OSAKA Titanium technologies Co.,Ltd.

August 25, 2026

To All Shareholders,

Company name: OSAKA Titanium technologies Co., Ltd.
Representative: Junji Kawafuku, President & CEO
(Securities code: 5726, TSE Prime Market)
Inquiries: Naohisa Kitamura, General Manager, Head of General Affairs and Human Resources
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Notice Concerning Issuance of New Shares, and Secondary Offering of Shares

OSAKA Titanium technologies Co., Ltd. (hereinafter referred to as the "Company") hereby announces that the Company have determined the following matters relating to an issuance of new shares and a secondary offering of our shares by the resolution of the Board of Directors meeting held on August 25,2026, as follows.

【Background and Purpose of the Finance】

The Company resolved to increase its annual production capacity of the Sponge Titanium by approximately 10,000 tons at the Board of Directors meeting held on September 2, 2024. Based on this plan, the Company is proceeding with investments in manufacturing facilities at its Head Office and Amagasaki Plant. The Company resolved issuance of new shares to raise funds for part of the capital investments in Sponge Titanium manufacturing facilities. The total investment in Sponge Titanium manufacturing facilities is expected to be approximately 39 billion yen.

1. Issuance of New Shares through Public Offering (Public Offering)

(1) Class and number of shares to be offered	7,000,000 shares of our common stock
(2) Method of determination of amount to be paid in	The amount to be paid in will be determined on a day (hereinafter referred to as the "Pricing Date") in the period between Tuesday, September 1, 2026, and Friday, September 4, 2026, in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting, etc. of Securities by the Japan Securities Dealers Association (the "JSDA").
(3) Amounts of capital stock and legal capital surplus to be increased	The amount of capital stock to be increased shall be half of the maximum amount of the capital stock increase, as calculated in accordance with Article 14, Paragraph 1 of the Regulations on Corporate Accounting with any fraction less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of legal capital surplus to be increased shall be the amount obtained by subtracting the amount of capital stock to be increased from the maximum amount of the capital stock increase.
(4) Method of offering	The offering will be a public offering, and the underwriters shall underwrite and purchase all of the shares. In addition, the issue price (offer price) in the public offering shall be determined in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting, etc. of Securities by the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in ordinary market transactions of the shares of our common stock on the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand.
(5) Consideration for Underwriters	The Company will not pay any underwriting commissions to the underwriters. However, the aggregate amount of the difference between the issue price (offer price) and the amount to be paid to us by the underwriters in the public offering shall constitute proceeds to the underwriters.

(6) Payment date	The payment date is a day either Wednesday, September 9, 2026, or Thursday, September 10, 2026. However, (i) if the Pricing Date is September 1, 2 or 3, 2026, the payment date is September 9, 2026, (ii) if the Pricing Date is September 4, 2026, the payment date is September 10, 2026.
(7) The amount to be paid in, the amounts of capital stock and legal capital surplus to be increased and any other matters necessary for the issuance of new shares will be determined by Junji Kawafuku, President & CEO.	
(8) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective.	

2. Secondary Offering of Shares (Secondary Offering by way of Over-Allotment) (See 1. of <Reference> below.)

(1) Class and number of shares to be sold	1,050,000 shares of our common stock The number of shares mentioned above is the maximum number of shares to be sold. The above number may decrease, or the secondary offering itself may be cancelled entirely, depending on market demand. Furthermore, the number of shares to be sold will be determined on the Pricing Date, taking into account market demand.
(2) Seller	The lead manager of the Public Offering (the “Lead Manager”)
(3) Selling price	Undetermined (The selling price will be determined on the Pricing Date; however, such selling price will be the same as the issue price (offer price) in the Public Offering.).
(4) Method of secondary offering	Taking into account market demand regarding the Public Offering, the Lead Manager will make a secondary offering of up to 1,050,000 shares of our common stock that it borrows from certain shareholder(s).
(5) Delivery date	The delivery date is the business day immediately following the payment date in the Public Offering.
(6) The selling price and any other matters necessary for the secondary offering will be determined by Junji Kawafuku, President & CEO.	
(7) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective	

3. Issuance of New Shares through Third-Party Allotment (See 1. of <Reference> below.)

(1) Class and number of shares to be offered	1,050,000 shares of our common stock.
(2) Method of determination of amount to be paid in	The amount to be paid in will be determined on the Pricing Date. The amount to be paid in is the same as the amount to be paid in in the Public Offering.
(3) Amounts of capital stock and legal capital surplus to be increased	The amount of capital stock to be increased shall be half of the maximum amount of the capital stock increase, as calculated in accordance with Article 14, Paragraph 1 of the Regulations on Corporate Accounting with any fraction less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of legal capital surplus to be increased shall be the amount obtained by subtracting the amount of capital stock to be increased from the maximum amount of the capital stock increase.
(4) Allottee	The Lead Manager
(5) Payment date	Tuesday, September 29, 2026
(6) Shares not subscribed for by the subscription period (on the subscription date) will not be issued	
(7) The amount to be paid in, the amounts of capital stock and legal capital surplus to be increased and any other matters necessary for the issuance of new shares through third-party allotment will be determined by Junji Kawafuku, President & CEO.	
(8) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective.	

<Reference>

1. Secondary Offering by way of Over-Allotment

The Secondary Offering by way of Over-Allotment described in "2. Secondary Offering of Shares (Secondary Offering by way of Over-Allotment)" above is a secondary offering of shares of our common stock to be conducted by the Lead Manager in conjunction with "1. Issuance of New Shares through Public Offering (Public Offering)" above, taking into account market demand, with up to 1,050,000 shares of our common stock to be borrowed from certain shareholder(s). The number of shares to be offered in the Secondary Offering by way of Over-Allotment is planned to be 1,050,000 shares; provided, however, as such planned number of shares is the maximum number of shares to be offered, such number may decrease or the Secondary Offering by way of Over-Allotment itself may be canceled entirely, depending on market demand.

In connection with the Secondary Offering by way of Over-Allotment, the Company have determined that the Company will issue 1,050,000 shares of our common stock to the Lead Manager through third-party allotment (the "Third-Party Allotment"), with the payment date set to be Tuesday, September, 29, 2026, by the resolution of the Board of Directors at its meeting held on Tuesday, August 25, 2026, in order to have the Lead Manager to acquire the number of shares necessary to return the shares of our common stock (the "Borrowed Shares") borrowed by it from certain shareholder(s), as described above.

The Lead Manager may also purchase shares of our common stock (the "Syndicate Cover Transactions") on the Tokyo Stock Exchange, Inc., up to the number of shares in the Secondary Offering by way of Over-Allotment, for the purpose of returning the Borrowed Shares during the period from the day immediately following the last day of the subscription period for the Public Offering and the Secondary Offering by way of Over-Allotment to Thursday September 24, 2026, （the "Syndicate Cover Transaction Period"）. All of the shares of our common stock to be purchased by the Lead Manager through the Syndicate Cover Transactions will be used to return the Borrowed Shares. During the Syndicate Cover Transaction Period, the Lead Manager may decide not to conduct any Syndicate Cover Transactions or may decide to terminate the Syndicate Cover Transactions before the number of shares purchased reaches the number of shares in the Secondary Offering by way of Over-Allotment.

Furthermore, the Lead Manager may conduct stabilizing transactions in relation to the Public Offerings and the Secondary Offering by way of Over-Allotment. The shares of our common stock purchased through such stabilizing transactions may be used, in part or in whole, to return the Borrowed Shares.

With respect to the number of shares (the "Planned Number of Shares") obtained by deducting the number of shares purchased through stabilizing transactions and the Syndicate Cover Transactions that are to be used to return the Borrowed Shares from the number of shares in the Secondary Offering by way of Over-Allotment, the Lead Manager will be allotted and purchase the Planned Number of Shares of our common stock through the Third-Party Allotment. As a result, all or a part of the shares of our common stock to be issued through the Third-Party Allotment may not be subscribed for, which may result in a decrease in the number of shares to be issued through the Third-Party Allotment, or in the cancellation of the entire issuance, due to forfeiture of the right to subscribe for.

In the event that the Lead Manager will be allotted the Planned Number of Shares of our common stock through the Third-Party Allotment, it will make payment for such shares with the funds obtained from the Secondary Offering by way of Over-Allotment.

2. Total number of issued shares before and after the Issuance of New Shares through Public Offering and the Issuance of New Shares through Third-Party Allotment

Current total number of issued shares:	36,800,000 shares	(as of August 25, 2026)
Number of shares to be increased by the Issuance of New Shares through Public Offering:	7,000,000 shares	
Total number of issued shares after the Issuance of New Shares through Public Offering:	43,800,000 shares	
Number of shares to be increased by the Issuance of New Shares through Third-Party Allotment:	1,050,000 shares	(Note)
Total number of issued shares after the Issuance of New Shares through Third-Party Allotment:	44,850,000 shares	(Note)

Note: The numbers described above are based on the assumption that all of the offered shares set forth in (1) of "3. Issuance of New Shares through Third-Party Allotment" above are subscribed for and issued.

3. Use of Proceeds

(1) Use of proceeds to be raised through the offerings

With respect to the net proceeds, from the Public Offering and the Third-Party Allotment, in the aggregate amount of up to 21,979,704,500 yen, the Company plan to allocate as part of capital investment for Sponge Titanium manufacturing facilities at its Head Office and Amagasaki Plant to increase production capacity of Sponge Titanium by the end of March 2028. Any remaining amounts will be used for the repayment of borrowings by the end of December 2027.

(2) Change in use of proceeds raised previously

Not applicable.

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