

Actions to Implement Management Conscious of Cost of Capital and Stock Price

JVCKENWOOD Corporation

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*All figures in this document are prepared in accordance with International Financial Reporting Standards (IFRS).

*Percentages and value differences shown in this document were computed in yen and any single-digit value was rounded off to the nearest two-digit value.

Basic Strategy of the Medium-Term Management Plan "VISION 2025"

- The medium-term management plan "VISION 2025" formulated in April 2023 positions **business strategy, financial strategy, and sustainability strategy** as the three drivers of corporate value enhancement.

Maximizing corporate value

Further evolve Change for Growth to enhance sustainable corporate and shareholder

**Target ROE of 10% and aiming for early realization of
P/B ratio of over 1.0 x.**

Change for Growth

Business strategy

Maximize corporate value by optimizing the business portfolio

Financial strategy

Optimize capital
allocation

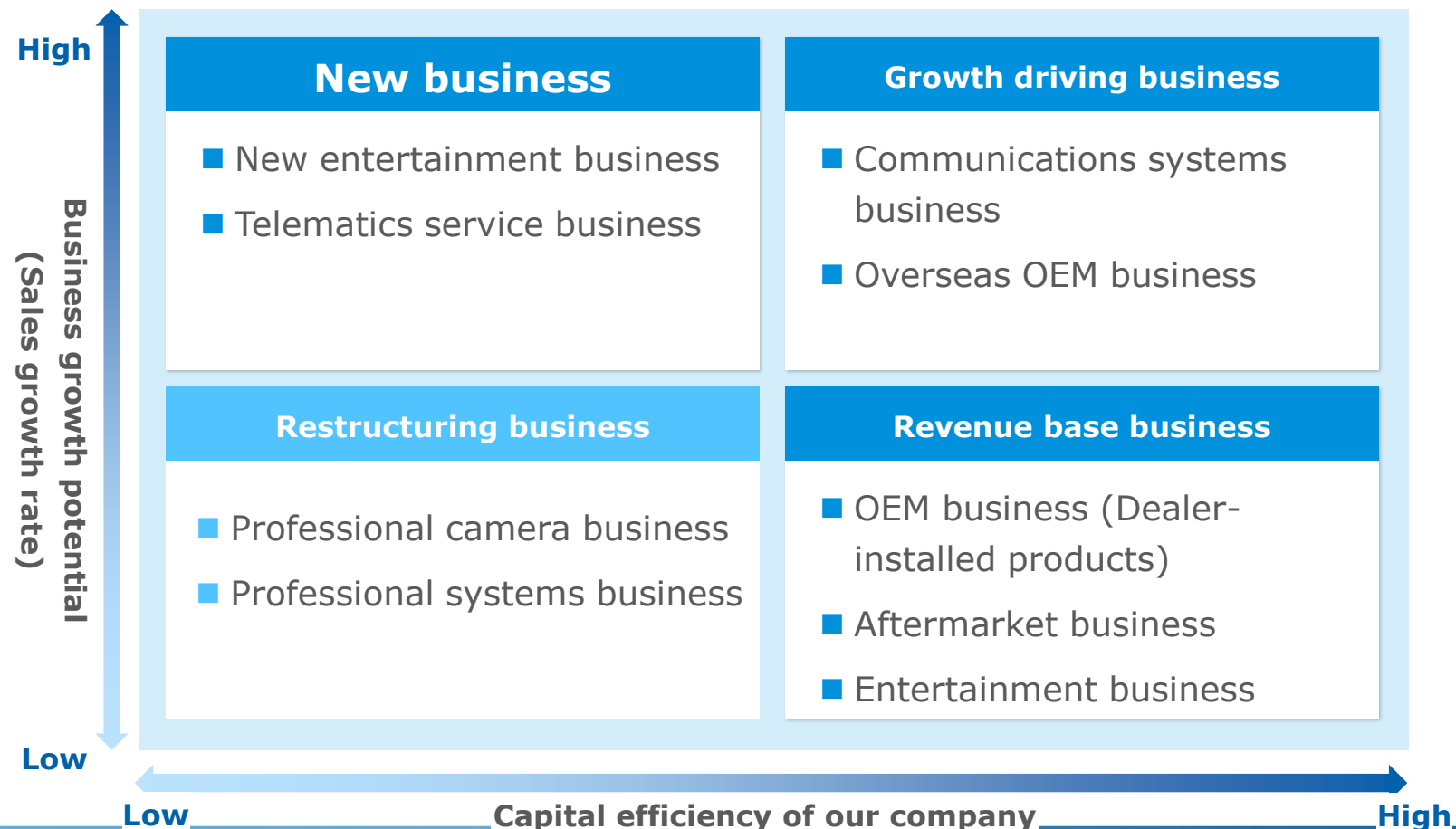
Sustainable Strategy

Promote sustainable
management

base

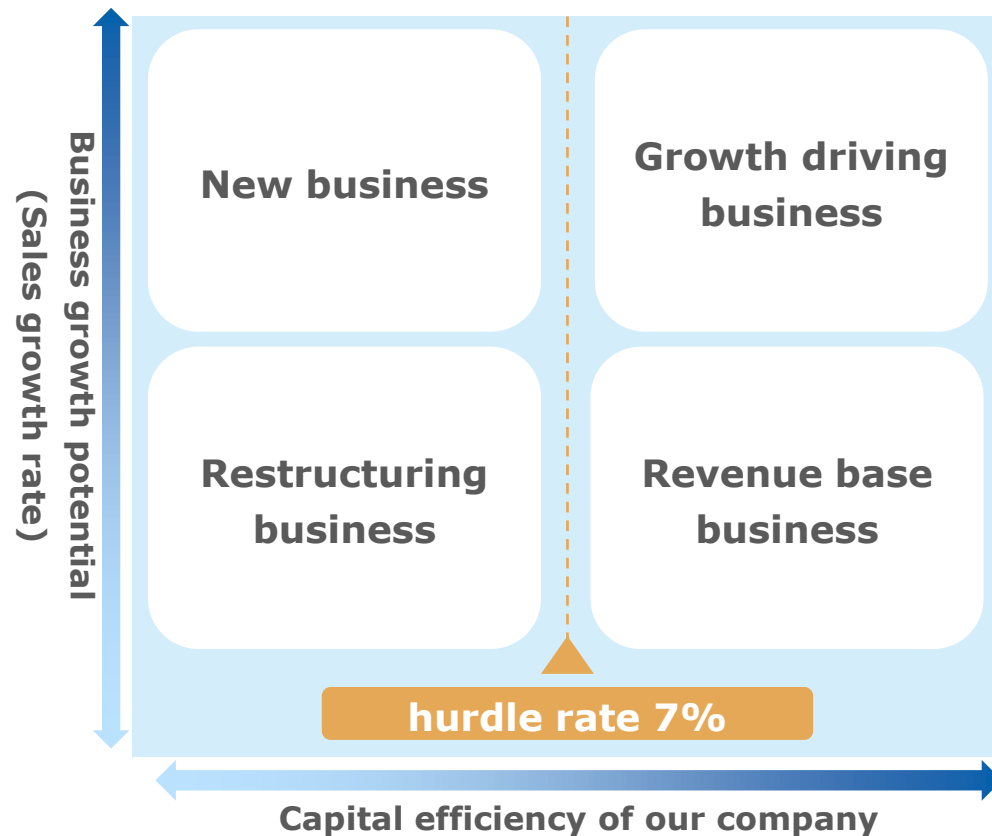
Redefine and Optimize Business Portfolio under the Medium-Term Management Plan "VISION 2025"

- Maximize corporate value by promoting optimization of the business portfolio in consideration of medium-term business growth potential* and capital efficiency of the company, and maintain a stable P/B ratio above 1.0x.
- Consider profit improvement or withdrawal/downsizing of restructured business through a fundamental review of strategy.



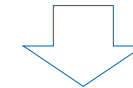
*Business growth potential: Sales growth rate over three years from FY2023 to FY2025

Assessing Business Portfolio Management



Assessing Business Portfolio

- Capital efficiency
- Business growth potential
- +
- ✓ Sustainability of competitive advantage
- ✓ Alignment with the company's vision
- ✓ Turnaround potential



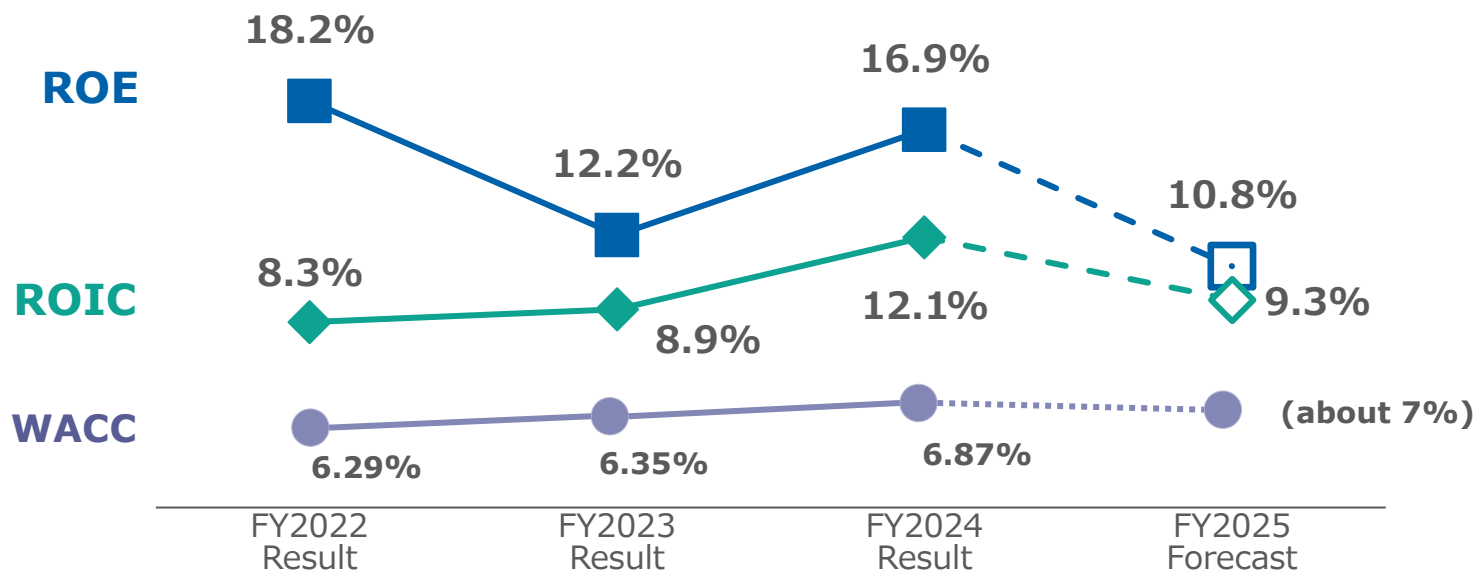
Continuously monitor these factors to optimize optimization

Changes in Capital Efficiency Indicators

- Return on Invested Capital (ROIC) in FY2022 and FY2024 exceeded weighted average cost of capital.
- Forecasts and projected ROIC for FY2025 are also expected to exceed weighted average cost of capital.

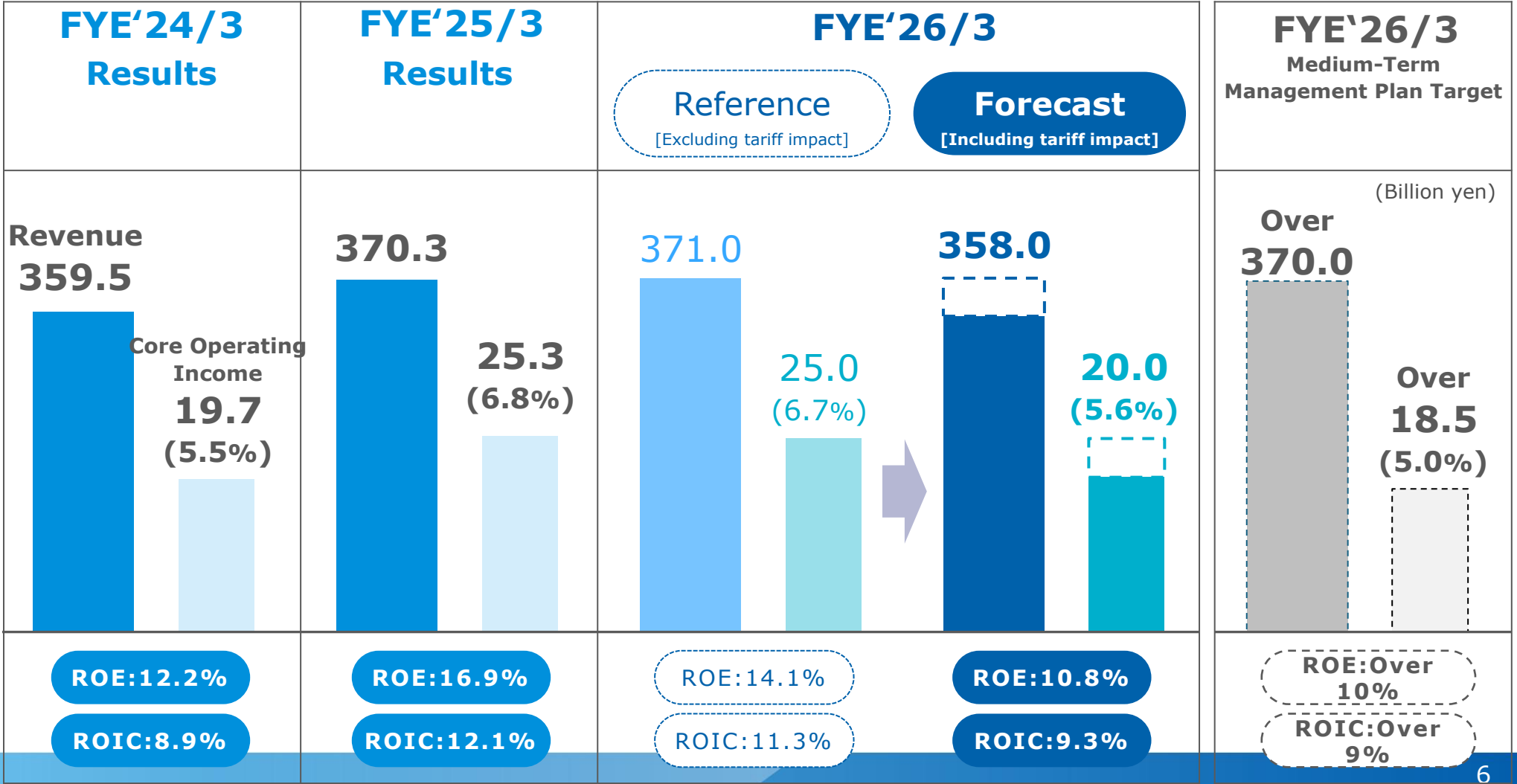
	FY2022 Result	FY2023 Result	FY2024 Result	FY2025 Forecast	FY2025 Target
ROE	18.2%	12.2%	16.9%	10.8%	Over 10%
ROIC	8.3%	8.9%	12.1%	9.3%	Over 9%
WACC	6.29%	6.35%	6.87%	(6.87%)	(about 7%)

Use as a hurdle rate



Progress of Business Performance during the Medium-Term Management Plan “VISION 2025”

- FYE3/'25: Achieved results that exceeded the earnings forecast announced at the beginning of FYE3/'25 and the targets in “VISION 2025.”
- FYE3/'26: Expect to achieve the targets other than revenue, given an expected decline in revenue due to the U.S. tariff measures.



Deepen Management with Awareness of Cost of Capital and Stock Price

- Aim to deepen management with awareness of cost of capital and stock price, while striving to maximize corporate value without settling for the current P/B ratio level.

