



September 12, 2024

Timely disclosure

Company name	TOYO Corporation
Representative	Toshiya Kohno / President & CEO
Stock code	8151 TSE Prime
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Notice concerning acquisition of shares by a consolidated subsidiary of TOYO Corporation (conversion into a sub-subsidiary company)

TOYO Corporation (the “Company”) has announced that it resolved at a meeting of the Board of Directors held on September 12, 2024 that the Company’s consolidated subsidiary TOYOTech LLC (Head office: California, USA; “TOYOTech”) will subscribe to a third-party placement of new shares (the “Investment”) in the Company’s equity-method affiliate AeroGT Labs Corporation (Head office: California, USA; “AeroGT”), and convert AeroGT into a sub-subsidiary company of the Company.

1. Reasons for the Investment

Since 2018 the Company has concluded an exclusive distributor agreement with General Test Systems Inc. (Head office: Shenzhen, Guangdong, China; “GTS”), a leading company in the field of mobile terminals, antennas and OTA testing*, to sell OTA measurement solutions. Under the strong partnership between the two companies, in 2022 TOYOTech and GTS entered the USA and established the joint venture AeroGT with the aim of developing the OTA business in the automotive market. In the two years since its establishment, the business has steadily expanded, with large orders for intelligent and connected cars expected. To achieve further growth, TOYOTech will subscribe to a third-party placement of new shares in AeroGT, giving the Group a majority shareholding in AeroGT, thereby accelerating the Group-led development of the US OTA market.

*OTA testing: OTA stands for Over-The-Air. Testing to evaluate performance in a wireless communication environment.

2. Overview of the subsidiary making the Investment

(1) Company name	TOYOTech LLC
(2) Location	47623 Lakeview Blvd, Fremont, CA 94538 USA
(3) Representative name and position	CEO Bo Han
(4) Business description	Sales of various measurement solutions
(5) Capital	US\$4 million

(6) Year of establishment	2015
(7) Major shareholders and shareholding ratio	The Company 100%

3. Overview of the sub-subsidiary company that changes

(1) Company name	AeroGT Labs Corporation		
(2) Location	47623 Lakeview Blvd, Fremont, CA 94538 USA		
(3) Representative name and position	CEO Bo Han		
(4) Business description	Sales of OTA measurement solutions		
(5) Capital	US\$1 million		
(6) Year of establishment	2022		
(7) Major shareholders and shareholding ratio	GTS 51%、TOYOTech 49%		
(8) Relationship between the listed company and the company concerned	Capital relations	TOYOTech, a subsidiary of the Company, owns 49.0% of the shares, making it an equity-method affiliate of the Company.	
	Personnel relations	The CEO of TOYOTech is also the representative.	
	Business relations	There are no notable business relations between the Company and the company concerned.	
(9) Operating results and financial position of the company concerned for the last three years			
Fiscal year-end (US\$)	FY9/2021	FY9/2022	FY9/2023
Net assets	—	872,094.02	856,676.35
Total assets	—	1,034,623.25	1,137,410.43
Net assets per share	—	0.29	0.28
Net sales	—	1,439.99	395,833.29
Operating profit	—	-127,607.32	-49,293.19
Profit	—	-127,905.98	-15,417.67
Earnings per share	—	-0.04	-0.00
Dividends per share	—	0	0

4. Number of shares acquired, acquisition price, and shares held before and after acquisition

(1) Number of shares held before change	1,470,000 shares (Number of voting rights: 1,470,000) (Percentage of voting rights held: 49.0%)
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(2) Number of shares acquired	400,000 shares (Number of voting rights: 400,000)
(3) Acquisition price	Class A common shares US\$92,360 (¥13,593 thousand*)
(4) Number of shares held after change	1,870,000 shares (Number of voting rights: 1,870,000) (Percentage of voting rights held: 55.0%)

*Converted at US\$1 = ¥147.18 (as of September 3, 2024)

5. Schedule

(1) Date of Board of Directors resolution	September 12, 2024
(2) Date of conclusion of contract	Planned for September 12, 2024 (local time)
(3) Date of execution of capital increase	Planned for September 12, 2024 (local time)

6. Future outlook

The impact of this matter on the Company's earnings and financial performance is currently under review. If any matters requiring disclosure arise in the future, we will promptly announce them.

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