To whom it may concern:

May 13, 2025

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

Announcement of Establishment of a Joint Venture Company with COCOO Corp.

ExaWizards Inc. (hereinafter, "the Company") announces that we have agreed at the management meeting held on May 13, 2025, to establish a joint venture company with COCOO Corp. (hereinafter, "COCOO") in this August.

1. Reason of the establishment

Since the launch of paid services in June 2023, exaBase Generative AI, provided by Exa Enterprise AI, has been utilized by 740 companies and over 70,000 users, achieving the No.1 market share in Japan[*1]. The service allows easy and secure use of the latest generative AI models, including the fast and accurate GPT-4o and the logical o3-mini. It also offers standard features such as prohibited word registration and confidential information blocking.

Since their founding in 2019, COCOO has provided "DX Human Resource Services" to support societal digital transformation. In March 2023, COCOO began testing the one of their services for improving corporate productivity through generative AI. By July 2024, they launched "AI Business," achieving widespread adoption of generative AI and productivity improvements for companies.

Exa Enterprise AI and COCOO signed a business partnership agreement in December 2023. Exa Enterprise AI supported talent development within COCOO, while COCOO dispatched specialized personnel to companies adopting exaBase Generative AI to assist with its implementation and utilization.[*2] To accelerate these efforts by leveraging ExaWizards' AI technology and COCOO's expertise in generative AI adoption, both companies have agreed to establish this JV to develop new generative AI services for business automation.

*1 Source: Deloitte Tohmatsu MIC Research Institute, "2024 Edition of the Corporate Generative AI Solution Market Trends Report" (https://mic-r.co.jp/mr/03170/)

*2 December 12, 2023 press release: https://exawizards.com/en/archives/26267/

2. Details of the Business Alliance

(1) Business details of the new company

The JV plans to engage in the following activities:

- Support for generative AI implementation and specialist support
- Assistance for utilizing generative AI
- Consulting services for generative AI utilization
- Agency sales for exaBase Generative AI

Through these services, the JV will achieve its mission: "Enhancing work through AI."

(2) Overview of the new company

1.	Name	AI Smart Work Corp.
2.	Location	Tokyo, Japan
3.	Title and name of Representative	Representative Director Tadashi Tabei

4.	Description of Business	Generative AI implementation support, providing specialists and consultation for utilization, and exaBase Generative AI agency sales
5.	Share Capital	5 Billion Yen
6.	Date of Establishment	August 2025 (Schedule)
7.	Fiscal Year End	June
8.	Equity	5 Billion Yen
9.	Total Assets	5 Billion Yen
10.	Capital Contribution Ratio	COCOO Corp. 66.6% ExaWizards Inc. 33.4%、

3. Overview of COCOO

1.	Name	COCOO Corp.	
2.	Location	5th Floor, Teikoku-Shoin Building, 3-29 Kanda-Jinbocho, Chiyoda-ku Tokyo	
3.	Title and name of Representative	Representative Director and CEO Yusuke Irie	
4.	Description of Business	IT infrastructure, EXCEL Joshi, digital marketing, RPA, data science, AI, and other services focusing on human resources and digital solutions	
5.	Share Capital	505 Million Yen	
6.	Date of Establishment	February 6, 2019	
7.	Major Shareholders	Not Applicable	
8.	Relationship between the Company and said company	Capital Relationship	Not Applicable
		Personnel Relationship	Not Applicable
		Business Relationship	Business alliance agreement with Exa Enterprise AI Inc., our consolidated subsidiary, in December 2023
		Relate Party Relationship	Does not constitute a related party
9.	Operating results and financial positions for the last three years		

Fiscal Year Ended	FY2022/6	FY2023/6	Fy2024/6
Total Assets (Millions of Yen)	401	638	800
Retained Earnings (Millions of Yen)	(157)	(314)	(189)
Net Income (Millions of Yen)	(157)	(157)	(189)

Note: As a private company, only the financial information publicly disclosed in accordance with legal requirements for the past three years is provided here.

4. Schedule

1.	Resolution of the Management Meeting	May 13, 2025
2.	Execution of Agreement	In May 2025
3.	Starting Date of the New Company	August 2025 (Schedule)
4.	Starting Date of the Business	November 2025 (Schedule)

5. Impact to Consolidated Results

The Company is currently conducting a detailed analysis of the impact on future business development and performance. The Company will promptly disclose any significant impact as soon as it becomes known.