

December 24, 2025

Company name: U-NEXT HOLDINGS Co., Ltd.
Representative: Yasuhide Uno, President, Representative
Director & CEO
(Securities code: 9418)
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Notice on acquisition of shares of XING INC.

U-NEXT HOLDINGS Co., Ltd. (the “Company”) hereby announces that at the Board of Directors meeting held today, the Company has entered into a stock purchase agreement to acquire 70% of the shares of XING INC. (“XING”), which is a wholly-owned subsidiary of BROTHER INDUSTRIES, LTD. (“BROTHER INDUSTRIES”) and primarily engaged in businesses such as KARAOKE, Music and video content creation, and to make it a consolidated subsidiary (the “Share Acquisition”).

1. The reason of the Share Acquisition and anticipated synergies

XING, a leader in the karaoke industry with its “JOYSOUND” brand, delivers a rich lineup of songs, including original artist videos. It also boasts highly specialized and unique technological advantages in both software, such as large-capacity data distribution systems and playback functions utilizing MIDI data (performance information that reproduces musical instrument sounds), and hardware. These advantages have created high barriers to entry in the market. Furthermore, XING’s key stakeholders include stores and facilities equipped with their karaoke systems, equipment sales dealers, the music industry involved in song rights management, and karaoke users. These stakeholders have an extremely high affinity with the Company group’s existing businesses.

The Company has determined that by combining the aforementioned advantages and affinities with our group’s strengths—which include a customer base of over 5 million paying subscribers for our content distribution service “U-NEXT” and nationwide stores and facilities, as well as sales and field engineering resources and an extensive service lineup—significant synergies will be created, leading to sustainable growth.

< Anticipated Synergies >

i) Content Expansion on U-NEXT

By leveraging over 420,000 high-quality JOYSOUND karaoke songs, we will provide unique entertainment unavailable on competing platforms, thereby driving user acquisition.

ii) Strengthening Services at XING’s Nationwide KARAOKE Locations

By providing U-NEXT’s licensed content including sports and music live performances to XING’s video services like live viewing, we will expand the ways to enjoy live content and create a B2B2C business model.

iii) Development of New KARAOKE Markets Leveraging Our Customer Base

We will expand sales of KARAOKE equipment to our strong customer base, such as hotels, ryokan (Japanese inns), restaurants, and banquet facilities and further expand our business scale by incorporating the healthcare sector, including nursing homes, where market growth is anticipated.

iv) Cross-selling Our Services to the Night Economy Market

Leveraging XING’s strong customer base and sales channels in the night economy market, we will deepen the cross-selling of our services such as music distribution, telecommunications, electricity and cashless payment solutions.

v) Enhancing Service Quality and Productivity through Mutual Resource Collaboration

We will achieve revenue growth through the establishment of a collaborative framework for mutual resources including direct sales personnel, field engineers, and alliance partners, thereby improving service quality and productivity.

2. Overview of the target company

(1) Name	XING INC.		
(2) Address	3-8, Momozono-cho, Mizuho-ku, Nagoya, Aichi, Japan		
(3) Title and name of the representative	Yasushi Mizutani, Representative Director		
(4) Business description	KARAOKE, Music and video content creation, Healthcare, Mobile/Home entertainment, New Business		
(5) Capital	100 million yen (As of December 24, 2025)		
(6) Date of establishment (Date of founding)	December 7, 1948 (May 6, 1992)		
(7) Major shareholders and shareholding ratio	BROTHER INDUSTRIES, LTD. 100%		
(8) Relationship with the Company			
Capital relationship	No applicable information		
Personnel relationship	No applicable information		
Transaction relationship	Mutual referral of prospective clients with our subsidiaries		
(9) IFRS-based Operating results and financial position of the target company for the past three years (unit: million yen, unless otherwise stated)			
Fiscal year	FY ended March 31, 2023	FY ended March 31, 2024	FY ended March 31, 2025
Total assets	22,913	25,754	25,528
Total equity	11,698	12,972	14,504
Equity attributable to owners of the parent company per share (yen)	167.23	185.44	207.33
Revenue	25,474	26,946	27,708
Operating profit	1,295	1,750	1,725
Profit before income taxes	1,276	1,704	1,752
Profit attributable to owners of the parent company	805	1,136	1,231
Basic earnings per share (yen)	11.51	16.24	17.61
Dividends per common share (yen)	-	-	-

* The figures below represent a simple aggregation of XING and its nine subsidiaries and sub-subsidiaries for the fiscal year ended March 31, 2025.

< Operating results and financial position of the XING-led 10-Company Group >

	FY ended March 31, 2025
Total assets	32,954 million yen
Total equity	6,646 million yen
Revenue	40,743 million yen
Operating profit	2,302 million yen
Profit attributable to owners of parent company	1,529 million yen

Additionally, as stated in “Transfer of Karaoke Club Business” announced by BROTHER INDUSTRIES on September 12, 2025, STANDARD Corp. (“STANDARD”), which was a subsidiary of XING as of the fiscal year ended March 31, 2025, has ceased to be a subsidiary of XING.

< (For Reference) Operating results and financial position of STANDARD >

	FY ended March 31, 2025
Total assets	4,258 million yen
Total equity	△9,541 million yen
Revenue	8,690 million yen
Operating profit	150 million yen
Profit attributable to owners of parent company	32 million yen

3. Overview of the counterparty of share acquisition

Interview of the counterparty of share acquisition			
(1)	Name	BROTHER INDUSTRIES, LTD.	
(2)	Address	15-1, Naeshiro-cho, Mizuho-ku, Nagoya, Japan	
(3)	Title and name of the representative	Kazufumi Ikeda, Representative Director & President	
(4)	Business description	Printing & Solutions, Industrial Printing, Machinery, Nissei, Personal & Home, Network & Contents	
(5)	Capital	19,209 million yen (As of March 31, 2025)	
(6)	Date of establishment	January 15, 1934	
(7)	IFRS-based total equity and total assets for the most recent fiscal year (Fiscal year ending March 2025)		
	Total equity (Consolidated)	691,472 million yen	
	Total assets (Consolidated)	932,650 million yen	
(8)	Major shareholders and shareholding ratio (As of March 31, 2025)	The Master Trust Bank of Japan, Ltd. (Trust account) Custody Bank of Japan, Ltd. (Trust account) State Street Bank and Trust Company 505001 Nippon Life Insurance Company Sumitomo Mitsui Banking Corporation	15.7% 5.9% 4.7% 3.5% 2.1%
(9)	Relationship with the Company		
	Capital relationship	No applicable information	
	Personnel relationship	No applicable information	
	Transaction relationship	No applicable information	
	Status of classification as a related party	No applicable information	

4. Number of shares acquired, acquisition costs, acquisition method, and shareholding before and after acquisition

(1)	Number of shares held before the change	0 shares	Voting rights	0.0%
(2)	Number of shares to be acquired	48,969,000 shares	Voting rights	70.0%
(3)	Number of shares held after the change	48,969,000 shares	Voting rights	70.0%
(4)	Acquisition costs (million yen)	Common stock of XING		17,500
		Advisory fees and other related expenses (Estimated)		250
		Total (Estimated)		17,750
(5)	Acquisition method	Acquisition of shares with internal funds		

5. Schedule

(1)	Date of resolution by the Board of Directors and execution of agreement	December 24, 2025
(2)	Date of the Share Acquisition (Scheduled)	April 1, 2026

* The Share Acquisition date is subject to change depending on filings with applicable regulatory authorities and other necessary approvals.

6. Future outlook

The impact of the Share Acquisition on our consolidated financial results for the current fiscal year is currently under review. Should any matters requiring disclosure arise in the future, we will promptly make an announcement.