Press Release 5/12/2021

sdtech Inc. Wacom Co., Ltd.

Wacom and sdtech Started Joint Development of AI and Digital Handwriting for Education and Other Domains

Tokyo, Japan -- May 12, 2021 -- Wacom Co., Ltd. (Head office: Kazo City, Saitama Prefecture, Japan; Representative Director, President and CEO: Nobu Ide; hereinafter referred to as "Wacom") and sdtech Inc. (Head office: Minato-ku, Tokyo, Japan; President and Representative Director: Kazuo Kawabata; hereinafter referred to as "sdtech") have started joint development of innovative new services using AI (Artificial Intelligence) and digital handwriting in education and other domains. In order to achieve a deeper level of cooperation and business collaboration in this joint development, a stock purchase agreement was also executed (as of March 16, 2021), making Wacom's shareholding ratio in sdtech to approx. 5%.

Wacom has been the leading supplier of "creative pen tablets" used for movies and animations, illustrations, game content creation as well as industrial design of various products such as automobiles and sportwear. Wacom also supplies digital pen solutions on an OEM basis for tablet devices and smartphones by mobile IT device manufactures. While digital pen has its value widely recognized in the fields of computer-based creation and design, they are also increasingly expanding presence in business and education scenes recently. Leveraging its assets gained though over 30 years of digital pen development, Wacom is promoting the digital ink technology "WILL (Wacom Ink Layer Language)" and working with various industry partners to bring new values with digital handwriting.

sdtech has been developing products and services based on human-centered design and its unique "Design Engineering" approach with a focus on design, technology, and data science: such as advanced automobile HMI (Human-Machine Interface) and Karaoke control tablet UI (User Interface). With its expertise, sdtech offers a one-stop DX service as well. Together with clients, sdtech supports all processes from the consulting phase to ideate the purpose and strategy of DX, practical data utilization to design and development of services and products with new values.

This joint development is the result of Wacom and sdtech sharing a deep understanding of the value and significance that the handwritten "digital ink" data processed by AI

(Artificial Intelligence) can bring to users. New services from this joint development will not be limited to education but also other domains. We will develop innovative services that meet the needs in this DX era.

Nobu Ide, Wacom's Representative Director, President and CEO, said "Wacom has been working with sdtech for the past three years, to develop very unique PoC (Proofs of Concept) which enabled people to experience the exciting potential of digital handwriting. We now go beyond the stage of concept into co-development where we jointly promote new services around education and other domains with digital ink, and put them into practice in the real society settings. We hope to bring about new business models from this collaboration and realize innovative services through joints efforts with our ecosystem partners, which takes us to the new stage of Chapter 3."

Kazuo Kawabata, sdtech's President and Representative Director, said, "As a company that focuses on people themselves, we saw great potential in collecting and analyzing handwriting data from digital pens. Through three years of concept developments with Wacom, we have reaffirmed the value of handwriting and have found distinct differences in data depending on each person's state. These convinced us to proceed with the development of personalized AI that gets closer to people. In this collaboration, we are looking forward to delivering innovative services that will benefit many users."

(Reference) Concept Development with Wacom and sdtech 5th Connected Ink (Nov. 18, 2020)

"Showcased a System to Simulate the Relationship Between Individuals and Others from Digital Pen Data"



(Detailed article) https://www.sdtech.co.jp/works/connectedink2020

Company Contacts:

Wacom Co., Ltd.

Phone: +81-(0)3-5337-6702

E-mail: wacom-pr@wacom.co.jp

sdtech Inc.

Phone: +81-(0)3-6433-1267 E-mail: ir@sdtech.co.jp