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August 19, 2025

To whom it may concern:

Company name	Needs Well Inc.
Representative	Hajime Matsuoka, President and CEO (Stock code: 3992, Tokyo Stock Exchange Prime Market)
Inquiries	Chinami Arai, Director and Executive Officer (e-mail: <a href="mailto:ir-contact@needswell.com">ir-contact@needswell.com</a> )

## **Notice Regarding Capital and Business Alliance with Hmcomm Inc.**

### **Accelerating growth through co-creation by effectively utilizing treasury shares**

Needs Well Inc. (Head office: Chiyoda-ku, Tokyo; President and CEO: Hajime Matsuoka; hereinafter the “Company”) hereby announces that at the board of directors meeting held today, it has resolved to transition the business alliance with Hmcomm Inc., (Head office: Bunkyo-ku, Tokyo; Representative Director and CEO: Koji Mitsumoto; hereinafter “Hmcomm”) to a capital and business alliance, and to mutually hold shares with the aim of strengthening the long-term cooperative relationship between the Company and Hmcomm.

#### **1. Reason and details of the capital business alliance**

Hmcomm is a “sound x AI” specialist that provides advanced services based on voice recognition and anomaly sound detection technologies.

In the voice recognition business, Hmcomm pursues the integration of language and artificial intelligence to offer solutions that enable more natural and efficient communication, especially in the call center sector. In the anomaly sound detection business, Hmcomm offers solutions to analyze sounds generated during machine operation to prevent breakdowns or malfunctions and improve equipment uptime, and thereby playing an active role in a wide range of industrial fields.

Hmcomm is also actively exploring the use of generative AI in the field of natural language processing related to sound.

Meanwhile, Needs Well, as an independent system integrator, is involved in software development for a wide range of industries, with a focus on financial system development, and has provided a variety of IT solutions that support digital transformation not only in companies but also in the public sector, adding unique functions through technologies such as AI and RPA. In recent years, the Company has taken on the challenge of changing IT culture through such initiatives as developing and designing solutions utilizing generative AI in an industry-academia collaboration with Nagasaki University.

The Company and Hmcomm have been envisioning a capital and business alliance since the start of the business alliance in May 2025. The Company and Hmcomm will mutually acquire shares in order to further promote business co-creation.

#### **2. Allocation of shares through effective utilization of treasury shares**

(1) Shares of the other party to be newly acquired by the Company

The Company will acquire common stock of Hmcomm in an amount not to exceed 50 million JPY.

(2) Shares of the Company to be newly acquired by the other party

The Company will effectively utilize the treasury shares held by the Company and allocate them up to an amount equivalent to 50 million JPY to Hmcomm, thereby strengthening the cooperative structure without cash expenditure.

The number and value of treasury shares to be disposed of and other details will be determined through further discussions.

Needs Well is striving to improve the ratio of publicly traded shares to meet the Prime Market's listing maintenance criteria of having a market capitalization of at least 10 billion yen. However, the stock transfers associated with this partnership involve a change from treasury shares (fixed stocks) to holdings by general business corporations (fixed stocks), which will not affect the ratio of publicly traded shares.

### 3. Overview of the business alliance partner

(1) Company name	Hmcomm Inc. (Tokyo Stock Exchange Growth Market: 265A) <a href="https://hmcom.co.jp/">https://hmcom.co.jp/</a>	
(2) Location	2nd Floor, Fuji Building, 2-11-1, Shibadaimon, Minato-ku, Tokyo, Japan	
(3) Name and title of representative	Koji Mitsumoto, Representative Director and CEO	
(4) Business description	AI solutions business, AI product business	
(5) Paid-in capital	221 million JPY (as of December 31, 2024)	
(6) Established	July 24, 2012	
(7) Net assets	1,726,971 thousand JPY	
(8) Total assets	1,905,120 thousand JPY	
(9) Major shareholders and shareholding ratios	Koji Mitsumoto	29.79%
	Kaoru Ito	14.16%
	DBJ Capital Investment Limited Partnership	5.52%
	NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB) (Permanent Representative: Kentaro Okuda, Representative Director, President of Nomura Securities Co., Ltd.)	4.94%
	Tomomi Mitsumoto	3.91%
	Will Group HRTech Investment Limited Partnership	3.13%
	Mio Hashimoto	2.44%
	Masakazu Yamada	2.44%
	Fuyo General Lease Co., Ltd.	2.44%
	au Kabucom Securities Co., Ltd.	2.42%
(10) Relationship between the listed company and the company concerned	Capital relationship	None
	Personnel relationship	None
	Business relationship	We have concluded a business partnership agreement and are working on DX for municipalities nationwide through a joint system.
	Related party status	None

### 4. Schedule

(1) Board of Directors Meeting Date	August 19, 2025
(2) Acquisition Period	It will be executed within the next three months with the agreement of both parties.

### 5. Future outlook

The Company believes that this business alliance will contribute to the medium- to long-term improvement of both companies' performance and corporate value. However, its impact on the results for the current fiscal year is expected to be minimal.

End