To whom it may concern,

March 12, 2026

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

Notice of Establishment of a New Company, Exa Frontier Edge Inc.

ExaWizards Inc. (hereinafter, "the Company") hereby announces that, at a meeting of its Board of Directors held on March 12, 2026, it resolved to establish Exa Frontier Edge Inc. (the "Subsidiary") as set forth below.

1. Reason for Establishing the Subsidiary

In recent years, advances in generative AI and AI agents have begun to significantly change how software is developed and how business operations are improved. As AI automates and enhances many stages of the lifecycle, including design, development, testing, and operations, new services and emerging players that are built with AI from the outset have a rapidly growing potential to fundamentally replace traditional, labor-intensive IT services and transform the structure of the market.

To get ahead of this disruptive shift, it is not enough to simply "add" AI to existing organizations and development processes. An AI-native way of thinking is essential: building organizational design, development processes, and service models from scratch, in an environment free from legacy constraints, with AI as a core assumption.

To put this transformation into practice ahead of others, ExaWizards has established Exa Frontier Edge, a new company whose development and operations processes are designed from the ground up with AI agents as a core premise. Through this company, we intend to break away from the traditional systems integration (SI) model ourselves and aim to create the next-generation market for AI-native SI.

For more details, please refer to the press release on the Company's website.
https://exawizards.com/en/

2. The Subsidiary Overview

(1)	Name	Exa Frontier Edge Inc.
(2)	Location	4-2-8 Shibaura, Minato-ku, Tokyo
(3)	Title and name of Representative	Representative Director, Masafumi Fukuda
(4)	Description of Business	Design, development, and operation premised on the utilization of AI and underpinned by AI-driven development

(5)	Capital	300 million yen (including capital reserve)
(6)	Shares Issued	100Shares
(7)	Fiscal Year-End	March 31
(8)	Major Shareholder and shareholding ratio	ExaWizards Inc. 100%

3. Schedule

(1)	Board Meeting	March 12, 2026
(2)	Established Date	April 2026 (Schedule)
(3)	Business Starting Date	June 2026 (Schedule)

4. Impact on Consolidated Results

The impact of this matter on the Company's consolidated financial results has already been factored into the upward revision to the full-year earnings forecast for the fiscal year ending March 31, 2026, which was announced today, March 12, 2026.