

[Press Release Draft] Business Alliance with ARCO Japan

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To Whom It May Concern,

Nextgen, Inc.
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Nextgen and ARCO Japan Announce Business Alliance in Refurbishment Sector
Combining Refurbished Products and Cloud Services to Achieve Cost Competitiveness and Sustainability

Nextgen, Inc. (Headquarters: Minato-ku, Tokyo; President and CEO: Shinji Onishi; hereinafter "Nextgen") is pleased to announce a business alliance with ARCO Japan, Inc. (Headquarters: Tokyo; Representative: Tamaki Saimei; hereinafter "ARCO Japan") to build a new business model utilizing refurbished smartphones and hardware servers.



Through this alliance, we will combine the high-quality refurbished products provided by ARCO Japan with Nextgen's cloud services and software products based on voice communication IP technology. This will enable us to provide solutions with superior cost performance and flexibility compared to new products to customers such as corporations, local governments, and telecommunications carriers.

■ Background and Purpose of the Business Alliance

Currently, approximately 30 million smartphones are sold annually in Japan, with an average lifespan of 4.4 years (according to Nikkei XTECH, April 18, 2024). As a result, nearly 7 million units disappear from the market each year, many of which are stored or discarded without being utilized. In addition, the rising cost of smartphones and the increasing procurement costs of servers are placing a significant burden on businesses, leading to a rapid increase in the demand for refurbished products.

Nextgen has industry-leading voice communication IP technology and strengths in communication infrastructure, including software SBC "NX-B5000*", and voice capturing software LA6000 with a proven track record of deployments at telecommunications carriers and numerous corporations nationwide. On the other hand, ARCO Japan has established a solid track record in smartphone and server refurbishment both domestically and internationally.

By combining the strengths of both companies, we will not only provide terminals and services but also offer next-generation cost optimization solutions that integrate

"hardware x cloud x SI."

■ Main Roles of Both Companies

- ARCO Japan: Provision of refurbished smartphones and hardware servers
- Nextgen: Provision of cloud services and software products related to voice communication IP, and development of sales channels such as telecommunications carriers and SIs

■ Future Development and Social Significance

This initiative contributes to reducing the amount of discarded IT equipment and supports the realization of a circular economy. Through this business, Nextgen and ARCO Japan will aim to balance economic rationality with environmental load reduction and contribute to achieving the SDGs goals.

In the future, we will expand deployments to corporations, local governments, etc., deepen partnerships with NextGen's partner companies, and aim to further enhance our services.

Terminology

* SBC (Session Border Controller):

A software gateway for voice communication. It plays an important role in absorbing technical differences between different telecommunications carriers and networks, and enabling interconnection. This allows for smooth voice communication with other carriers.

About "NX-B5000":

"NX-B5000" is the No. 1 share (based on the company's estimate) software gateway among Japanese-made SBCs (Session Border Controllers). It conforms to the global standards of the telecommunications industry, is completely produced and developed by NextGen, and also supports Japanese u

nique telephone standard specifications, with a proven track record of deployments at major telecommunications carriers. Connections with various telecommunications carriers both domestically and internationally have been confirmed, and its strength lies in its track record and reliable high quality. "NX-B5000" is provided not only for carriers but also for general enterprises as "NX-B5000 for Enterprise," and has been deployed to various industries and companies, including major banks, securities companies, insurance companies, and many call centers. ([Click here for details](#))

【About ARCO Japan】

ARCO Japan Inc aspires to be the leader in technology and services provisioning for Japanese corporations and companies looking to expand their businesses to Japan. We offer a powerful combination of hardware, supply chain and financing solutions to allow our customers to enjoy the benefits of agility, mobility and sustainability on their IT infrastructure, providing them with the flexibility to re-configure IT solutions to meet real business requirements, while helping to keep costs lower and staying responsive to market needs. ARCO offers IT hardware lifecycle management services with a comprehensive solutions suite that covers everything from purchase, maintenance to disposition. ARCO Japan, Inc is a wholly owned subsidiary of EXEO Global Pte Ltd, the global headquarters for international business for Tokyo Stock Exchange Prime-listed EXEO Group, Inc.

Find out more about ARCO at <https://www.thearco.com>

Understand more about EXEO Global: <https://www.exeo-global.com>

About EXEO Group: <https://www.exeo.co.jp>

【About Nextgen】

Founded in 2001, Nextgen has led groundbreaking innovations by bringing Internet Protocol (IP) technology into telephone networks, replacing dedicated hardware equipment into software on standard servers and cloud services, and driving technological innovations that have led to dramatic reductions in tele-communication costs.

In other words, NextGen is a true pioneer company that has transformed Japan's voice communication network.

The software services and systems NextGen provides have been adopted by Japan's four major telecommunications carriers, and NextGen's standard enterprise systems and cloud services based on this technology are used by many large companies, including national and local government offices and call centers. The reasons for their adoption are the reliability based on our track record of connecting with diverse networks including overseas networks, stable communication quality, and security. Based on the technology and know-how Nextgen has accumulated, one of our businesses is to provide a wide range of software systems and cloud services related to voice communications.

For example, cloud PBX services (software-ization and cloudification of internal telephone exchange systems), voice capturing and AI-based voice recognition systems, DX solutions utilizing CPaaS (platform services for various communication methods), and provision of cloud voice service platforms.

Another business is the cloud DX business, which supports the cloudification of corporate business applications that are expected to be in increasing demand now and in the near future, such as the low-code cloudification of complex billing systems required by telecommunications carriers, and cloudification support services for systems including business consulting. We are promoting customer cloud lift and shift using the technology and know-how obtained through the provision of our cloud services.

Official Website: <https://www.nextgen.co.jp/>

Official Facebook Page: <https://www.facebook.com/NextGen.Inc>

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【Inquiries Regarding This Matter】

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