Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 3913)
March 12, 2020

**To our shareholders**

2-3-1 Shinkawa, Chuo-ku, Tokyo
sMedio, Inc.
President: Sadanori Iwamoto

# NOTICE OF THE 13TH ANNUAL SHAREHOLDERS' MEETING

Notice is hereby given that the 13th Annual Shareholders' Meeting of the Company will be held as specified below. You are cordially invited to attend the Meeting.

If you are unable to attend the Meeting, you may exercise your voting rights in writing. After reviewing the attached Documents for Reference for the Annual Shareholders' Meeting, please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it to the Company so that it arrives no later than 6:30 p.m. on Thursday, March 26, 2020, Japan time.

Notice of Meeting

**1. Date:** Friday, March 27, 2020 at 10:00 a.m. Japan time
(Reception starts at 9:30 a.m. Japan time)

**2. Place:** Conference Room 701 (7F) at Tekko Kaikan
3-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo, Japan
(Please refer to the guide map for the venue of the Meeting at the end of this document [Japanese only].)

**3. Objectives of Meeting:**

**(Matters to Report)**

1. Business Report, Consolidated Financial Statements for the Company's 13th period (January 1, 2019 to December 31, 2019) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 13th period (January 1, 2019 to December 31, 2019)

**(Proposal)** Election of Four (4) Directors

1. When attending the Meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
2. Among the documents which should be provided together with this Notice, as the following notes are made available on the Company's website (https://www.smedio.co.jp/), pursuant to applicable laws and regulations and Article 14 of the Articles of Incorporation of the Company, these notes are not provided in this Notice.
   (1) Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements
   (2) Non-consolidated Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements
   The Consolidated Financial Statements and Non-consolidated Financial Statements, which have been audited by the Accounting Auditor and Auditors when preparing the accounting audit report and audit report, are described in the attached documents of this Notice, and are also made available on the Company's website above.
3. Should the Documents for Reference for the Annual Shareholders' Meeting, the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (https://www.smedio.co.jp/).
4. No souvenir will be made available to the attending shareholders. We sincerely request your understanding and acceptance.

# Documents for Reference for the Annual Shareholders' Meeting

**Proposals and References**

**Proposal:** Election of Four (4) Directors

The terms of office of all four (4) Directors will expire at the conclusion of this year's Annual Shareholders' Meeting. Accordingly, the election of four (4) Directors is proposed.

The nominees for Directors are as follows:

| No. | Name (Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 1 | Sadanori Iwamoto (May 31, 1971) [Reelected] [Years in office as Director] 10 years | July 1996 Product Manager, Nichimen Electronics Parts, Inc. (currently E-Globaledge Corporation)<br>June 2002 OEM Sales Senior Director, InterVideo Japan Inc. (currently Corel Japan Ltd.)<br>February 2008 General Manager of Sales, VideACE, Inc. (currently sMedio, Inc.)<br>March 2010 Director, General Manager of Sales & Marketing<br>March 2015 Managing Director, sMedio, Inc.<br>February 2017 Representative Director and CEO, sMedio, Inc. (to present)<br>[Significant concurrent positions]<br>・Director, sMedio Technology (Shanghai) Inc.<br>・Director, sMedio America Inc.<br>・Director, Taosoftware Co., Ltd. | 33,000 |
| 2 | Hirotake Kitano (December 19, 1978) [Reelected] [Years in office as Director] 3 years | April 2003 Joined Osaka Prefectural Government<br>December 2006 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)<br>July 2010 Registered as a Certified Public Accountant<br>May 2012 Joined Fuji Life Insurance Co., Ltd. (currently FWD Fuji Life Insurance Company, Limited)<br>August 2015 General Manager of Corporate Strategy Planning Dept., sMedio, Inc.<br>March 2017 Director, General Manager of Corporate Strategy Planning Dept., sMedio, Inc. (to present)<br>[Significant concurrent position]<br>・Director, sMedio Technology (Shanghai) Inc. | 2,000 |

| No. | Name<br>(Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 3 | Yoji Ochiai<br>(March 29, 1964)<br>[Reelected]<br>[Outside Director]<br>[Independent Director]<br>[Years in office as Director]<br>5 years | April 1987 Joined the Legal Training and Research Institute, Supreme Court of Japan<br>April 1989 Prosecutor of the Tokyo District Public Prosecutor's Office<br>September 2000 Joined Yahoo Japan Corporation<br>October 2000 Registered as an attorney-at-law (the Tokyo Bar Association)<br>November 2001 Joined Yaesu Daiichi Law Office<br>September 2008 Established Sengakujimae Law Office<br>April 2010 Designated Professor, Law School, Tokai University<br>December 2013 External Statutory Auditor, WebCrew Inc.<br>March 2015 Outside Director, sMedio, Inc. (to present)<br>April 2018 Representative, Takanawa Kyodo Law Office (to present)<br>January 2020 Auditor, AS Japan Co., Ltd. (to present)<br>[Significant concurrent positions]<br>・ Representative, Takanawa Kyodo Law Office<br>・ Auditor, AS Japan Co., Ltd.<br>[Reasons for nomination as a candidate for Outside Director]<br>From his experience and knowledge as an attorney-at-law and an External Statutory Auditor at another company, Mr. Yoji Ochiai has been providing valuable opinions and suggestions, and therefore the Company nominated him again as a candidate for Outside Director.<br>At the conclusion of this Annual Shareholders' Meeting, he will have been in office as an Outside Director of the Company for five years. | - |
| 4 | Jyh-Jong Lin<br>(September 30, 1967)<br>[Reelected]<br>[Outside Director]<br>[Independent Director]<br>[Years in office as Director]<br>2 years | April 1995 Joined Taipei Branch of TOMEN Corporation (currently Toyota Tsusho Corporation)<br>April 1997 Joined Ulead Systems, Inc. (currently Corel Corporation Taiwan)<br>July 2004 President and Representative Director, Ulead Systems Japan, Inc. (currently Corel Japan Ltd.)<br>August 2006 Executive Vice President, InterVideo Japan Inc. (currently Corel Japan Ltd.)<br>June 2008 Executive Vice President, Corel Japan Ltd.<br>June 2010 President and Representative Director, CyberLink Corp.<br>October 2013 President and Representative Director, AEGIS Technologies, Inc.<br>October 2017 President and Representative Director, Kiwi Technology Inc. (to present)<br>March 2018 Outside Director, sMedio, Inc. (to present)<br>[Significant concurrent position]<br>・President and Representative Director, Kiwi Technology, Inc.<br>[Reasons for nomination as a candidate for Outside Director]<br>Mr. Jyh-Jong Lin has extensive experience in the IT industry, as well as experience in management and industry knowledge as the President of Japanese branches of companies. Utilizing his experience and knowledge, he is expected to provide suggestions concerning all aspects of the Company's corporate management including its corporate governance, and contribute to strengthening the Company's management system. Therefore, the Company nominated him as a candidate for Outside Director.<br>At the conclusion of this Annual Shareholders' Meeting, he will have been in office as an Outside Director of the Company for two years. | - |

(Notes)

1. No special interests exist between the Company and each nominee.
2. Mr. Yoji Ochiai and Mr. Jyh-Jong Lin are nominees for Outside Directors.
3. Reasons for deeming nominees as capable of properly carrying out duties as Outside Directors
   During his past five years in office, Mr. Yoji Ochiai has fulfilled his duties as an Outside Director using his experience and insights. Therefore, the Company deemed that he will continue to properly carry out his duties as an Outside Director if he is reelected.
   During his past two years in office, Mr. Jyh-Jong Lin has fulfilled his duties as an Outside Director using his experience in the IT industry, and experience of participating in management as the President of Japanese branches of foreign companies. Therefore, the Company deemed that he will continue to properly carry out his duties as an Outside Director if he is reelected.
4. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Yoji Ochiai and Mr. Jyh-Jong Lin for the purpose of limiting the liability for damages under Article 423, Paragraph 1 of the same Act. The maximum amount of the liability for damages under the agreement shall be the minimum liability amount as stipulated by Article 425, Paragraph 1 of the same Act. If they are reelected as Outside Directors, the Company plans to continue the said agreements with them.
5. The Company has registered Mr. Yoji Ochiai and Mr. Jyh-Jong Lin as independent directors as stipulated in the rules set out by the Tokyo Stock Exchange, on which the Company is listed. If they are reelected, the Company will continue to appoint them as independent directors.