

November 8, 2023 ExaWizards Inc. (TSE 4259)

ExaWizards, Inc. ("the Company") decided at today's business meeting to launch "CareWiz TAYORUTO powered by ChatGPT API (hereinafter referred to as "CareWiz TAYORUTO")," a management support service specializing in nursing care that utilizes ChatGPT and LINE.

Our goal is to support nursing care facilities and local governments with AI to solve social issues, such as labor shortages and the super-aging society.

1. Purpose and Details of the New Business

CareWiz TAYORUTO is an interactive AI service that reduces the burden on busy nursing care managers with ChatGPT and LINE. Our AI technology is being used to train ChatGPT with the nursing care management knowledge of Star Consulting Group Campany, Limited (Chiyoda-ku, Tokyo; CEO: Kazuhiro Nukaya; hereafter, "Star Consulting Group"), allowing us to provide a simple and innovative information gathering experience that supports nursing care managers and facility managers.

On June 12, 2023, we entered into a business alliance agreement with Star Consulting Group, who provides nursing care facility management consulting services to over 500 nursing care operators. They have extensive knowledge in evaluating challenges and providing solutions to each operator.

(https://exawizards.com/en/archives/24744/)

[Features of CareWiz TAYORUTO]

1. The latest information on nursing care fees supervised by Star Consulting Group The knowledge of the Star Consulting Group will allow us to help you prepare for the nursing care fee revision in 2024. This information will be continuously updated, allowing you to access reliable and up-todate information unavailable on the internet.

2. Advice for long-term care management

Managers and facility directors can get accurate, tailored advice based on their registered information (facility type, size, etc.). You can consult with us online regarding long-term care management, attracting new users, supervising staff, and other concerns you can't discuss with your staff.

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3. Providing managers and facility directors with the latest management information CareWiz TAYORUTO will research the latest nursing care management information and report to managers and facility directors the things they need to know. The information that is of interest to you will be examined in depth, and a simple procedure document will be created to encourage you to initiate management improvements.

[CareWiz TAYORUTO: Future Prospects]

According to a survey by the Ministry of Health, Labour and Welfare^{*1}, there are more than 250,000 nursing care facilities and more than 2 million nursing care workers throughout Japan, and the market for nursing care-related products and services continues to expand with the super-aging society (expected to reach 1.1 trillion yen by 2030^{*2}). The selection of products and services is increasing, but it is expected to become increasingly difficult for understaffed nursing care facilities to research services to improve operational efficiency, information on cutting-edge technologies tailored to each facility, or to introduce appropriate products and services.

CareWiz TAYORUTO will provide useful information to nursing care managers and facility operators at more than 250,000 nursing care facilities nationwide. They will implement functions from information gathering to product proposals tailored to users with their unique information sources and generative AI technology. By March 31, 2025, we also plan to enter the marketing and sales promotion market specializing in nursing care-related products and services.

The Company will promote collaboration in the nursing care industry by creating AI-powered back-office operations consolidation services for nursing care facilities (announced October of this year). In the future, we will expand our business by providing services aimed at solving social issues, such as labor shortages and the super-aging society. The new CareWiz TAYORUTO service launched in collaboration with Star Consulting Group will support sustainable nursing care facility management and help caregivers. Our goal is to help caregivers and frontline staff work more closely with each individual patient.

- Note: 1. Ministry of Health, Labour and Welfare's "Overview of the 2021 Survey of Long-Term Care Service Facilities and Establishments. <u>https://www.mhlw.go.jp/toukei/saikin/hw/kaigo/service21/index.html</u>
 - 2. Fuji Keizai Group survey https://www.fuji-keizai.co.jp/press/detail.html?cid=21030&la=en

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2. Date of Commencement of Business and Sales Recording Segment

The business will commence on November 8, 2023. Sales from this business will be recorded in the AI Products segment.

3. Amount and Details of Special Expenditures for the Start of this Business

There are no plans at this time for special expenditures to start this business. It will be conducted in the normal course of business operations.

4. Schedule for Business Entry and Business Alliance

(1) Date of the business meeting resolution	November 8, 2023
(2) Date of business commencement	November 8, 2023

5. Future Outlook

The impact of this business alliance on the Company's business performance for the current fiscal year is currently under review. The Company believes that it will enhance their corporate value in the mid-to-long term. All required future disclosures will be executed promptly.

(Reference 1) Consolidated earnings forecast for the current fiscal year (announced on August 14, 2023) and consolidated results for the previous fiscal year.

			(Millions of Yen)
	Consolidated Sales	Consolidated Operating Income	EBITDA
Consolidated Earnings Forecast for the Current Fiscal Year (Year ending March 31, 2024)	8,500	-290	600
Consolidated Results for the Previous Fiscal Year (Year ending March 31, 2023)	5,591	-378	72

(Reference 2) Outline of Alliance Partners

(1)	Name	Star Consulting Group Campany, Limited
(2)	Head Office	1-18-13 Uchikanda, Chiyoda-ku, Tokyo
(3)	Representative	CEO: Kazuhiro Nukaya
(4)	Business	Provides management consulting services to nursing care providers. The company's top-class industry consultants provide support for attracting customers, opening new businesses, and hiring staff. To date, the company has provided consulting services to over 500 companies.
(5)	Date Established	January, 2012

*The items listed above are voluntary disclosure items. Information such as capital, relationships between the listed

company and the relevant companies, financial positions, and operating results have been omitted.

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