

*\* Caution: Please kindly be advised that this English document is a partial translation of MEDLEY, INC's Notice of Convocation of the 13<sup>th</sup> Annual General Meeting of Shareholders for the reference purposes only. In case of any inconsistency between the Japanese original version and this English version, Japanese original version governs.*

Securities Code No.4480

March 10, 2022

To Our Shareholders

Kohei Takiguchi  
President and Chief Executive Officer  
**MEDLEY, INC.**  
3-2-1 Roppongi, Minato-ku, Tokyo,  
106-6222, Japan

## **Notice of Convocation of The 13th Annual General Meeting of Shareholders**

You are cordially invited to attend the 13th Annual General Meeting of Shareholders of Medley Inc. (the “Company”), which will be held as indicated below.

After careful consideration, the Company has decided to hold the meeting at a considerably reduced size while taking all appropriate measures to prevent the spread of infection of the Novel Coronavirus Disease (COVID-19).

We will kindly ask your cooperation to exercise your voting rights in writing or via internet etc. in advance and refrain from attending the meeting on the day. We will implement a limit on admission to the venue of the meeting (pre-registration & lottery).

Please review the following documents entitled “Reference Documents for the General Meeting of Shareholders”, and exercise your voting rights in accordance with the instruction on pages 5 to 6 by 18:00 Thursday, March 24, 2022 (JST).

## Particulars

1. **Date and Time** Friday, March 25<sup>th</sup>, 2022 at 13:00 (JST)  
(The reception desk is scheduled to open at 12:30)
2. **Venue** Room A • B, Bellesalle Roppongi Grand Conference Center,  
9F Sumitomo Fudosan Roppongi Grand Tower, 3-2-1 Roppongi, Minato-ku,  
Tokyo, 106-6222, Japan
3. **Purpose of Meeting**

### **Matters to be Reported**

1. The Business Report, the Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board for the 13<sup>th</sup> fiscal year (January 1, 2021 to December 31, 2021)
2. The Non-consolidated Financial Statements for the 12<sup>th</sup> fiscal year (January 1, 2021 to December 31, 2021)

### **Matters to be Resolved**

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| <b>Proposal No.1</b> | Partial Amendment to the Articles of Incorporation |
| <b>Proposal No.2</b> | The Reductions of Stated Capital                   |

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- If you attend this Annual General Meeting of Shareholders, please present the enclosed voting form and the “Attendance Confirmation Notice” received via e-mail at the reception desk. We also respectfully request the shareholders who will attend this Annual General Meeting of Shareholders, to bring this booklet as meeting material.

- We do not prepare any gifts for shareholders attending this Annual General Meeting of Shareholders. We appreciate your understanding.

- In accordance with the applicable laws and regulations and the provisions of Article 15 of the Company's Articles of Incorporation, we have posted on our website (<https://www.medley.jp/ir/>) the matters concerning the Company's stock acquisition rights, the matters concerning the development of systems to ensure the properness of operations, the consolidated statement of changes in equity, the Notes to the Consolidated Financial Statements, the statement of changes in equity, and the Notes to the Non-Consolidated Financial Statements, and thus are not included in this Notice of Convocation. The Consolidated Financial Statements and Non-Consolidated Financial Statements described in the attached documents to this Notice of Convocation are part of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Independent Auditor and Audit & Supervisory Board Members in preparing the accounting audit reports and audit reports.

- If any amendments are made to matters contained in Reference Documents for the General Meeting of Shareholders, Business Report, or to Non-Consolidated Financial Statements and the Consolidated Financial Statements, such amendments will be posted on the Company’s web site (<https://www.medley.jp/en/ir/>)

- The results of the resolution of this Annual General Meeting of Shareholders will be posted on the Company's website after the conclusion of this Annual General Meeting of Shareholders, instead of sending a written notice of the resolution.

*[Detailed instructions on how to exercise the voting rights at the venue of this Annual General Meeting of Shareholders and via mail or internet are omitted from the English translation.]*

# Reference Documents for the General Meeting of Shareholders

## Proposal and Reference Material

### **Proposal No.1 Partial Amendment to the Articles of Incorporation**

#### 1. Reasons for the Proposal

- (1) A business purpose will be added to Article 2 (Purpose) of the current Articles of Incorporation in order to clarify the business activities of the Company and its subsidiaries in line with the current status of their business activities.
- (2) The Company proposes to amend the Articles of Incorporation to allow the Company to hold its shareholders meeting without a fixed place (so-called “Virtual-Only Shareholders Meeting”) in order to ensure the interests of shareholders by making the shareholders meeting more active, efficient, and smooth, and making it easier for many shareholders, including those in remote areas, to attend the meeting and by contributing to countermeasures against new coronavirus infectious diseases such as COVID-19 and natural disasters.

Regarding concerns expressed by certain voting advisory companies about amendment to Articles of Incorporation related to the holding of Virtual-Only Shareholders Meeting, the Company has determined after sufficient deliberation that this proposal will contribute to the vitalization, efficiency, and facilitation of its shareholders meeting and will not interfere with meaningful dialog between the Company and its shareholders and, if the proposal is approved, assuming that there is adequate dialogue with shareholders, the method of holding shareholders meeting will be determined in an agile and flexible manner.

Based on the Act for Partial Amendment of the Industrial Competitiveness Enhancement Act and Other Related Acts, the Company is permitted by Minister of Economy, Trade and Industry and the Minister of Justice to amend its Articles of Incorporation which allow the Company to hold its shareholders meeting without a fixed place.

- (3) The amended provisions set forth in the proviso of Article 1 of the Supplementary Provisions of the “Act for Partial Amendment of the Companies Act (Act No. 70 of 2019)” will enter into force on September 1, 2022. The Company therefore proposes to amend its Articles of Incorporation to prepare for the introduction of a system for providing shareholders meeting materials in electronic format.

1. The proposal to amend Article 15, Paragraph 1 of its Articles of Incorporation sets forth that the Company provides shareholders meeting materials in electronic format.
2. The proposal to amend Article 15, Paragraph 2 of its Articles of Incorporation sets forth the provisions to limit the scope of documents to be delivered to shareholders who have requested the delivery of materials in paper-based format.
3. As the Company has determined that provisions on internet disclosure and deemed provision of reference materials for shareholders meeting (Article 15 of the current Articles of Incorporation) are no longer necessary, it proposes to remove said provisions.
4. In accordance with the additions and deletions of its Articles of Incorporation aforementioned, the Company will establish supplementary provisions regarding the effective date, etc.

## 2. Details of Amendment to Articles of Incorporation

(Underlines show amendment)

Existing Articles of Incorporation	Proposed Amendments
<p>Article 2 (Purposes)</p> <p>The business purposes of the Company are as follows:</p> <p>1.- 4. (reference omitted) (newly provided)</p> <p>5.- 17. (reference omitted)</p>	<p>Article 2 (Purposes)</p> <p>The business purposes of the Company are as follows:</p> <p>1.- 4.(no changes from existing Articles)</p> <p><u>5. Educational training business for the purpose of nurturing human resources in the medical, nursing care, and nursing fields</u></p> <p><u>6.-18.</u>(no changes from existing Articles)</p>
<p>Article 13 (Convocation)</p> <p>An Ordinary General Meeting of Shareholders of the Company shall be convened within three months after the end of each fiscal year, and an Extraordinary General Meeting of Shareholders shall be convened as necessary from time to time.</p>	<p>Article 13 (Convocation)</p> <p>An Ordinary General Meeting of Shareholders of the Company shall be convened within three months after the end of each fiscal year, and an Extraordinary General Meeting of Shareholders shall be convened as necessary from time to time.</p>

(newly provided)	<u>2 The Company may hold its general meeting of shareholders without a fixed place.</u>
<u>Article 15 (Internet Disclosure and Deemed Provision of Reference Materials for Shareholders Meeting)</u> <u>The Company may be deemed to have provided to shareholders information related to shareholders meeting including matters included in reference materials for the shareholders meeting, business reports, financial statements and consolidated financial statements or matters to be disclosed by disclosing said information through the Internet in accordance with ordinances of the Ministry of Justice.</u>	(deleted)
(newly provided)	<u>Article 15 (Measures for Provision in Electronic Format, etc.)</u> <u>When convening a shareholders meeting, the Company shall disclose information in reference materials for the shareholders meeting via electronic format.</u> <u>2 The Company may, as specified by ordinances of the Ministry of Justice, omit all or a portion of matters for which electronic provision measures are to be taken in documents delivered to shareholders who have requested the delivery of materials in paper-based format by the Record Date for voting rights.</u>

(newly provided)	<p><u>(Supplementary Provisions)</u></p> <p><u>1. Deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Materials for Shareholders Meeting) of the Articles of Incorporation (pre-revision) and newly provision of revised Article 15 (Measures for Provision in Electronic Format, etc.) of the Articles of Incorporation (post-revision) shall be deemed effective starting on September 1, 2022.</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, the pre-revision version of Article 15 of the Articles of Incorporation shall be in effect for any shareholders meeting held on or before February 28, 2023.</u></p> <p><u>3. This Supplementary Provision shall be deleted from the Articles of Incorporation after the later of March 1, 2023 or the day on which three months have elapsed from the date of the shareholders meeting pertaining to the preceding paragraph.</u></p>
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## **Proposal No.2 The Reductions of Stated Capital**

### **1. Reasons for the Proposal**

The Company plans to reduce the amount of its stated capital in order to maintain a flexible and dynamic capitalization strategy in accordance with Article 447, Paragraph 1 of the Companies Act. There will be no change in the total number of shares issued and in the amount of net assets, and the reduction in its stated capital will have no impact on the number of shares held by shareholders or the amount of net assets per share.

(1) Amount of Capital Reduction

Amount of stated capital will be reduced by ¥6,706,998,700 from its current level of ¥6,716,998,700. The entire amount of the reduction will be transferred to “Other Capital Surplus” and post-reduction capital will be ¥10,000,000.

If, for example, stock options issued by the Company are exercised by the effective date of the capital reduction, the amount of the stated capital and the amount of the stated capital after the reduction could be different from the aforementioned figures.

(2) Effective date of capital reduction

June 1, 2022