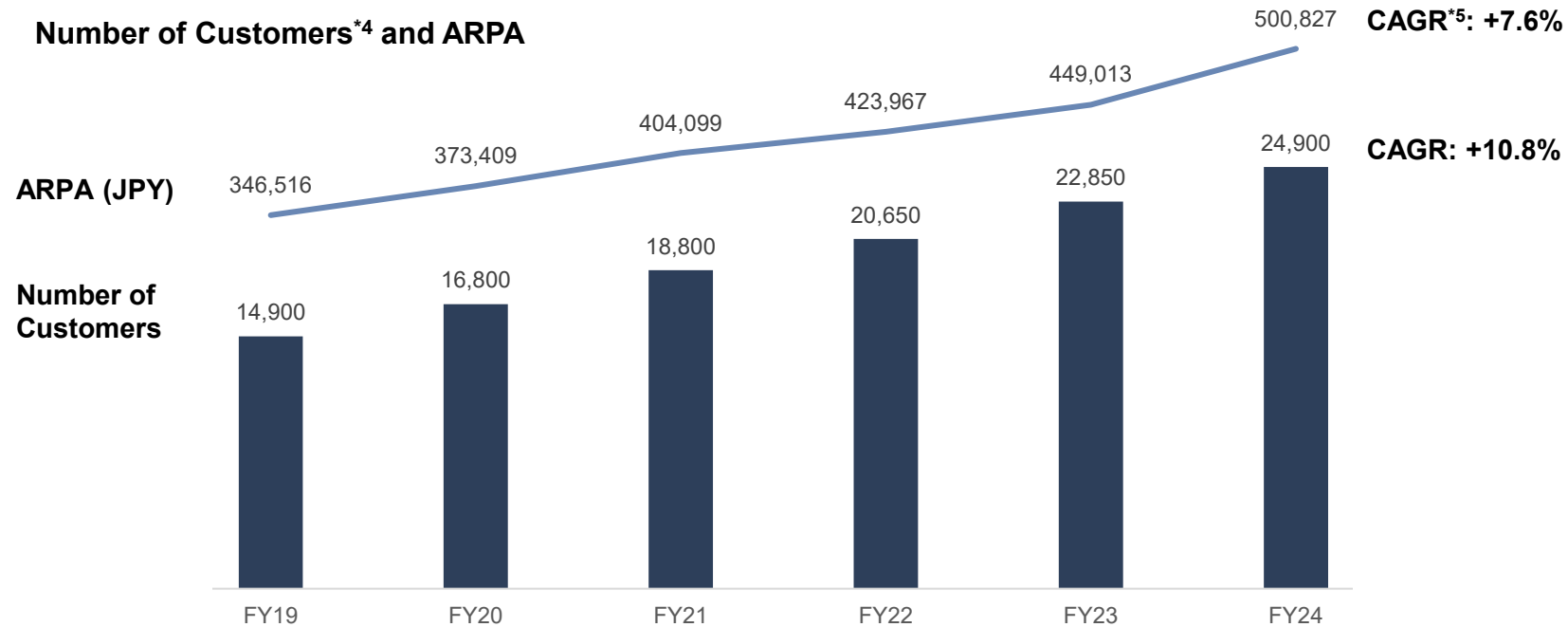
# Strategy of Elderly/Disability Care Operators Business

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



# Growth of Elderly/Disability Care Operators Business

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

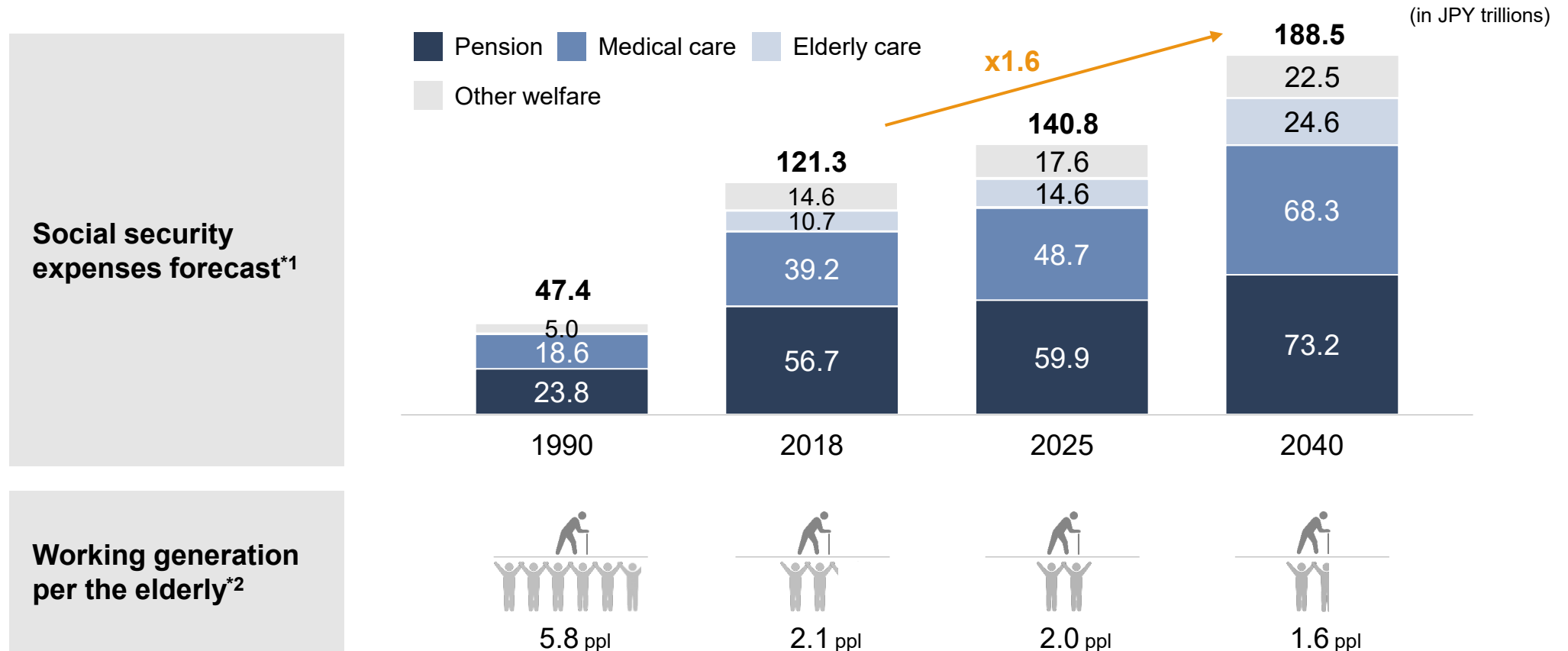


1. ARPA: Average Revenue Per Account. Calculated by dividing total annual revenue by the average number of companies during the period.
2. RAG: Recruiting agent service
3. A metric used to evaluate the health of a SaaS business, based on the principle that the sum of its revenue growth rate and profit margin should be 40% or more.
4. Number of companies at period-end
5. CAGR: Compound Annual Growth Rate

# **New Business (Healthcare) Strategy**

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

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

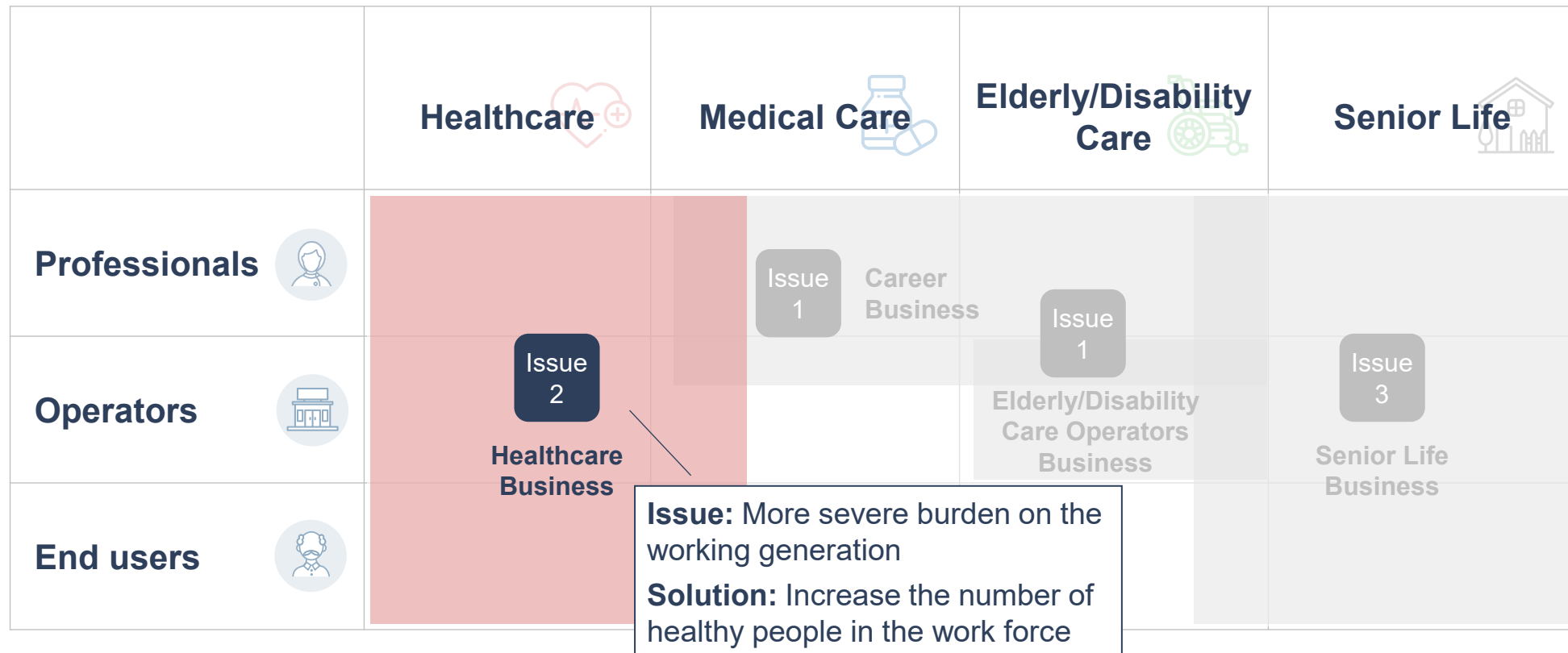


1. MHLW, "Trends in Social Security Benefits", Cabinet Secretariat, CAO, MOF, MHLW, "Future outlook for social security in 2040"  
 2. MIC "Census", "Population estimates", National Institute of Population and Social Security Research "2023 Estimated future population of Japan"



# Solution for Issue 2 in Healthcare Business

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



# Declining QOL\*<sup>1</sup> 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
<b>Risk of lifestyle-related diseases</b>	<b>Lifestyle-related diseases</b>	
Number of recipients of specific health guidance* <sup>2</sup>	Number of diabetics* <sup>3</sup>	Number of patients with mood disorders* <sup>3</sup>
Approx. <b>5.19</b> million	Approx. <b>5.52</b> million	Approx. <b>1.59</b> million
	Number of hypertensive patients* <sup>3</sup>	
	Approx. <b>16.17</b> million	

1. QOL: Quality of life  
 2. Subjects are 40 – 74 years old. MHLW, "2023 Implementation of specified health checkups and specific health guidance"  
 3. MHLW, "2023 Patient survey"

# Mission of Healthcare Business

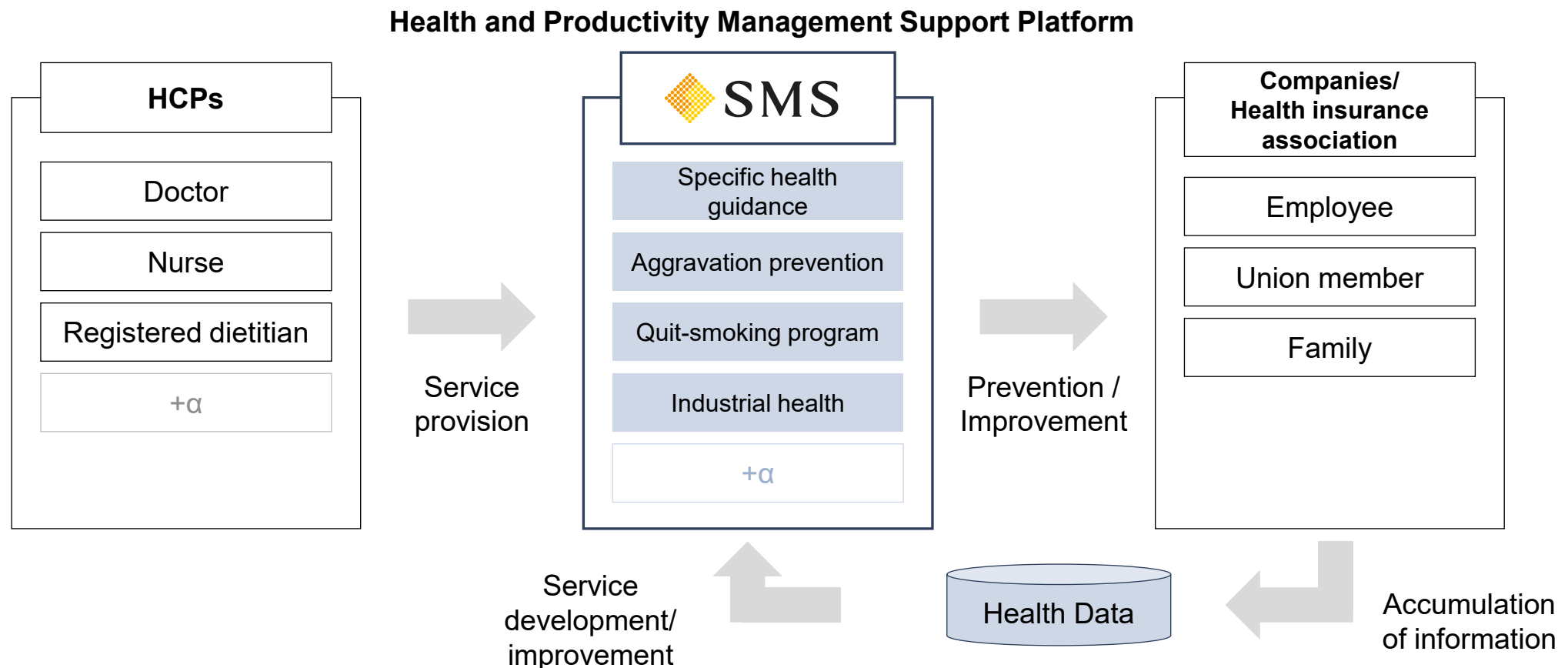
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**We aim to contribute to improving QOL<sup>\*1</sup> and increasing the number of healthy people in the work force by preventing and treating lifestyle-related diseases and mental disorders.**

1. QOL: Quality of life

# Health and Productivity Management Support Platform

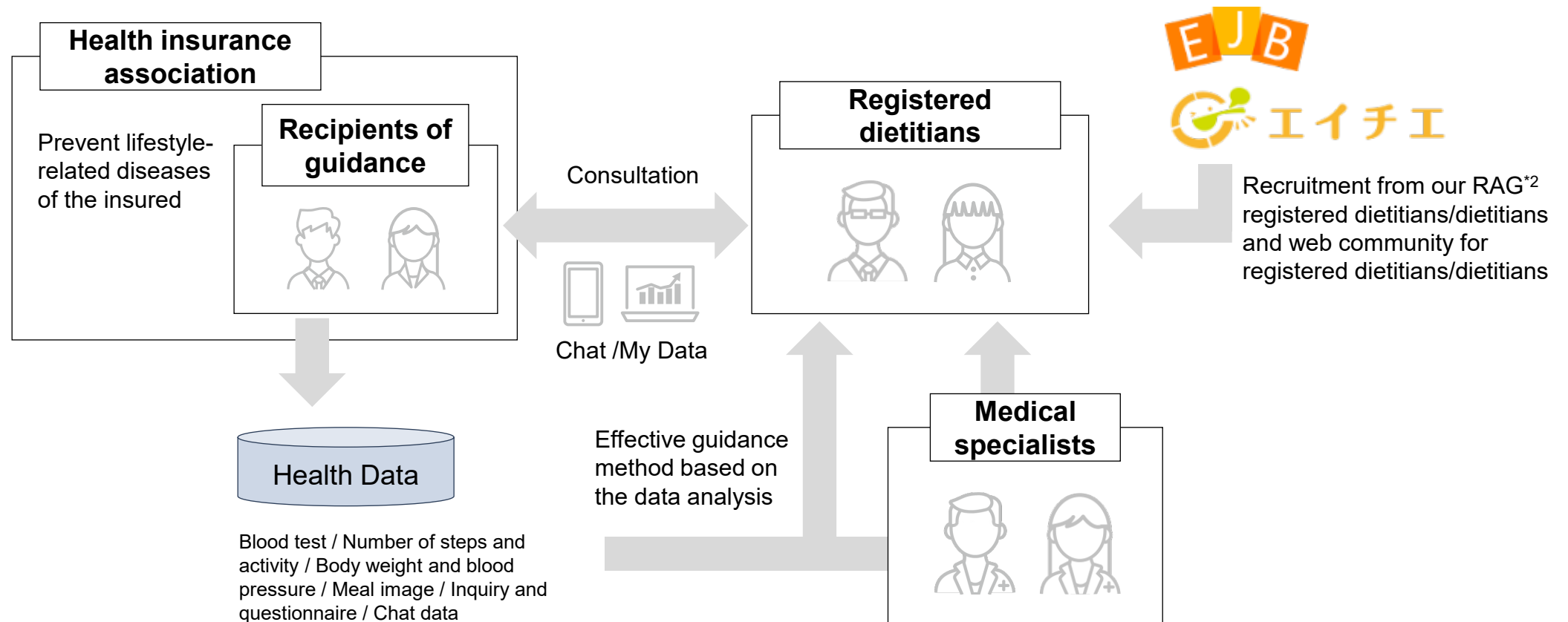
- Provide digital health services\*1 for companies and health insurance associations.
- The services are based on scientific evidences and provided by seasoned healthcare professionals (HCPs) including doctors, nurses, and registered dietitians.



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

# Remote Health Guidance Service

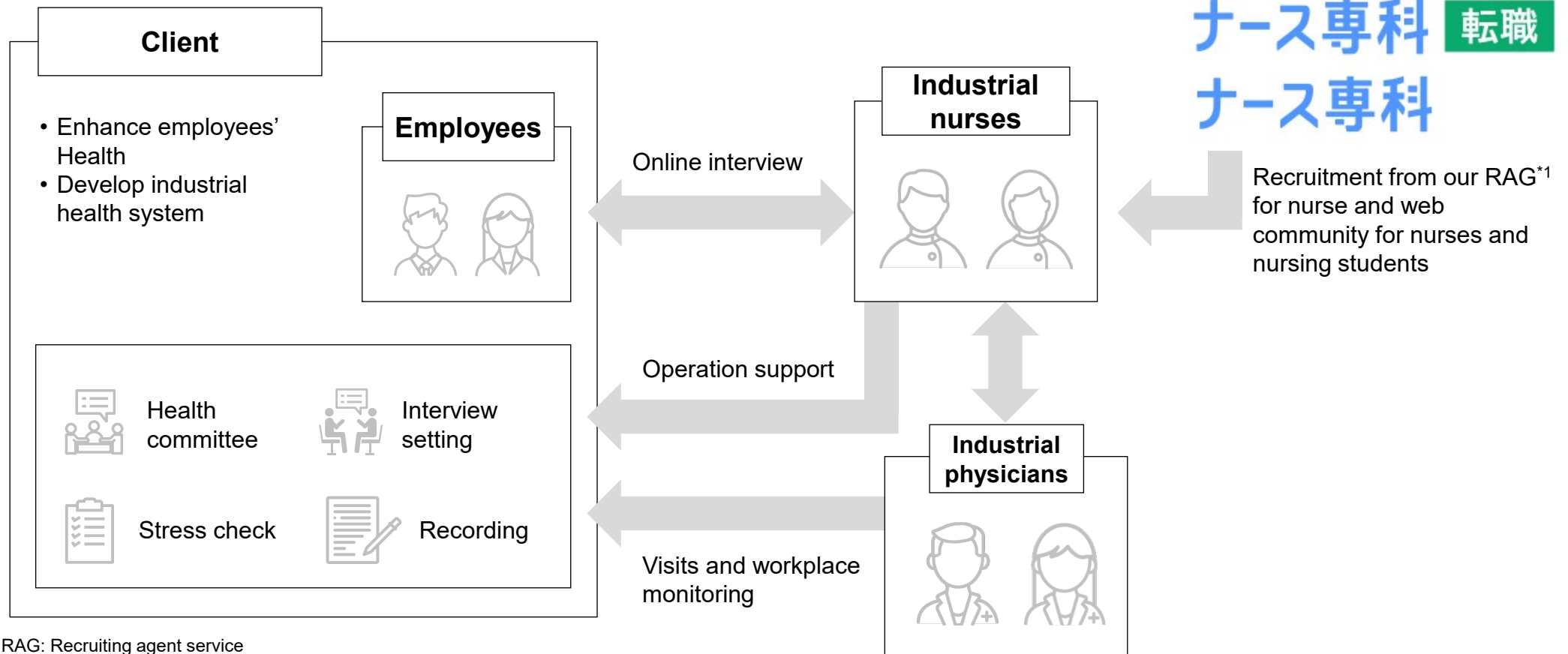
- Provide specific health guidance service for HIAs\*<sup>1</sup> aiming to prevent lifestyle-related diseases of employees and their families. The service is provided by registered dietitians and based on the results of verification projects conducted with MHLW.
- Remote service using smartphones enables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



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

# Remote Industrial Health Service

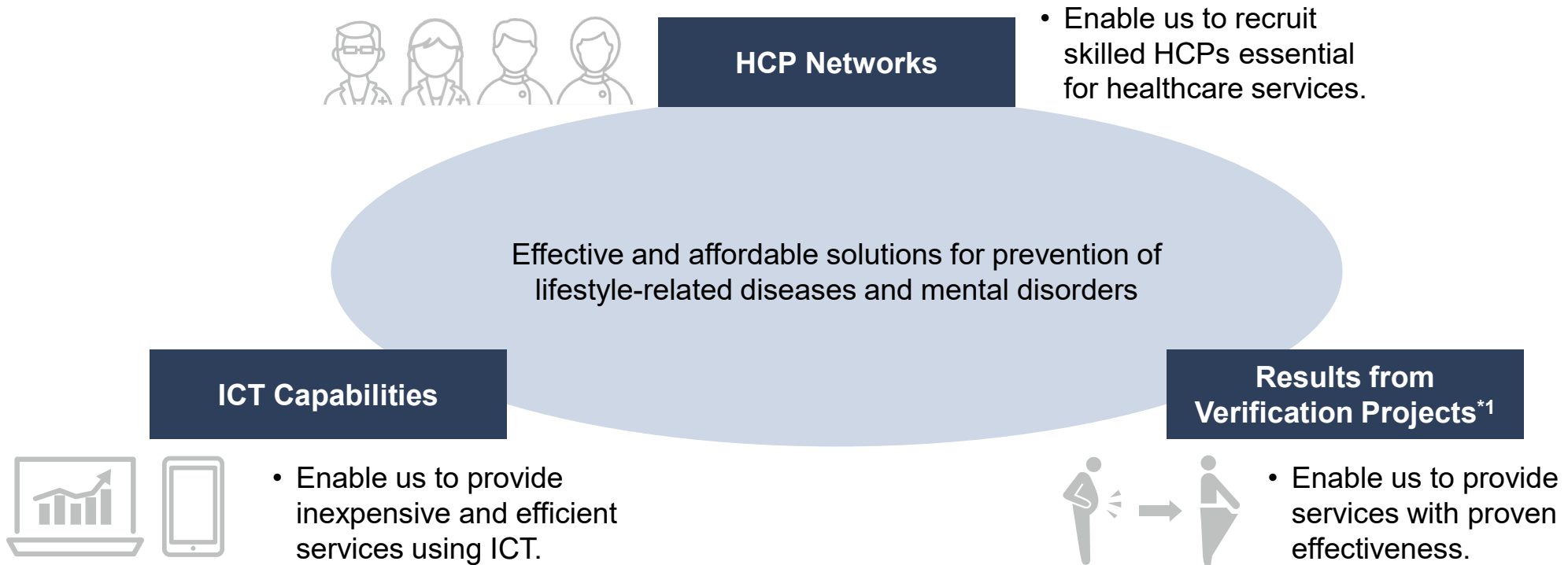
- Provide comprehensive support for industrial health operations in the human resources and labor departments of companies, including visits by industrial physicians, stress checks, and the establishment and operation of health committees.
- Reduce the workload of HR and realize effective mental care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



1. RAG: Recruiting agent service

# Our Strength

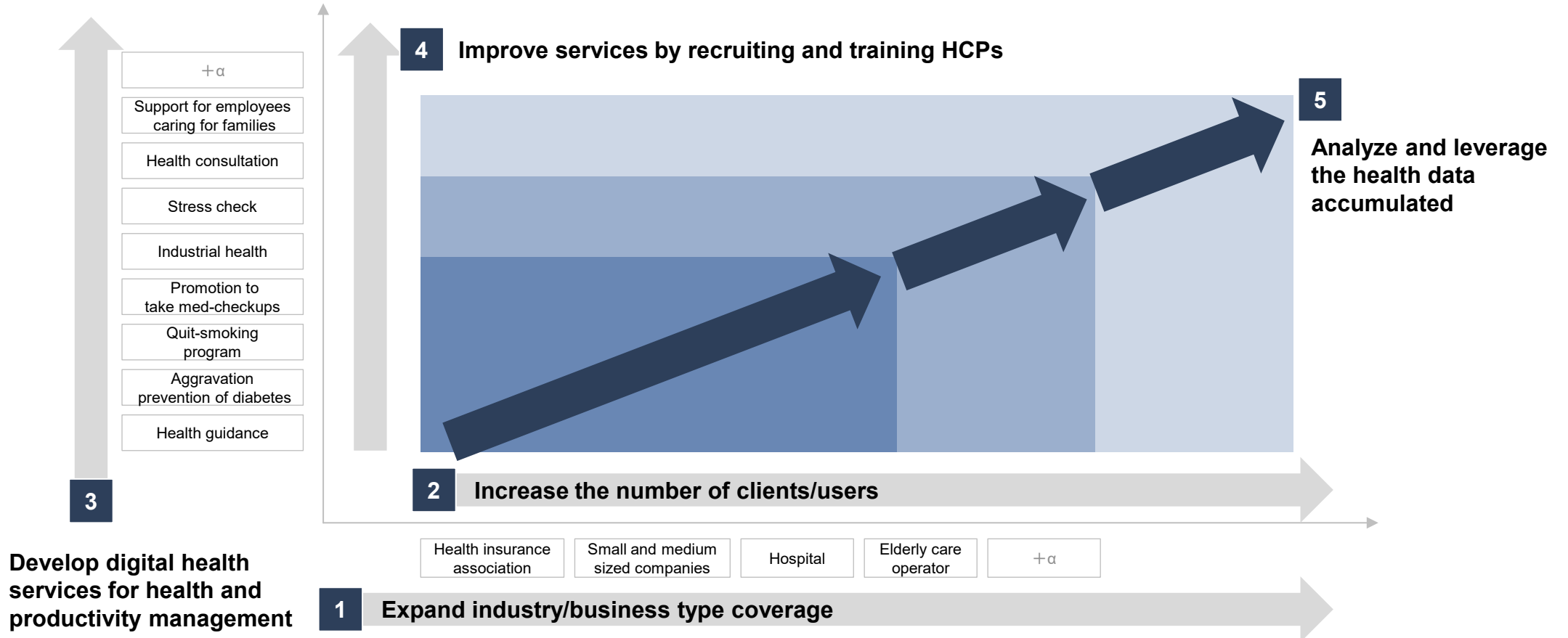
Leveraging our strengths in healthcare professional (HCP) networks, ICT capabilities, and proven results from verification projects conducted with ministries and national agencies, we offer effective solutions with a reasonable price for prevention of lifestyle-related diseases and mental disorders.



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

# Strategy of Healthcare Business

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

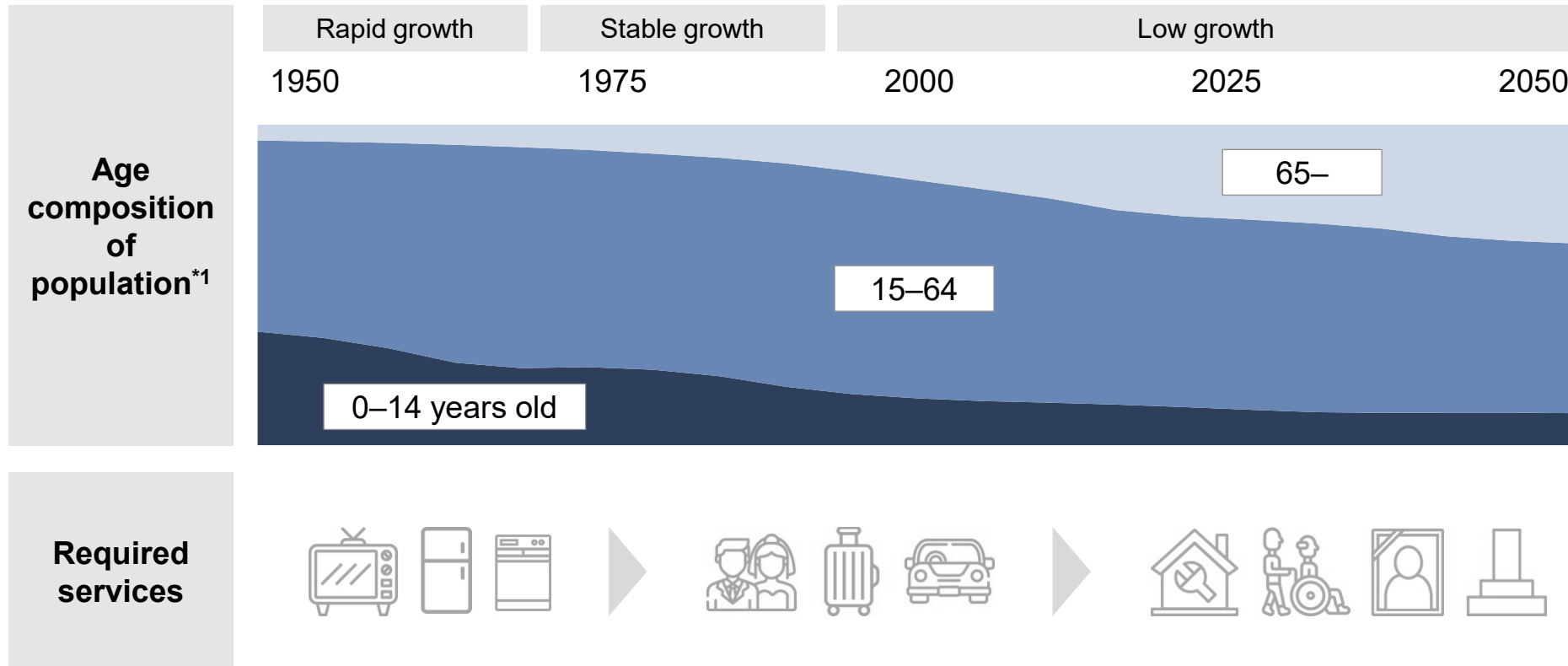




# **New Business (Senior Life) Strategy**

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

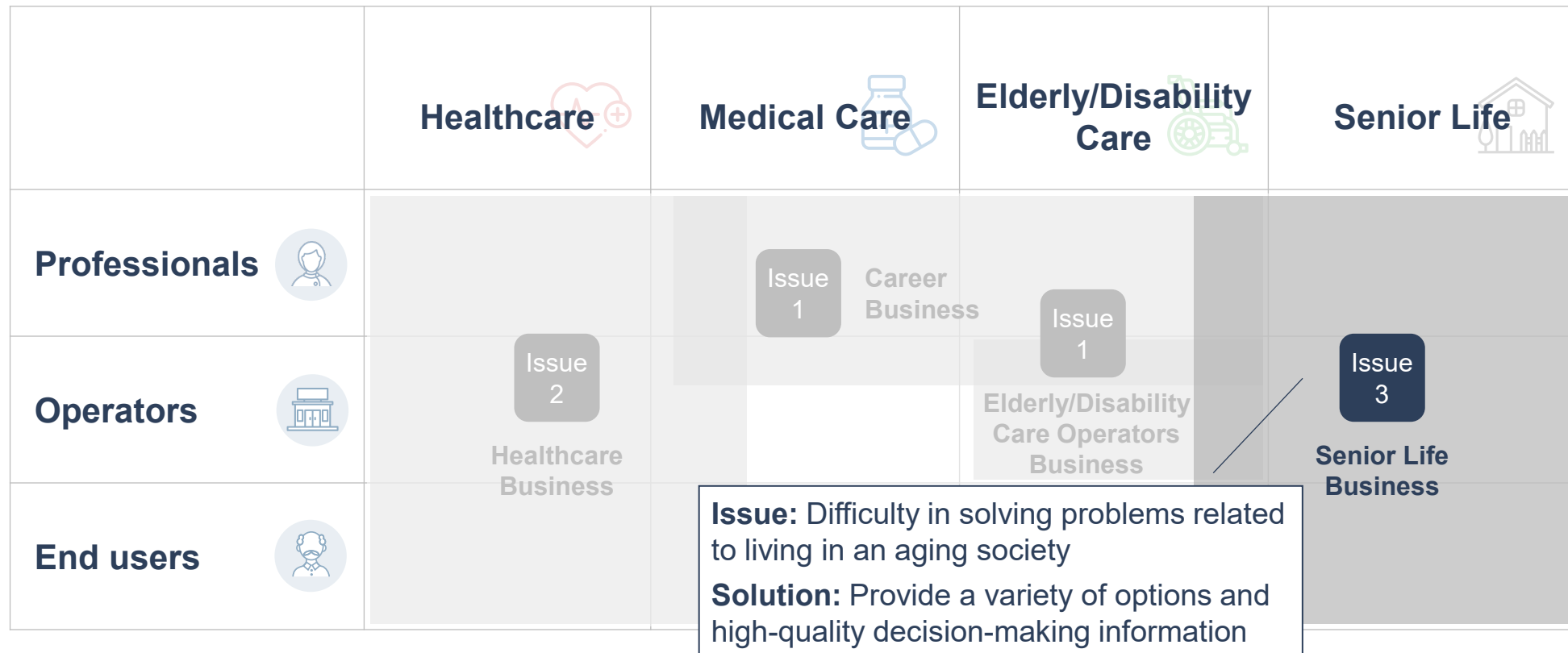
- While services required in society are changing and expanding with the population aging, information related to living in an aging society is insufficient in terms of quality and quantity, and the future labor shortage will result in an inability to adequately supply such services.
- The elderly and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



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

# Solution for Issue 3 in Senior Life Business

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



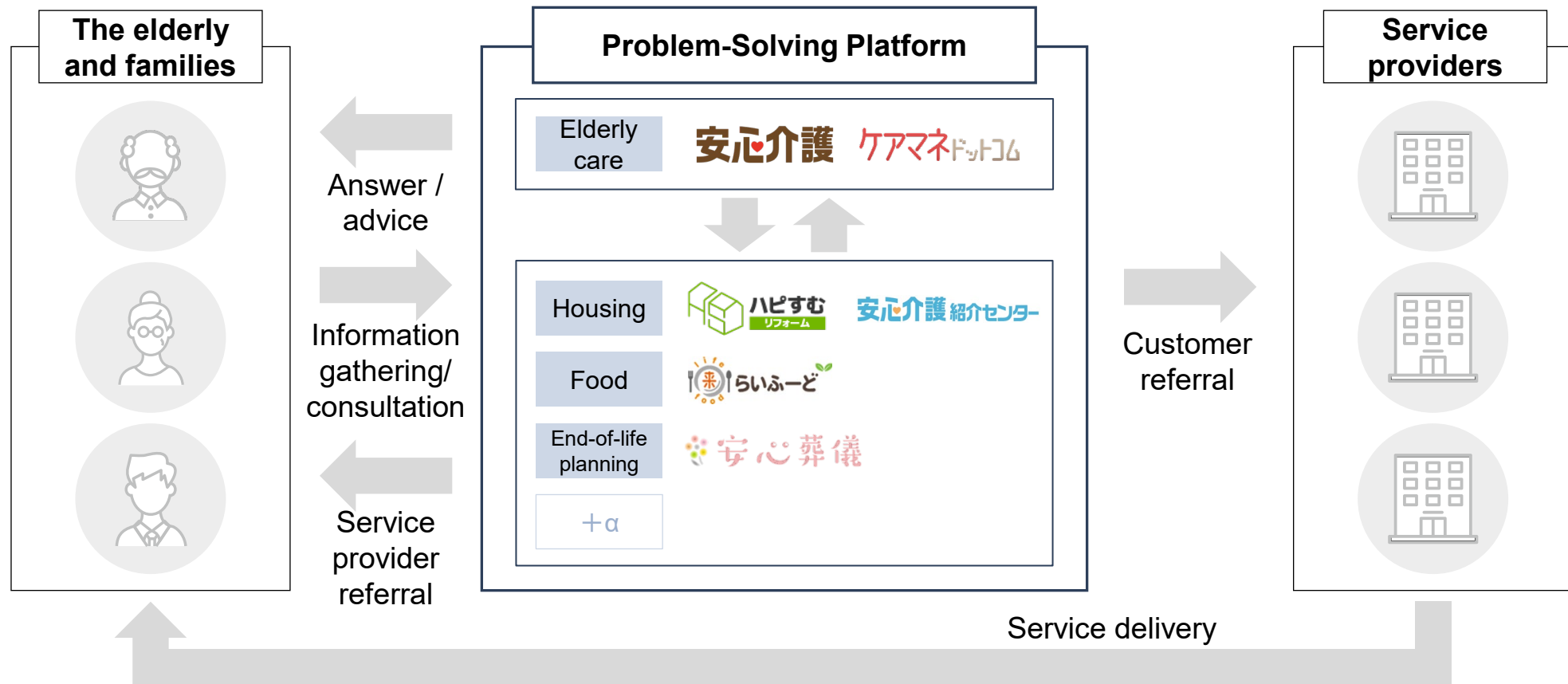
# Mission of Senior Life Business

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

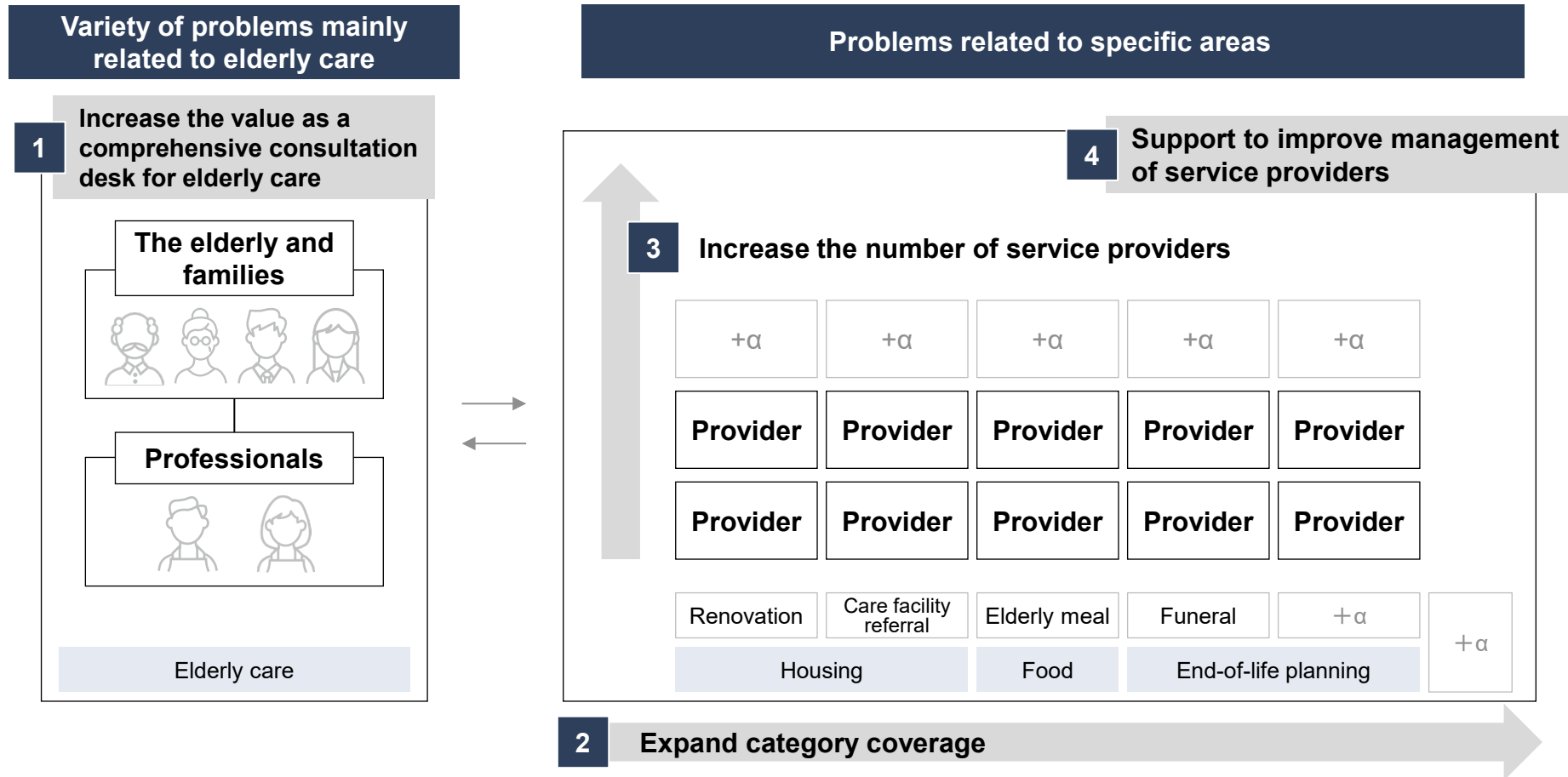
# Problem-Solving Platform

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



# Strategy of Senior Life Business

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

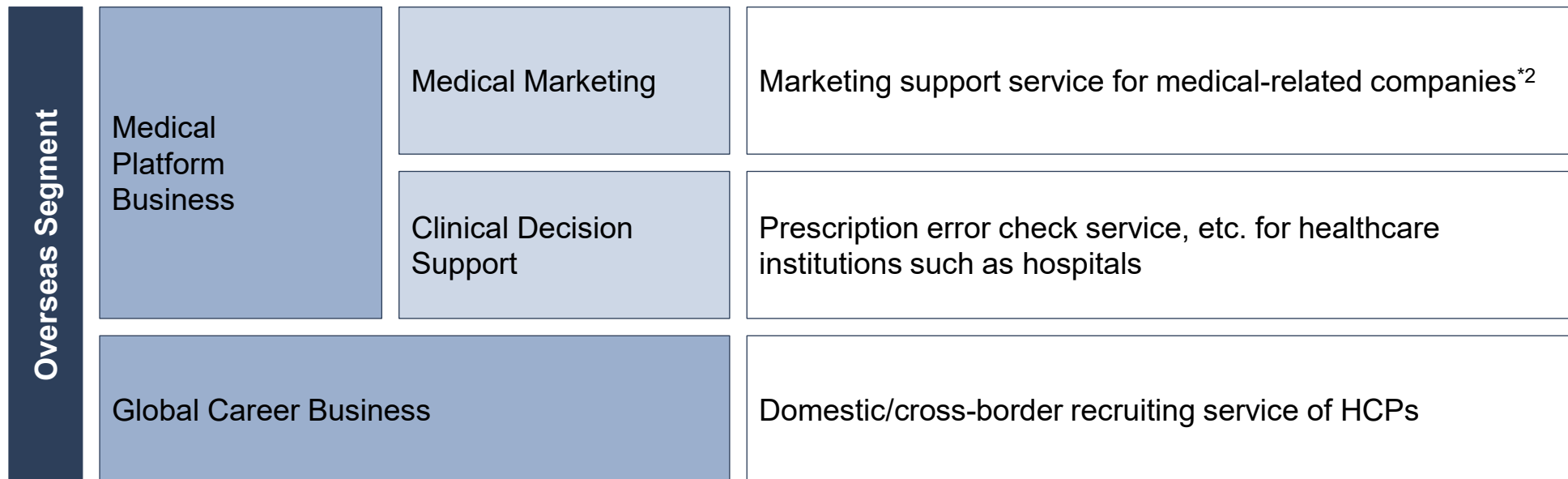


# Overseas Strategy

# Overview of Overseas Segment

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

## Overseas Business Structure



1. HCP: Healthcare professionals

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

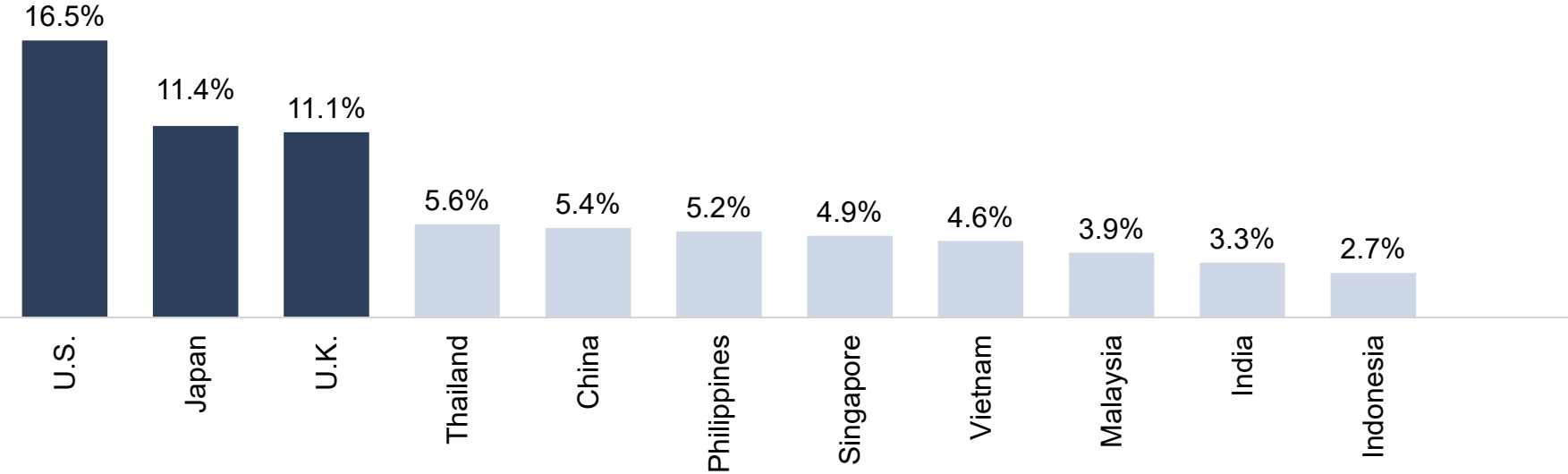


# Medical Platform Business

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

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

Health Expenditure to GDP\*1



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

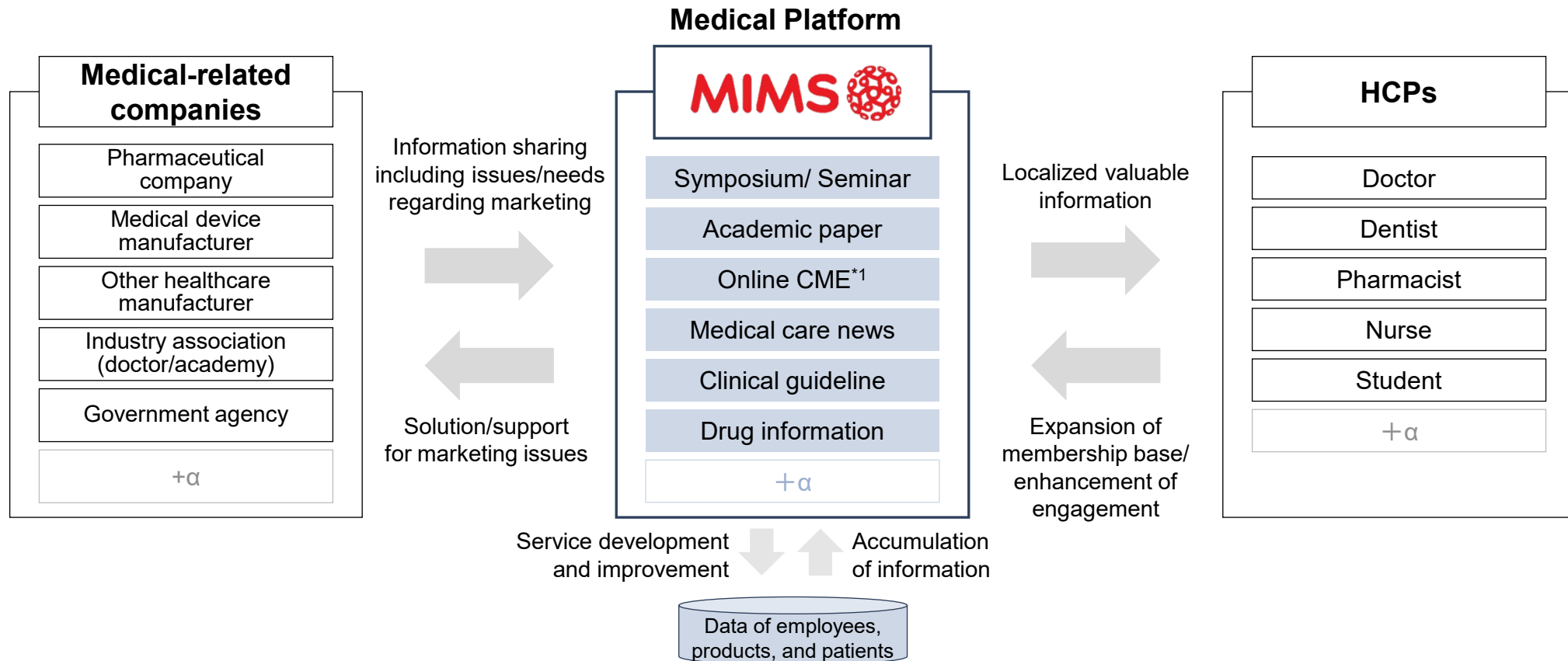
# Mission of Medical Platform Business

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

# Medical Platform

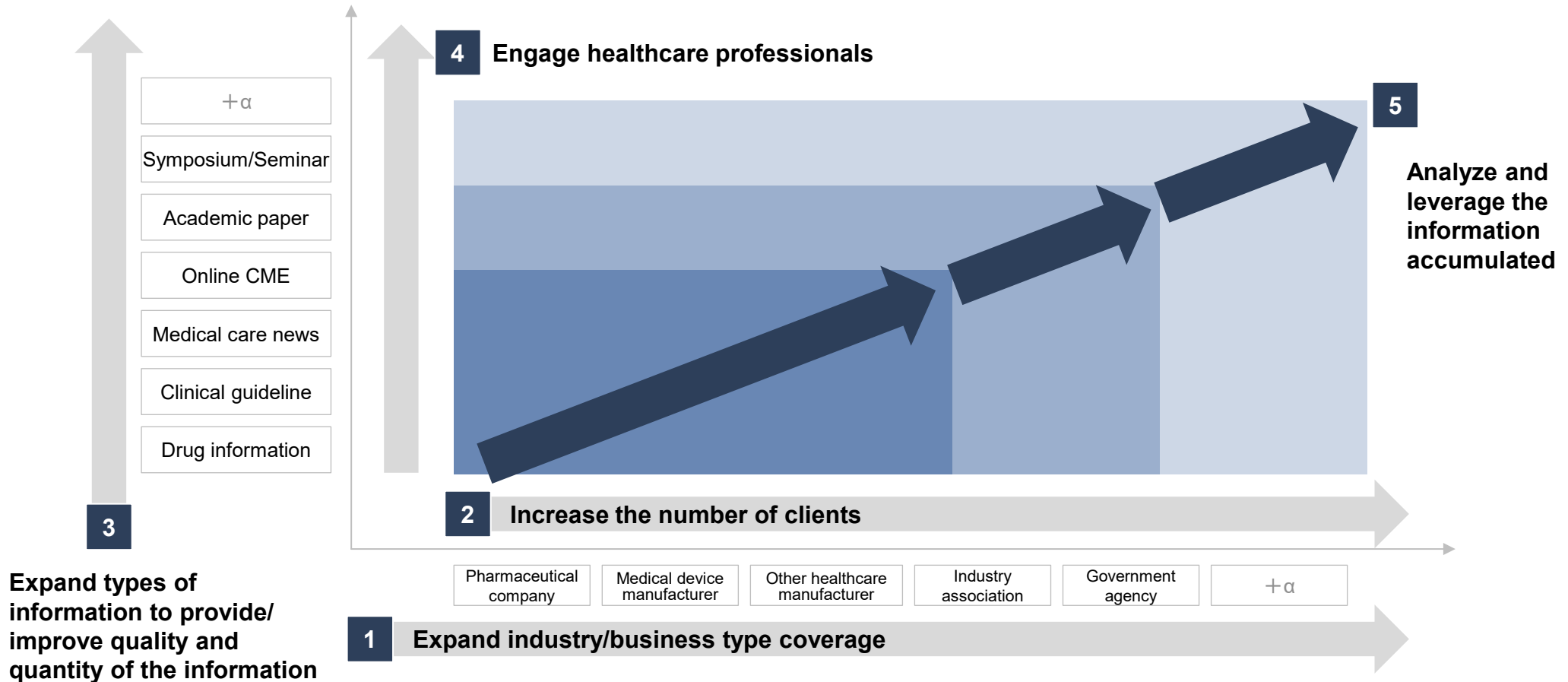
- Support the marketing activities of medical-related companies by using our membership base of healthcare professionals (HCPs) in APAC.
- Expand our membership base of HCPs and enhance their engagement by providing localized valuable information, thereby making marketing activities of medical-related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



1. CME: Continuing medical education

# Strategy of Medical Platform Business

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

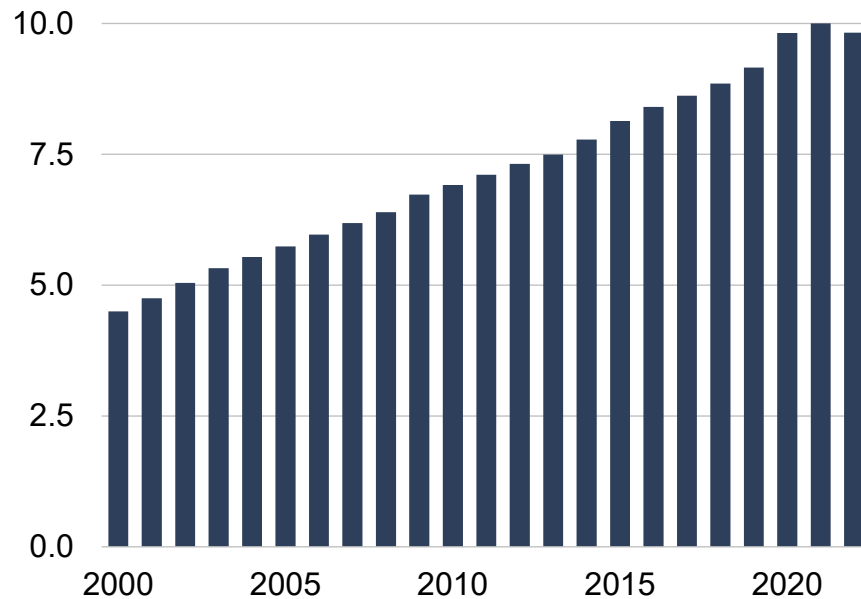


# **Global Career Business**

# Issue: Global Shortage and Uneven Distribution of Healthcare Professionals

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

**Health Expenditure\*1**  
(in USD trillions)



**Expected Shortage of Nurses\*2**  
(in thousands)

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

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

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

# Mission of Global Career Business

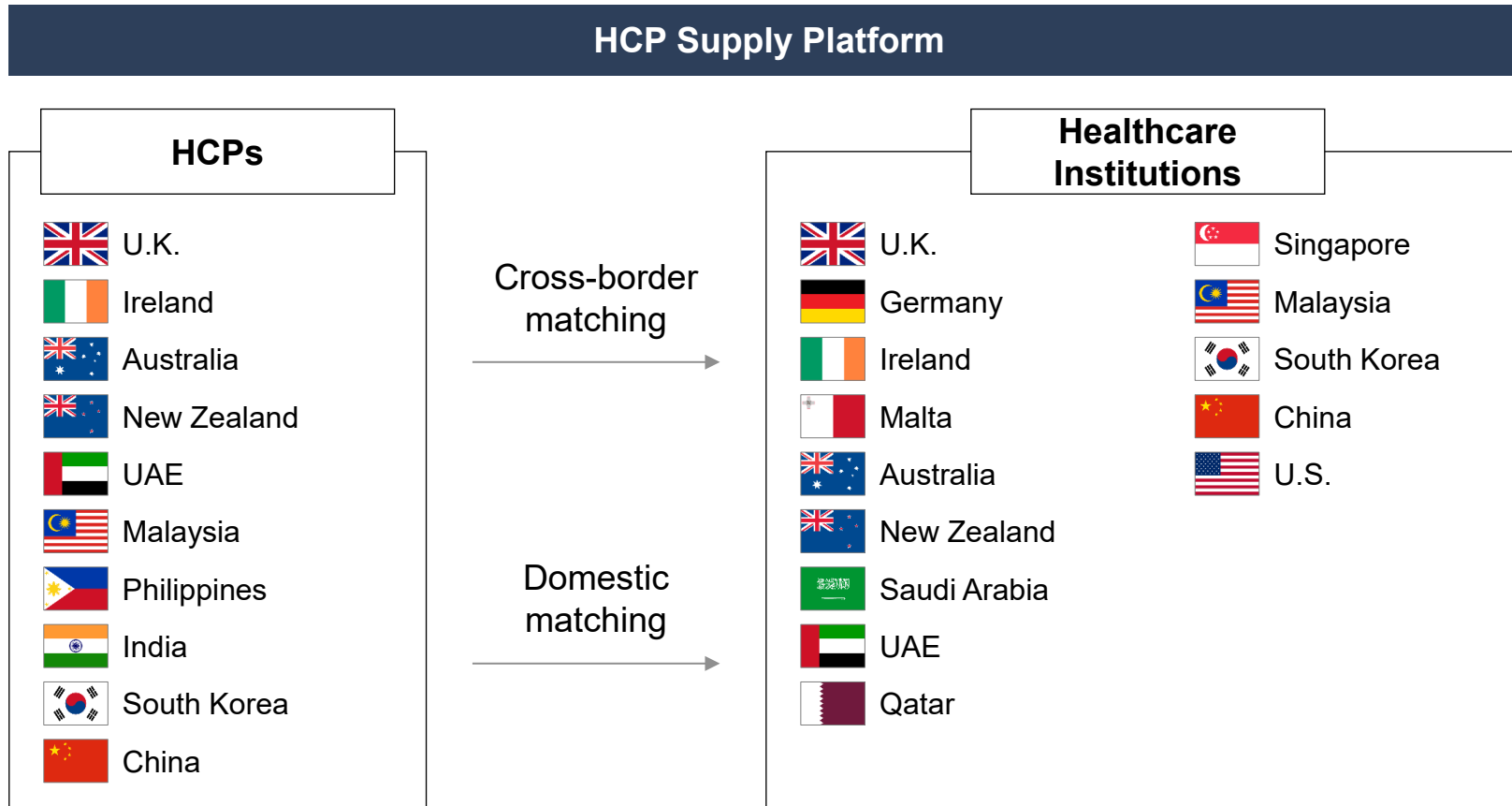
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**We aim to contribute to improving the quality of medical care around the world by solving the shortage and uneven distribution of healthcare professionals.**



# HCP\*<sup>1</sup> Supply Platform

Promote optimal cross-border and domestic matching according to the supply of HCPs and the demand from healthcare institutions\*<sup>2</sup>.

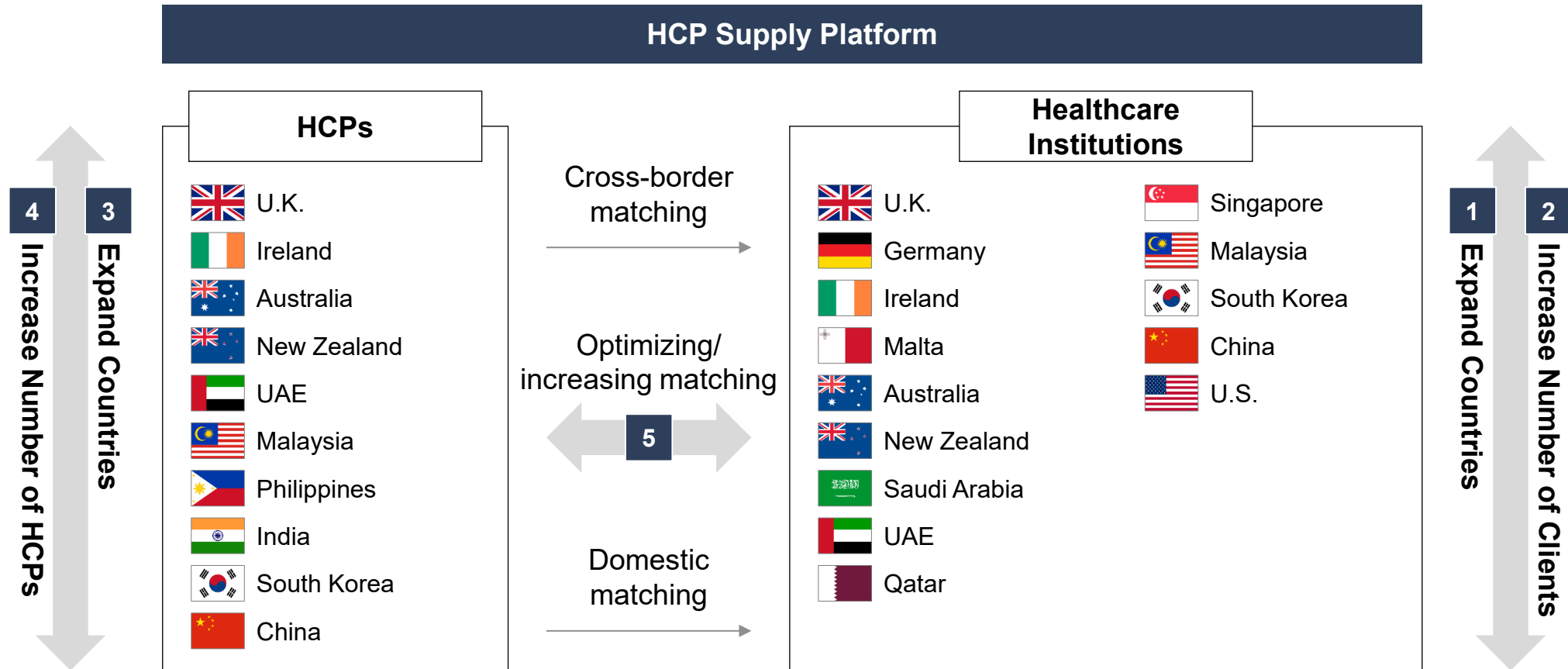


1. HCP: Healthcare professional

2. Hospitals, clinics etc.

# Strategy of Global Career Business

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

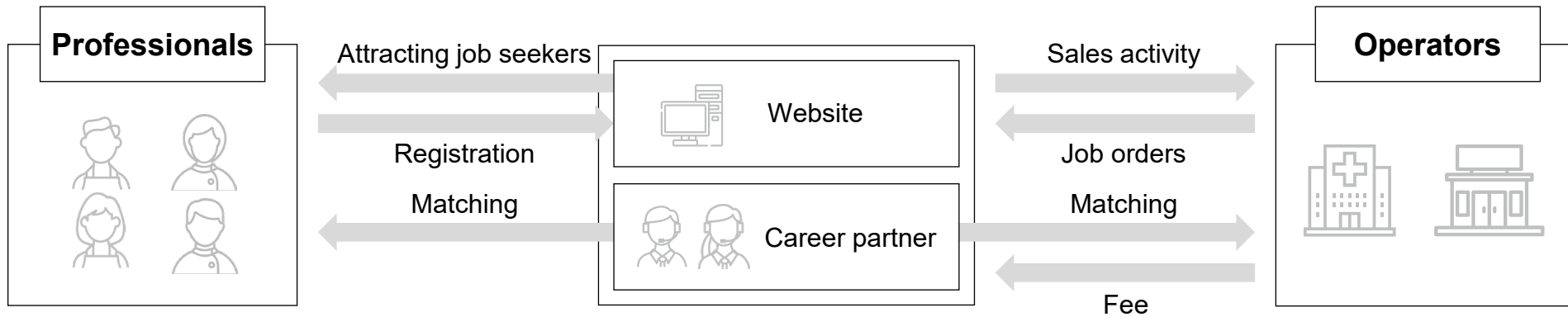


# Appendix

# Business Model of Career Business

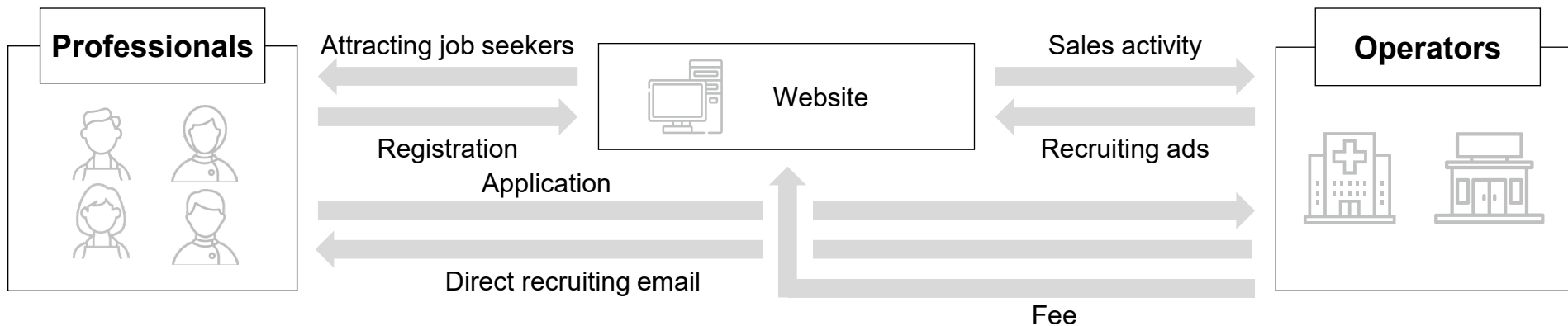
## Business model of Recruiting Agent

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



## Business model of Direct Recruiting

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



# Kaipoke's Main Services

Subscription-based management support platform providing more than 40 services as a package\*<sup>1</sup>

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

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

# MIMS Group Profile

## MIMS group global coverage



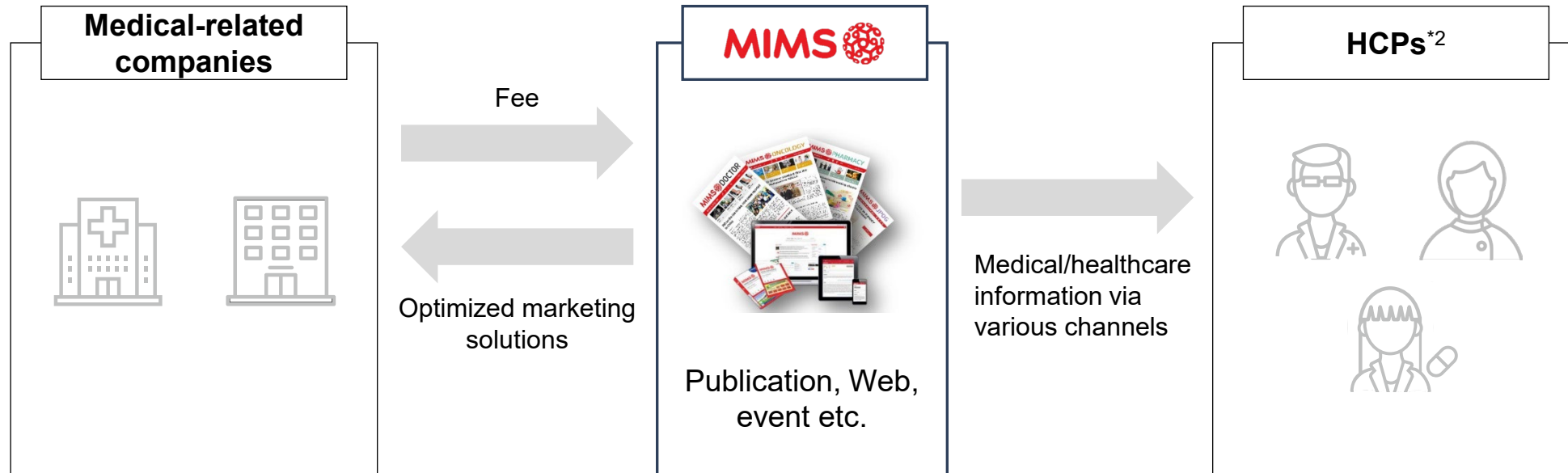
## MIMS group profile

Founded	1963
Business	<ul style="list-style-type: none"> <li>• Medical Platform</li> <li>• Global Career</li> </ul>
Global coverage	17 countries and regions, mainly in APAC
Number of memberships	3.65 million <sup>*1</sup>
Acquisition date	October 7, 2015

1. As of December 2024

# Business Model of Medical Marketing

Support marketing activities of medical-related companies\*<sup>1</sup>

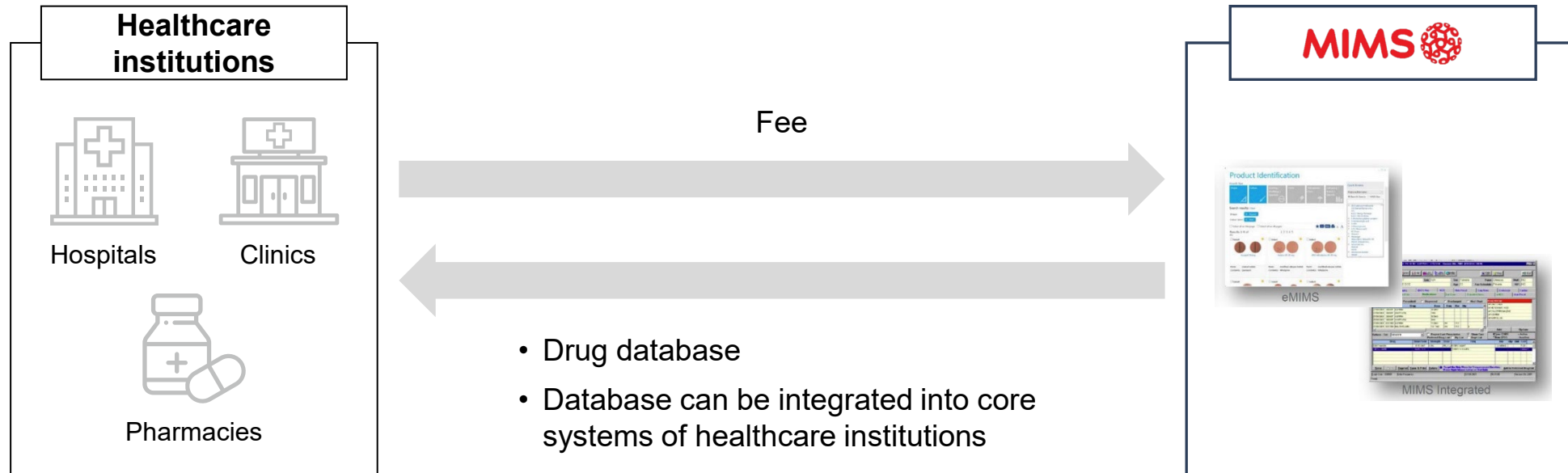


1. Operators such as pharmaceutical companies, medical device manufacturers, healthcare service operators, and industrial group

2. Healthcare professionals such as doctors, nurses, and pharmacists

# Business Model of Clinical Decision Support











Provide a drug database for prescription error checks in healthcare institutions





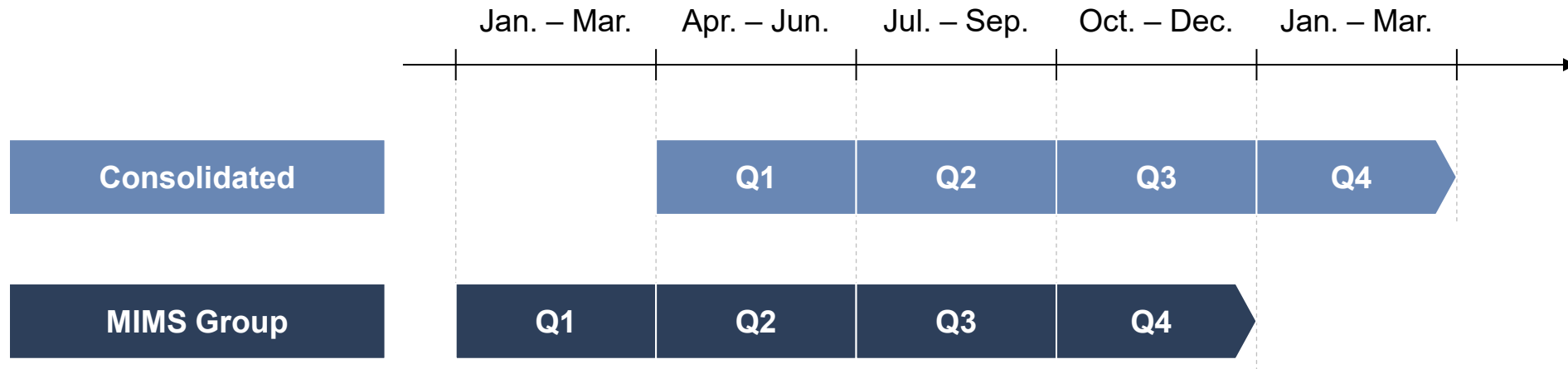
# Expansion of the Global Career Business

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



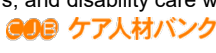








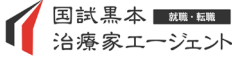







<p><b>Sep. 2011</b></p>	 <p>South Korea</p>	 <p>Acquired <b>NURSCAPE</b></p>	<p><b>Launched the Global Career Business.</b></p> <ul style="list-style-type: none"> <li>Started career-related business for nurses in South Korea</li> </ul>
<p><b>Jun. 2017</b></p>	 <p>Malaysia</p>	 <p>Acquired <b>MELORITA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

# Consolidation of MIMS Group Financial Results

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



# Business Portfolio\*1 – Career\*2

Segment	Category	Services						
Elderly Care Career	RAG*3 services	RAG for care workers 	RAG for PT/OT/ST 	RAG for care managers, social workers, and disability care workers 				
	Others	Cross-occupational DR*3 platform 	School for workers in the elderly care field 	Certification course information 				
Medical Care Career	RAG services	RAG for nurses 	RAG for radiological technologists 	RAG for medical technologists 	RAG for clinical engineers 	RAG for childcare workers 		
	Others	RAG for Judo therapists etc. 	RAG for registered dietitians/dietitians 	Employment support for nursing students 	Scholarship information portal 	Web community for nurses and nursing students 	DR for Judo therapists etc. 	National examination reference book for Judo therapists etc. 
		Workplace assessment tool for nurses 						

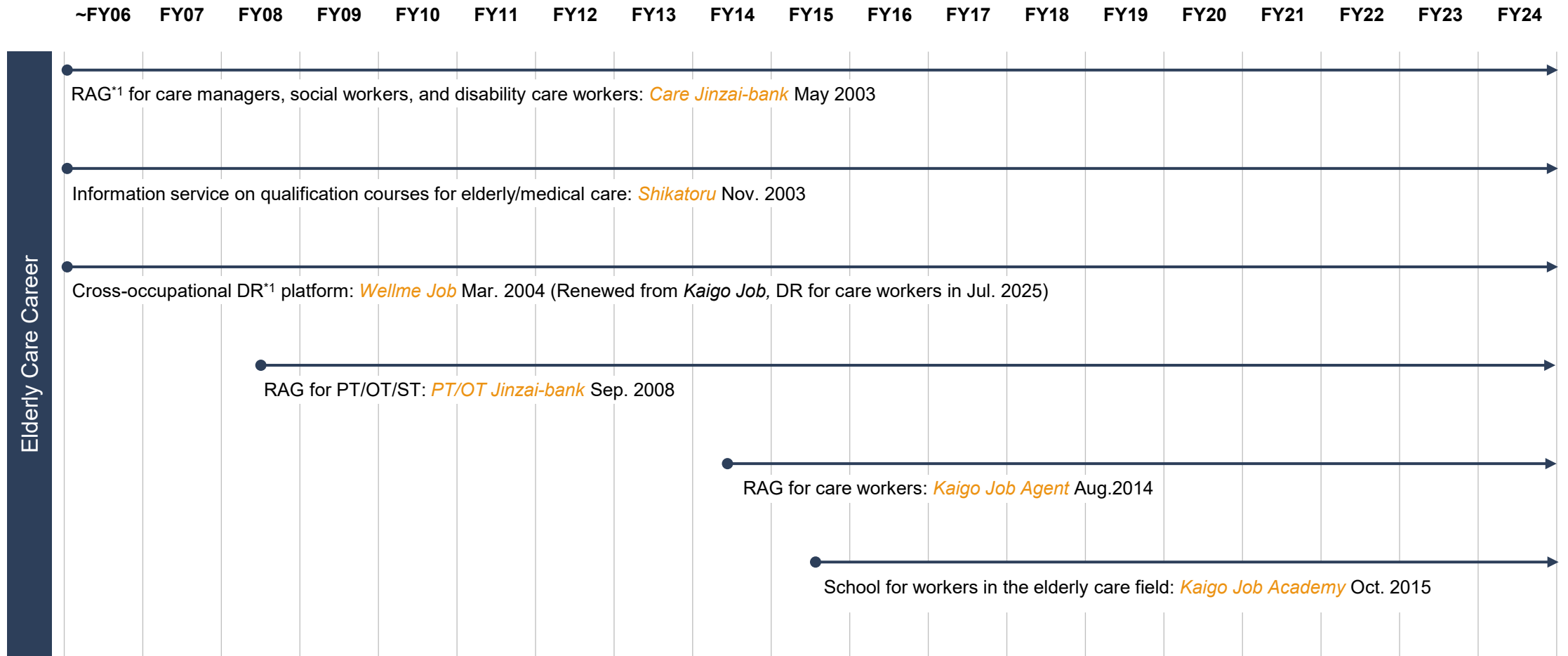
1. As of October 2025  
 2. Career businesses for doctors and pharmacists are operated by M3 Career, Inc., a JV between M3, Inc.(51%) and SMS (49%).  
 3. DR: Direct recruiting RAG: Recruiting agent service

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

Segment	Services											
Elderly/Disability Care Operators	<p>Management support platform for elderly/disability care operators</p>	<p>Information portal for management of elderly care operators</p>	<p>Research and information on the aging society</p>	<p>RAG*2 for persons with disabilities</p>	<p>Information service on employment support offices for persons with disabilities</p>							
Overseas	<p>Medical Marketing Clinical Decision Support</p>	<p>Cross-border RAG for healthcare professionals (Malaysia, Philippines, Ireland, UK, Germany, etc.)</p>	<p>Career related service for nurses (South Korea)</p>									
New Business (Healthcare)	<p>Preventive solution for lifestyle-related diseases</p>	<p>Health guidance solution</p>	<p>Quit-smoking support using ICT</p>	<p>Quit-smoking solution with behavior therapy</p>	<p>Information portal of dementia</p>	<p>Solution for dementia prevention</p>	<p>Habitual support for dementia prevention</p>					
	<p>Web community for registered dietitians/dietitians</p>	<p>Frailty prevention service</p>	<p>Health maintenance/promotion support for women</p>	<p>Remote industrial health service</p>	<p>Information portal of industrial health service</p>	<p>Stress checks specialized for medical care and elderly care industries</p>						
New Business (Senior life)	<p>Web community for people struggling with elderly care</p>	<p>Referral service of home-delivered meals</p>	<p>Referral service of housing for the elderly</p>	<p>Referral service of renovation operators</p>	<p>RAG for construction industry</p>	<p>Referral service of funeral companies</p>	<p>Web community for care managers</p>	<p>Solution for balancing work with family care</p>				

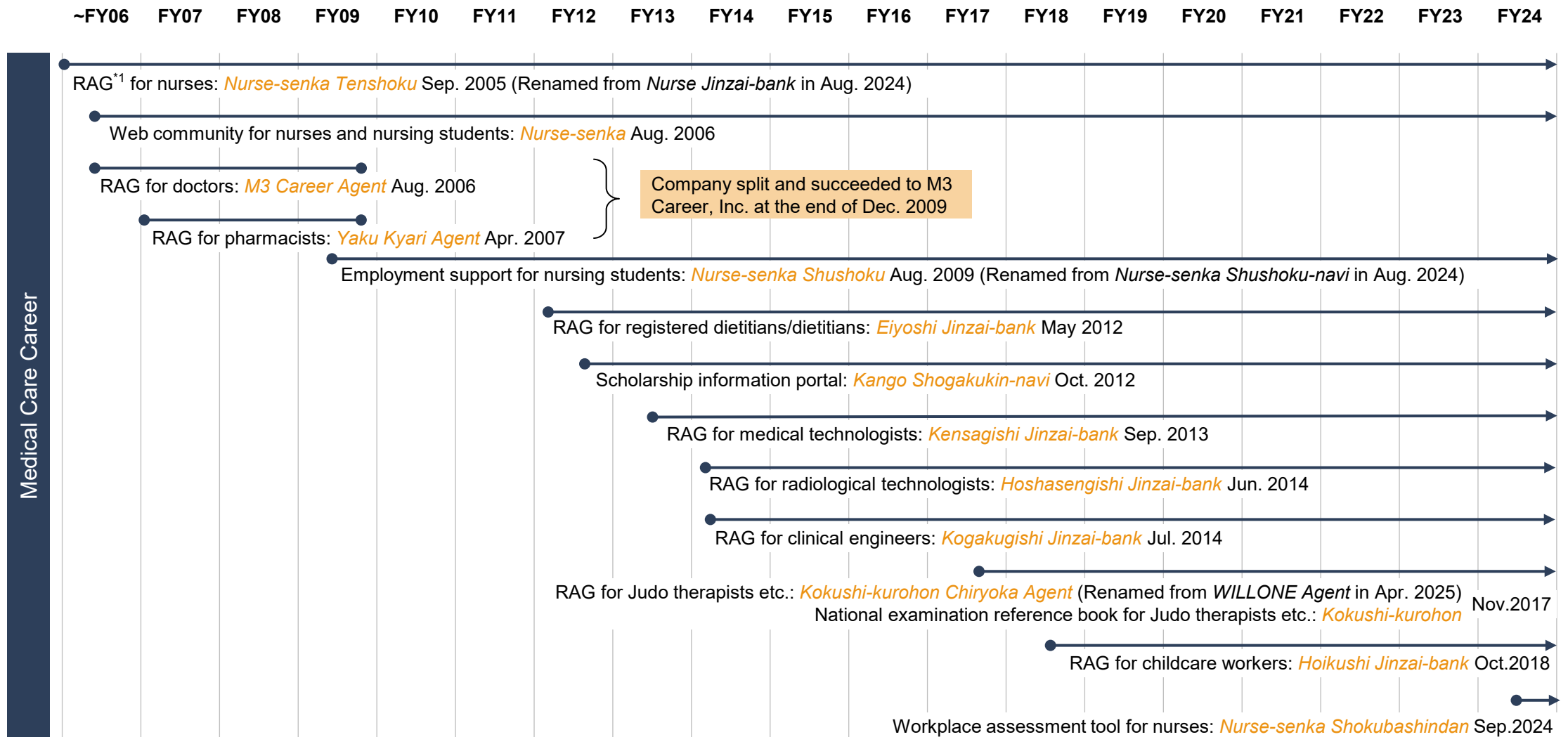
1. As of October 2025  
 2. RAG: Recruiting agent service

# History of Service Launches – Elderly Care Career



1. RAG: Recruiting agent service DR: Direct recruiting

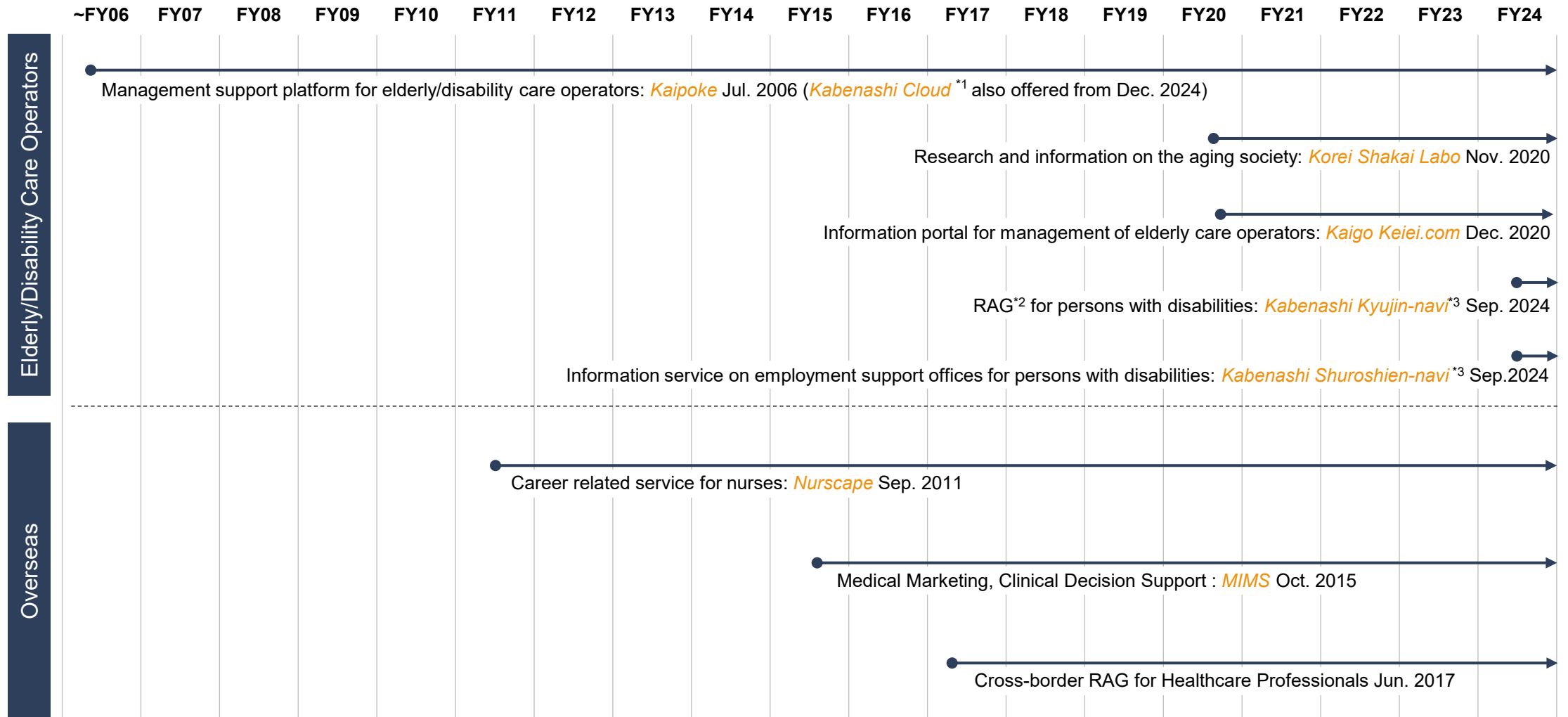
# History of Service Launches – Medical Care Career



Medical Care Career

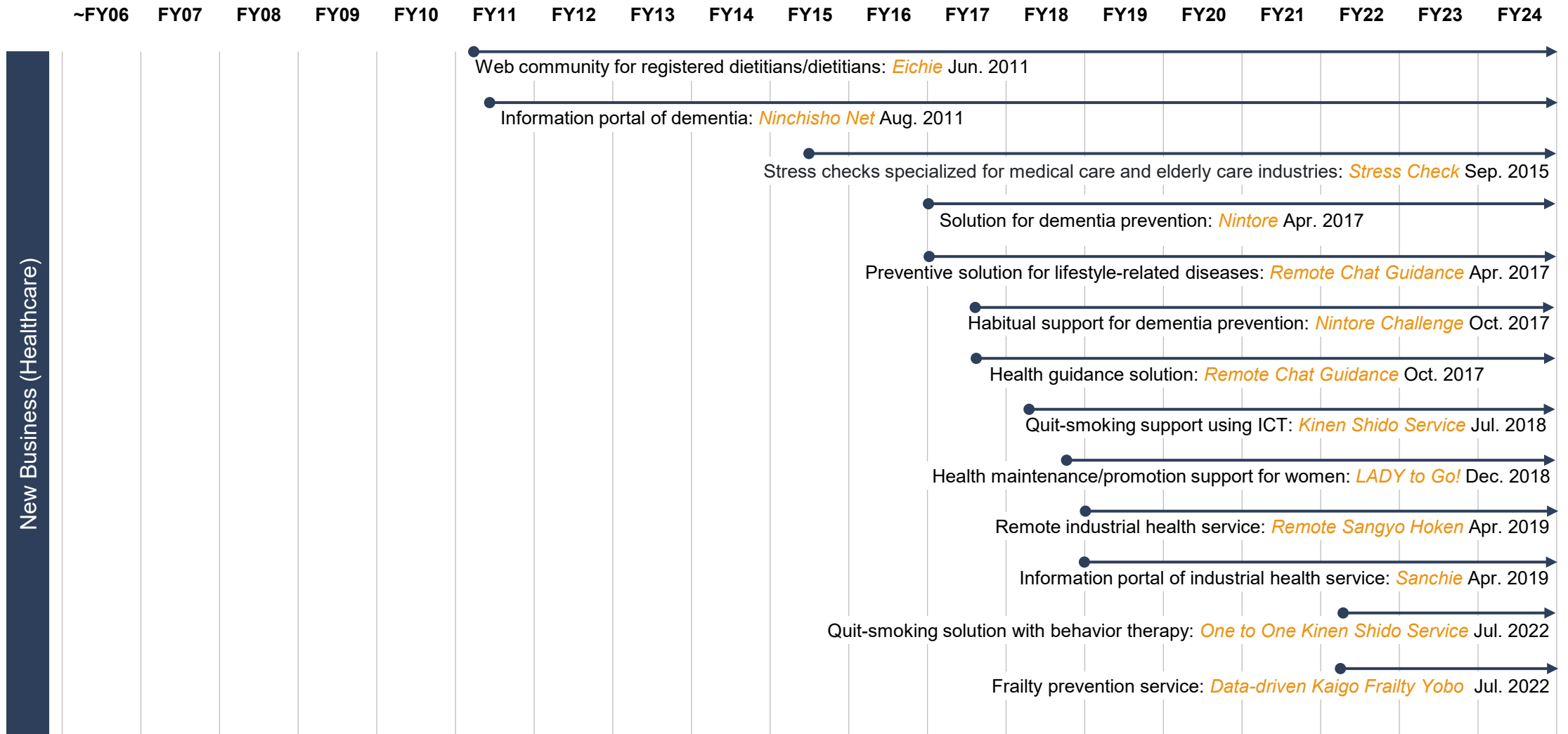
1. RAG: Recruiting agent service

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



1. Renewed from "PROJECT RIN" in June 2025.  
 2. RAG: Recruiting agent service  
 3. Renewed from "DEIGO Kyujin-navi" and "DEIGO Shuroshien-navi" in September 2025.

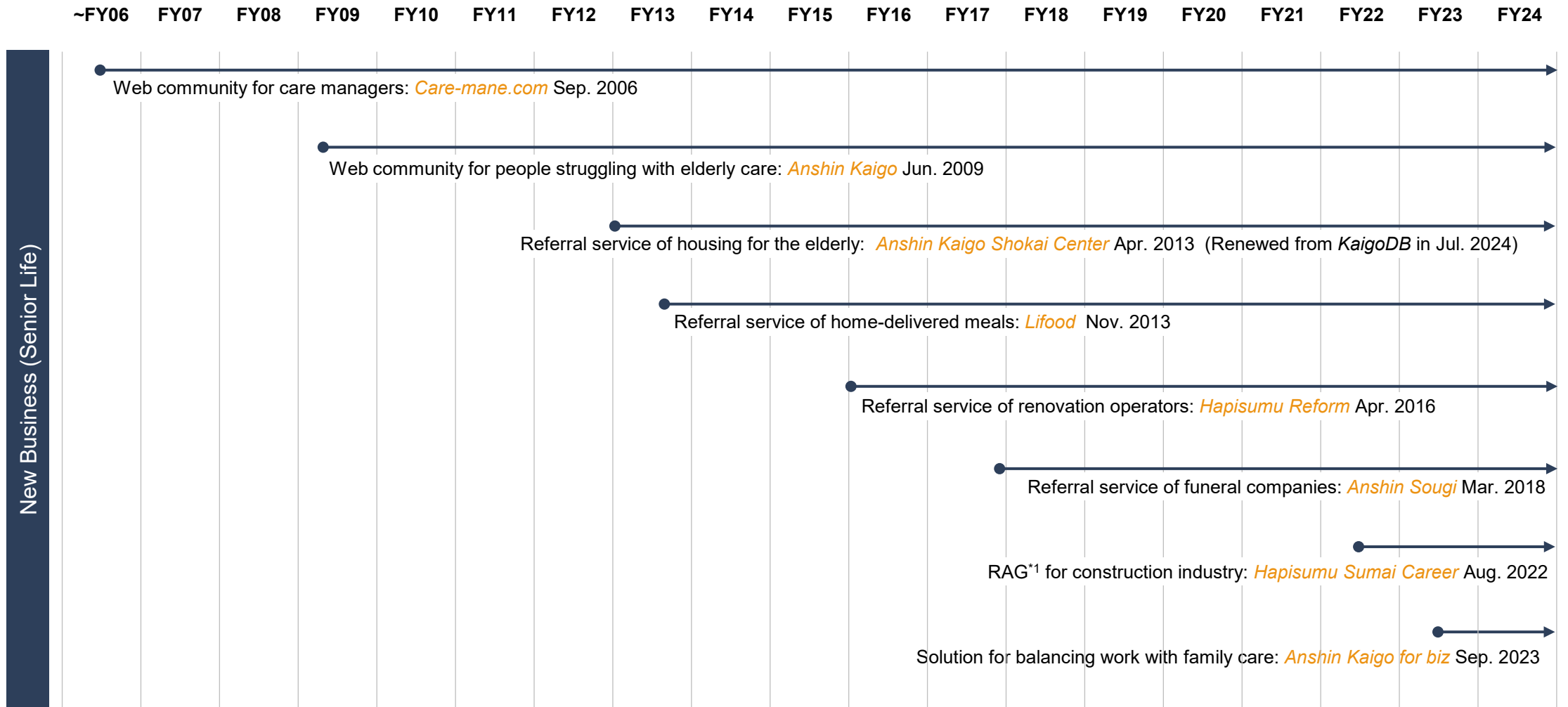
# History of Service Launches – New Business (Healthcare)



New Business (Healthcare)



# History of Service Launches – New Business (Senior Life)



New Business (Senior Life)

1. RAG: Recruiting agent service

# Medium-Term Targets

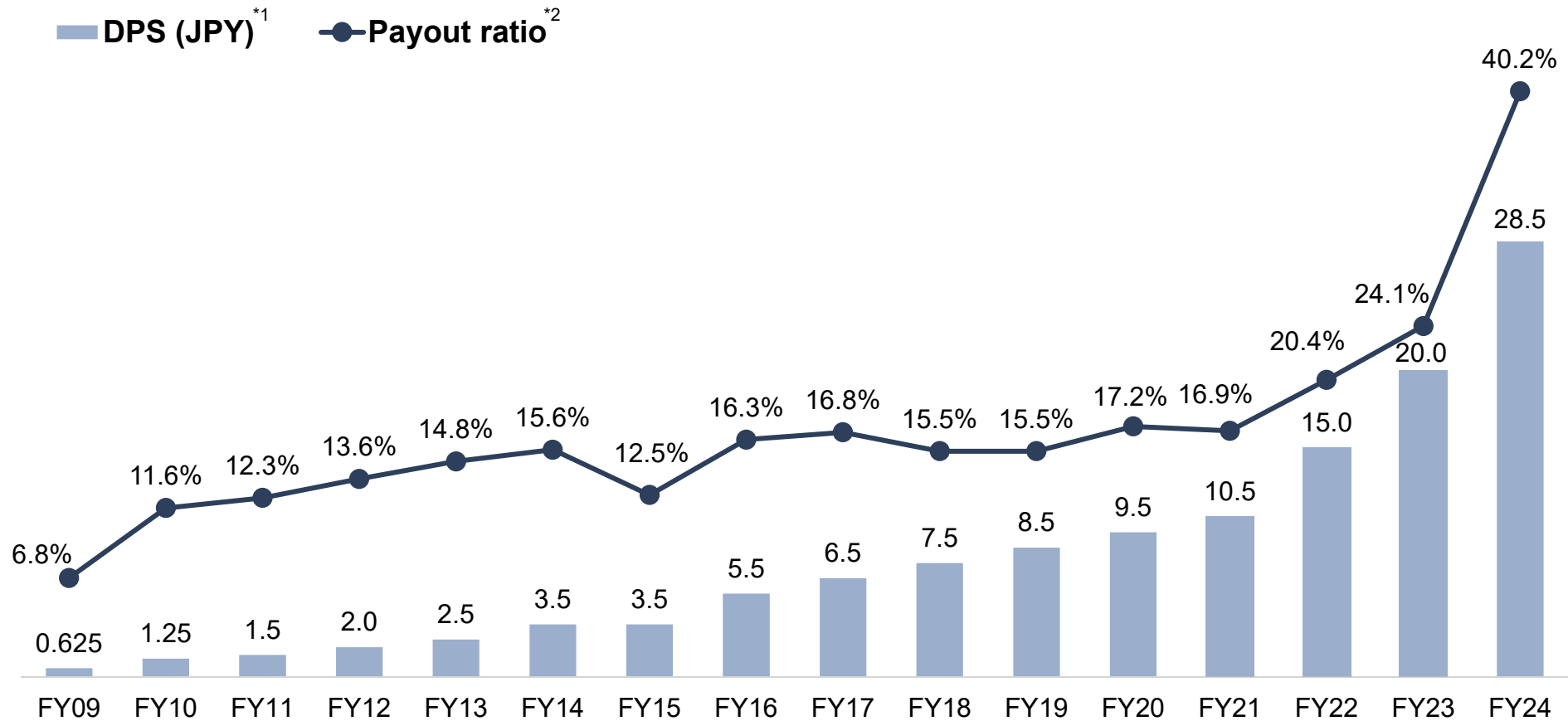
- Aim to achieve a Compound Annual Growth Rate (CAGR) of 15% in Earnings Per Share (EPS) and a Return on Equity (ROE) of 20%.
- We will continue to invest aiming for EPS growth and ROE improvement, while also flexibly implementing measures for shareholder returns.

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

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

1. Compound Annual Growth Rate (CAGR) calculated based on results from FY03/25 through FY03/31
2. ROE calculated excluding foreign currency translation adjustments, which are subject to significant fluctuations due to foreign exchange effects, from the denominator
3. Dividend per share to be maintained or increased compared with the previous fiscal year
4. However, this does not apply in the event of major investment opportunities such as M&A.

# Dividends



1. Past stock splits are taken into account for the DPS calculation.  
 2. Payout ratio = DPS / EPS

# Historical Financial Results

(in JPY millions)

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

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

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

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

# Number of Employees and Shareholder Composition

## Number of Employees

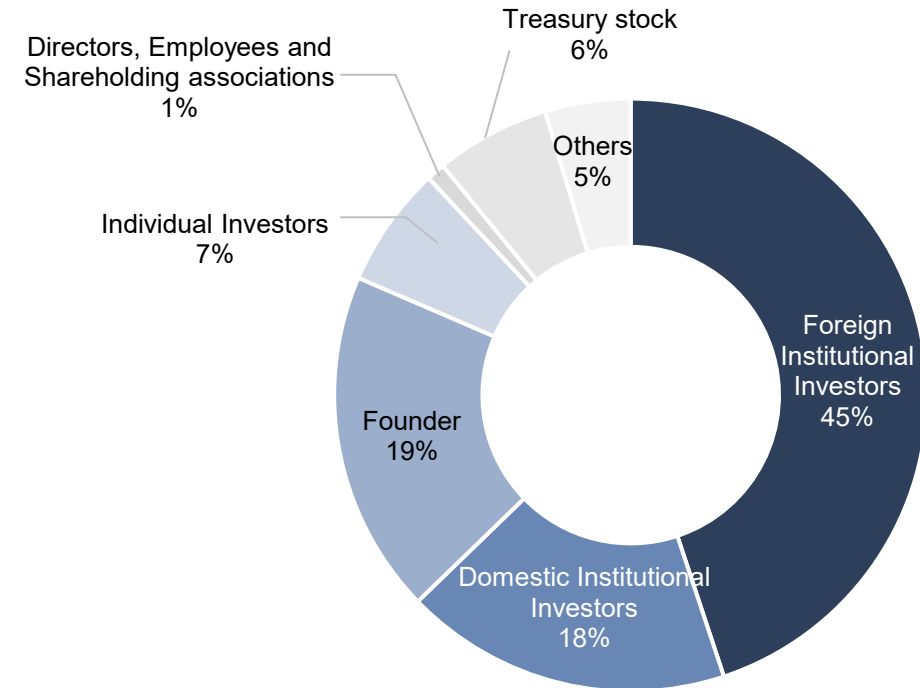
As of September 30, 2025:

Category	# of Employees
Consolidated	4,701
Japan	3,548
Overseas	1,153

## Shareholder Composition\*1

As of September 30, 2025 :

Number of shareholders 8,994



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

# Cautionary Statement with Respect to Forward-Looking Statements

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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 September 30, 2025. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. These factors include, but are not limited to:

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

A discussion of these and other factors which may affect the Company’s actual results, performance, achievements or financial position is described in “Business Risks” contained in the Company’s corporate website<sup>\*1</sup>.

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.

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1. [https://global.bm-sms.com/ir/management/risk\\_factor/](https://global.bm-sms.com/ir/management/risk_factor/)