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May 15, 2026

Company name: UNION TOOL CO.
Name of representative: Takao Katayama, CEO
(Securities code: 6278; TSE
Prime Market)
Inquiries: Norimasa Kurata, Executive
Officer
(Telephone: +81-3-5493-1017)

**Notice Concerning Determination of the Number of Shares to be Disposed by
Disposal of Treasury Stock through Third-Party Allotment**

We, UNION TOOL CO., hereby announce that, in relation to the disposal of treasury stock through third-party allotment that sets the underwriter as an allottee, which was resolved simultaneously with the disposal of treasury stock through public offering (public offering), as well as the secondary offering of shares (secondary offering by way of over-allotment) which were resolved by the Board of Directors at its meeting held on April 6, 2026, it has been notified by the allottee that it has elected to subscribe for all of the shares to be disposed thereby as set forth below:

- | | |
|-------------------------------------|---|
| (1) Number of shares to be disposed | 270,000 shares
(Number of shares scheduled to be disposed: 270,000 shares) |
| (2) Amount to be paid in | ¥4,224,366,000
(¥15,645.80 per share) |
| (3) Payment date | May 20, 2026 (Wed) |

Note: This press release does not constitute a part of an offer of investment in any securities. This press release has been prepared for the purpose of announcing to the public certain matters relating to the final number of shares to be disposed through third-party allotment, and not for the purpose of soliciting investment or other activities within or outside Japan. This press release does not constitute soliciting activities to purchase any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. No securities will be publicly offered or sold in the United States under this transaction.

<Reference>

1. This third-party allotment was resolved by the Board of Directors at its meeting held on April 6, 2026, simultaneously with the disposal of treasury stock through public offering (public offering), as well as the secondary offering of shares (secondary offering by way of over-allotment).

For the details of the third-party allotment, please see “Notice Concerning Disposal of Treasury Stock and Secondary Offering of Shares” announced on April 6, 2026 and “Notice Concerning Determination of Disposal Price and Selling Price, etc.” announced on April 14, 2026.

2. Total Number of Treasury Stock before and after Third-Party Allotment

Current total number of treasury stock: 566,587 shares (as of April 30, 2026)

Number of shares to be disposed through the third-party allotment: 270,000 shares

Number of treasury stock after the third-party allotment: 296,587 shares

3. Use of Proceeds

With respect to the net proceeds of JPY 4,221,966,000 from the disposal of treasury stock through third-party allotment, along with the net proceeds of JPY 28,148,840,000 from the disposal of treasury stock through public offering, in the aggregate amount of JPY 32,370,806,000, JPY 4,197,000,000 will be allocated by the end of June 2027 to the construction costs for Factory No.6 at the Nagaoka Plant; JPY 1,953,000,000 will be allocated by the end of December 2028 to capital investment for the expansion of machinery and equipment at the Mitsuke Plant; JPY 23,866,000,000 will be allocated by the end of December 2028 to capital investment for the expansion of machinery and equipment at the Nagaoka Plant; and any amount by which the total estimated net proceeds exceed the aforementioned total required amount will be applied to research and development (R&D) expenses for cutting tool products and other products by the end of December 2027.

Until the time of expenditure, the proceeds will be properly managed in the Company’s bank accounts.

See the notice entitled “Notice Concerning Disposal of Treasury Stock and Secondary Offering of Shares” on April 6, 2026 for more details.

End

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