TRANSLATION – FOR REFERENCE ONLY

May 21, 2024

To whom it may concern:

KOKUSAI ELECTRIC CORPORATION
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Regarding Issuance of New Shares as Restricted Stock Units (RSUs)

KOKUSAI ELECTRIC CORPORATION hereby announces that at the Board of Directors meeting held today, new shares were decided to be issued (hereinafter "the Issuance of New Shares") in accordance with the Restricted Stock Units (RSUs) share acquisition rights as described below.

1. Outline of Issuance

(1) Date of payment	June 12, 2024	
(2) Class and number of shares to be issued	317,650 shares of common share	
(3) Issue price	3,840 yen per share	
(4) Aggregate issue price	1,219,776,000 yen	
(5) Persons eligible for allotment, number thereof, and number of shares to be allotted	Directors: Executive officers: Employees: Subsidiary officers: Former subsidiary officers: Subsidiary employees:	3 persons, 6,076 shares 8 persons, 49,560 shares 26 persons, 144,400 shares 6 persons, 78,947 shares 1 person, 3,700 shares 7 persons, 34,967 shares
(6) Others	The Issuance of New Shares will be subject to the securities registration statement being effective under the Financial Instruments and Exchange Act.	

2. Purpose and Reason for Issuance

Restricted Stock Units (hereinafter "RSUs") were granted to our officers and employees, including executive officers, and to officers and employees of our subsidiaries. Specifically, by May 21, 2024, (a) the RSUs, based on which common shares and money are distributed subject to (i) a certain period of continued working and (ii) stock exchange listing or transfer of all shares by specified controlling shareholders, were granted on October 31, 2021, January 31, 2022, April 30, 2022, May 12, 2022, July 1, 2022, August 31, 2022, April 1, 2023, and August 1, 2023, and (b) the RSUs, based on which common shares and money are distributed subject to a certain period of continued working, were granted on March 29, 2024, and April 1, 2024. (Fulfillment of predetermined conditions is hereinafter referred to as "vesting.")

The Issuance of New Shares is in accordance with the RSUs granted on October 31, 2021, January 31, 2022, April 30, 2022, May 12, 2022, July 1, 2022, August 31, 2022, April 1, 2023, August 1, 2023, and March 29, 2024 (hereinafter "subject RSUs"), and is based on the resolution of our Board of Directors meeting held today.

<RSU overview>

After the listing of our company, vesting is generally applied with a predetermined rate on a specified vesting date, subject to recipients remaining officers or employees of us or our group. After vesting, the

recipients, by making a contribution in kind of predetermined monetary compensation receivables (the amount of monetary compensation receivables is equivalent to the fair price of a predetermined number of common shares in proportion to the number of vested RSUs), generally have the right to receive a predetermined number of common shares and a predetermined amount of money in proportion to the number of vested RSUs (the number of common shares determined according to the predetermined proportion per vested RSU) by the end of the month following the month including the day of release of the year-end financial results for the business year including the vesting date (but no later than the day that is two and a half months after the end of the business year including the vesting date to be applied).

In principle, the number of RSUs to be vested is the number obtained by multiplying the number of RSUs granted to recipients by a fixed percentage (The respective vesting rates for the subject RSUs are shown in the table below.).

Grant Date	Category and Number of Recipients	Number of Units to be Granted	Common Shares of Our Company Subject to Distribution in Case Where All RSUs Granted are Vested	Vesting
October 31, 2021	Our company employees: 2	7,325	12,600 common shares of our company In principle, a ratio of 1.8 common shares to 1 vested RSU	1st time: 50% of the granted units Vesting date: March 31, 2023 2nd time: 50% of the granted units Vesting date: March 31, 2024
January 31, 2022	Subsidiary officers: 1 Subsidiary employees: 7	107,622	107,622 common shares of our company In principle, a ratio of 1 common share to 1 vested RSU	Same as above
	Our company employees: 1 Subsidiary employees: 1	39,044	23,200 common shares of our company In principle, a ratio of 0.6 common shares to 1 vested RSU	
April 30, 2022	Our company employees: 25 (including 3 executive officers) Subsidiary officers: 1	302,285	178,400 common shares of our company In principle, a ratio of 0.6 common shares to 1 vested RSU	1st time: 50% of the granted units Vesting date: March 31, 2024 2nd time: 50% of the granted units Vesting date: March 31, 2025
May 12, 2022	Our company employees: 3	12,597	7,200 common shares of our company In principle, a ratio of 0.6 common shares to 1 vested RSU	Same as above
July 1, 2022	Our company directors: 3 Our company employees: 6 (executive officers)	30,208	18,113 common shares of our company In principle, a ratio of 0.6 common shares to 1 vested RSU	1st time: 1/3 of the granted units Vesting date: March 31, 2023 2nd time: 1/3 of the granted units Vesting date: March 31, 2024 3rd time: 1/3 of the granted units Vesting date: March 31, 2025

Grant Date	Category and Number of Recipients	Number of Units to be Granted	Common Shares of Our Company Subject to Distribution in Case Where All RSUs Granted are Vested	Vesting
August 31, 2022	Subsidiary employees: 1	16,954	16,954 common shares of our company In principle, a ratio of 1 common share to 1 vested RSU	1st time: 50% of the granted units Vesting date: March 31, 2023 2nd time: 50% of the granted units Vesting date: March 31, 2024
April 1, 2023	Our company directors: 3 Our company employees: 7 (executive officers)	41,030	24,606 common shares of our company In principle, a ratio of 0.6 common shares to 1 vested RSU	1st time: 1/3 of the granted units Vesting date: March 31, 2024 2nd time: 1/3 of the granted units Vesting date: March 31, 2025 3rd time: 1/3 of the granted units Vesting date: March 31, 2026
August 1, 2023	Our company employees: 28 (including 1 executive officer)	285,246	168,400 common shares of our company In principle, a ratio of 0.6 common shares to 1 vested RSU	1st time: 50% of the granted units Vesting date: March 31, 2024 2nd time: 50% of the granted units Vesting date: March 31, 2025
	Subsidiary officers: 5 Subsidiary employees: 2	61,194	61,194 common shares of our company In principle, a ratio of 1 of common share to 1 vested RSU	Same as above
March 29, 2024	Subsidiary officers: 2	46,019	46,019 common shares of our company In principle, a ratio of 1 common share to 1 vested RSU	Same as above

(Note)

1. Our company implemented a share split at a rate of three shares per one common share on January 12, 2022, and the figures are converted to the number of shares after the split.
2. The delivered money will be converted based on the closing price of our common shares on the business day preceding the date of resolution for the issuance of common shares (if there is no transaction on the business day preceding the date of resolution, on the last transaction date) in order to accommodate withholding income tax.
3. Excluding a part of the RSUs granted on October 31, 2021, and those granted on July 1, 2022, April 1, 2023, March 29, 2024, and April 1, 2024, as a requirement for the exercise of rights, the premise is that the common shares will be listed on any of the financial instruments exchanges in Japan or securities exchange markets outside Japan.
4. In accordance with the vesting provision, at each vesting date, the RSUs will be vested at the stated rates, subject to recipients remaining officers or employees of us or our group.
5. For the RSUs granted on October 31, 2021, 4,200 of our company's common shares (33.3% of the granted units) were delivered to a recipient on November 1, 2022, based on the resolution of the extraordinary Board of Directors meeting on October 31, 2022.
6. Regarding the vesting of RSUs granted on March 31, 2023, for recipients other than those residing in the United States, the vesting date was determined to be October 25, 2023 (listing day) according to the decision of the regular Board of Directors meeting held on March 24, 2023. In addition, it was decided, according to the decision of the regular Board of Directors meeting held on March 24, 2023, that a contribution in kind of predetermined

monetary compensation receivables granted by us (the amount of monetary compensation receivables is equivalent to the fair price of a predetermined number of common shares in proportion to the number of RSUs vested) should be made no later than the end of the month following the month including the earliest of the days of release of year-end or quarterly financial results for the business year or quarter, including the vesting date (but no later than the day that is two and a half months after the end of the business year, including the vesting date to be applied), and the recipients have the right to receive a predetermined number of common shares and a predetermined amount of money in proportion to the number of vested RSUs (the number of common shares determined according to the predetermined proportion per vested RSU).

After the listing of our company, vesting is generally applied with a predetermined rate on a specified vesting date, subject to recipients remaining officers or employees of us or our group. After vesting, the recipients, by making a contribution in kind of predetermined monetary compensation receivables (the amount of monetary compensation receivables is equivalent to the fair price of a predetermined number of common shares in proportion to the number of vested RSUs), generally have the right to receive a predetermined number of common shares and a predetermined amount of money in proportion to the number of vested RSUs (the number of common shares determined according to the predetermined proportion per vested RSU) by the end of the month following the month including the day of release of the year-end financial results for the business year including the vesting date (but no later than the day that is two and a half months after the end of the business year including the vesting date to be applied).

Regarding the RSUs granted on August 1, 2023, they are vested on condition that both the following Continued Working requirement and the Exit requirement are fulfilled. The Continued Working requirement is a requirement fulfilled when a person entitled to RSUs continues to be an officer or employee of our company group until March 31, 2024 for 50% of the RSUs concerned and until March 31, 2025 for the remaining 50%. The Exit requirement is a requirement fulfilled on the earlier of the scheduled listing day and the day of transfer of all shares by controlling shareholders.

Regarding the vesting of RSUs granted on March 31, 2023, for recipients other than those residing in the United States, the vesting date was determined to be October 25, 2023 (listing day) according to the decision of the regular Board of Directors meeting held on March 24, 2023. In addition, it was decided, according to the decision of the regular Board of Directors meeting held on March 24, 2023, that a contribution in kind of predetermined monetary compensation receivables (the amount of monetary compensation receivables is equivalent to the fair price of a predetermined number of common shares in proportion to the number of RSUs vested) should be made no later than the end of the month following the month including the earliest of the days of release of year-end or quarterly financial results for the business year or quarter including the vesting date (but no later than the day that is two and a half months after the end of the business year including the vesting date to be applied), and the recipients have the right to receive a predetermined number of common shares and a predetermined amount of money in proportion to the number of vested RSUs (the number of common shares determined according to the predetermined proportion per vested RSU).

If a recipient resigns or retires, the rate of vesting after the time of resignation or retirement shall be 0%, and the RSUs not vested at the time of resignation or retirement will all cease to be effective automatically without compensation. However, the following shall apply to those who were granted RSUs on July 1, 2022, April 1, 2023, and April 1, 2024 (However, recipients who are subsidiary officers are excluded).

(1) If a recipient resigns or retires due to reasons other than a certain legitimate reason or death during the period concerned, the RSUs not vested at the time of resignation or retirement will all cease to be effective automatically without compensation. However, if a recipient resigns or retires due to a certain legitimate reason, vesting is applied on the assumption that the recipient will continue to be in charge or in service after the time of resignation or retirement. If a recipient resigns or retires due to death, all the RSUs will be vested on the resignation or

retirement date.

(2) During the period concerned, if any of [i] to [vi] listed below is approved at our shareholders' meeting (or by the Board of Directors in the event shareholders' meeting approval is not required for [ii] or [vi]) or if a definitive agreement for transfer of shares stated in [vii] is executed, the RSUs held by a recipient will all be vested on the day of approval of any of [i] to [vi] or on the day of the definitive agreement for transfer of shares stated in [vii] (in connection with vesting under this paragraph, such day is hereinafter referred to as the "Vesting Date") only when the recipient's resignation or retirement is planned as a result of implementation of any act (hereinafter "Reorganization, etc.") stated in the respective items. After the Vesting Date, if the Reorganization, etc. is not implemented or if the recipient does not resign or retire when the Reorganization, etc. takes effect, vesting under this paragraph shall become void retroactively, except for portions extinguished due to distribution of common shares or money or any other reason.

i. A merger agreement by which we become the disappearing company: The effective date of the merger
ii. An absorption-type company split agreement or an incorporation-type company split plan where we become the splitting company (limited to the case where we, on the effective date of the company split, distribute all or part of the split consideration we receive due to the company split to our shareholders): The effective date of the company split
iii. A stock exchange agreement or a share transfer plan where we become a wholly-owned subsidiary company: The effective date of the share exchange or share transfer
iv. Consolidation of shares (limited to the case where the amount of common shares distributed according to the RSUs is a fraction less than one share as a result of the consolidation of shares): The effective date of the consolidation of shares
v. Acquisition of all our common shares subject to wholly call in Article 108, paragraph (1), item (vii) of the Companies Act: The acquisition day prescribed in Article 171, paragraph (1), item (iii) of the Companies Act
vi. Demand for sale of shares targeting our common shares (demand for sale of shares prescribed in Article 179, paragraph (2) of the Companies Act): The acquisition day prescribed in Article 179-2, paragraph (1), item (v) of the Companies Act
vii. Transfer of our shares to a third party (excluding Controlling Shareholders, etc.; this third party can include us) where the ratio (hereinafter "Controlling Ratio") of the number of voting rights pertaining to the total number of common shares held by KKR HKE Investment L.P., its parent company, subsidiaries, associates, and entities controlled directly or indirectly by KKR & Co. Inc. (excluding us; collectively referred to as "Controlling Shareholders, etc.") to the number of voting rights of all shareholders is not more than 30% (however, this excludes cases of secondary distribution, which refers to secondary distribution of securities defined in Article 2, paragraph (4) of the Financial Instruments and Exchange Act, and includes cases where the Controlling Ratio of the Controlling Shareholders, etc. at the time just before such transfer is not more than 30%): The day of implementation of the share transfer

* Transfer of all shares by specified controlling shareholders refers to the transfer of shares described in (2)-[vii] above.

3. Basis for Calculation of the Amount to Be Paid and Relevant Details

For the issuance of new shares, predetermined monetary compensation receivables given to recipients from us or our subsidiaries will be used as the contributed assets. To eliminate arbitrariness, the amount to be paid has been set at 3,840 yen, the closing price of our common shares on the Tokyo Stock Exchange as of May 20, 2024 (the business day preceding the date of the Board of Directors meeting resolution). This is the market share price just before the day of the Board of Directors

meeting resolution and is a reasonable price properly reflecting our corporate value. Therefore, we do not consider this to be a price that is particularly advantageous for recipients.

Note:
This press release does not constitute security offering or selling in the United States. Our common shares are not and will not be registered under the United States Securities Act of 1933. Securities cannot be offered or sold in the United States unless registered under the United States Securities Act of 1933 or exempt from registration. For public issue of securities in the United States, an English prospectus prepared under the United States Securities Act of 1933 is used. In that case, the English prospectus is available from us or the seller. This document includes detailed information about us and our management, as well as our financial statements. With respect to this matter, we do not intend to register securities in the United States.