



December 24, 2025

To All Concerned,

Company: BROTHER INDUSTRIES, LTD.  
Representative: Representative Kazufumi Ikeda  
Director &  
President  
(Code: 6448 TSE Prime/NSE Premier)  
Contact: Senior Managing Toshihiro Itou  
Executive Officer  
(TEL. 052-824-2075)

### **Notice of Execution of a Share Transfer Agreement Concerning the Partial Transfer of Shares of XING INC.**

The Company hereby announces that, on this date, it has executed a Share Transfer Agreement to transfer 70% of the shares of XING INC. (“XING”), which is the Company’s wholly owned subsidiary, to U-NEXT HOLDINGS Co., Ltd. (“U-NEXT HOLDINGS”) (the “Share Transfer”), as well as a Shareholders’ Agreement in connection with the conversion of XING into a joint venture. The details are as follows. As a result of the Share Transfer, XING is expected to be excluded from the Company’s consolidated subsidiaries and is scheduled to become an equity-method affiliate.

Although this matter does not fall under the category of matters subject to timely disclosure, the Company has determined this information as relevant and will make voluntary disclosure thereof.

#### **1. Reasons for the Share Transfer**

The Brother Group, under its mid-term strategy “CS B2027” covering the three-year period from the fiscal year 2025 to 2027, aims to reinforce its profit-generating capabilities by accelerating the transformation of its business portfolio to increase long-term corporate value. “CS B2027” clarifies the roles and investment policies for each business. The Network & Contents business, which involves the development and manufacturing of the commercial online karaoke equipment “JOYSOUND”, has been positioned as a “Profitability transformation business” and in order to review the business’ earnings structure and generate stable profits and cash flow, the Company has been taking measures such as transferring the Karaoke Club Business.

Against this backdrop, the Company has reached such agreement based on its management’s decision that transferring 70% of the shares of XING held by the Company to U-NEXT HOLDINGS, which, in the B2C domain, operates the content distribution service “U-NEXT”, renowned for its strong content lineup and boasting a subscriber base of over five million, and, in the B2B domain, provides a wide variety of services leveraging its nationwide customer base of stores and facilities as well as its sales and field engineering resources, and thereafter jointly promoting the business operations of the XING

Group (meaning the corporate group comprised of XING and its consolidated subsidiaries; the same shall apply hereinafter), whose core businesses include the commercial karaoke business and the music and video software business, together with U-NEXT HOLDINGS, will further improve customer satisfaction and greatly contribute to future business growth.

U-NEXT HOLDINGS upholds “NEXT for U” as its corporate slogan and, driven by the vision to “Renew the future with entertainment and technology”, provides new value to society through its content distribution, store and facility solution, communication and energy, and financial, realty and global businesses.

The Brother Group believes that, by combining U-NEXT HOLDINGS’ management resources and business expertise, it will be possible not only to expand the businesses of the XING Group but also to deliver additional customer value through the development of new services and products, thereby contributing to the development of the karaoke industry as a whole.

Please note that the manufacturing of commercial online karaoke equipment under the “JOYSOUND” brand will continue to be undertaken by the Brother Group.

## 2. Overview of the Subsidiary Subject to the Transfer

(i)	Name	XING INC.	
(ii)	Location	3-8, Momozono-cho, Mizuho-ku, Nagoya-shi, Aichi	
(iii)	Name and Title of Representative	Yasushi Mizutani, Representative Director and President	
(iv)	Business	Development and sale of commercial online karaoke equipment	
(v)	Capital Stock	JPY 100 million	
(vi)	Date of Incorporation	December 7, 1948 (Started business on May 6, 1992)	
(vii)	Number of Issued Shares	69,954,422	
(viii)	Major Shareholder(s) and Shareholding Ratio	BROTHER INDUSTRIES, LTD. 100.0%	
(ix)	Relationship between the Listed Company and the Relevant Company	Capital Relationship	The Company owns 100% of the issued shares of the subject company.
		Personnel Relationship	One executive director of the Company serves concurrently as a director of the subject company. One employee of the Company serves concurrently as the corporate auditor of the subject company.
		Business Relationship	The Company conducts sales of commercial online karaoke equipment products to the subject company.
(x)	Financial Condition and Results of Operations for the Most Recent Fiscal Year	Total Assets	JPY 25,554 million
		Net Assets	JPY 14,504 million
		Net Sales	JPY 27,708 million
		Operating Profit	JPY 1,725 million

(Fiscal Year Ended March 2025)	Current Income	JPY 1,231 million
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### 3. Outline of the Transferee

(i)	Name	U-NEXT HOLDINGS Co., Ltd.	
(ii)	Location	1-1, Kamiosaki 3-chome, Shinagawa-ku, Tokyo	
(iii)	Name and Title of Representative	Yasuhide Uno, Representative Director, President & CEO	
(iv)	Business	Content distribution, store and facility solution, communication and energy, financial, realty and global businesses	
(v)	Capital Stock	JPY 99 million (as of August 31, 2025)	
(vi)	Date of Incorporation	February 3, 2009	
(vii)	Number of Issued Shares	180,375,333 shares	
(viii)	Major Shareholder(s) and Shareholding Ratio (As of August 31, 2025)	UNO-HOLDINGS Co., Ltd. 50.09%	
		Yasuhide Uno 6.95%	
		The Master Trust Bank of Japan, Ltd. (Trust Account) 3.66%	
		HIKARI TSUSHIN, INC. 3.21%	
		Custody Bank of Japan, Ltd. (Trust Account) 2.40%	
(ix)	Relationship between the Listed Company and the Relevant Company	Capital Relationship	Not applicable.
		Personnel Relationship	Not applicable.
		Business Relationship	Not applicable.
(x)	Financial Condition and Results of Operations for the Most Recent Fiscal Year (Fiscal Year Ended August 2025)	Total Assets	JPY 259,782 million
		Net Assets	JPY 108,708 million
		Sales	JPY 390,408 million
		Operating Income	JPY 31,571 million
		Profit attributable to owners of parent	JPY 18,395 million

### 4. Number of Shares to be Transferred, Transfer Price and Shareholding Before and After the Transfer

(i)	Number of shares held before the change	69,954,422 shares (voting rights ownership ratio: 100.0%)
(ii)	Number of shares to be transferred	48,969,000 shares (voting rights ownership ratio: 70.0%)
(iii)	Transfer price	JPY 17,500 million
(iv)	Number of shares held after the change	20,985,422 shares (voting rights ownership ratio: 30.0%)

## 5. Schedule of Change

(i)	Date of the Board of Directors' resolution (Note 1)	December 22, 2025
(ii)	Date of execution of the Share Transfer Agreement and the Shareholders' Agreement	December 24, 2025
(iii)	Effective date of the Share Transfer (Note 2)	April 1, 2026 (Scheduled)

Note 1: At the meeting of the Board of Directors held on December 22, 2025, it was resolved to delegate to the Representative Director and President the authority to execute the Share Transfer Agreement and the Shareholders' Agreement.

Note 2: The above schedule may be subject to change depending on filings with the applicable regulatory authorities and the receipt of other necessary approvals.

## 6. Outlook

The Share Transfer is expected to have only a minor impact on the Company's consolidated business results for the current fiscal year. However, if any matters requiring public disclosure arise in the future, the Company will promptly make the necessary disclosures.

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