

Fuji Media Holdings, Inc.

Board of Directors

23rd July 2025

**Regarding the Implementation of the Reform Action Plan and the Acquisition Defence Measures
against the Murakami Fund**

1. Implementation of the Reform Action Plan

We would like to extend our congratulations to all members of the Board of Directors of Fuji Media Holdings, Inc. (FMH) who were appointed at the general meeting of shareholders held on 25th June 2025. We maintain that the primary reason the shareholders of FMH elected you as company-proposed candidates is that the Reform Action Plan formulated by the former Board of Directors of FMH on 16th May 2025 was supported by the shareholders of FMH. The new Board of Directors of FMH is, therefore, tasked with promptly implementing the Reform Action Plan and significantly enhancing the corporate value of FMH.

The Reform Action Plan includes the following measures:

- (1) The sale of 100 billion yen worth of cross shareholdings within three years, reducing the remainder to less than 15% of net assets by the end of 2027, plus further reductions thereafter
- (2) Investing a total of 250 billion yen over five years to encourage growth in the business
- (3) Repurchasing over 100 billion yen of treasury stock by the end of fiscal year 2029
- (4) Implementing stable dividends with a consolidated payout ratio of 50%
- (5) Targeting a ROE of 8% or higher

We will be monitoring the implementation of these measures closely. As they lack specific details, we request that FMH publish a detailed implementation plan by 30th September 2025.

2. Introduction of Acquisition Defence Measures Against the Murakami Fund

On 10th July 2025, FMH introduced acquisition defence measures targeting Murakami family funds (including those of Ms. Aya Nomura and Reno). These measures will be triggered if the Murakami family engages in share purchases resulting in the acquisition of voting rights with a ratio of 20% or more. As of 10th July 2025, the Murakami family held 15% of the voting rights.

FMH is a certified broadcasting holding company. Under the Broadcasting Act, no single shareholder may hold more than one-third of the voting rights (Broadcasting Act Article 164). So, why the hurry to act against

the Murakami family? It has been suggested that Mr. Yoshiaki Murakami intends to increase his family's stake to 33.3%. Nevertheless, this alone would not provide a reason for such a disgraceful move. Incurring substantial legal fees to implement a takeover defence strategy against a 15% shareholder is both redundant and paranoid. FMH has also appointed former President Osamu Kanemitsu as a paid advisor to provide advice on FMH's capital policy and other management issues. Was the takeover defence measure created by Mr. Kanemitsu? If so, this seems odd, as we understood the advisory and consultant positions had now been abolished completely! The FMH Board of Directors should focus on implementing the Reform Action Plan rather than wasting time, effort and company funds on such matters.

It is reported that the Murakami family is requesting the spin-off of FMH's real estate business. This is precisely what we have repeatedly demanded from FMH since 2024. FMH has cited the risk that the spin-off of the real estate business might harm the collective interests of FMH shareholders as a reason for introducing the takeover defence measures. This is complete nonsense. If FMH is opposed to the Mr Murakami leading the spin-off of the real estate business, it should simply take the initiative to get on with it itself. Moreover, for the sake of the interests of all stakeholders, including shareholders, the real estate business should be spun off now.

If FMH focuses on both the media and content businesses as well as the real estate business, it will not only result in a conglomerate discount but also require FMH to allocate resources to both businesses, potentially significantly delaying the reform of the core media and content businesses. In fact, while the Reform Action Plan mentions 250 billion yen in growth investments over five years, FMH President Shimizu has stated that only half of this will be invested in the media and content businesses. The other half will go into the real estate business, where further investment, to our mind, is really not required. We believe strongly that all 250 billion yen should be invested in the media and content businesses, where it will do the most good.

Last, if the real estate business is retained, how will FMH ever achieve an ROE of 8% by a specific date? The FMH Board of Directors must disclose immediately its concrete plan to achieve an ROE of 8% by 30th September 2025. We remain focused on helping the company achieve this and the reform programme in general for the benefit off all shareholders of FMH.



Paul ffolkes Davis
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