



Growth Strategy Highlights

Table of Contents

Mission	02
Business Model	03
Growth Strategy	04
The AI Environment	05
Productivity Improvement in Enterprises	06
1. Improve white-collar worker productivity	07
- Developing new products with generative AI -	
2. Resolve issues associated with an aging society and human resource shortages	08
- Improve workplace productivity with multimodal AI -	
3. System development for companies	09
- Supporting clients' digital human resource development -	
4. Developing human resources for DX	10
- Supporting clients' digital human resource development -	
Case Studies	
1. Problem-solving in the Care & Med Tech business	11
2. Problem-solving in the CareWiz business	12
Management structure reform	13
Investment and shareholder returns	14

Mission

**Solving social issues
through Artificial
Intelligence
for future generations**



ExaWizards' mission is "Solving social issues through Artificial Intelligence for future generations."

There are many issues in our society, such as the aging and declining population. We focus on corporate productivity, which is related to social issues, and use AI to solve both.

We started by improving workplace productivity, and now we are providing one-stop support for solving management issues by introducing DX and AI to improve the productivity of white-collar workers.

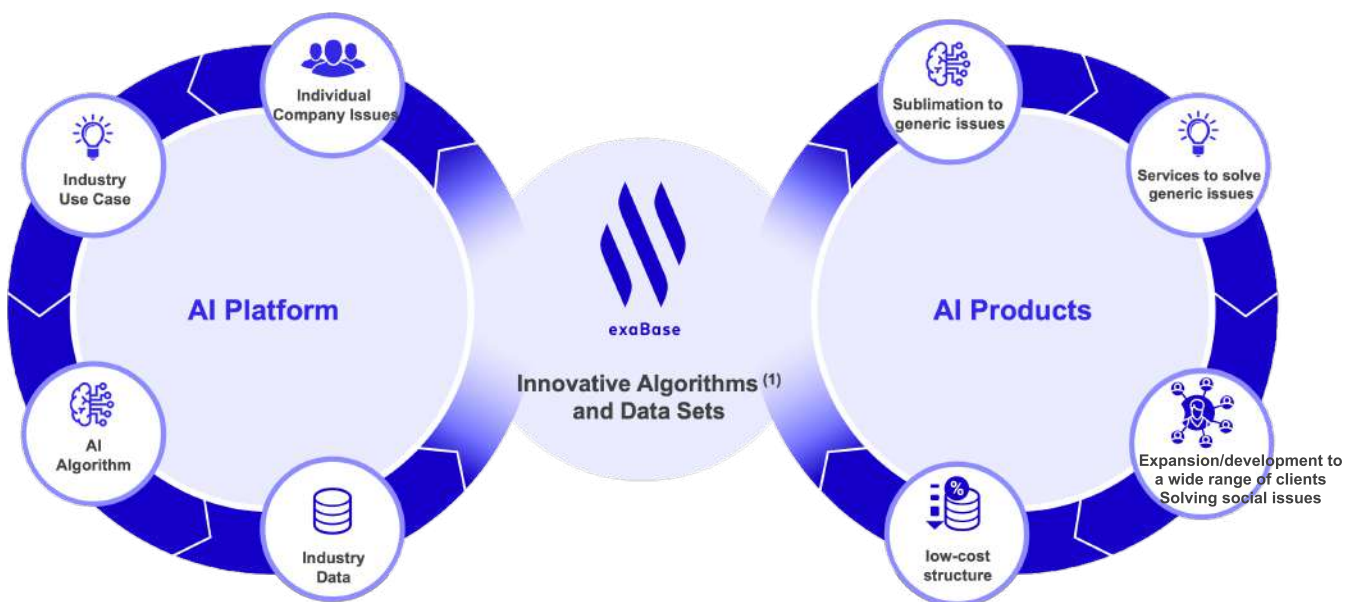


Business Model

The Company utilizes its proprietary AI platform "exaBase" to "improve models with AI." This consists of both the AI platform business and the AI products business, which accumulate algorithms and data by solving corporate problems, and then solves social issues with general-purpose services created through those solutions.

Our goal is to sublimate individual corporate issues into generic issues and then create services that solve them both. We believe that we can reduce our own operating costs if customers can use services that solve generic issues.

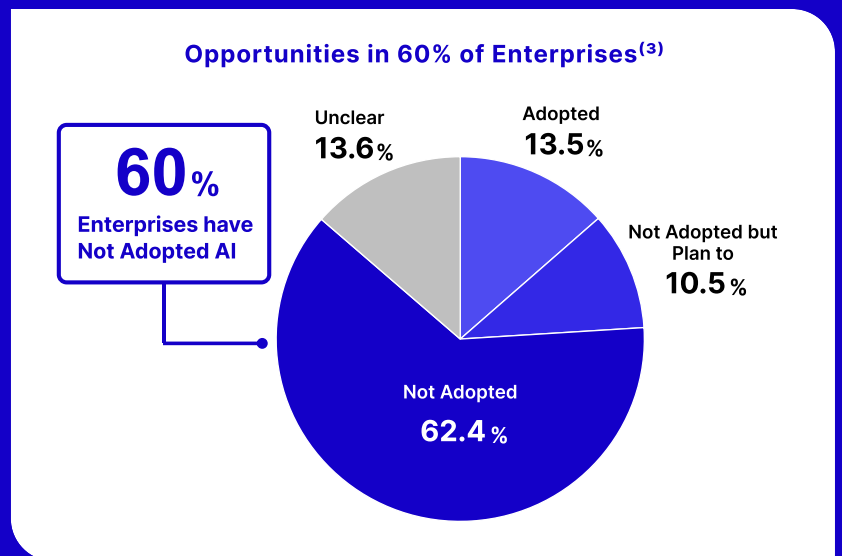
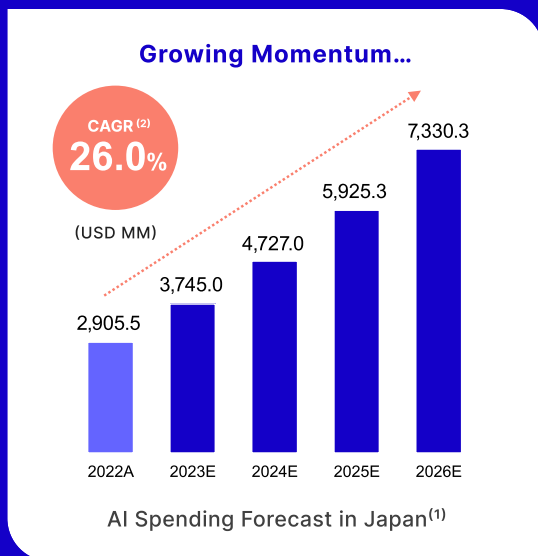
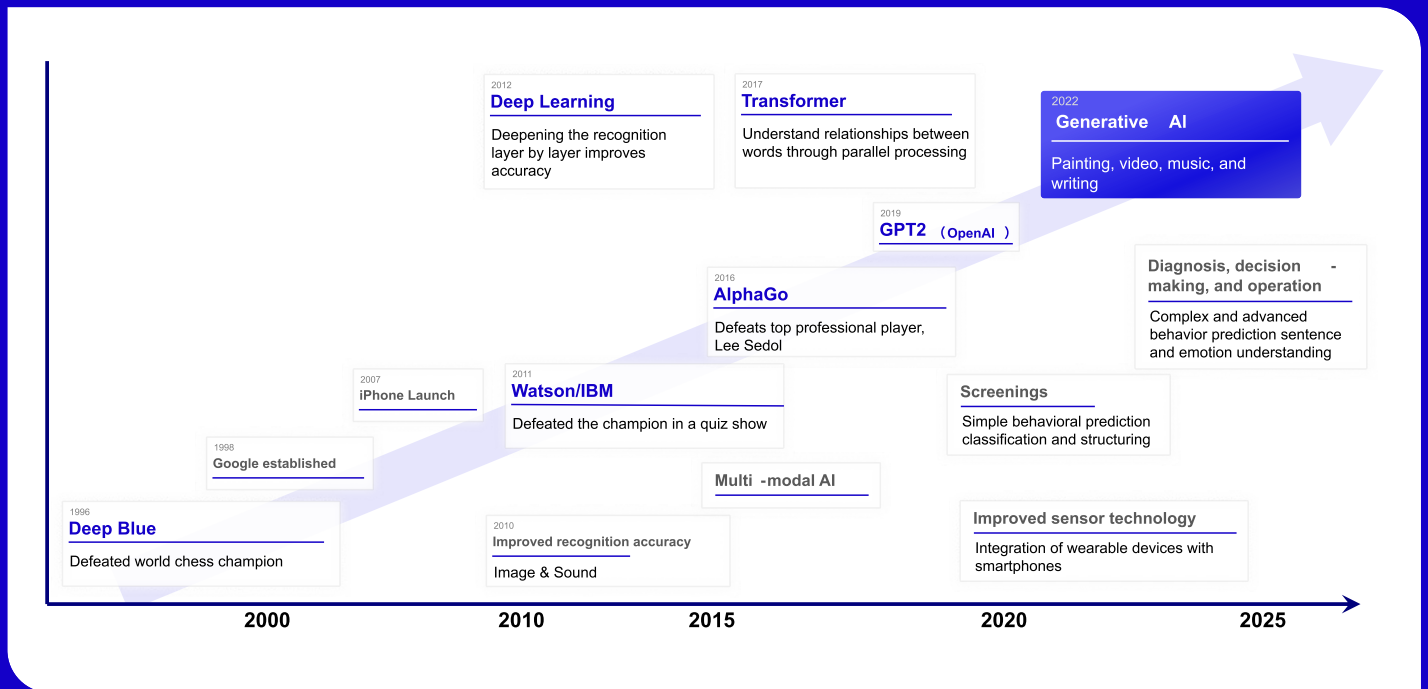
We first provide solutions to the challenges of individual companies, as shown in the circle on the left. This will allow us to gradually accumulate new AI models and data. While solving the issues of individual clients, we can extract issues common to the entire industry and to society. The circle on the right represents the idea of contributing to society by providing general-purpose products to solve social problems. We have been continuously working in this cycle. The left-hand circle has been steadily growing, and we have accumulated many AI assets.



Notes: (1) Procedures and methods for solving problems on the computer.

Growth Strategy

Demand for AI-based services will increase further



Notes: (1) AI Spending refers to the sum of AI Spending related to Software and Services defined by IDC in "Worldwide Artificial Intelligence Spending Guide" calculated by ExaWizards* (2) 2022 – 2026 CAGR (3) As of August 2022. Adoption status of systems related to IoT and AI based on Ministry of Internal Affairs and Communications "Communications Usage Trend Survey 2022**

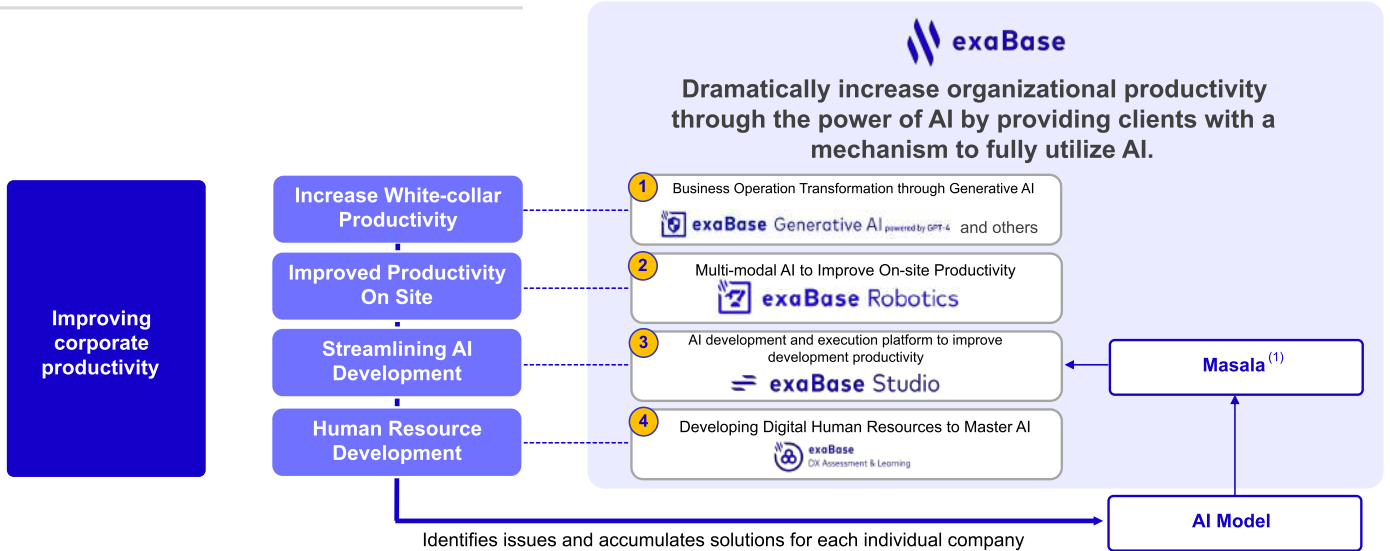
Source: * IDC "Worldwide Artificial Intelligence Spending Guide" (August 2021) **Ministry of Internal Affairs and Communications "Communications Usage Trend Survey 2022" (May 2023)

The spread of the Internet has allowed for the accumulation of big data. Algorithms created by deep learning technology, which began around 2012, has made AI services available to a variety of industries.

Generative AI is making significant progress. ChatGPT became available to the general public at the end of 2022. AI is now attracting attention, and the speed of technological evolution and development is increasing. However, many Japanese companies still lack the organization and human resources to use AI, and demand for AI knowledge and services that allow the simple and safe use of AI is expected to increase in the future.

Productivity Improvement in Enterprises

Social issues we are tackling



Notes: (1) In-house name for a platform that automates the process from deployment of a pipeline combining AI models to coordination of execution resources.



Our current focus on "improving enterprise productivity" can be summarized in the following four points.

1. Improving white-collar worker productivity
- New product development using generative AI -

The most important human resource group in a company are white-collar workers. We believe that white-collar worker productivity can be improved with generative AI technology.

2. Solving issues associated with the aging population and human resource shortages
- improving workplace productivity with multimodal AI -

Social issues such as the aging and declining population become more apparent. It is becoming increasingly difficult to secure skilled labor and a large workforce. Many of our clients have asked about using robots.

3. System Development in Enterprises
- AI Development and Execution Platform for Productivity Improvement

Many of Japan's major companies have outsourced much of their system development, making it difficult to respond to changes in the business environment and the needs of the field. We address this issue by bringing our clients' system development in-house through exaBase Studio.

4. Training human resources for DX
- Supporting digital human resource development -

When bringing system development in-house, it is necessary to have personnel who can use DX. We provide exaBase DX Assessment & Learning to discover and develop DX human resources.

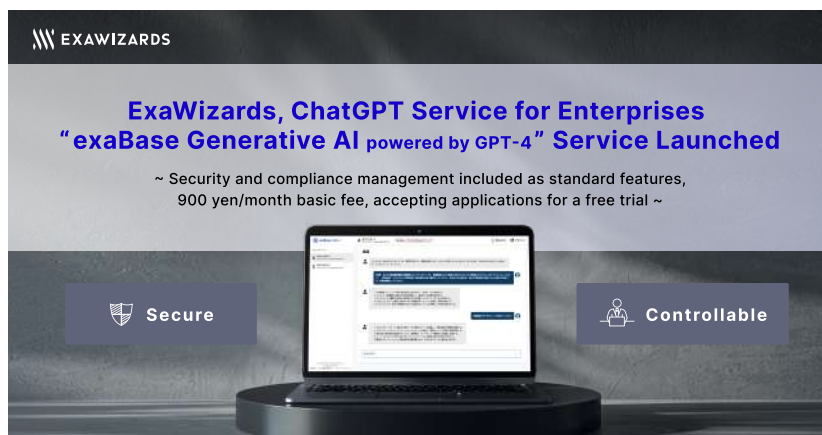
1. Improve white-collar worker productivity

- Developing new products with generative AI -

We have been improving white-collar productivity since the announcement of ChatGPT last year by using AI generation within the company.

Based on the knowledge we have accumulated, we announced the "exaBase Generative AI powered by GPT-4" in May of this year. We also developed "IR Assistant powered by ChatGPT," based on our belief that IR operations such as general shareholders meetings and financial results briefings can be streamlined with ChatGPT.


We also added an AI information analysis function to provide "exaBase Corporate Search," a service for financial institutions.



exaBase Generative AI

powered by GPT-4

- For companies wishing to use ChatGPT
- Provides security and management/utilization functions at a low price


 [exaBase Generation AI powered by GPT-4" introduction video](#) *Only in Japanese



exaBase IR Assistant

powered by ChatGPT

- Automatic generation of assumed questions and answers from documents related to financial results
- Interface that enables improved generation accuracy through mutual feedback between humans and the generative AI (patent pending)

 [exaBase IR Assistant powered by ChatGPT" Operation Procedure Image](#)
*Only in Japanese



exaBase Company Search

powered by ChatGPT

- Extracts accurate and new important information from securities reports and converts it into text
- Support appropriate and prompt decision-making by presenting concisely the management strategies of the target listed company.

2. Resolve issues associated with an aging society and human resource shortages

- Improve workplace productivity with multimodal AI -

exaBase Robotics

We are providing “exaBase Robotics” to resolve issues with the aging workforce and human resource shortages. This service uses multimodal AI, and we developed the technology via a series of practical applications in collaboration with [Nippon Steel Corporation](#), [JAXA](#), and other organizations.




Case.1 Nippon Steel

Transfer of Skills for Skilled Work in Heavy Equipment
Operation
(March 9, 2022)



Case.2 KAWADA ROBOTICS

Automation of powder weighing process
(November 22, 2022)

 [exaBase Robotics Powder Weighing for NEXTAGE / Demo Movie](#) *Only in Japanese



Case.3 JAXA

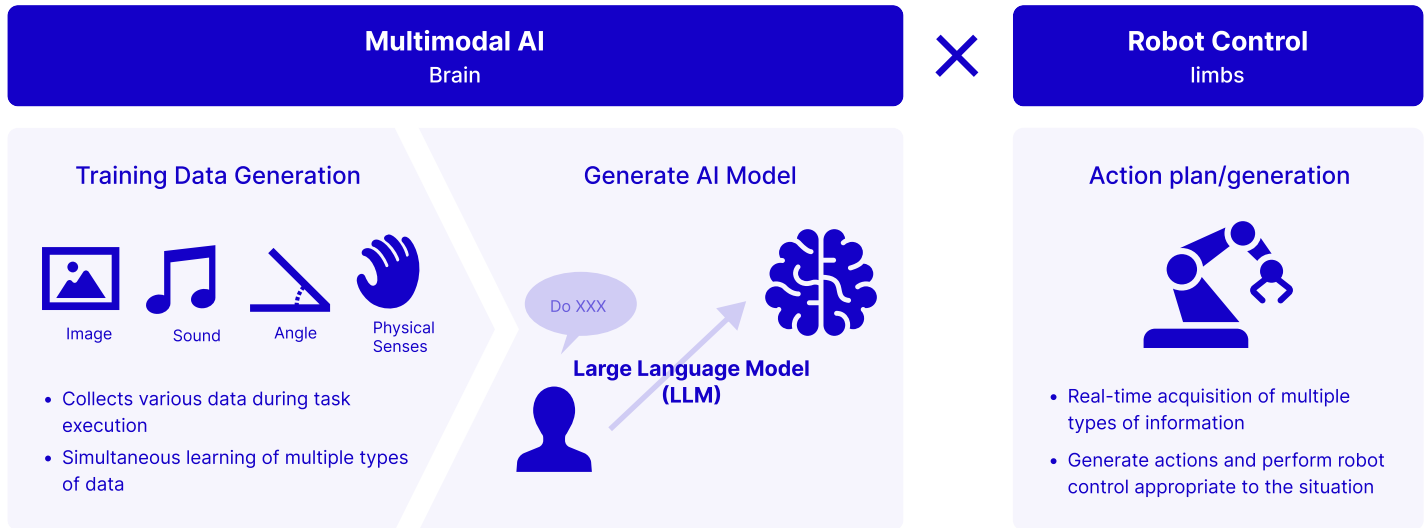
Automation and autonomy of crew operations in a manned
space base
(January 16, 2023)



Case.4 Royal Holdings

Realization of cooking judgments based on skilled chefs'
techniques
(February 8, 2023)

Multimodal AI uses information from multiple sensors as training data, and is suitable for reproducing skilled techniques at manufacturing sites. Combining this with a large-scale generative AI language model will allow workers to control robots with speech commands. By combining the technologies we have developed in our past efforts with generative AI, we hope to achieve a new evolution.



In the future, robot control will be done by speech, etc., and will become popular.

exaBase Robotics is an area where business growth is expected along with the development of LLM.

3. System development for companies

- AI development and execution platform for productivity improvement -

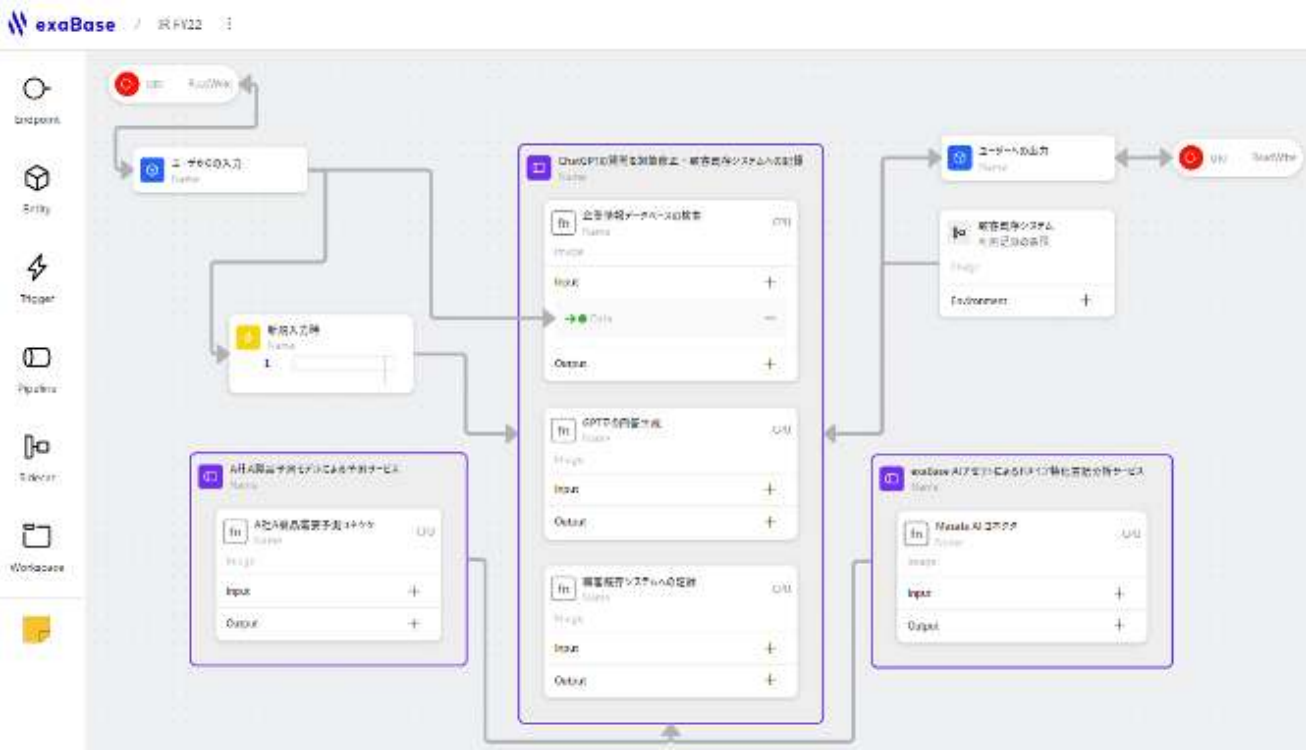
exaBase Studio

Another of our goals is to create an environment in which non-engineers can work on system development with “exaBase Studio,” an AI development environment that implements in-house system development and improves productivity.

As shown in this image, exaBase Studio's goal is to provide a development method that allows engineers and members in the field to collaborate, understand each other's goals, and get updates on the status of work. Since AI models can also be combined visually, non-engineers unfamiliar with programming will be able to proceed with system development.

In the future, we plan to create an easier-to-use development environment by combining generative AI with this system. We are developing exaBase Studio so our clients can develop better services.

Easy connection to generative AI on GUI for no-code type development



The screenshot displays the exaBase Studio interface with a central workspace containing several AI asset blocks. On the left, a sidebar lists navigation options: Endpoint, Entity, Trigger, Pipeline, Taskset, and Workspace. The main workspace shows a flowchart starting with a 'Start' node, followed by a 'Data Input' block, then a 'New Input Type' block. These connect to a large central block titled 'ChatGPT利用可能な追加機能 - 顧客履歴システムへの記録' (Additional features available using ChatGPT - Recording to customer history system). This central block contains three sub-components: '企業情報システムへの記録' (Recording to company information system), 'GPTでの内容生成' (Content generation with GPT), and '顧客履歴システムへの記録' (Recording to customer history system). The flow continues to a 'User Input' block, which connects to a 'Start' node. Below the central block, there are two smaller blocks: 'AI生成内容を手続きフローに追加するサービス' (Service to add AI-generated content to the process flow) and 'exaBase AIアセットからGPTに接続可能なサービス' (Service connectable to GPT from exaBase AI assets). The bottom of the screenshot is captioned 'Development screen for specialized GPT + AI assets'.

No-code type development that is intuitive even for non-engineers

Customization of generative AI models with GUI-based development tools

High customizability to combine AI assets stored on the client side and exaBase

4. Developing human resources for DX

- Supporting clients' digital human resource development -

exaBase DX Assessment & Learning

Companies must identify and train digital human resources in order to implement DX and develop systems in-house. We offer “exaBase DX Assessment & Learning” to provide assessments and training suited to each skill level based on the DX literacy and skill standards set by the Ministry of Economy, Trade and Industry (METI). Approximately 900 companies have used this service, with around 60,000 people having taken the test. This service is used in a variety of industries, and we have accumulated data on the skill levels of each company and each industry.



Feature.1

Fully compliant with digital skill standards

Visualization of examinees' abilities in a form that conforms to both the "DX Literacy Standards," which are abilities and skills that all business people, including executives, should acquire, and the "DX Promotion Skill Standards," which are required of personnel who promote DX.

Feature.2

High score accuracy utilizing data science/proprietary algorithms

An adaptive model that changes the next question according to the examinee's ability, enabling precise measurement of the examinee's ability with a small number of questions.

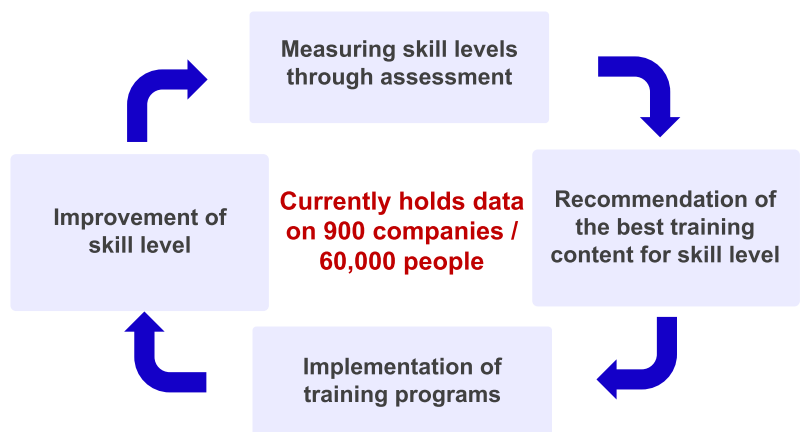
Feature.3

Support for post-inspection training

Provide training content aimed at acquiring DX literacy, covering each of the DX literacy standards

exaBase DX Assessment & Learning allows each company to understand the skill level within their own company and in relation to the surrounding industry. Determining the skill level, recommending appropriate training based on assessment results, and implementing training programs improves the skills of the examinees. Re-assessing after training forms a cycle for sustainable skill growth. Disseminating this system will allow us to contribute to our clients' DX human resource development and will continuously improve the assessment and content recommendation logic of exaBase DX Assessment & Learning.

Competitive Edge

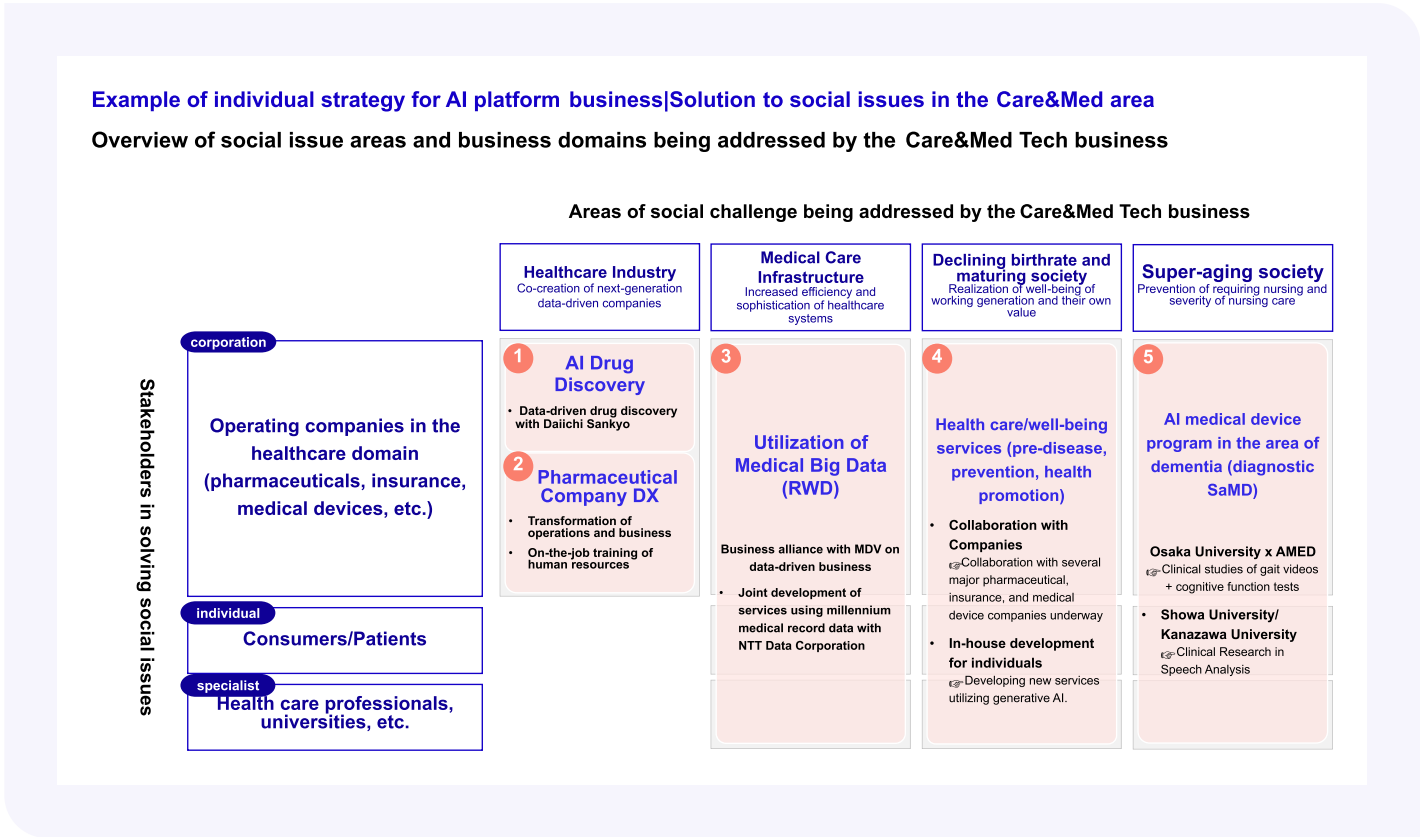


Continuously evolve assessment and content recommendation logic through constant data analysis to stay ahead of the competition

Case Studies

Here are two examples of how problem-solving for individual companies and areas is linked to generic problem-solving.

1. Problem-solving in the Care & Med Tech business

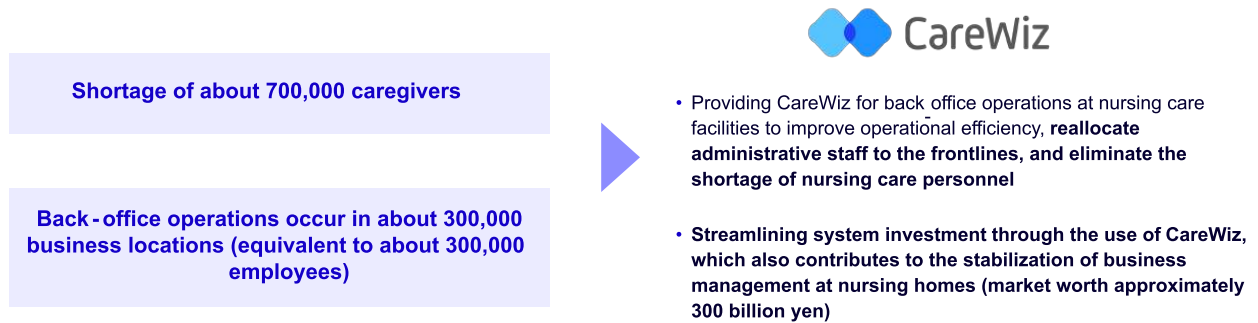


Our pharmaceutical customers are currently facing issues such as the need to "speed up drug discovery," "improve the efficiency and sophistication of healthcare systems, including data collection," "achieve well-being during declining birthrates and aging populations," and to "prevent the need for nursing care." Stakeholders include healthcare businesses, healthcare professionals, researchers, experts, patients, and others who receive healthcare services.

We are currently improving the efficiency of pharmaceutical companies' business via data-driven drug discovery and DX. Utilizing big medical data with medical institutions is allowing us to help pharmaceutical companies research and develop new drugs and medical institutions to provide personalized medicine to patients. Data obtained this way can also be used in areas such as preventive medicine.

We are collaborating with insurance companies, universities, and research institutions to solve these social issues by creating versatile healthcare services.

Human Resource Shortage Problem in the Care Industry

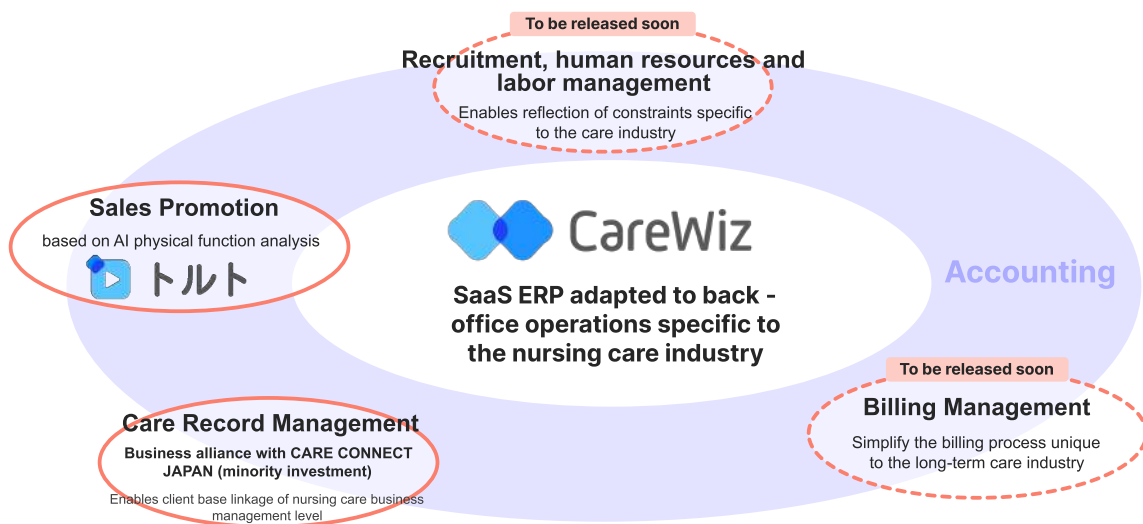


A shortage of caregivers is a major challenge in nursing homes. Care workers often balance back-office operations and an enormous workload.

We provide sales support with "Toruto," an AI-based physical function analysis application. Our partnership with CareConnect Japan (a top player in the nursing care record management domain) will allow us to leverage their large customer base to expand our AI products to nursing care facilities.

We will also provide total support to nursing care facilities, including products to assist with back-office operations such as human resource management and insurance billing management.

Future service areas of the CareWiz series



Labor shortages and staff workload at nursing care facilities is very significant problem. We believe that the biggest challenge is to improve the operational efficiency of nursing care facilities and make them an easier place to work. We will continue to develop new services to solve this problem.

■ Management structure reform

We are implementing structural reforms to improve our own productivity. The first is a review of our portfolio as a major pillar of our business, and the second is a review of our organizational structure and the nature of our business operations.

We are improving our business portfolio based on the social environment, the market, and customer needs. In FY2022 we will transfer some of our services to other companies.

Structural reforms (including those implemented in prior years)

Transfer of Care Techniques Training Business

- Transfer of nursing care technique training business belonging to the AI Products segment in the first quarter.

Transferred "CareWiz Hannasuto"

- Transferred "CareWiz Hannasuto" to CCJ in the fourth quarter and shifted to a development and sales structure led by CCJ
- Company focuses on improving efficiency of back-office operations at nursing care facilities

Closes Indian Subsidiary

- Dissolution of EXAWIZARDS INDIA LLP (non-consolidated subsidiary), which had been operated as the Company Group's overseas R&D base
- Reduction of approximately 47 million yen in operating costs and recording of an extraordinary loss of approximately 38 million yen in the current fiscal year)

We are always aiming for a lean structure, even as the number of personnel increases in the course of business growth. We are looking to hire new graduates, especially engineers, to make an immediate impact.

Organizational Structure Reforms

Lean management structure

- Promoting business innovation and productivity improvement by utilizing generative AI and exaBase Studio in our own operations
- Aim to achieve the same quality of operations as in the previous fiscal year by improving operational efficiency through the use of generative AI, etc., while keeping company-wide related operations to a minimum.

Newly established Business Transformation Office

- A new department has been established under the direct control of the President and Executive Officer to lead the transformation of the company's internal operations through the use of technology.
- Proactively incorporate generative AI, etc., utilizing the company's exaBase assets, and create advanced examples as an AI company.

Strengthen recruitment of new graduates

- As the number of management positions within the company has increased, we will strengthen the hiring of new graduates from the fiscal year ending March 31, 2024 onward.
- Particular emphasis will be placed on engineers, as new graduates are capable of making an immediate contribution to the company.

Investment and shareholder returns

We believe that our priority is to increase our corporate value. To do so, we will aggressively develop products and produce steady results.

In addition to developing services, we will also grow our company through our financial strategy. We acquired treasury stock in 2023 as part of this effort, and are considering using the acquired shares for M&A and other purposes in the future.

Investment targets and approach to shareholder returns

- At this time, the Company's priority is to increase its corporate value by focusing on further business expansion and achieving sales growth.
- For this reason, we are looking to invest our funds in hiring human resources that will contribute to business growth, strengthening existing products, developing new products, M&A and alliances with partners, etc.

Repurchase of treasury stock (resolution of the Board of Directors on March 22, 2023)

- Scale of acquisition : Up to 1.2 billion yen or 4 million shares (4.8% of outstanding shares excluding treasury stock)
- Repurchase period : March 23, 2023 to September 29, 2023
- Use of treasury stock : To ensure mobility and flexibility for the implementation of M&A and capital tie-ups, etc., and for stock options to recruit and retain employees
- Status of acquisition : As of the end of April 2023, 1,053,200 shares, 344 million yen have been acquired

This concludes our explanation of our growth strategy. We look forward to your continued support.

Disclaimer

- This document has been prepared by ExaWizards Inc. (hereinafter "ExaWizards") for the sole purpose of providing information to deepen your understanding of ExaWizards and has not been prepared for the purpose of soliciting investments or any other similar activities, whether in Japan or overseas.
- The forward-looking statements contained in this document (including, but not limited to, ExaWizards' business plan, market size, competitive situation, industry information and growth potential) refer to ExaWizards' judgments based on the information and other data available as of the date of publication of this document. These forward-looking statements do not guarantee future performance and are subject to various risks and uncertainties. Please note that actual results may differ from the forecast due to changes in the environment and other factors.
- ExaWizards does not assume any obligation to update or revise the description in this document and to publicly announce such update or revision even if there is any change in the information contained in this document after the publication date of this document.
- In addition to information about ExaWizards, this document also contains other information, including that about the competitive environment of ExaWizards, industry trends and changes in the general social structure. ExaWizards has not independently verified the accuracy, reasonableness or appropriateness of such information, and does not guarantee the above with respect to any such information.