



February 6, 2024

To whom it may concern,

Company name: Meiko Electronics Co., Ltd.
Name of representative: Yuichiro Naya, President and CEO
(Code: 6787, Prime Market of the
Tokyo Stock Exchange)
Contact: Shunichi Ojima
Office of the President & CEO
Phone: 0467-76-6001

Notice Concerning Disposal of Treasury Shares by third party Allotment in Connection with Additional Contribution to Stock Benefit Trust (J-ESOP)

MEIKO ELECTRONICS CO., LTD. (hereinafter referred to as "Company") hereby announces that, at the meeting of the Board of Directors held today, the Company resolved to dispose of its own shares by way of third party allotment (the "Disposal of Own Shares") as described below.

1. Outline of the Disposal

- (1) Disposition date February 22, 2024 (Thursday)
- (2) Class and number of shares to be disposed of Common stock 220,800 shares
- (3) Disposal value 4,215 yen per share
- (4) Total amount of disposal: 930,672,000 yen
- (5) Expected allottee: Japan Custody Bank, Ltd. (Trust Account E)
- (6) Others: The disposal of the Treasury Shares is subject to the effectuation of the securities registration statement in accordance with the Financial Instruments and Exchange Act..

2. Purpose and Reasons for the Disposition

The Company has introduced the "Stock Benefit Trust (J-ESOP)" (hereinafter referred to as the "Plan", and the trust established under the trust agreement concluded with Mizuho Trust & Banking Co., Ltd. in relation to the Plan is referred to as the "Trust") based on the resolution of the Board of Directors meeting held on February 22, 2021. (For an overview of the Plan, please refer to the "Notice Concerning Introduction of Stock Benefit Trust (J-ESOP)" dated February 22, 2021 and the "Notice Concerning Disposition of Treasury Shares by third party Allotment in Connection with Introduction of Stock Benefit Trust (J-ESOP)" dated March 22, 2021.

Upon the continuation of the Plan, the Company has decided to make an additional contribution of money to the Trust ("Additional Trust") in order for the Trust to acquire shares that are expected to be necessary for future benefits, and to dispose of treasury shares ("Disposal of Treasury Shares") by way of third party allotment to Trust Account E established in Japan Custody Bank, Ltd. (a re-trustee re-entrusted by Mizuho Trust & Banking Co., Ltd., the trustee of the Trust) in order for the Trust to hold and dispose of the Company's shares for the operation of the Plan.

The number of shares to be disposed of is equivalent to the number of shares expected to be distributed to the employees of the Company and its Group companies during the fiduciary period (for the five fiscal years from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2029) in accordance with the "Share Distribution Rules. The number of shares to be disposed of is 0.82% of the total number of issued shares (26,803,390 shares) as of September 30, 2023 (0.86% of the total number of voting rights (257,755) as of September 30, 2023 (both figures are rounded to the second decimal place)).

*Overview of the additional trust

Date of additional trust: February 22, 2024

Additional trust amount: 930,672,000 yen

Type of shares to be acquired: Common stock of the Company

Number of shares acquired: 220,800 shares

Date of acquisition: February 22, 2024

Acquisition method: Acquisition by way of underwriting the disposal of treasury stock of the Company (the Disposal of Treasury Stock)

3. Basis for Calculation of the Disposal Price and Specific Details

The disposal price was set at 4,215 yen, the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately prior to the date of resolution of the Board of Directors for the Disposal of Treasury Shares.

The closing price on the business day immediately prior to the date of resolution of the Board of Directors was chosen because it represents the fair corporate value of the Company in the stock market and was judged to be reasonable.

The disposal price of 4,215 yen is 100.26% of the average closing price of 4,204 yen (rounded down to the nearest yen) for the most recent one-month period prior to the business day immediately preceding the date of the Board of Directors resolution. It is also 101.49% of the average closing price of 4,153 yen (rounded down to the nearest yen) over the three-month period ending on the same date. It also represents 113.18% of the average closing price of 3,724 yen (rounded down to the nearest yen) for the most recent six-month period. In consideration of the above, the disposal value for the Disposal of Treasury Shares is not particularly advantageous and is judged to be reasonable.

With respect to the above disposal price, three corporate auditors (two of whom are outside corporate auditors) who attended the meeting of the Board of Directors expressed the opinion that it does not fall under a particularly advantageous disposal price.

4. Matters related to procedures under the Corporate Code of Conduct

The Disposal of Treasury Shares does not require the procedures to obtain an opinion from an independent third party and to confirm the intent of shareholders prescribed in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. because (i) the dilution ratio is less than 25% and (ii) it does not involve changes in controlling shareholders.