June 23, 2026

To whom it may concern

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Notice Concerning Disposal of Common Stock as Restricted Stock Compensation

DTS CORPORATION (the "Company") hereby announces that it has resolved at its Board of Directors meeting held today to dispose of common stock to grant restricted stock compensation (hereinafter, the "Disposal of Common Stock"). The details are described below.

1. Overview of disposal

(1) Date of disposal	July 15, 2026
(2) Class and total number of shares for disposal	33,645 shares of common stock of the Company
(3) Disposal value	¥977 per share
(4) Total disposal value	¥32,871,165
(5) Planned allottees	3 Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors):12,915 shares 12 Executive Officers:20,730 shares

2. Purpose and reason for disposal

The Company resolved at its Board of Directors meeting held on May 17, 2022 to introduce a restricted stock compensation plan (hereinafter, the "Plan") after the transition to a company with an Audit and Supervisory Committee, with the aim of providing incentives to Directors of the Company who are not Audit and Supervisory Committee Members (excluding Outside Directors; hereinafter, the "Eligible Directors") and Executive Officers (hereinafter, the "Eligible Executive Officers"; Eligible Directors and Eligible Executive Officers are collectively referred to as the "Allottees") to contribute to the sustainable enhancement of the Company's corporate value and to further promote value sharing with shareholders.

Furthermore, at the 50th Annual General Meeting of Shareholders held on June 23, 2022 (hereinafter, the "General Meeting of Shareholders"), approval was obtained, in connection with the transition to a company with an Audit and Supervisory Committee, to abolish the previous compensation framework for Directors and to newly establish a compensation framework for Eligible Directors under the Plan. Specifically, monetary compensation receivables of up to ¥45 million per annum shall be granted to Eligible Directors as monetary compensation receivables to be contributed in kind to the Company for the allotment of restricted shares, and the total number of shares of common stock to be issued or disposed of by the Company to Eligible Directors under the Plan shall be limited to 104,000 shares per annum (provided, however, that in the event of a stock split (including a gratis allotment of the Company's common stock) or reverse stock split of the Company's common stock with an effective date on or after the date of the resolution of the General Meeting of Shareholders, such number may be adjusted within a reasonable range as necessary on or after the effective date).

Note: The Company conducted a stock split at a ratio of four (4) shares for every one (1) share of its common stock, effective October 1, 2025, and the number of shares stated above reflects the number of shares after giving effect to such stock split.

Moreover, the Company has resolved at the Board of Directors meeting held today to pay a total of ¥12,617,955 in monetary compensation receivable to three Eligible Directors, having given consideration to the purpose of the Plan, the Company' s performance and other various matters. At the same Board of Directors meeting, the Company also resolved to dispose of 33,645 shares of the Company' s common stock (hereinafter, the "Allotted Shares") by paying a total of ¥32,871,165 in monetary compensation receivables to 15 Allottees (3 Eligible Directors, 12 Eligible Executive Officers) as in-kind contribution for the Company in accordance with the Plan.

The outline of the agreement on the allotment of restricted shares to be concluded between the Company and the Allottees for the Disposal of Common Stock (hereinafter, the "Allotment Agreement") is as described in 3. below.

3. Overview of the Allotment Agreement

(1) Transfer restriction period

From July 15, 2026, to July 15, 2056

Allottees shall not transfer, establish a security interest on, gift inter vivo, or otherwise dispose of Allotted Shares during the aforementioned transfer restriction period (hereinafter, "Transfer Restriction Period").

(2) Removal of the transfer restrictions

The Company shall remove the transfer restrictions on all Allotted Shares upon the expiration of the Transfer Restriction Period provided that Allottees have continuously remained in a position as Director of the Company, or any other position stipulated by the Board of Directors of the Company during the Transfer Restriction Period.

However, in the event that the Allottee resigns or retires for a justifiable reason prior to the expiration of the Transfer Restriction Period, the number of Allotted Shares for which the transfer restrictions are to be removed, and the timing thereof shall be reasonably adjusted as necessary.

(3) Causes for acquisition without consideration

In the event that there are Allotted Shares whose transfer restrictions have not been removed at the time of the removal of transfer restrictions stipulated in (2) above, the Company shall acquire these as a matter of course without consideration. Other causes for acquisition without consideration shall be stipulated in the Allotment Agreement based on a resolution of the Board of Directors of the Company.

(4) Treatment in the event of restructuring, etc.

Notwithstanding the provision in (1) above, in the event that, during the Transfer Restriction Period, the Company's General Meeting of Shareholders approves a merger agreement whereby the Company becomes the non-surviving company, a share exchange agreement or share transfer plan whereby the Company becomes a wholly-owned subsidiary, or any other matters pertaining to restructuring, etc.

(however, in the event that the approval of the Company's General Meeting of Shareholders for said restructuring, etc. is not required, approval by the Company's Board of Directors), the number of Allotted Shares whose transfer restrictions are to be removed and the timing thereof, shall be reasonably adjusted as necessary.

In that event, if there are any Allotted Shares whose transfer restrictions have not been removed immediately after the transfer restrictions have been removed, the Company shall acquire them as a matter of course without consideration.

(5) Other Matters

Other matters pertaining to the Allotment Agreement shall be determined by the Board of Directors of the Company.

It is the Company's intention that shares that have been allotted to Allottees under the Plan shall be managed by a securities company stipulated by the Company in dedicated accounts opened by Allottees during the Transfer Restriction Period so that they cannot be subject to transfer, establishment of a security interest on, gifted inter vivo, or otherwise disposed of during the Transfer Restriction Period.

4. Basis for calculation of the amount to be paid in and specific details thereof

The disposal price for the Disposal of Common Stock is ¥977 which is the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately prior to the Board of Directors meeting (June 22, 2026), in order to eliminate arbitrariness in determination of such price. This is the market price immediately prior to the resolution date of the Company's Board of Directors, and the Company believes this to be reasonable and not to be a particularly advantageous price for the Allottees.