

June 30, 2022

Company name: Meiko Network Japan Co., Ltd.
Representative: Kazuhito Yamashita,
President & Representative Director
Stock code: 4668 (TSE Prime)
Contact: Kouyuki Sakamoto, Executive Officer,
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Department
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Notice Concerning Establishment of Subsidiary

At the Board of Directors' meeting held on June 30, 2022, the Company resolved to establish a subsidiary. Details are as follows.

1. Reason for establishment of subsidiary

The Company has established two Management Philosophy: "We aim to nurture human resources through our contribution to educational and cultural programs" and "We help achieve goals through our development and diffusion of franchise know-how". We also have an Educational Philosophy: "To nurture creative, independently-minded human resources for 21st century society through an individual tutoring service that promotes self-motivated learning". Since the Company's foundation, the Company has cherished these principles and has worked to directly run the "Meiko Gijuku", based on "self-motivated learning" and "individual tutoring", and to expand its franchise system nationwide.

While inheriting this "founding spirit", we will respond to rapid changes in the social environment and create a business to provide valuable services that anticipate the needs of the times, starting from the Company's Purpose: "Create a memory of "You Can if You Think You Can"". We aim to grow into a "corporate group that extracts the potential in people".

On the other hand, amid the remarkable evolution of digital technology in the VUCA era and the promotion of "Digital Transformation (DX)" in various fields, the Company has been working on DX for information systems, marketing, and operational operations to utilize new digital technologies and promote the business transformation of its data-driven cram school operations. Particularly, in marketing operations we have built new and continuous relationships with customers based on attribute and behavioral data and promoted efficient digital marketing.

In the future, as the communication and behavior change of people will shift further to digital, we will establish "Go Good Co., Ltd." with the aim of realizing DX that creates exciting and delightful new experiences through digital communication in various fields such as education, working styles and regions, including the development of digital professional human resources and new businesses utilizing digital technology etc. in addition to digital marketing operations.

We have positioned DX as one of our most important strategies. While repeating the transformation, we will work

on "Education x Business," which uses digital power to create a memory of "You Can if You Think You Can."

<Corporate Logo>

Go!Good

Digital Communication

2. Outline of the subsidiary to be established

(1)	Name	Go Good Co., Ltd.	
(2)	Location	7-20-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan	
(3)	Name and title of representative	Yasutada Taniguchi, Representative Director	
(4)	Business	Marketing DX and Internet Advertising	
(5)	Share capital	10,000 thousand yen	
(6)	Date of establishment	June 30, 2022	
(7)	Investment ratio	100% by the Company	
(8)	Relationship between the listed company and the subsidiary	Capital relationship	It will be established as a wholly owned subsidiary of the Company.
		Human relationship	An Executive Officer of the Company concurrently serves as Representative Director of said subsidiary.
		Business relationship	The Company plans to conclude a consignment agreement with the said company in the DX business and digital marketing areas.

3. Schedule

(1)	Date of resolution by the Board	June 30, 2022
(2)	Date of establishment	June 30, 2022
(3)	Commencement date of business	June 30, 2022

4. Future Outlook

The impact of this matter on the Company's consolidated financial results for the fiscal year ending August 2022 is expected to be minimal. However, the Company will promptly notify any matters that should be disclosed in the future.