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Securities code: 4382

March 16, 2022

**To Shareholders with Voting Rights:**

Takahiro Hayashi,  
Co-Chief Executive Officer  
HEROZ, Inc.  
5-31-17 Shiba, Minato-ku, Tokyo

**Notice of Convocation of an Extraordinary Shareholders' Meeting**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

This is to notify that the Extraordinary Shareholders' Meeting of HEROZ, Inc (the "Company") will be held for the purposes as described below.

From the viewpoint of preventing the spread of infection, we kindly ask our shareholders to exercise your voting rights in writing or by voting via the Internet in advance of the meeting, and refrain from attending the meeting in person regardless of your health condition.

Please review the Reference Documents for the Extraordinary Shareholders' Meeting as described hereinafter and exercise your voting rights by no later than 7:00 PM on Wednesday, March 30, 2022, Japan Time.

- (1) Date and Time:** March 31, 2022 (Thu), 10:00 AM (reception starts at 9:30 AM)
- (2) Location:** 401 Hall, Grand Park Conference, 3rd and 4th Floor, Tamachi Grand Park Plaza Building,  
3-4-1 Shibaura, Minato-ku, Tokyo
- (3) Purpose of the Meeting**
- Items to be resolved**
- Proposal 1:** Changes to the articles of incorporation
- Proposal 2:** Capital Reduction

**Matters Decided upon Convocation regarding the Exercise of Voting Rights:**

- (1) You can exercise your voting rights by attending the meeting in person, or in writing or by voting via the Internet in advance of the meeting.
- (2) If you submit a Voting Rights Exercise Form without indicating your approval or disapproval or abstention for any proposal, your vote for the proposal shall be counted as approval for the Company's proposals.
- (3) If you have exercised your voting rights more than once via the Internet and the content of your votes on the same agenda item differs, only your final vote shall be counted as valid.
- (4) If you have exercised your voting rights in advance both via the Internet and by submitting a Voting Rights Exercise Form, your votes via the Internet shall be counted as valid.

(5) Please note that if you have exercised your voting rights in advance in writing or via the Internet and attend the meeting in person, the voting rights you have exercised in advance shall be invalidated.

(6) If a proxy attends the meeting, the proxy shall be one other shareholder with voting rights in accordance with the provisions of Article 16 of the Articles of Incorporation. Please note that in such a case, you will be required to submit a document certifying your power of representation.

**Other information and request to shareholders:**

(1) If you plan to attend the meeting, please submit the enclosed Voting Rights Exercise Form to the receptionist at the meeting.

(2) Please note that there will be no souvenirs for attendees of the meeting.

(3) Any revisions to the Reference Documents for the Extraordinary Shareholders' Meeting and other appendices will be posted on the Company's website, listed below.

<https://heroz.co.jp/ir/>

(4) In order to prevent the spread of COVID-19, we will be increasing the space between the seats, so the number of seats available is limited. Therefore, we may not be able to admit you even if you come to attend on the day. Thank you for your understanding in advance.

(7) If you are planning to attend the meeting, we kindly ask that you pay attention to your health condition and the spread of the infection on the day of the meeting and take it easy on yourself.

(8) Alcohol disinfectant for shareholders will be available near the reception desk at the venue. Please bring and wear a mask if you plan to attend the meeting.

(9) Depending on the situation of the spread of infection on the day of this Extraordinary Shareholders' Meeting, the Company's officers and staff members operating the meeting may wear masks after checking their physical condition, including taking their temperature.

(10) In order to prevent the spread of infection, we may ask shareholders coming to attend this meeting to take their temperature if they appear to be feeling unwell.

## **Guidance for Exercising Your Voting Rights**

### **If you attend the meeting:**

Please submit the enclosed Voting Rights Exercise Form at the reception desk on the day of the meeting (Opens at 9:30 AM on Thursday, March 31, 2022).

### **If you do not attend the meeting in person:**

If you do not attend the meeting in person, you can exercise your voting rights in advance either in writing or via the Internet.

#### **(1) Voting by mail (in writing):**

Please review the Reference Documents for the Extraordinary Shareholders' Meeting and return the Voting Rights Exercise Form with your votes by mail. The completed form must reach us by 7:00 PM, Wednesday, March 30, 2022, Japan time.

#### **(2) Voting via the Internet:**

Please access our designated website, listed below, for exercising voting rights from your PC or smartphone, enter the log-in ID and password indicated in your Voting Rights Exercise Form, and enter your votes by following the instructions on the screen after reviewing the Reference Documents for the Extraordinary Shareholders' Meeting. Your votes must be entered by no later than 7:00 PM, Wednesday, March 30, 2022, Japan time.

<https://www.web54.net/> (Japanese Only)

## Reference Documents for the Extraordinary Shareholders' Meeting

### 2. Changes to the articles of incorporation

#### (1) Reasons for Amendment

##### (Article 2)

The worker dispatch business will be added to Article 2 (Purpose) of the current articles of incorporation in view of future business development.

##### (Article 12 and Supplementary Article 1)

- 1) Pursuant to “Act on Partial Amendments to the Act on Strengthening Industrial Competitiveness Industrial Competitiveness, etc.,” (Law No. 70, 2021) which permits shareholders’ meetings to be convened without a designated location, as well as the impact of infectious diseases, natural disasters, and advancement of social digitalization, Section 2 will be added to Article 12 (Convention of a shareholders’ meeting) to allow for a virtual-only shareholders’ meeting to expand alternatives for the meeting, thereby protecting shareholder interests.
- 2) A bylaw relating to the enforcement of the abovementioned new provision is provided. The bylaw will be deleted after a predetermined date.

##### (Articles 14, 23, and 24)

The Company has introduced a Co-CEO (Co-Chief Executive Officer) system to strengthen its management structure. In order to clarify and substantiate this position by referring to its role in the articles of incorporation, the current Articles 14 (Right to call and chairperson of a shareholders’ meeting), 23 (CEO), and 24 (Right to call and chairperson of a board meeting) will be amended.

##### (Article 18 and Supplementary Article 2)

The articles of incorporation will be amended as follows, in light of the expected introduction of an electronic provision system for shareholders’ meeting materials pursuant to the amended provisions set forth in Article 1 caveat of the bylaws of the Act Partially Amending the Companies Act (No. 70, 2019) which will be enacted on September 1, 2022.

- 1) Article 18 (Electronic provision measures, etc.) Section 1, which states that electronic provision measures will be taken in connection with information contained in shareholders’ meeting reference documents, etc., will be added.
- 2) Article 18 (Electronic provision measures, etc.) Section 2, which allows the Company to limit the scope of items stated in documents to be sent to shareholders in response to their information requests, will be added.
- 3) The current Article 18 (Online disclosure and deemed provision of shareholders’ meeting reference documents, etc.) will be deleted, as the provision will not be necessary once the electronic provision system for shareholders’ meeting materials is introduced.
- 4) A bylaw relating to the enforcement of the abovementioned new provision is provided. The bylaw will be deleted after a predetermined date.

#### (2) Nature of the Proposed Changes

Proposed changes to the articles of incorporation are as follows.

(Changes underlined)

Current Articles of Incorporation	Proposed Amendment
(Purpose) Article 2 1. ~9. (omitted)  <div style="text-align: center;">(New)</div> 10. (omitted)	(Purpose) Article 2 1. ~9. (unchanged) <u>10. Worker dispatch business</u> <u>11. (unchanged)</u>

(Convention of a shareholders' meeting)

Article 12. The Company's annual general meetings of shareholders shall be convened within 3 months after every fiscal year end and extraordinary general meetings of shareholders shall be convened as needed.

(New)

(Right to call and chairperson of a shareholders' meeting)

Article 14. Unless otherwise set forth by law, the CEO shall call and be the chairperson of the meeting.

2. Where the CEO of the Company is unable to serve as chairperson due to unforeseen circumstances, another director shall serve as chairperson pursuant to the order set forth in advance by the Board of Directors.

(Online disclosure and deemed provision of shareholders' meeting reference documents, etc.)

Article 18. The Company shall be deemed to have provided information which should be contained in shareholders' meeting reference documents, business reports, financial statements and consolidated financial statements in connection with the convention of shareholders' meetings in the event that it discloses such information using the Internet, pursuant to the dictates of legal decrees.

(New)

(CEO)

Article 23. The Company shall appoint a CEO (Chief Executive Officer).

(Convention of a shareholders' meeting)

Article 12. The Company's annual general meetings of shareholders shall be convened within 3 months after every fiscal year end and extraordinary general meetings of shareholders shall be convened as needed.

2. The Company's shareholders' meetings may take the form of a shareholders' meeting without a designated location.

(Right to call and chairperson of a shareholders' meeting)

Article 14. Unless otherwise set forth by law, the CEO shall call and be the chairperson of the meeting. In the event that there are multiple CEOs, a Co-CEO shall call and be the chairperson of the meeting pursuant to the order set forth in advance by the Board of Directors.

2. Where the CEO or Co-CEO of the Company is unable to serve as chairperson due to unforeseen circumstances, another director shall call the shareholders' meeting and serve as chairperson pursuant to the order set forth in advance by the Board of Directors.

(Deleted)

(Electronic provision measures, etc.)

Article 18. The Company shall take electronic provision measures when convening shareholders' meetings with respect to information contained in shareholders' meeting reference documents, etc.

2. The Company shall not be required to state all or a portion of items subject to electronic provision measures set forth in legal decrees in documents provided to shareholders who request such documents before the record date of voting rights.

(CEO)

Article 23. The Company's Board of Directors shall appoint one or multiple CEOs (Chief Executive Officers) from the representative directors. In the event that there are multiple

2. In the event that there are two or more representative directors, one shall be appointed CEO by board resolution. In the event that there is one representative director, such representative directors shall be appointed CEO.

(Right to call and chairperson of a board meeting)

Article 24. Unless otherwise set forth by law, the CEO shall call and be the chairman of board meetings. Where the CEO is unable to serve as chairperson due to unforeseen circumstances, another director shall serve as chairperson pursuant to the order set forth in advance by the Board of Directors.

(New)

(New)

(New)

CEOs, each shall be referred to as a Co-CEO.

(Deleted)

(Right to call and chairperson of a board meeting)

Article 24. Unless otherwise set forth by law, the CEO shall call and be the chairman of board meetings. In the event that there are multiple CEOs, a Co-CEO shall call and be the chairperson of the board meeting pursuant to the order set forth in advance by the Board of Directors.

2. Where the CEO or Co-CEO is unable to serve as chairperson due to unforeseen circumstances, another director shall call the board meeting and serve as chairperson pursuant to the order set forth in advance by the Board of Directors.

Bylaws

(Effect of Changes to Article 12, Section 2)

The addition of Article 12 (Convention of a shareholders' meeting) Section 2 shall become effective on the day that the Minister of Economy, Trade and Industry and the Minister of Justice confirm that a shareholders' meeting shall be convened without a designated location pursuant to the Act on Strengthening Industrial Competitiveness Industrial Competitiveness, etc. This bylaw (Effect of Changes to Article 12, Section 2) shall be deleted after such day.

(Transitional measures, etc. concerning changes to Electronic provision measures)

1. The deletion of Article 18 in the current articles of incorporation (Online disclosure and deemed provision of shareholders' meeting reference documents, etc.) and the addition of Article 18 (Electronic provision measures, etc.) shall become effective on the day of the enactment of the amended provisions set forth in Article 1 caveat of the bylaws of the Act Partially Amending the Companies Act (No. 70, 2019).

2. Notwithstanding the foregoing, the current Article 18 (Online disclosure and deemed provision of shareholders' meeting reference documents, etc.) shall maintain its effect at shareholders' meetings which take place within 6 months after the enactment date.

	<p><u>3. This bylaw (Transitional measures, etc. concerning changes to Electronic provision measures) in this Article shall be deleted on the later of 1) the date 6 months after the effective date or 2) 3 months after the shareholders' meeting referred to in the previous section.</u></p>
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### 3. Capital Reduction

#### (1) Objectives of the Capital Reduction

This capital reduction will be implemented to secure flexibility and agility in the Company's future capital policy.

Specifically, paid-in-capital will be reduced, and the entire amount of decrease will be reclassified as other capital surplus pursuant to Article 447 Section 1 of the Companies Act.

The capital reduction is merely a reclassification of accounts in the net assets section of the balance sheet and does not affect the Company's total net assets. As total shares outstanding will also remain unchanged, there will be no impact on the number of shares held by shareholders or on net assets per share.

#### (2) Overview of the Capital Reduction

##### 1) Amount of the Capital Reduction

Paid-in capital will be reduced by 2,266,959,196 yen, from 2,276,959,196 yen to 10,000,000 yen.

In the event that stock acquisition rights issued by the Company are exercised before the effective date of the capital reduction, paid-in capital will be reduced by the amount of increase in paid-in capital resulting from the stock issuance due to exercise, such that the ultimate paid-in capital will be 10,000,000 yen.

##### 2) Method of the Capital Reduction

The entire decrease in paid-in capital will be reclassified as other capital surplus, without changing the total number of shares outstanding.

#### (3) Planned Schedule for the Capital Reduction

- 1) Board of Directors' resolution date: January 14, 2022
- 2) Public notice date for objections from creditors: February 15, 2022
- 3) Deadline for objections from creditors: March 18, 2022
- 4) Extraordinary Shareholders' Meeting resolution date: March 31, 2022
- 5) Effective date of the capital reduction: March 31, 2022