

The LGL Group, Inc.

Warrant FAQ's

A full description of the anti-dilutive adjustment provisions of the warrants is included in the warrant agreement.

1. When and why did The LGL Group, Inc. ("LGL Group") distribute warrants?

LGL Group's Board of Directors declared a warrant dividend to holders of record of LGL Group common stock as a means of distributing value to its stockholders. The warrants were issued in uncertificated form on a one warrant for one share basis on November 16, 2020 to LGL Group stockholders of record as 5:00 p.m., November 9, 2020.

2. What agreement governs the Warrants?

The warrant agreement, as amended by Amendment No. 1, contains the complete terms and conditions of the warrants and is attached as an exhibit to LGL's post-effective amendment to registration statement on Form S-1, which was filed with the Securities and Exchange Commission (the "SEC") on June 5, 2025 (the "Amended Registration Statement"). It is available on the SEC's web site at www.SEC.gov.

On June 24, 2025, the Post-Effective Amendment to Form S-1 (No. 333-158319) was declared effective by the SEC and warrant holders may now exercise their warrants.

3. What is the trading symbol for the warrants?

The warrants trade on the NYSE American under the ticker symbol "LGL WS", although different financial information websites may use slight variants of this symbol. Holders who wish to sell their warrants should contact their broker, bank, or other intermediary.

4. What is the CUSIP number for the warrants?

The CUSIP number for these warrants is "50186A 132".

5. What is the current exercise price of the warrants?

Five (5) warrants will enable the warrant holder to purchase one (1) share of LGL Group common stock at a price of \$4.75, subject to anti-dilution adjustments for certain events (the "Basic Warrant Exercise Rights").

6. Why is the exercise price \$4.75 now?

As a result of the spinoff of M-tron Industries, Inc., the warrant exercise price was adjusted in accordance with the provisions of the warrant agreement.

7. Do the warrants expire?

Yes. LGL Group has extended the expiration of the warrants to purchase shares of LGL Group's common stock granted on November 16, 2020, until 5:00 p.m. Eastern Time on Tuesday

December 9, 2025. The Warrants were previously scheduled to expire on November 16, 2025, a Sunday, which allowed holders to exercise the Warrants by the close of business on November 17, 2025. All other terms and conditions of the Warrants remain unchanged.

8. Will holders of the warrants be entitled to receive any future cash dividends?

No. Holders of unexercised warrants are not entitled to any of the rights of LGL Group common stock, which includes the right to vote and to receive dividends. Future cash dividends, if any, will be paid on shares of LGL Group common stock outstanding on the record date set for any such dividend.

9. What type of event would cause an anti-dilution adjustment to the warrant?

The initial exercise price for LGL Group common stock to be purchased in connection with these warrants is subject to anti-dilution adjustment for certain events, including:

- Stock dividends
- Stock splits or combinations
- Issuance of shares in connection with a consolidation or merger in which LGL Group is the continuing corporation
- Issuance of rights, options, or warrants to all holders of common stock
- Distribution of debt instruments or assets to all holders of common stock
- Consummation of tender offer for more than 30% of LGL Group, or any of its wholly owned subsidiaries, outstanding common stock at a price that is above market price

10. What is the process to exercise my warrants?

The warrants can be exercised under the Basic Warrant Exercise Rights at the current ratio and exercise price discussed above and Holders that exercise all of their warrants pursuant to the Basic Warrant Exercise Rights may elect to participate in the Over-Subscription Privilege (as defined and discussed below), which was included pursuant to Amendment No. 1 to the warrant agreement.

Any Holder that exercises all of its warrants from and after 5:00 p.m., New York City time, on October 16, 2025 (the “Over-Subscription Commencement Date”) until 5:00 p.m., New York City time, on the Expiration Date (the “Over-Subscription Period” and the last day of such period, the “Over-Subscription Deadline”), then, subject to the terms described below, such Holder may also choose to subscribe for any or all of the shares issuable pursuant to any unexercised Warrants as of the Over-Subscription Deadline (the “Over-Subscription Privilege”). The number of shares of Common Stock that will be available in the aggregate to all Holders that exercise their Warrants pursuant to the Over-Subscription Privilege will be the number of shares of Common Stock which are not subscribed for as of the Over-Subscription Deadline pursuant to the Basic Warrant Exercise Right of all Holders (such number of shares of Common Stock, the

“Under-Subscribed Shares”). Holders who exercise the Over-Subscription Privilege are subject to pro rata share allocation provisions if requests for over-subscription exceed the number of Under-Subscribed Shares, which are described in the Registration Statement.

Direct registration holders should contact Computershare Investor Services, the warrant agent. To exercise, you will be required to complete an exercise notice and provide payment to Computershare Investor Services by money order, certified check, or official back check in an amount equal to the exercise price multiplied by the number of warrants being exercised. Upon exercise, you will receive the whole number of shares of LGL Group common stock to which you are entitled.

Holders in street name should contact their broker, bank, or other intermediary for information on how to exercise warrants, which may be effectuated through the procedures of Depositary Trust Company (“DTC”). The deadlines of brokers, banks, other intermediaries, or DTC may be earlier than the deadlines set forth in the warrant agreement, so holders should confirm any deadlines with such entities. Street name holders may exercise the Basic Warrant Exercise Rights and the Over-Subscription Privilege through their broker, bank, or other intermediary through the customary procedures of the DTC using DTC’s Automated Subscription Offer Program (commonly referred to as “ASOP”).

The exercise form can be accessed at the following link: [Exercise Form](#)

11. Who is the warrant agent and how can I contact them?

Computershare Investor Services

By telephone	<i>Within U.S., U.S. territories & Canada</i> 1-800-546-5141 <i>Outside U.S., U.S. territories & Canada</i> 1-781-575-2765
If delivering by U.S. mail:	Computershare Trust Company, N.A. c/o Voluntary Corporate Actions P.O. Box 43011 Providence, RI 02940-3011
If delivering by courier:	Computershare Trust Company, N.A. c/o Voluntary Corporate Actions 150 Royall Street, Suite V

12. When can I exercise the warrants?

LGL Group has filed with the Securities and Exchange Commission (the "SEC") the Amended Registration Statement that, once declared effective, will permit holders to exercise the warrants. No exercises of the warrants are permitted until Amended Registration Statement becomes effective.

13. What happens if I do not exercise the warrants before they expire?

After 5:00 p.m., New York City time, on the Expiration Date, you will no longer be entitled to exercise the warrants for shares of LGL Group's common stock. The Expiration Date falls on a Sunday, which will require submission of Exercise Forms by 5:00 p.m., New York City time, on November 17, 2025. LGL Group has extended the expiration of the warrants to purchase shares of LGL Group's common stock granted on November 16, 2020, until 5:00 p.m. Eastern Time on Tuesday December 9, 2025. The Warrants were previously scheduled to expire on November 16, 2025. All other terms and conditions of the Warrants remain unchanged.

14. Can I freely sell the shares I receive upon exercise or do I need to hold them for a certain period of time?

The shares issuable upon exercise of the warrants will be freely transferable and may be traded immediately, unless held by our officers, directors or affiliates, who are subject our insider trading policies and certain securities law limitations.

Tax Information

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. tax advice contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

CONSULT YOUR TAX ADVISOR

The information contained herein provides a general summary regarding the application of certain U.S. Federal income tax laws and regulations relating to the distribution of the warrants. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. **LGL Group does not provide tax advice to its shareholders. You are urged to consult your own tax advisor regarding the particular consequences of the distribution of the warrants to you, including the applicability and effect of all U.S. Federal, state and local and foreign tax laws.**

15. Are there any substantial tax implications related to the warrants?

The LGL Warrants are being issued as a dividend proportionate to all outstanding shares of LGL Group common stock. As such, the warrant dividend would normally be a non-taxable distribution for U.S. taxpayers. The above information is presented here for information purposes only and is not intended to constitute tax advice for any individual stockholder or warrant holder or stockholder. Holders should consult their own tax advisors regarding the United States federal and other tax consequences of the distribution of the warrants.

16. Is this a qualified dividend?

No. This warrant dividend is a distribution of stock rights to holders of LGL Group common stock and does not qualify as a qualified dividend.

17. Will I need to allocate any portion of the tax basis in my LGL Group common stock to the warrants I receive?

The general rules for allocating tax basis between common stock and rights (such as these warrants) received as a distribution require U.S. taxpayers to allocate the tax basis of their stock between the stock and the rights received. However, there is an exception to this general rule when the fair market value of the rights received is less than 15% of the value of the stock immediately prior to the distribution. Once the fair market value of the warrants at issuance is known, we will update this section to let recipients know whether or not the fair market value of the warrants is less than 15% of the value of the common stock.

18. How is the fair market value of the warrants determined?

The fair market value of the warrants is based upon the trading value of the warrants as separate from the common stock on the first day of trading.

19. What adjustment is needed to the tax basis per share of my LGL Group common stock?

Once the fair market value of the warrants at issuance is known, we will update this section to let recipients know if the general rules for U.S. taxpayers indicate that an allocation of tax basis is required.

20. What is my tax basis for the warrants I received or obtained through buying the common stock with due bills attached?

Generally, if you purchased your LGL Group common stock after the record date with a due bill attached, your tax basis in the warrants is the fair market value of the warrants at the time that you purchased the common stock.

THIS IS FAQ IS A GENERAL GUIDELINE AND SHOULD NOT BE DEEMED AS A DOCUMENT FROM WHICH TO MAKE INVESTMENT DECISIONS.

Last Updated: November 2025