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JVCKENWOOD

August 1, 2024

Company JVCKENWOOD Corporation
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Representative Director of the Board, President and CEO
(Code: 6632; Prime Market of the Tokyo Stock Exchange)
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Notice of Disposition of Treasury Shares by Third-Party Allotment in Connection with Continuation of Stock-Based Remuneration System

JVCKENWOOD Corporation ("the Company"), at its Board of Directors held today, resolved that it would dispose of treasury shares as stock-based remuneration (the "Disposition of Treasury Shares") as follows.

1. Summary of Disposition

(1)	Date of disposition	August 20, 2024
(2)	Type and number of shares for disposition	235,000 shares of common stock of the Company
(3)	Disposition price	929 yen per share
(4)	Total disposition value	218,315,000 yen
(5)	Party to which the shares are scheduled to disposed of	Sumitomo Mitsui Trust Bank, Limited (Trust Account) (Trustee (Re-Trust): Custody Bank of Japan, Ltd. (Trust Account)
(6)	Other	The Disposition of Treasury Shares is subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act

2. Purpose and Reason for Disposition

The Company's Board of Directors, at its meeting held on May 14, 2021, approved a resolution to introduce a stock-based remuneration system (the "System"). The aim is to raise awareness among its Directors (excluding External Directors of the Board and Non-executive Directors of the Board) and Executive Officers of the need to contribute to improving the Company's performance and increasing its corporate value over the medium to long term. The Company will do this by further clarifying the linkage between the compensation of its Directors (excluding External Directors of the Board and Non-executive Directors of the Board) and Executive Officers and the value of the Company's shares, and sharing the benefits and risks associated with share price fluctuations with its shareholders. The introduction of the System for the Company's Directors was approved and resolved at the 13th Ordinary General Meeting of Shareholders held on June 25, 2021.

In addition, the Board of Directors resolved on May 15, 2024, that the design shall be changed to put a restriction on transfer of shares until the time of retirement, with the time of delivery of shares being the time of service, and that the Company's Non-executive Directors of the Board (excluding External Directors of the Board, the same applies hereafter) shall be also eligible under the System. The partial amendment and continuation of the System for the Company's Directors of the Board were approved and resolved at the 16th Ordinary General Meeting of Shareholders held on June 21, 2024.

For an overview of the System, please refer to the notice of "Partial Amendments to the Stock-based Remuneration System for Officers" dated May 15, 2024.

The Disposition of Treasury Shares is to be made to Sumitomo Mitsui Trust Bank, Limited (Trust Account), the trustee of the trust that has already been established for the introduction of the System (the "Trust") (Trustee (Re-Trust): Custody Bank of Japan, Ltd. (Trust Account)).
The number of shares to be disposed of corresponds to the number of shares expected to be delivered to the Company's Directors of the Board and Executive Officers ("Directors, etc.") with consideration of their position and changes in structure during the extended trust period in accordance with the share delivery rule for Directors of the Board already established by the Company at the time of the introduction of the System. The effect of dilution is expected to be 0.14% of 164,000,201 shares of the total number of shares issued as of March 31, 2024, or 0.15% of 1,520,874 units of the total number of voting rights as of March 31, 2024 (both are rounded to two decimal places).

The Company believes that this program will clarify the linkage between the compensation of the Company's Directors, etc. and the value of the Company's shares, and will lead to an increase in the Company's corporate value over the medium to long term. The Company considers that the number of shares disposed of and the effect of dilution resulting from the Disposition of Treasury Shares are reasonable and that the impact on the secondary market will be insignificant.

(Reference) Outline of Trust Agreement relating to the Trust

Settlor	JVCKENWOOD Corporation
Trustee	Sumitomo Mitsui Trust Bank, Limited (Trustee (Re-Trust): Custody Bank of Japan, Ltd.)
Beneficiary	Directors of the Board of the Company who meet the beneficiary requirements
Trust caretaker	A third party independent from the Company and officers of the Company
Exercise of voting rights	No voting rights pertaining to shares held in Trust will be exercised throughout the trust period.
Trust type	Money held in trust other than money trust (third-party-beneficiary trust)
Date of trust agreement	August 6, 2021
Trust period	From August 6, 2021, to the end of August 2024 (scheduled)
Purpose of trust	To deliver shares of the Company to beneficiaries in accordance with the share delivery rule

3. Basis and specifics of the calculation of the disposition price

The disposition price was set at 929 yen, the closing price on the Tokyo Stock Exchange on July 31, 2024 (the business day immediately prior to the date of the Board of Directors' resolution), in order to eliminate arbitrariness in light of recent share price trends. The closing price on the business day immediately prior to the date of the Board of Directors' resolution was used because it is the market

price immediately prior to the date of the Board of Directors' resolution and was judged to be highly objective and reasonable as the basis for calculation.

With respect to the price, the deviation from the average closing price of 893 yen (rounded down to the nearest yen) for the most recent one-month period to the business day immediately prior to the day of the Board of Directors' resolution (from July 1, 2024, to July 31, 2024) is 4.03%, the deviation from the average closing price of 879 yen(rounded down to the nearest yen) for the most recent three-month period (from May 1, 2024, to July 31, 2024) is 5.69%, or the deviation from the average closing price of 856 yen(rounded down to the nearest yen) for the most recent six-month period (from February 1, 2024, to July 31, 2024) is 8.53 % (deviation rates are rounded to two decimal places).

Taking the above into consideration, the Company believes that the price of the Disposition of Treasury Shares is reasonable and is not particularly favorable to the party to whom the shares are to be allotted.

With regard to the above disposition price, all the Audit & Supervisory Board Members (four members, three of whom are External Audit & Supervisory Board Members) who attended the Board of Directors' meeting expressed the opinion that the basis for calculating the disposition price is reasonable and that the disposition price is not particularly favorable to the party to whom the shares are to be allotted and is therefore legitimate.

4. Matters related to procedures under the corporate code of conduct

Because (1) the dilution ratio is less than 25% and (2) the Disposition of Treasury Shares does not involve a change of a controlling shareholder, it is not necessary to obtain an opinion from an independent third party or to confirm the intent of shareholders as specified by Article 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.