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The Japanese original should be considered the primary version.

October 13, 2026

Dear all,

Company name Smaregi, Inc.
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**Smaregi Enters into Business Alliance
with Bank of the Ryukyus in POS, Payment, and Tax-Free Sales
— Supporting Operational Efficiency and Better Service for International Visitors
Through Joint Proposals in Okinawa Prefecture —**

Smaregi, Inc. (Head Office: Chuo-ku, Osaka; Representative Director: Ryuhei Miyazaki; the "Company"), which provides the cloud-based POS system Smaregi for iPad and other tablets, has entered into a business alliance with Bank of the Ryukyus, Ltd. (Head Office: Naha-shi, Okinawa; President: Ken Shimabukuro; "Bank of the Ryukyus") aimed at improving the efficiency of store operations and helping businesses in Okinawa Prefecture better serve international visitors.



*From left: Takashi Hiraoka, Managing Executive Officer, Bank of the Ryukyus, Ltd.
Tetsuya Takahashi, Director, Smaregi, Inc.*

Centered on the Company's cloud-based POS system Smaregi, multi-payment service PAYGATE, and tax-free processing system, the Company will collaborate with Bank of the Ryukyus in the payment field.

In anticipation of the transition of Japan's tax-free system to a refund method scheduled for November 2026, the two parties will jointly make proposals to businesses in Okinawa Prefecture, contributing to more efficient checkout, payment, and tax-free operations and to capturing demand from international visitors.

■ Background to the Business Alliance

Okinawa Prefecture is one of Japan's leading tourist destinations, attracting many visitors from Japan and overseas. However, stores in sectors such as retail and food service face a range of operational challenges, including labor shortages, the spread of cashless payments, and serving international visitors.

From November 1, 2026, the consumption tax exemption system for international visitors will shift from exempting consumption tax at the time of purchase to a "refund method," under which an amount equivalent to the consumption tax is refunded after customs confirmation upon departure from Japan. As a result, stores engaged in tax-free sales will need to handle new tasks such as refund procedures and related accounting.

Against this background, the Company, which provides services in the POS, payment, and tax-free fields, and Bank of the Ryukyus, which has broad relationships with businesses in the prefecture and an established payment business platform, will leverage their respective strengths to address the challenges facing local stores.

■ Overview of the Business Alliance

Under the alliance, Bank of the Ryukyus will handle acquiring operations for Visa and Mastercard (operations related to merchant contracts, payment processing, etc.), and OCS Co., Ltd., a member of the bank's group, will handle acquiring operations for electronic money, while the Company will provide PAYGATE and acquire new merchants.

Building on this payment collaboration, the parties will combine POS, cashless payments, and tax-free processing, mainly through the following initiatives.

(1) Improving Operational Efficiency by Combining POS and Cashless Payments

By combining the cloud-based POS system Smaregi with the multi-payment service PAYGATE, the parties will streamline checkout and settlement operations and enhance customer convenience through cashless payments.

(2) Supporting Compliance with the New Tax-Free System

The parties will propose a tax-free processing system compatible with the refund method effective from November 2026, helping reduce the workload on store staff arising from the system change and the administrative burden of refund and accounting processes.

(3) Supporting Store Management Through the Use of Sales Data

Using the management and analysis functions for sales data accumulated in the POS system, the parties will help businesses understand their business performance and improve store operations.

■ Outlook

Going forward, the two parties will make joint proposals mainly to retail, food service, and accommodation businesses in Okinawa Prefecture. They will also provide implementation support tailored to the challenges and needs of local businesses through joint seminars and individual consultation sessions.

Through this alliance, the Company will expand the adoption of its services in Okinawa Prefecture and contribute to improved productivity and sustainable growth of local businesses.

■ Smaregi's Support for the New Tax-Free System

The Company's cloud-based POS system Smaregi will support the new tax-free system (refund method) to be introduced in November 2026. Because the POS system and the tax-free processing system are integrated, there is no need to re-enter sales information into a separate system, allowing stores to handle tax-free sales as an extension of their everyday checkout operations.

In addition, for eligible card payments made through the Company's multi-payment service PAYGATE, the Company will provide a mechanism that automatically refunds the amount equivalent to the consumption tax to the card used for the purchase after customs confirmation upon departure. This eliminates the need for travelers to register refund details, helping reduce the refund workload for stores.

■ About Bank of the Ryukyus, Ltd.

Bank of the Ryukyus is a regional financial institution headquartered in Naha-shi, Okinawa. Under its group slogan, "There is a future worth pursuing for Okinawa.", the bank promotes cashless payments and works to address the challenges of local businesses, in addition to providing financial services.

Website: <https://www.ryugin.co.jp/english/>

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