



October 10, 2024

SMS Co., Ltd.

(Company Code: 2175, TSE Prime Market)

<https://global.bm-sms.com/>

<PRESS RELEASE>

### **Notice Regarding Conclusion of Special Overdraft Agreement**

SMS Co., Ltd. (the “Company”) hereby announces that SMS Financial Service Co., Ltd., a consolidated subsidiary of the Company, has resolved to enter into a credit agreement (the “Agreement”) with Sumitomo Mitsui Banking Corporation. The Company also announces that it has resolved to provide a parent company guarantee for the Agreement.

#### 1. Purpose of concluding the Agreement

In “Kaipoke”, a management support platform for elderly/disability care operators, which is one of the SMS Group's core businesses, the Company provides factoring services to support the cash flow of elderly/disability care operators through its consolidated subsidiary, SMS Financial Service Co., Ltd. The purpose of concluding the Agreement is to secure financing for the growing transaction volume of factoring services and to optimize financing costs.

#### 2. Outline of the Agreement

(1) Lender	Sumitomo Mitsui Banking Corporation
(2) Contract holder	SMS Financial Service Co., Ltd.
(3) Type of agreement	Special overdraft agreement
(4) Borrowing limit	10 billion yen
(5) Borrowing rate	Variable interest rate (base interest rate + spread)
(6) Date of the Agreement	October 10, 2024
(7) Execution period	From October 10, 2024 to October 31, 2025 (scheduled to be renewed every year)
(8) Collateral, etc.	Unsecured, guaranteed by the Company

#### 3. Outlook

Borrowings under the Agreement are expected to be executed beginning in October 2024 to meet funding requirements associated with the provision of factoring services. The Agreement will not have any material impact on the Company’s consolidated financial results for the fiscal year ending March 2025.