UNITED ARROWS LTD.

July 30, 2026

Notice Regarding Cancellation of Treasury Shares

(Cancellation of Treasury Shares Pursuant to Article 178 of the Companies Act)

The Company hereby announces that its Board of Directors, at a meeting held on July 30, 2026, resolved to cancel treasury shares pursuant to Article 178 of the Companies Act, as described below.

1. Reason for the Cancellation of Treasury Shares

The Company considers enhancement of capital efficiency and shareholder returns to be important management priorities, while giving top priority to investments for future growth, supported by its strong financial position and stable cash flow generation capability.

Under this policy, after comprehensively considering current investment opportunities, required capital levels, and financial soundness, the Company determined that additional shareholder returns could be provided through a portion of shareholders' equity. Accordingly, as announced in the "Notice Concerning Acquisition of Own Shares (Acquisition of own shares based on the Company's Articles of Incorporation pursuant to Article 165-2 of the Corporation Law of Japan)" dated May 11, 2026, the Company is currently acquiring its own shares.

The Company has reassessed the potential uses of treasury shares and the necessity of holding them in light of its capital management policy. Following this review, the Company determined that its existing treasury share holdings are sufficient to address foreseeable requirements. Accordingly, the Company concluded that the need to retain additional treasury shares acquired under the current share repurchase program is limited and has therefore decided to cancel all such shares.

The cancellation is intended to provide a certain and sustainable increase in per-share value through a reduction in the total number of issued shares and to further enhance shareholder value by improving capital efficiency.

2. Details of the Cancellation

1. Class of shares to be cancelled: Common shares

2. Number of shares scheduled to be cancelled*:
Up to 1,000,000 shares, which is the maximum number authorized by the Board of Directors on May 11, 2026
(Representing 3.6% of the total number of issued shares excluding treasury shares before the cancellation)

3. Scheduled cancellation date: September 30, 2026

* The Company will announce the final number of shares to be cancelled upon completion of the treasury share acquisition program.

Reference

1. Details of the Resolution Approved at the Board of Directors Meeting Held on May 11, 2026

1. Class of shares to be acquired: Common shares of the Company

2. Total number of shares to be acquired: Up to 1,000,000 shares

(Representing 3.6% of the total number of issued shares excluding treasury shares)

3. Total acquisition cost: Up to ¥2.0 billion

4. Acquisition period: From May 12, 2026 to August 31, 2026

5. Method of acquisition: Market purchases on the Tokyo Stock Exchange

2. Cumulative Treasury Shares Acquired Pursuant to the Above Resolution (As of June 30, 2026)

1. Total number of shares acquired: 134,400 shares

2. Total acquisition cost: ¥331,011,797