May 27, 2026

For immediate release

Company Name:	Ultrafabrics Holdings Co., Ltd
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Code No.:	4235 (TSE Standard Market)
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Notice of Disposal of Treasury Stock based on Restricted Stock Unit (RSU) Scheme

The Board of Directors of Ultrafabrics Holdings Co., Ltd. (Company) decided on May 27, 2026, to dispose treasury stock based on the Company's restricted stock units (RSUs) scheme.

1. Summary of disposal

(1)	Date of disposal	June 18, 2026
(2)	Class and number of shares for disposal	53,400 common stocks
(3)	Disposal price	¥673
(4)	Total value of disposal	¥35,938,200
(5)	Number and nature of recipients, and number of shares to be disposed	May 2023 RSU scheme 2 company directors (*): 20,000 shares *Excluding directors who are Audit and Supervisory Committee members 1 company employee: 3,000 shares 4 subsidiary directors: 24,400 shares 4 subsidiary employees: 6,000 shares
(6)	Other	

2. Purpose and rationale for disposal

The Company obtained approval at the 54th Annual General Meeting of Shareholders held on March 28, 2019 to 1) establish an RSU scheme for directors of the Company (excluding members of the Audit & Supervisory Committee); 2) cap the total value of monetary claims awarded as compensation related to the RSU scheme at ¥100mn per year (not including employee salary), within the limit of ¥300mn approved as annual directors' remuneration at the 52nd Annual General Meeting of Shareholders held on June 22, 2017; 3) cap the number of RSUs that can be granted to directors of the Company (excluding members of the Audit & Supervisory Committee) in a given fiscal year at 30,000 shares equivalent (adjusted to 60,000 shares following the stock split); and 4) set as a condition for the RSU a period of continuous service of between three and 10 years, to be defined by the Board of Directors (the "vesting period"). The Board of Directors, at a meeting held on January 29, 2019, decided to implement a similar RSU scheme for certain employees of the Company and certain directors and employees of its subsidiaries, with eligibility to be decided by the Company.

The disposal of treasury stock announced here will be based on the decision of the Board of Directors at its meeting on May 27, 2026, in response to the vesting of rights over RSUs granted in accordance with the RSU scheme.

Summary of RSU scheme

(1) Persons eligible for RSU scheme

Directors of the Company (excluding members of the Audit and Supervisory Committee) and its subsidiaries, and employees of the Company and its subsidiaries.

(2) Overview of RSU scheme

The Company will grant a previously decided number of shares, on the day following the elapse of a three-year period (the "vesting date"), to eligible persons who were either a director or an employee of the Company or its wholly owned subsidiary specified by the Board of Directors for the entirety of the vesting period.

(3) Method and timing for grant of stock

Based on the decision of the Board of Directors, at the end of each vesting period, the Company will grant the number of common stocks corresponding to the vested number of RSUs, by way of disposal of treasury stock, to each eligible person in exchange for the entirety of the monetary claims paid to the eligible persons.

(4) Retirement

In the event that the eligible person retires from being either a director or employee of either the Company or its wholly owned subsidiary specified by the Board of Directors prior to the end of the vesting period, for any reasons deemed justifiable by the Board of Directors, the number of shares or monetary value will be adjusted on a reasonable basis, as necessary.

3. Calculation method for the paid-in value, and relevant details

To exclude arbitrariness, the disposal price for the treasury stocks has been set at ¥673, the closing price for the Company's common stocks on the Tokyo Stock Exchange on May 26, 2026 (the business day before the decision was made by the Board of Directors). This is the market price immediately prior to the day on which the meeting of the Board of Directors was held, and is both reasonable and without particular advantage for the Company.

4. Procedures based on Corporate Code of Conduct

The dilution from the disposed treasury stocks is less than 25%, and there is no resulting change in non-controlling interests. For this reason, the Company is not required to obtain an independent third-party opinion or follow procedures to confirm the intention of shareholders as determined in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange.