To whom it may concern:

November 20, 2024

Company name:	ExaWizards Inc.
Name of representative:	Makoto Haruta, Representative Director and President (TSE Code No.4259)
Inquiries:	Tomoaki Maekawa, Executive Officer Corporate Management Head of Function

Notice Concerning Share Transfer Involving a Change in Consolidated Subsidiaries

We hereby announce that ExaWizards Inc. (the “Company”) made a resolution on transfer of 100% shares (the “Share Transfer”) of VisionWiz Inc. (the "VisionWiz”) to CoDMON, Inc. (the “CoDMON”) on November 20, 2024.

1. Reason for the Share Transfer

Our consolidated subsidiary VisionWiz is developing a content distribution business that utilizes image recognition AI. The company has been promoting solutions to the issue of improving productivity in the childcare and education industries by developing the “Torinku” AI photography service, which greatly reduces the workload involved in taking and using photos of childcare workers at places such as nursery schools, while also strengthening the relationship of trust between the school and the parents.

To promote productivity improvements for our customers, we have also been working to improve our own productivity and have been pursuing structural reforms since the fiscal year ending March 2024. While the VisionWiz business has the potential for further growth in the future, we believe that it is necessary to develop it with a better understanding of the childcare and education industries and to expand its sales channels, and we have therefore decided to transfer the shares of VisionWiz.

The company to which the shares will be transferred, CoDMON, is a company that is contributing to society by developing ICT services for childcare and educational facilities, such as “CoDMON,” and working on projects to improve the environment surrounding children. CoDMON has been introduced to approximately 20,000 childcare facilities in 47 prefectures, and has the No. 1* track record in terms of the number of facilities that have introduced the service (as of October 1, 2024).

We believe that our deep understanding of the childcare and education industries and the knowledge we have gained through the introduction of our services will enable us to further accelerate the growth of VisionWiz's business, and we have therefore decided to transfer the business to CoDMON.

In addition, both companies will consider further strengthening their collaboration in the future, based on the idea that by mutually complementing each other's strengths, they will be able to further streamline the work of childcare and education facility staff in terms of photography and sharing, and improve convenience for parents, while also further strengthening their contribution to the childcare and education industry. Lastly, we will continue to promote structural reforms to improve our productivity.

* Reference: “Survey of kindergartens that have introduced SaaS-type business support systems, 2023” Tokyo Shoko Research, Inc. (January 2024)

2. Overview of subsidiary

(1)	Name	VisionWiz Inc.	
(2)	Location	5F Sumitomo Fudosan Mita First Building, Shibaura 4-2-8, Minato-ku, Tokyo	
(3)	Title and name of Representative	Representative Director and President, Tomoaki Maekawa	
(4)	Description of business	Content distribution using image recognition AI	
(5)	Share capital	10 million yen	
(6)	Date of establishment	May 2021	
(7)	Major shareholders and ownership ratios	ExaWizards Inc. 100%	
(8)	Relationship between the Company and said company	Capital relationship	The Company's consolidated subsidiary
		Personnel relationship	The officers of the Company concurrently serve as directors at the subsidiary.
		Business relationship	Corporate management and outsourcing the system development

(9) Operating results and financial positions for the last three years

As of / Fiscal year ended	FY2022	FY2023	FY2024
Net assets (Millions of yen)	89	161	-173
Total assets (Millions of yen)	123	281	111
Net assets per share (Yen)	890,687.98	671,748.86	-721,401.65
Net sales (Millions of yen)	-	0	57
Operating profit (Millions of yen)	-63	-177	-196
Ordinary profit (Millions of yen)	-63	-177	-196
Profit attributable to owners of parent (Millions of yen)	-63	-137	-334
Basic earnings per share (Yen)	-635,333.68	-758,802.23	-1,393,150.51
Dividend per share (Yen)	-	-	-

3. Overview of Counterparty to Share Transfer

(1)	Name	CoDMON, Inc.
(2)	Location	3F Mita 43MT Bldg. Mita 3-13-16, Minato-ku Tokyo
(3)	Title and Name of Representative	Representative Director, Yoshinori Koike
(4)	Description of Business	● Operation of "CoDMON," an ICT service for childcare and educational facilities ● Operation of "CoDMON Print," a photo sales service ● Payment agency service ● Recruitment support business ● Support business to look for nursery school children ● Operation of "CoDMON Store," an EC site for childcare facilities

		● Online training business	
(5)	Share Capital	68,250,000 yen	
(6)	Date of Establishment	November 2018	
(7)	Relationship between the Company and said company	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable
		Related party relationship	Not applicable

Note: Due to confidentiality obligations with CoDMON, detailed information on its major shareholders, shareholding ratios, net assets and total assets is omitted.

4. Number of shares to be transferred, transfer value, and the status of the shares owned before and after transfer

(1)	Shares owned before the transfer	340 Shares (voting rights holding ratio: 100%)
(2)	Number of transfer shares	340 Shares
(3)	Price of transfer shares	100 million yen
(4)	Shares owned after the transfer	0 share (voting rights holding ratio: - %)

5. Schedule

(1)	Resolution of the Board Meeting	November 20, 2024
(2)	Execution of Agreement	November 2024 (Scheduled)
(3)	Implementation date of the business transfer	December 1, 2024 (Scheduled)

6. Impact to Consolidated Results

We expect to make a profit of 73 million yen from the sale of subsidiary shares as a result of this resolution. The impact on consolidated business results for the fiscal year ending March 2025 are currently being examined. We will promptly notify you of any matters that should be disclosed in the future.