

October 13, 2023

To All

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| Company Name | Frontier Management Inc. |
| Representative | Shoichiro Onishi, Co-President & Executive Officer (TSE First Section Code No. 7038) |
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Notice of Change in Shareholder Benefit Program (Expansion)

Frontier Management Inc. (hereinafter "FMI") has resolved at the Board of Directors meeting held today to change (expand) the shareholder benefit program, and hereby announce it as follows.

Notation

1. Purpose of the change to the shareholder benefit program

FMI thank our shareholders for their day-to-day support, and since June 2021 FMI have been offering shareholder benefits through the Frontier Management Premium Benefit Club. The shareholder reward points system will be changed with the aim of increasing the attractiveness of our investment in stocks and returning profits to shareholders who hold our shares over the medium to long term.

2. Target shareholders

From 2023 onwards, shareholders who hold one unit (100 shares) or more at the end of December and June every year

3. Changes in shareholder benefit program

Shareholder gift points will be presented in accordance with the number of shares held and the number of years the shareholder has continuously held, as shown in the Shareholder Benefit Point Table. The list of shareholders as of December 31, 2023, is applicable.

Shareholder Benefit Point Table (1 point ≒ ¥1) * Underlined where the change was made

| Number of shares held | Holding for less than 3 years (A) | Continuous holding for 3 years or more (B) | |
|-----------------------|---|---|------------------------|
| | Twice a year (the end of December and the end of June) | Twice a year (the end of December and the end of June) | |
| 100 ~ 199 shares | 1000 points | <u>1100 points</u> | <u>(A)+ 100 points</u> |
| 200 ~ 299 shares | <u>2500 points</u> | <u>3000 points</u> | <u>(A)+ 500 points</u> |
| 300 ~ 399 shares | <u>2500 points</u> | <u>3000 points</u> | <u>(A)+ 500 points</u> |
| 400 ~ 499 shares | 2500 points | <u>3000 points</u> | <u>(A)+ 500 points</u> |

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|------------------------|----------------------|----------------------|--------------------------|
| 500 ~ 599 shares | <u>6500 points</u> | <u>8000 points</u> | <u>(A)+ 1500 points</u> |
| 600 ~ 699 shares | <u>6500 points</u> | <u>8000 points</u> | <u>(A)+ 1500 points</u> |
| 700 ~ 799 shares | <u>6500 points</u> | <u>8000 points</u> | <u>(A)+ 1500 points</u> |
| 800 ~ 899 shares | <u>6500 points</u> | <u>8000 points</u> | <u>(A)+ 1500 points</u> |
| 900 ~ 999 shares | <u>10,000 points</u> | <u>13,000 points</u> | <u>(A)+ 3000 points</u> |
| 1,000 ~ 1999 shares | <u>14,000 points</u> | <u>18,000 points</u> | <u>(A)+ 4000 points</u> |
| 2,000 More than shares | <u>40,000 points</u> | <u>50,000 points</u> | <u>(A)+10,000 points</u> |

Exercise conditions: From 2023 onward, each shareholder shall be listed as a shareholder holding one unit (100 shares) or more in the shareholder register on the last day of December and the last day of June each year.

Carry-over conditions: Only if the same shareholder number is listed in the shareholder register two or more times consecutively on the last day of the following June and on the last day of December (up to three times). If the shareholder number is changed by the vesting date on the last day of June and the last day of December, the shareholder benefit points will expire.

Long-term holdings: "Continuous holdings (B) for three years or more" must be recorded at least seven consecutive times with the same shareholder number in the shareholder register on the last day of June and December of each year.

In the case of shareholders on the last day of December 2023, shareholders must be listed in the same shareholder register on the last day of December and June of each year, counting from the last day of December 2020, with the same shareholder number.

(NOTE) The number of points is the number of points awarded for one time.

(Shareholder Benefit Point Table before change)

| Number of shares held | End of June | December 31 |
|------------------------|-------------|-------------|
| 100 ~ 199 shares | 1000 points | 1000 points |
| 200 ~ 299 shares | 1500 points | 1500 points |
| 300 ~ 399 shares | 2000 points | 2000 points |
| 400 ~ 499 shares | 2500 points | 2500 points |
| 500 ~ 599 shares | 3000 points | 3000 points |
| 600 ~ 699 shares | 3500 points | 3500 points |
| 700 ~ 799 shares | 4000 points | 4000 points |
| 800 ~ 899 shares | 4500 points | 4500 points |
| 900 ~ 999 shares | 5000 points | 5000 points |
| 1,000 More than shares | 5500 points | 5500 points |

4. Information on replacement method, etc.

FMI plan to send a shareholder incentive letter to target shareholders. For details, please refer to the relevant guide.

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| <p>Questions and inquiries regarding Frontier Management Premium Benefit Club</p> <p>Frontier Management Premium Benefit Club Help Desk</p> <p>TEL:0120-980-965 hours: 9:00 a.m. to 5:00 p.m. (excluding Saturdays, Sundays and holidays)</p> |
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[Reference] FMI's Shareholder Returns

FMI return profits to shareholders through the "distribution of surplus" and the "shareholder benefit program."

① Dividends of surplus;

Regarding our dividend policy, as announced on December 27, 2022, the dividend payout ratio is set at 40% of consolidated net income (net income attributable to owners of the parent), excluding consolidated subsidiary Frontier Capital Inc. ("FCI"), in light of our consolidated results of operations, financial position, economic conditions, and other factors.

In the "Consolidated Earnings Forecast for the Fiscal Year Ending December 31, 2022 (January 1, 2023 to December 31, 2023)" in the "Consolidated Financial Results for the Fiscal Year Ending December 31, 2022 [Japanese GAAP] (Consolidated)" announced on February 10, 2023, net income attributable to owners of parent for the Fiscal Year Ending December 31, 2023 is expected to be 700 million yen. However, as described on page 19 of the "Financial Results for the Fiscal Year Ending December 31, 2022" on our website on the same date, net income attributable to owners of parent excluding FCI is expected to be 1 billion yen.

Accordingly, our total year-end dividend is calculated by multiplying net income attributable to owners of the parent of ¥1 billion excluding FCI by a dividend payout ratio of 40% in accordance with the above dividend policy.

The year-end dividend for the fiscal year ended December 2023 will be announced after the results for the fiscal year ended December 2023 are finalized.

② Shareholder special benefit plan

FMI offer shareholder benefits through the Frontier Management Premium Benefit Club.

FMI recently expanded our shareholder special benefit point program with the aim of increasing the attractiveness of our investment in stocks and returning profits to shareholders who hold our shares over the medium to long term.

Going forward, FMI will continue to expand our benefit program, including the introduction of special benefit products that are attractive to shareholders.