



August 30, 2022

Company Name: HEROZ, Inc.

Name of Representatives:

Takahiro Hayashi,

Co-Chief Executive Officer:

Stock Code: 4382, TSE Prime Market

Contact: Hiroya Mori,

Chief Financial Officer

(Telephone: +81-3-6435-2495)

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

#### Notice of Acquisition of Shares of StrategIT, Inc. (Making it a Subsidiary)

HEROZ, Inc. (the "Company") hereby announce that its Board of Directors, at a meeting held on August 29, has passed a resolution to acquire shares of StrategIT, Inc. (hereinafter referred to as "StrategIT") to make it a subsidiary of the Company.

#### **1. Reason for acquisition of shares**

Based on the concept of "Surprise to your heart," the Company has provided AI-based services to make people's lives more convenient and enjoyable. Specifically, for individuals, its services are deployed on smartphones and tablet terminals as applications such as brain games, and for businesses, the Company has provided AI services such as machine learning in various domains.

With the vision of contributing to management improvement by integrating "Strategy" and "IT" and the mission of "Bringing the power of SaaS to all companies," StrategIT develops systems for SaaS providers, operates SaaS-linked application stores, and provides SaaS implementation consulting services to fill in the gaps in the utilization and value enhancement of SaaS.

While the SaaS market is a rapidly growing market, general users often use each SaaS product as a stand-alone product, and it is expected that SaaS collaboration will become increasingly important in the future.

To provide new services in this situation, the Company has decided to acquire shares of StrategIT and make it our subsidiary to support the growth of the SaaS market through "StrategIT's domain knowledge on SaaS implementation and collaboration" and "our AI development know-how".

## 2. Outline of the subsidiary to be transferred (StrategIT)

(1)	Name	StrategIT, Inc.		
(2)	Location	Tosin Higashi-Kanda Bldg. 5F, 1-11-14 Higashi-Kanda, Chiyoda-ku, Tokyo		
(3)	Job title and name of Representative	Fumie Kato, President and Representative Director		
(4)	Description of business	Development of system integration (iPaaS) for SaaS providers Development and operation of SaaS-connected app store SaaS implementation consulting, ERP implementation support		
(5)	Share capital	24 million yen		
(6)	Date of establishment	July 2, 2019		
(7)	Major shareholders and ownership ratios	Kei Tachihara 59.5% James Joshua Enrique 17.0% First Advisors Investment Partnership No. 3 10.0%		
(8)	Relationship between the Company and said company	Capital relationship	Not applicable	
		Personnel relationship	Not applicable	
		Business relationship	Not applicable	
(9)	Operating results and financial condition of StrategIT for the past three years			
	As of / Fiscal year ended	June 2020	June 2021	June 2022
	Net assets	3	35	83
	Total assets	35	109	164
	Net assets per share (Yen)	119.4	1,061.1	2373.2
	Net sales	45	176	397
	Operating income	1	18	32
	Ordinary income	0	17	38
	Net income	0	11	26
	Net income per share (Yen)	19.4	353.7	741.2
	Dividend per share (Yen)	—	—	—

(Million of yen, unless otherwise noted)

### 3. Outline of the counterparty of the share acquisition

(1)	Name	Kei Tachihara
(2)	Address	Kawaguchi City, Saitama Prefecture
(3)	Relationship between the Company and said person	There are no applicable capital, personal, or business relationships.

(1)	Name	James Joshua Enrique
(2)	Address	CA, USA
(3)	Relationship between the Company and said person	There are no applicable capital, personal, or business relationships.

(1)	Name	First Advisors Investment Partnership No. 3
(2)	Address	7-7-7 Roppongi, Minato-ku, Tokyo
(3)	Job title and name of Representative	Managing partner, First Advisors Limited Liability Partnership Partner, Naotaka Kumagai
(4)	Main Businesses	Fund
(5)	Relationship between the Company and said company	There are no applicable capital, personal, or business relationships.

### 4. Number of shares acquired, acquisition price and shareholding before and after acquisition

(1)	Number of shares held before the change	- shares (Numer of voting rights: - unit) (Ratio of voting rights held: -%)
(2)	Number of shares to be acquired	30,527 shares (Number of voting rights: 30,527 units)
(3)	Acquisition price	Due to contractual confidentiality obligations, this information will not be disclosed.  The acquisition price was determined after careful scrutiny of its appropriateness by the Company's Board of Directors, based on StrategIT's business plan.
(4)	Number of shares held after the change	30,527 shares (Number of voting rights : 30,527 units) (Ratio of voting rights held: 86.5%)

**5. Timetable**

(1)	Date of resolution at the meeting of the Board of Directors	August 29, 2022
(2)	Date of conclusion of the agreement	August 29, 2022
(3)	Date of commencement of share transfer	August 31, 2022(scheduled)

**6. Future outlook**

The Company plans to acquire shares of StrategIT and make it a consolidated subsidiary on August 31, 2022. As a result of this share acquisition, the Company will disclose its consolidated financial statements. We are currently examining the impact of this acquisition on our consolidated financial results for the fiscal year ending April 30, 2023, and will promptly announce any matters that need to be disclosed in the future.