

[Translation]

February 26, 2021

Company name: MEDLEY, INC.

Representative: Kohei Takiguchi

President and Chief Executive Officer

(TSE Mothers Code No.4480)

Contact: Yuta Tamaru

Director and Head of Corporate Division

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Notice Regarding Amendment to Articles of Incorporation and Selection of Candidates for Members of the Board of Directors

At a meeting of the Board of Directors held on February 26, 2021, the Board of Directors made resolutions regarding an amendment to the Articles of Incorporation and eleven Board of Director member candidates, which will be submitted as proposals at the twelfth Ordinary General Meeting of Shareholders (hereinafter, Shareholders Meeting) to be held on March 26, 2021.

1. Amendment to Articles of Incorporation

(1) Reasons for Amendment to Articles of Incorporation

1 Business purposes 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 In order to further strengthen the Company's management system, the maximum number of Directors as stipulated in Article 19 (Number of Directors) of the current Articles of Incorporation will be increased by two, from ten to twelve.

(2) Details of Amendment to Articles of Incorporation

(Underlines show amendment)

Existing Articles of Incorporation	Proposed Amendment
Article 2 (Purpose) The business purposes of the Company are as follows: 1.-15. (reference omitted) (newly provided) <u>16.</u> Any and all businesses related to the preceding items. Article 19 (Number of Directors) The number of Directors shall not exceed <u>ten</u> .	Article 2 (Purpose) The business purposes of the Company are as follows: 1.-15. (no changes from existing Articles) <u>16. Control and management of business activities of companies engaged in various businesses and foreign companies through acquisition and holding of shares or equity interests in said companies.</u> <u>17. Any and all businesses related to the preceding items.</u> Article 19 (Number of Directors) The number of Directors shall not exceed <u>twelve</u> .

(3) Schedule for Amendment

Scheduled date of Shareholders Meeting held to amend Articles of Incorporation: Friday, March 26, 2021

Effective date of amendment to Articles of Incorporation: Friday, March 26, 2021

2. Nomination of Director Candidates

The terms of office of all eight Directors of the Company will expire at the conclusion of the Shareholders Meeting. Therefore, in order to further strengthen the Company's management system, the Company proposes the election of eleven Directors, including three new candidates, subject to the approval of the proposed amendment to the Articles of Incorporation to change the maximum number of Directors to twelve.

The Group aims to maximize long-term cash flow and increase corporate value over the long term by reviewing its organizational structure as appropriate in line with expansion of its businesses, and by ensuring efficient operation of each organizational division and clarifying the scope of responsibilities thereof. The Board of Directors has decided to propose the election of seven Internal Directors, including one new candidate at this General Meeting of Shareholders in order to avoid deterioration in the Company's currently strong growth momentum and establish a system wherein each Director is able to optimally execute their duties in their respective areas of responsibility.

In addition, the Board of Directors has decided to propose the election of four External Directors, including two new candidates in order to strengthen the Company's corporate governance system by increasing the number of External Directors.

As a result of the above, the planned structure of the management system for the Company during its thirteenth fiscal year is as follows.

Name	Position	Type of nomination
Kohei Takiguchi	Representative Director, CEO	Re-nomination
Goichiro Toyoda	Director	Re-nomination
Yosuke Ishizaki	Director	Re-nomination
Sosuke Hirayama	Director and CTO	Re-nomination
Yuta Tamaru	Director	Re-nomination
Ryo Kawahara	Director and CFO	Re-nomination
Yusuke Shima	Director	New nomination
Hidetoshi Takano	External Director	Re-nomination
Noboru Kotani	External Director	Re-nomination
Daisuke Iwase	External Director	New nomination
Kenichi Hoshi	External Director	New nomination
Shohei Omote	Full-time Auditor	Currently serving
Keiichi Kato	External Corporate Auditor	Currently serving
Masahide Kamachi	External Corporate Auditor	Currently serving

3. Names and Histories of New Nominees

Name (date of birth)	Career Summary, Positions, Assignments, and Material Concurrent Positions	Number of shares in the Company held
Yusuke Shima (May 27, 1984)	April 2009 Joined The University of Tokyo Medical School Hospital April 2011 Joined Department of Gastroenterology, Japanese Red Cross Society Medical Center April 2014 Joined Department of Gastroenterology, Tokyo University Medical School Hospital April 2015 Joined Boston Consulting Group April 2016 Joined the Company as Executive Officer (current position) December 2020 Joined Pacific System Co., Ltd. as Representative Director (Doctor) (current position) January 2021 Became Head of Business Planning Division, Incubation Headquarter (current position)	223,600
Daisuke Iwase (March 17, 1976)	April 1998 Joined Boston Consulting Group December 2001 Joined Ripplewood Japan October 2006 Joined Net Life (currently Lifenet Insurance Company) as Director and Vice President February 2009 Became Representative Director and Vice President of Lifenet Insurance Company June 2013 Became External Director at Benesse Holdings, Inc. Became Representative Director and COO of Lifenet Insurance Company June 2016 Became Representative Director and President of Lifenet Insurance Company June 2018 Became Chairman of the Board of Directors of Lifenet Insurance Became Group Chief Digital Officer (CDO) at AIA Group Limited June 2020 Became External Director at Benesse Holdings, Inc. (current position) August 2020 Became Managing Partner at Spiral Capital (current position)	
Kenichi Hoshi (January 17, 1967)	April 1989 Joined Juki Corporation February 2005 Joined Misumi Corporation June 2008 Joined Amazon Japan G.K. November 2019 Founded kenhoshi & Company (currently President) February 2020 Became COO of Oisix ra daichi Inc. (current position) June 2020 Became External Director at PopSicle	