



October 13, 2022

Company name: USEN-NEXT HOLDINGS Co., Ltd.  
Representative: Yasuhide Uno, President, Representative  
Director & CEO  
(Securities code: 9418)  
Contact: Shohei Mabuchi, Managing Director &  
CFO  
Phone: +81-3-6823-7015

## **Notice on Partial Change to and Termination of Shareholder Benefit Program and Change to Dividend Policy**

USEN-NEXT HOLDINGS Co., Ltd. (the “Company”) hereby announces that it has adopted a resolution at its Board of Directors meeting held today to change the number of points to be awarded next time in the “USEN-NEXT HOLDINGS Premium Benefit Club,” a point-based shareholder benefit program, for which the record date is the last day of February of each year, and to terminate this benefit program after the next award. The Company has also resolved to make an interim dividend payout as a basic policy in its dividend and profit return strategy from the current fiscal year ending August 31, 2023.

1. Change in the number of points to be awarded in the shareholder benefit program “USEN-NEXT HOLDINGS Premium Benefit Club,” and the termination of the program

(1) Reason for the change and the termination

The Company has offered the program “USEN-NEXT HOLDINGS Premium Benefit Club” as a way to express its gratitude to its shareholders for their continuing support, and in the hope of making investment in its shares more attractive and increasing the number of shareholders who will hold its shares over the medium to long term. In the meantime, the Company has constantly increased dividends since the fiscal year ended August 31, 2019 in order to enhance the overall return of profits to its shareholders.

The Company has decided to change the number of points to be awarded for the next time with the record date of February 28, 2023, and to terminate this benefit program after the next award, as a result of careful consideration as to how the Company should reduce selling, general and administrative expenses, including expenses related to shareholder benefits, as an answer to the current uncertain business environment (geopolitical risks, supply chain issues, depreciation of the yen, acceleration of inflation, etc.), and how the Company should give fairer return of profits to its shareholders.

The Company will continue to consider returning profits to shareholders as an important management issue and strive for constant enhancement of its corporate value. The Company will appreciate your understanding.

(2) Points to be awarded for the record date of February 28, 2023

Number of shares held (Shares)	Before the change		After the change	
	First year	Second year and thereafter	First year	Second year and thereafter
500–599	5,000 P	5,500 P	<b><u>2,500</u></b> P	5,500 P
600–699	10,000 P	11,000 P	<b><u>5,000</u></b> P	11,000 P
700–799	15,000 P	16,500 P	<b><u>7,500</u></b> P	16,500 P
800–899	18,000 P	19,800 P	<b><u>9,000</u></b> P	19,800 P
900–999	20,000 P	22,000 P	<b><u>10,000</u></b> P	22,000 P
1,000–1,999	25,000 P	27,500 P	<b><u>12,500</u></b> P	27,500 P
2,000–2,999	60,000 P	66,000 P	<b><u>30,000</u></b> P	66,000 P
3,000–3,999	70,000 P	77,000 P	<b><u>35,000</u></b> P	77,000 P
4,000–4,999	80,000 P	88,000 P	<b><u>40,000</u></b> P	88,000 P
5,000–9,999	90,000 P	99,000 P	<b><u>45,000</u></b> P	99,000 P
10,000 and more	100,000 P	110,000 P	<b><u>50,000</u></b> P	110,000 P

\* Changes are in bold and underlined.

(3) Timing of the termination of this shareholder benefit program

After the award of points to eligible shareholders for the record date of February 28, 2023, the Company will terminate the shareholder benefits offered in the “USEN-NEXT HOLDINGS Premium Benefit Club.”

As a result of the termination, the expiration date for the points awarded for the record date of February 28, 2023 will be July 31, 2023. Please note that shareholders will not be allowed to carry over these points, though they have been allowed to carry over their points up to two years.

\* Please note that the points awarded for the record date of February 28, 2023 cannot be carried over.

\* Application to receive preferential gifts is scheduled to start in early April 2023.

(4) Other important notes

- (i) As announced in the press release dated April 7, 2022 (\*), starting from the benefit for the record date of February 28, 2023, one of the requirements for receiving the benefit is ownership of five units (500 shares) or more of the Company’s shares stated or recorded in the shareholder registry on the date determined at the discretion of the Company. The shareholder registry has already been finalized as of July 19, 2022, which is the date determined at the Company’s discretion.

Accordingly, shareholders who did not have five units (500 shares) or more of the Company’s shares registered in the shareholder registry as of July 19, 2022 will not be eligible for the next point award even if they purchase or have purchased the shares.

(\*) Notice on Partial Change to Requirement for Receiving Benefit Offered in Shareholder Benefit Program “USEN-NEXT HOLDINGS Premium Benefit Club” (Available in Japanese only)  
[https://ssl4.eir-parts.net/doc/9418/ir\\_material5/182413/00.pdf](https://ssl4.eir-parts.net/doc/9418/ir_material5/182413/00.pdf)

- (ii) There will be no change to the shareholder benefit program in which shareholders can enjoy the Group’s content distribution service “U-NEXT,” whose record dates are the last day of February and August of each year.

2. Change to the dividend policy

(1) Reason for the change

Considering returning profits to shareholders as one of its top business priorities, the Company has distributed dividends of surplus once a year at the end of the fiscal year based on its overall performance, taking into account factors such as financial conditions, profits, and plans for new investments as a basic policy. The Company has resolved to change the basic policy on how often it pays out a dividend in order to further enhance its dividend strategy.

The Company will continue to strive to strengthen its business and financial foundation with the goal of increasing the dividend payout ratio to 30%.

(2) Detail of the change in the basic policy

	Before the change	After the change
Frequency of the dividend payout	Once a year (Year-end dividend)	<b><u>Twice</u></b> a year ( <b><u>Interim dividend and</u></b> year-end dividend)

\* Changes are in bold and underlined.

(3) Timing of the change

The change will take effect in the current fiscal year ending August 31, 2023.

Accordingly, the record date of the next interim dividend will be February 28, 2023.