




Second Quarter of Fiscal Year Ending March 2025  
(FY2024-2Q)

# Management Overview

November 14, 2024

Toyo Engineering Corporation

President & CEO Eiji Hosoi

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- 01** Performance Overview for the 1<sup>st</sup> Half of FY2024 and Outlook
  - 02** Status of Major Projects
  - 03** Main Topics
  - 04** Mid-Term Management Plan Progress and Future Initiatives
  - 05** APPENDICES

# Performance Overview for 1<sup>st</sup> Half of Fiscal Year Ending March 2025 (FY2024)

A year-on-year increase in revenue and a decrease in profits.

While some projects experienced schedule extensions, overall performance has remained steady.

- 01** Completion of chemical projects in China and domestic biomass projects
  - ✓ Revenue contributions were driven by domestic chemical, pharmaceutical, and biomass projects, as well as fertilizer project in Nigeria and oil and gas-related projects in India.
- 02** Gross Profit reached 12.8 billion yen with a Gross Margin of 10.6% , because of delays in some domestic projects
  - ✓ Measures were taken to address issues, with feedback provided for subsequent projects to improve future outcomes.
- 03** Steady progress on two major FPSO projects at equity-method affiliate OFS
  - ✓ Guyana – Uaru Project: Approximately 50% progress\*<sup>1</sup>
  - ✓ Brazil – Raia Project : Approximately 30% progress\*<sup>1</sup>
- 04** Completion of two FPSO projects at a subsidiary in Brazil\*<sup>2</sup>
  - ✓ Efforts are now focused on enhancing outcomes for the remaining two gas-fired power generation projects and an oil-related project.
- 05** Order Amount\*<sup>3</sup> reached 55 billion yen, as Order Backlog\*<sup>3</sup> reached 440.1 billion yen
  - ✓ New orders include a gas-related project in India and a petrochemical project in Indonesia.

\*1 The latest status as of end-June because OFS Co. operates on a January–December fiscal year.

\*2 The balance sheet has been consolidated since Q1, and the income statement will be consolidated starting from the second half of FY2024.

\*3 Including equity-method affiliates’.

# Initiatives to Achieve Targets for Fiscal Year Ending March 2025 (FY2024)

- ✓ Net Sales: projected at 270 billion yen
- ✓ Net Profit: projected at 6 billion yen
- ✓ Order Amount Target\*<sup>1</sup>: projected at 250 billion yen
- ✓ Dividend per Share: planned at 25 yen (payout ratio of 25%)

FY2024 Year-End Forecasts remain unchanged\*<sup>2</sup>

## 01 Further Strengthening of Risk Management

- ✓ Continuing Selective Project Engagement Considering Workforce Availability
- ✓ Strengthening Risk Assessment and Management Systems for Project Execution.
- ✓ Increasing Staffing and Strengthening Governance for Large-Scale Projects at Key Group Companies.

## 02 Comprehensive Use of DX Tools


- ✓ Enhancing Profitability and Reducing SG&A Costs through Comprehensive Use of DX for Operational Efficiency.

## 03 Strengthening Activities to Secure New Orders

- ✓ Advancing Negotiations for Projects in High-Performance Chemicals, Advanced Pharmaceuticals, Oil, Gas, Petrochemicals, Chemicals, Geothermal Power Generation, etc.
- ✓ Promoting Initiatives in Business Investment Projects.
- ✓ Preparing and Undertaking Preliminary Work for the Next Fiscal Year.

\*1 Including equity-method affiliates' target

\*2 Full-year forecast adjustments: Gross Profit revised from 30 to 29 billion yen, SG & A Expenses revised from 25 to 24 billion yen

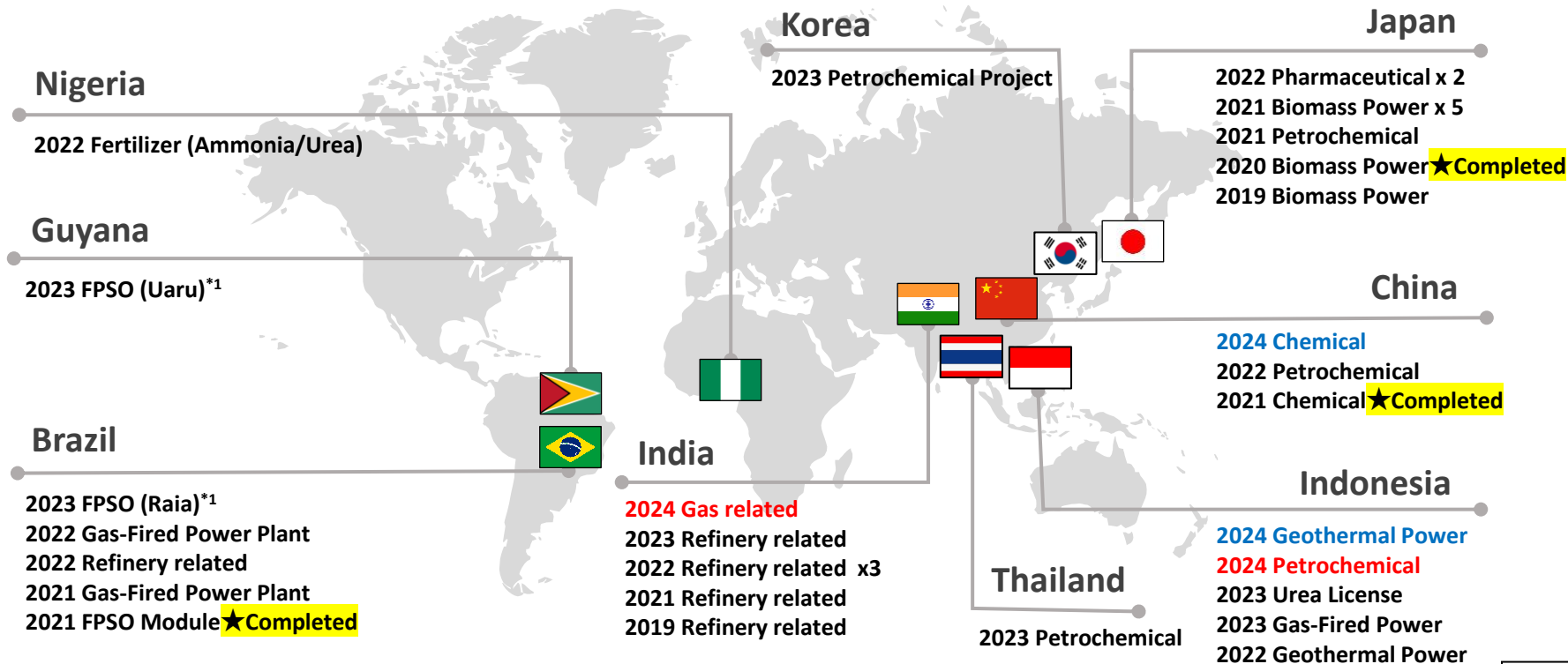
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# Major Projects

We are executing a balanced portfolio of projects across various countries and product lines

As of the End of October 2024

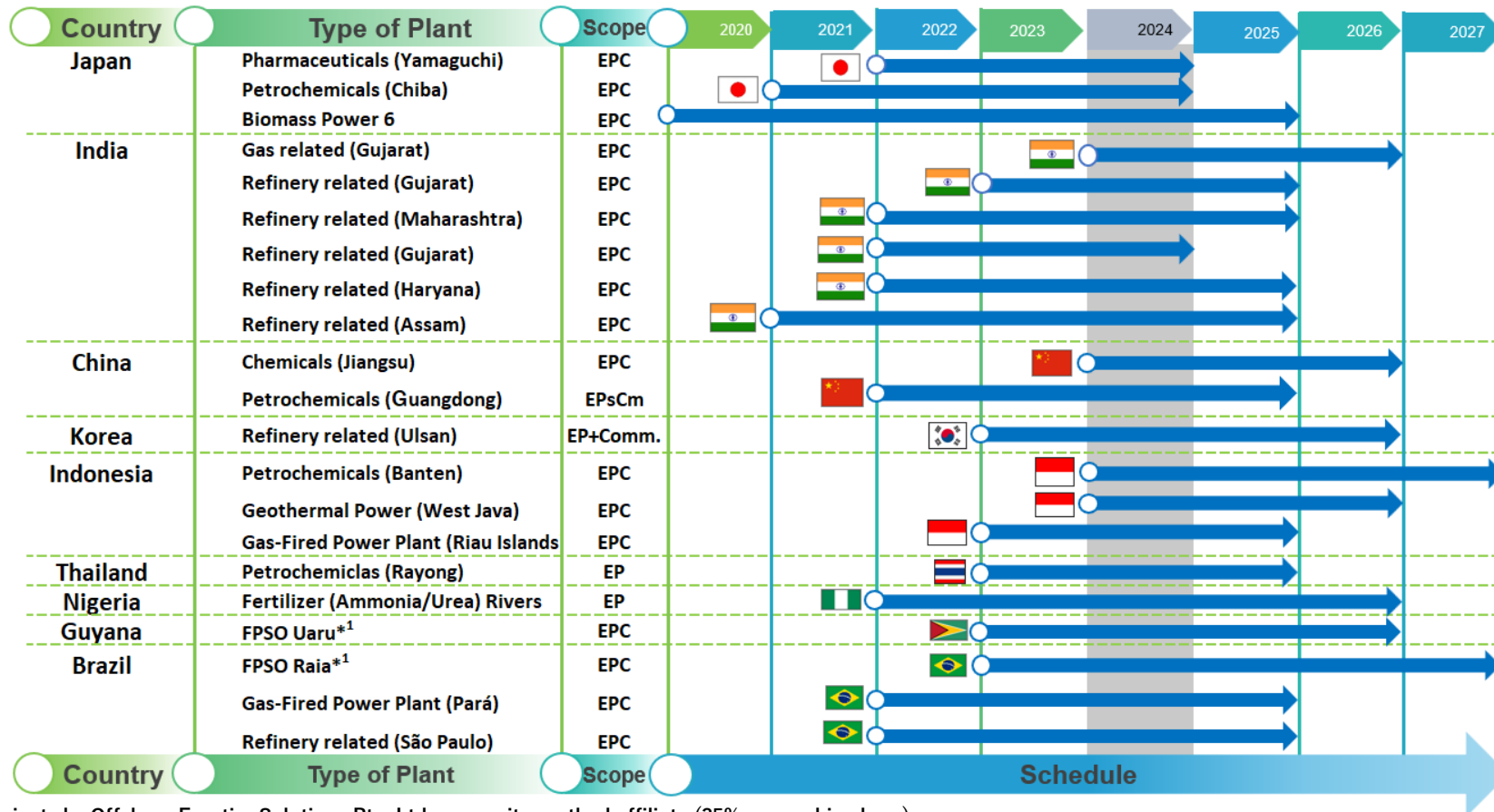
Project Award Year; **Projects awarded in the 1<sup>st</sup> half of FY2024;** **Projects awarded in the 2<sup>nd</sup> half of FY2024;** **★: Projects completed in FY2024**




\*1 Projects by Offshore Frontier Solutions Pte. Ltd., an Equity-Method Affiliate (35% Ownership Share)

# Status of Major Projects

We anticipate that projects across various countries will continue to progress in a balanced manner, with sequential completions scheduled between 2024 and 2027.



\*1 Projects by Offshore Frontier Solutions Pte. Ltd., an equity-method affiliate (35% ownership share)

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# Fuel Ammonia



Revenue Contribution through Business Investment and EPC.  
 Planning to expand to other plants under PIHC Co.

## World's First Commercial-Scale Green Ammonia Production Plant for Marine Fuel Use



### Strategic Partnership

Established a strong partnership for green ammonia production through a joint development agreement with PIHC Co. \*1 and Itochu Corporation.



### Japanese Government-Supported Project

This project has been selected as an eligible initiative under the Ministry of Economy, Trade and Industry's "Subsidy for Future-Oriented Co-Creation Projects in the Global South".

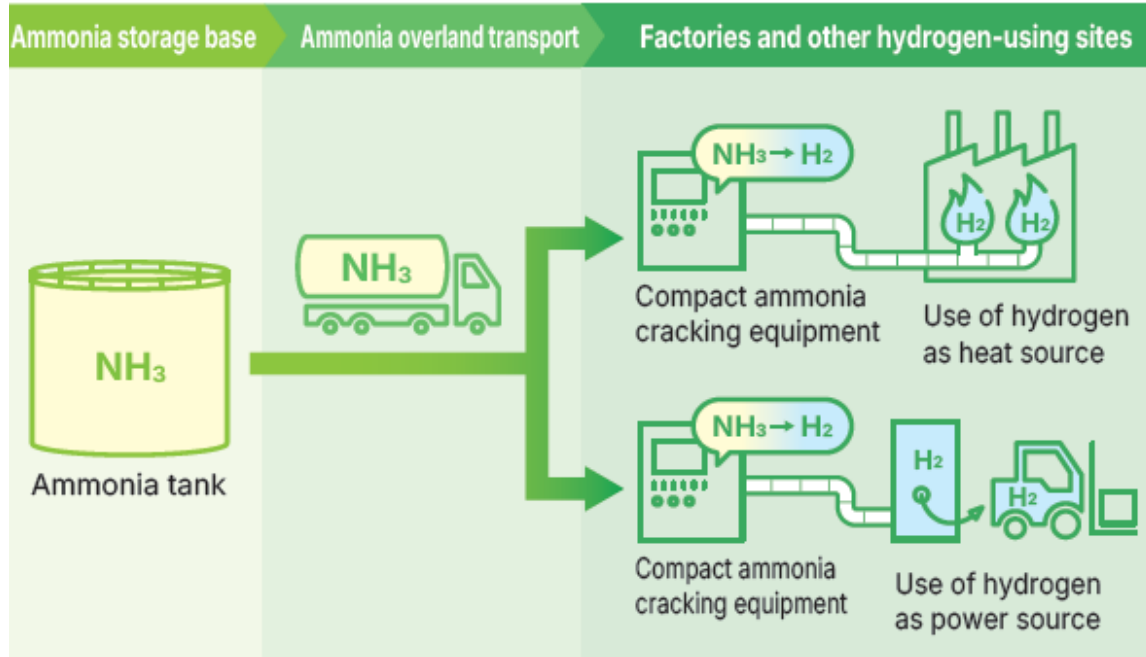


### Schedule

**August 2024** : Commencement of FEED  
**By End of 2024** : Establishment of a Joint Venture (JV)  
**1st Half of 2025** : Final Investment Decision (FID)  
**2027** : Target start of production

\*1 Pupuk Indonesia Holding Company

# Ammonia Cracking and Hydrogen Supply



## Demand Survey for Hydrogen and Ammonia in Thailand and Demonstration Study of Ammonia Cracking Equipment

In collaboration with JERA Co., Inc. and JERA Asia Pte. Ltd., we applied for and were selected in the conformity assessment of requirements by the New Energy and Industrial Technology Development Organization (NEDO).

- ✓ Investigating the potential for stable hydrogen supply and industrial use in Thailand
- ✓ Verifying cracking equipment for extracting hydrogen from ammonia
- ✓ Leveraging TOYO's experience and technical expertise, with 87 ammonia plant projects

# Green Methanol

## Joint Study on Building a Value Chain from India to Japan Using g-Methanol™

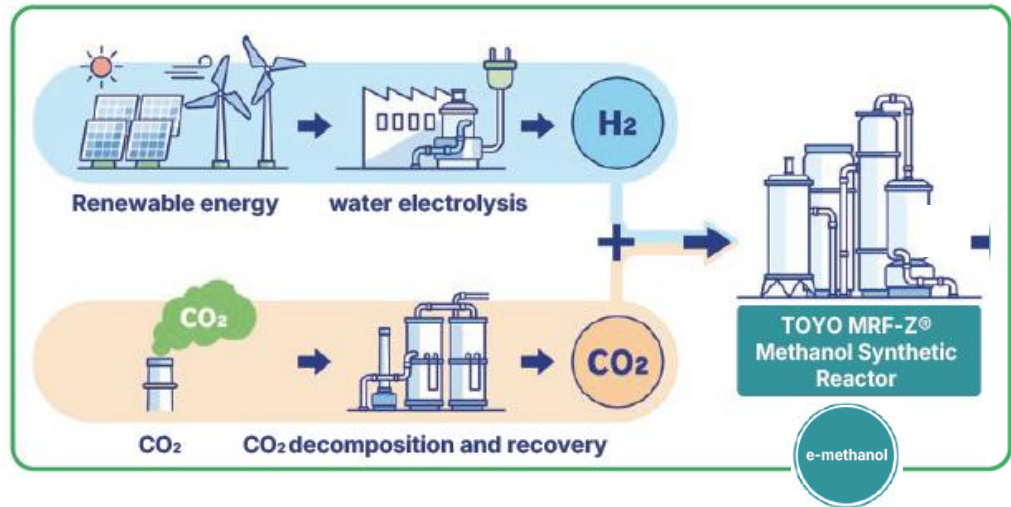
### ✓ Utilizing TOYO's g-Methanol™ Process:

Adopting TOYO's proprietary technology to produce e-methanol by synthesizing CO<sub>2</sub> captured from various emission sources with hydrogen derived from renewable energy.

- Optimal design suitable for large-scale production
- Technology that allows easy catalyst replacement

### ✓ Offtaker:

ENEOS Corporation is a potential off-taker for e-methanol in Japan.



## From India to Japan

- ✓ Exploring the feasibility of building a value chain in collaboration with NTPC Limited, India's state-owned power company.
- ✓ The project aims to export e-methanol produced from green hydrogen and bio-derived CO<sub>2</sub> to Japan, where it will be used to produce marine fuels and low-carbon synthetic fuels.

## Japanese Government-Supported Project

- ✓ Selected under the Ministry of Economy, Trade and Industry's "Subsidy for Future-Oriented Co-Creation Projects in the Global South" (Overseas Infrastructure Deployment Promotion Studies by Japanese Companies).

# Bio-ethylene



**Awarded Due to Extensive Plant Construction Experience in Thailand**

## **Awarded FEED Contract for Bioethylene Production Facility in Thailand**



### **Contributing to Decarbonization and Circular Economy**

The produced bio-ethylene will be used in plastic products such as food packaging and household goods, significantly reducing the carbon footprint (CFP).



### **Supporting the Rapidly Growing Southeast Asian Market**

Contributing to the growth of the petrochemical sector and the realization of a carbon-neutral society in the rapidly expanding Southeast Asian market.



### **From FEED to EPC**

By successfully completing the FEED, a critical step toward the customer's Final Investment Decision (FID), we aim to secure the EPC contract as well.

# Commercialization of Plastic Recycling Technology



## Joint Development of Mixed Waste Plastic Liquefaction Technology with Thailand's SCG Chemicals

~Aiming for Commercialization and Licensing to Third Parties through Co-Creative Engineering~

### Reducing CO<sub>2</sub> Emissions Through Waste Plastic Recycling

- The demonstration plant reduces fossil resource consumption by 10 tons per day, equivalent to about 90,000 shampoo bottles.
- Offers a sustainable plastic recycling alternative to traditional incineration methods.

### Introduction of New Reactor Equipment and Outlook for Commercialization in 2025

- Preparations are underway to install new reactor equipment at the demonstration plant, with operations scheduled to begin in early 2025.
- This will enable scaling up and increased processing capacity toward commercialization.

# Geothermal Power



In addition to previous initiatives with state-owned and private companies, we have now signed an LOI with the Ministry of Energy and Mineral Resources

## Letter of Intent Signed with Indonesia's Ministry of Energy and Mineral Resources for Developing a Geothermal Master Plan



### Towards Indonesia's Net Zero Emissions by 2060

This partnership marks a significant step toward Indonesia's target of achieving Net Zero Emissions (NZE) by 2060.



### Promotion of the "Carbon Neutral Park" Initiative

TOYO is advancing the "Carbon Neutral Park" initiative, which aims to comprehensively develop and optimize geothermal fields by integrating various related subsurface and surface technologies.

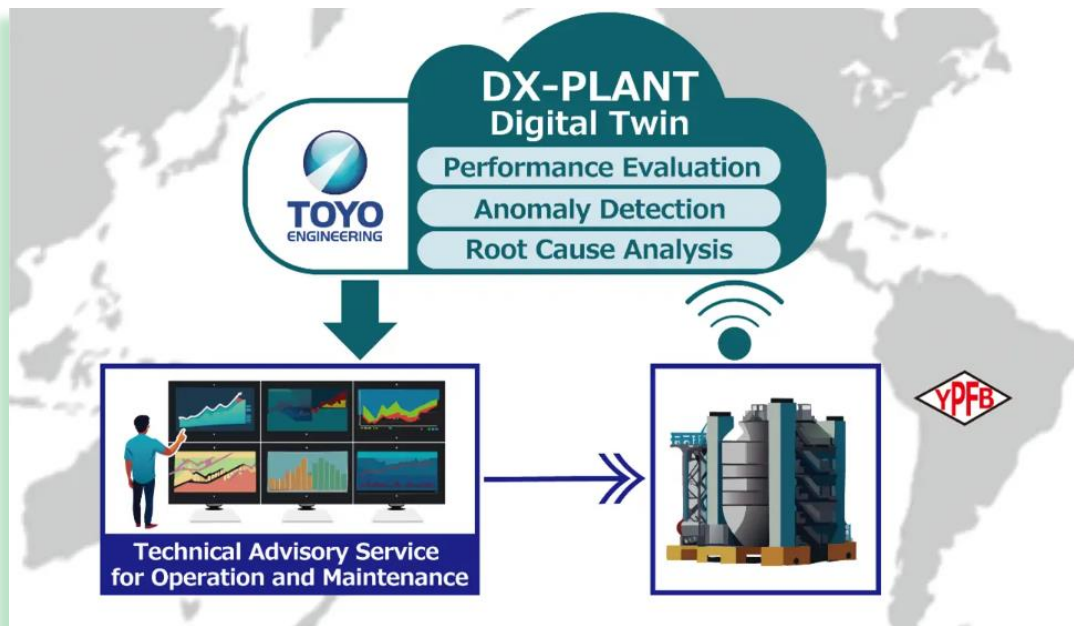


### Strengthening International Relations and Business Expansion

This initiative not only contributes to bolstering the relationship between Indonesia and Japan but also accelerates TOYO's efforts in geothermal development.



# DX-PLANT™: Plant Operation Support Service



**Advisory Service Agreement  
Signed with Bolivia's State-Owned  
Oil and Gas Company**

~Enhancing TOYO's Business Model and  
Ensuring a Sustainable Revenue Stream~

## Advanced Operational Support Through Digitalization

Leveraging TOYO's expertise as a urea licensor, the DX-PLANT™ service integrates specialized knowledge through digital applications and remote monitoring systems, enabling real-time communication to enhance the customer's urea plant operations.

## Strategy to Expand Digital Services Like DX-PLANT™

- Achieved our 10th implementation of DX-PLANT™ with this project.
- Providing diagnostics, evaluations, and technical advisory services on plant operational conditions.
- Realizing higher plant uptime and more efficient maintenance practices.

# FPSO (Floating Production, Storage, and Offloading)

## Strategic Initiatives for Expanding FPSO Business

### ✓ Strengthening Global Capabilities:

Building on the establishment of OFS Singapore in partnership with MODEC, Inc. in 2022, we are further strengthening our global presence by setting up additional bases in Malaysia and India.

### ✓ Enhancing and Expanding the FPSO Business:

Focused on expanding the FPSO business, we aim to provide excellent services that meet diverse customer needs while enhancing technical capabilities and competitiveness.



## New Office in Kuala Lumpur, Malaysia

### ✓ Regional Hub for EPCI Projects:

A strategic base in Southeast Asia to support the management and execution of EPCI projects.

### ✓ Over 200 Personnel:

In addition to relocating employees from Singapore, we plan to hire more than 200 new personnel by 2025.

## New Office in Bangalore, India


### ✓ High-Quality and Efficient Global Capability Center:

Providing Front-End Engineering Design (FEED), detailed engineering, and procurement support services for FPSO projects.

### ✓ Team of Over 450 Personnel:

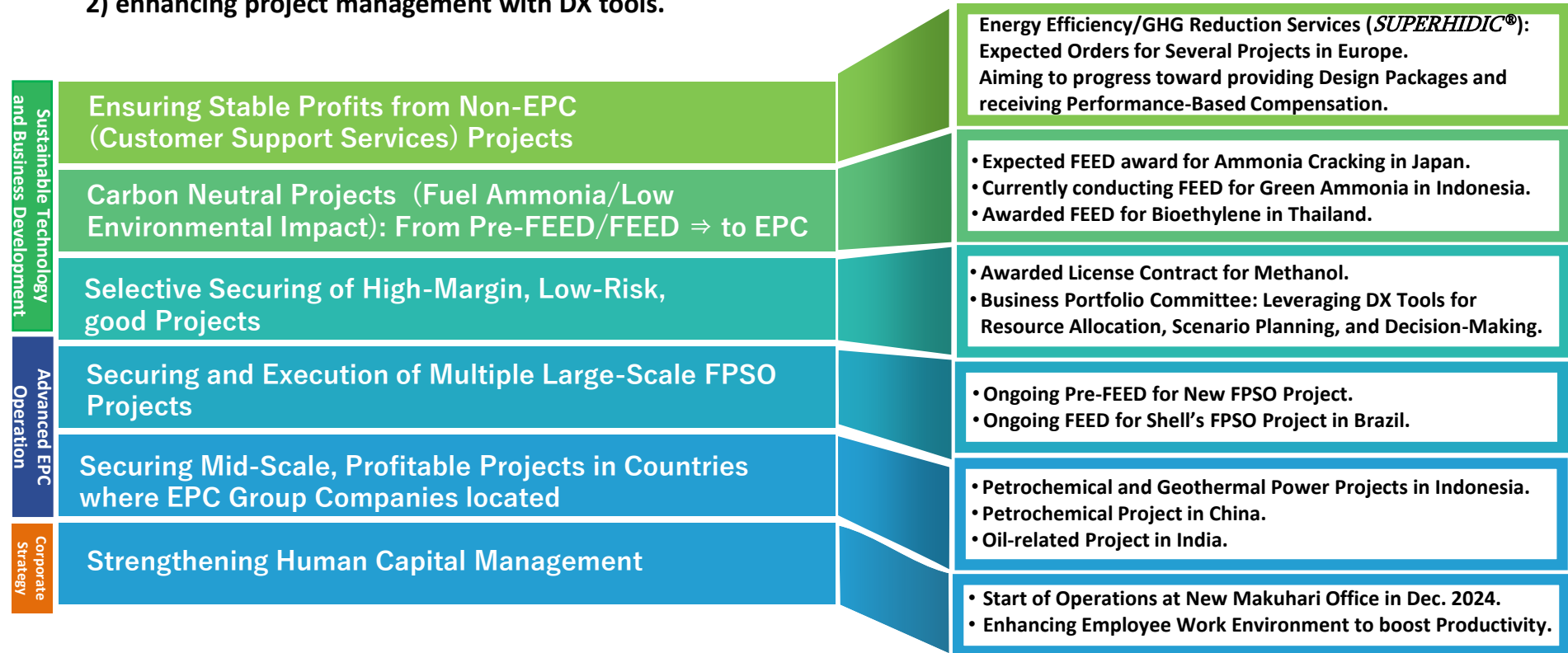
Aiming to reach a team size of over 450 by 2025.



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# Progress on Initiatives Toward Achieving the Mid-Term Management Plan Goals

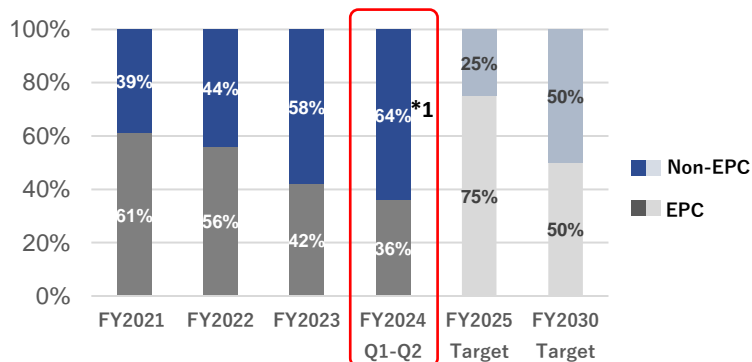
- We are actively transitioning our business portfolio toward Carbon-Neutral and Non-EPC Projects to stabilize earnings.
- We are focusing on improving profitability by 1) strategically securing projects through customer-focused sales and, 2) enhancing project management with DX tools.



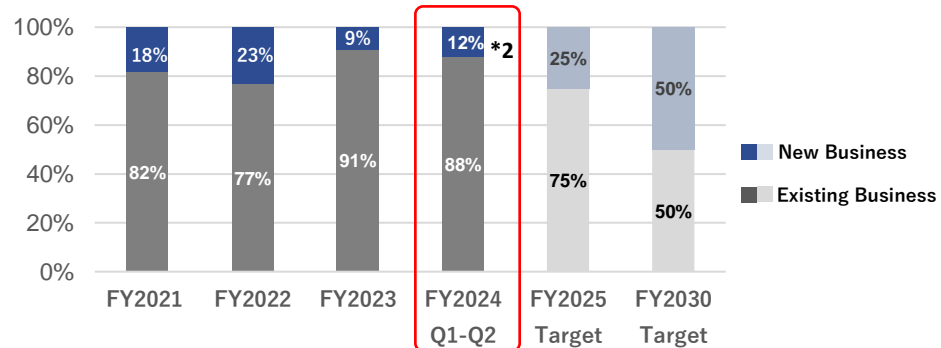
# Mid-Term Management Plan (2021-2025) KPI

Non-EPC Gross Profit composition has already exceeded FY2025/FY2030 target

### Non-EPC Gross Profit Composition

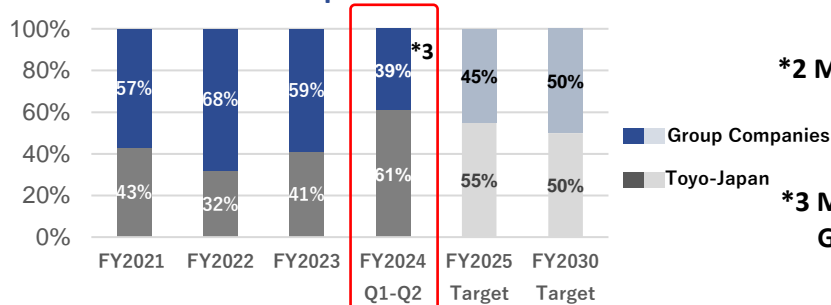


### New Business Gross Profit Composition



Non-EPC: Refers to projects other than EPC/EP Lump-Sum projects

### Group Companies' Gross Profit Composition



\*1 Major Non-ECP projects

- ✓ FS, Pre-FEED for Fuel Ammonia/SAF
- ✓ EPsCm, EPs, PMS for Petrochemicals
- ✓ Licensing/Basic Engineering for Urea

\*2 Major New Business Projects

- ✓ Energy Efficiency and GHG Reduction
- ✓ High-Performance Chemicals
- ✓ Marine Resource Development

\*3 Major Projects by Group Companies

- Toyo-India: Oil & Gas, Chemicals/Fertilizers
- Toyo-China: Chemicals, Petrochemicals
- IKPT (Indonesia): Geothermal/Gas-Fired Power
- TPS: Maintenance, Pharmaceuticals, Chemicals

Note: OFS (Singapore) is an equity-method affiliates and therefore not included.

TSPI (Brazil) is not included because the balance the income statement will be consolidated starting from the second half of FY2024.

# Received Orders and Target Projects for FY2024

Target: 250 billion yen\*1

FY2024 first-half result: 55 billion yen\*2



Focus on securing EPC orders in the 2<sup>nd</sup> half of FY2024 to achieve Net Sales target

● : Orders received as of Oct. 2024 ✓ : Expected Projects

	Main Areas	Regions	Received Orders					Biz. Invest.
			L	FS	FEED	E, EP	EPC	
New Business	Hydrogen/Fuel Ammonia	Japan, Americas, Australia, Middle East			● ✓	✓		✓
	Synthetic Fuels (e-fuel/SAF) , g-Methanol™	Japan, Southeast Asia, Americas			✓			
	Low Environmental Impact Solutions (Waste plastic recycling, bio-polymers etc.)	Southeast Asia			●		✓	
	Integration, Energy Transition, and Advanced Functionality in Chemical & Energy Companies	Japan			●	●	✓	
	Marine Resource Development (Methane hydrate, rare earth, CCS etc.)	Japan		● ✓	● ✓			
	Advanced Pharmaceuticals	Japan					✓	
	Energy Saving and GHG Reduction Solutions	Japan, Southeast Asia, Europe	✓	✓		✓		
	Solar Carports	Japan						✓
	Geothermal (Carbon Neutral Park)	Indonesia		✓				
Existing Business	FPSO	Americas (Brazil, Guyana)			● ✓			
	Oil/Gas	India, Southeast Asia					✓	
	Petrochemicals/Chemicals	India, China, Southeast Asia, Americas, Middle East	●		● ✓	● ✓	● ✓	
	Fertilizers (Urea)	Europe	✓			✓		
	Power Generation (Geothermal)	Southeast Asia					● ✓	

\*1 Order target for equity-method affiliates is 0

\*2 Includes 3.3 billion yen from equity-method affiliates

L: License, FS: Feasibility Study, FEED: Basic Design, E: Engineering, EP: Eng. and Procurement, EPC: Eng., Proc. and Construction, Biz Invest : Business Investment

# Business Environment : New Business Areas

## Fuel Ammonia & Hydrogen: Increasing Demand

- Based on the Hydrogen Business Act enacted in May 2024, **projects for Japan expected to be shortlisted for FEED in fall 2024.**
- **High expectation for bunkering demand** from ammonia-fueled ships as key consumers of ammonia.
- With the anticipated early adoption of ammonia as a hydrogen carrier, there has been **surge in inquiries for ammonia cracking projects.**

## Geothermal (CN): Accelerated Development

- Currently ranked second globally with 2.4 GW of geothermal power generation capacity, **Indonesia plans to increase its capacity to 5.5 GW by 2030.**
- **Japan** intends to boost its geothermal power generation capacity **from 0.6 GW to 1.5 GW by 2030.**

## SAF & Synthetic Fuels: Increasing Demand

- The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) estimates that **Japan's SAF demand will reach 1.71 million kL by 2030.** Both Japan Airlines and ANA aim for a 10% SAF usage rate by 2030 and net-zero by 2050.
- **SAF production projects are expected to be concentrated between 2024 and 2030,** aligned with the Green Innovation Fund's timeline.

## High-Performance Chemicals: Expanded Investment

- Investment and technological development for high-performance products are expected to continue, particularly in semiconductors and EV materials.
- Starting in FY2024, **investment projects in semiconductors and EV materials are anticipated in Japan, China, Southeast Asia, and the U.S.**

## Plant Energy Efficiency & GHG Reduction: Significant Progress

- Capitalizing on decarbonization opportunities in Central and Eastern Europe, we are **progressing with negotiations for large-scale projects involving our energy-saving solution, SUPERHIDIC®.**
- We **signed a MOU with PTT Global Chemical Co., Ltd.(GC),** Thailand's largest petrochemical company, regarding **HERO** service aiming to establish a stable revenue base, with expansions across Thailand.

## Marine Resource Development: Policy Promotion

- In April 2023, the Japanese Cabinet approved the 4<sup>th</sup> Basic Plan on Ocean Policy. Subsequently, in March 2024, the **"Marine Energy and Mineral Resources Development Plan"** was announced.
- Marine resource development initiatives in Japan include technologies in areas such as methane hydrates, rare earth and CCS under the Cabinet Office's 3<sup>rd</sup> Phase of Strategic Innovation Promotion Program (SIP).



# New Business Areas

# Business Environment : Existing Business Areas



## Fertilizers (Urea): Steady Demand

- Fertilizer demand is expected to grow steadily, driven by population growth (projected annual growth rate of 3.55% through 2030) and heightened global food security concerns.
- Multiple new construction and modification projects are expected in countries rich in feedstock gas, such as those in Central Asia, as well as in the Middle East and Africa.



## Petrochemicals and Chemicals: Continued Investment

- The global ethylene market is forecasted to grow at an average annual rate of 4.09%.
- Continued capital investment is expected, particularly in the Middle East and India.
- However, with a softened supply-demand balance for ethylene and its derivatives, ethylene facilities in Asia will likely continue production adjustments.



## FPSO: Numerous Projects

- The number of FPSO projects remains plentiful, with many plans especially in Latin America, Africa, and Southeast Asia. Additionally, large oil fields have been discovered in ultra-deepwater and deepwater areas of Latin America and West Africa.
- Investment is expected to continue as FPSO serves as a transitional energy supply source until carbon neutrality (CN) is achieved.



## Power Generation: Promising Geothermal Opportunities

- Power demand is expected to increase driven by energy transition, data centers, etc.
- In Asia, capital investments are anticipated in renewable energy sectors, including geothermal, biomass, and waste-to-energy power generation projects.



## Oil & Gas: Continued Investment

- Crude oil prices showed a downward trend from July to September due to concerns over sluggish demand in China and expectations of increased production by some oil-producing countries. However, in October, prices rose again due to escalating tensions in the Middle East involving Israel, Gaza, and Iran.
- Gas prices have remained stable in both Europe and the U.S.
- The key focus for new and expansion project will be Lower Carbon Emission.
- Investment in oil and gas is expected to continue in the medium to long term as a transitional energy source until carbon neutrality is achieved.



# Existing Business Areas

# Strengthening Human Capital Management

- ✓ **New Makuhari Office to Begin Operations in December 2024**  
 ⇒ Establishing a foundation for a new era at TOYO, providing opportunities for growth, a starting point for transformation and change
- ✓ **Empowering Employees to Work with Autonomy, Improving Quality, Productivity, and Creativity**  
 ⇒ The goal is to foster "self-driven individuals" aligning with TOYO's vision of empowered talent

An Office designed for  
Agility, Unity, and  
Professional Excellence



Employees maximizing  
their professionalism

01

A Space designed for  
Sensory-Driven  
Communication and  
Dialogue



Employees committed to  
ongoing learning


02

A Place designed for  
Diverse Opinions, Shared  
Learning and Success



Employees passionately  
seeing projects through  
to completion

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## FY2024 First-Half Results and Full-Year Forecast

Year-on-year increase in Net Sales but decrease in Profit. Net Profit for the period is 1.7 billion yen, with a progress rate of 28%. The full-year forecast has been partially revised.

Unit: JPY billion	FY2023 1 <sup>st</sup> Half Results	(A) FY2024 1 <sup>st</sup> Half Results	(B) FY2024 Initial Forecast	(C) FY2024 Revised Forecast	(C)-(B) Variance	(A)/(C) Progress Rate
Net sales	117.0	121.8	270.0	270.0	0	45%
Gross profit	13.2	12.8	30.0	29.0	△ 1.0	44%
Gross profit margin	11.3%	10.6%	11.1%	10.7%	△ 0.4pt	—
SG&A expenses	10.0	10.8	25.0	24.0	1.0	45%
Operating income	3.2	2.0	5.0	5.0	0	40%
Non-operating income	0.8	1.2	2.5	2.5	0	—
Ordinary income	4.0	3.2	7.5	7.5	0	43%
Profit attributable to owners of parent	2.3	1.7	6.0	6.0	0	28%
New orders	70.3	51.6	250.0	250.0	0	21%
New orders including the equity method affiliates	361.1	55.0	250.0	250.0	0	22%

Assumed Exchange Rate: 150 JPY/USD

Dividends per share : 25 yen at the end of the term (Planned)

# KGIs and KPIs

## KGI (Key Goal Indicator)

Target	Results FY2024 1 <sup>st</sup> half
Consolidated Net income <ul style="list-style-type: none"> <li>● <u>More than ¥5 billion</u> on average in FY2023-2025</li> <li>● FY2030 ⇒ <u>¥ 10 billion</u></li> </ul>	<b>¥1.7 billion</b> <small>(Full-Year Forecast of ¥6 Billion)</small>
Consolidated Net sales <ul style="list-style-type: none"> <li>● Focus on profit rather than sales</li> <li>● Target Net Sales of <u>¥300 billion</u></li> </ul>	<b>¥121.8 billion</b> <small>(Full-Year Forecast of ¥270 Billion)</small>
ROE <ul style="list-style-type: none"> <li>● FY2025 ⇒ <u>10% or more</u></li> <li>● Onward <u>stably 10% or more</u></li> </ul>	- <small>(Full-Year Forecast of 9.2%)</small>
Dividends <ul style="list-style-type: none"> <li>● <u>The Reinstatement of Dividends</u> within mid-term period*<sup>3</sup></li> </ul>	FY2024 Year-End Dividend: 25 JPY (Planned)

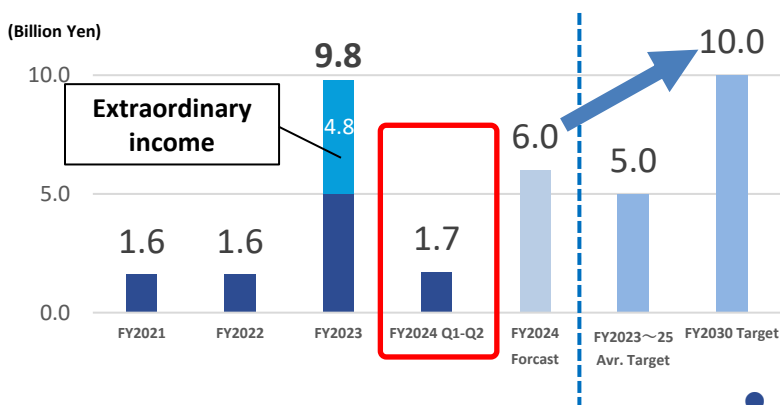
## KPI (Key Performance Indicator)

Target	Results FY2024 1 <sup>st</sup> half
Non-EPC* <sup>1</sup> Gross Profit Composition <ul style="list-style-type: none"> <li>● FY2025: <u>25% or more</u></li> <li>● FY2030: <u>50%</u></li> </ul>	<b>64%</b>
New Biz areas Gross Profit Composition <ul style="list-style-type: none"> <li>● FY2025: <u>25% or more</u></li> <li>● FY2030: <u>50%</u></li> </ul>	<b>12%</b>
Main Gr. Comp. Gross Profit Composition <ul style="list-style-type: none"> <li>● FY2025: <u>45% or more</u>*<sup>2</sup></li> <li>● FY2030: <u>50%</u></li> </ul>	<b>39%</b>
Employee Satisfaction <ul style="list-style-type: none"> <li>● Improvement over the previous year</li> </ul>	FY2023: 3.58 (out of 5) Next Assessment: FY2025
Number of Employees <ul style="list-style-type: none"> <li>● Toyo-J: Double human resources for New Technology and Biz Development from 110</li> <li>● Group Companies: Adjustment on demand</li> </ul>	<b>Approx. 130 employees</b>  <b>Total number approx. 6,800</b>

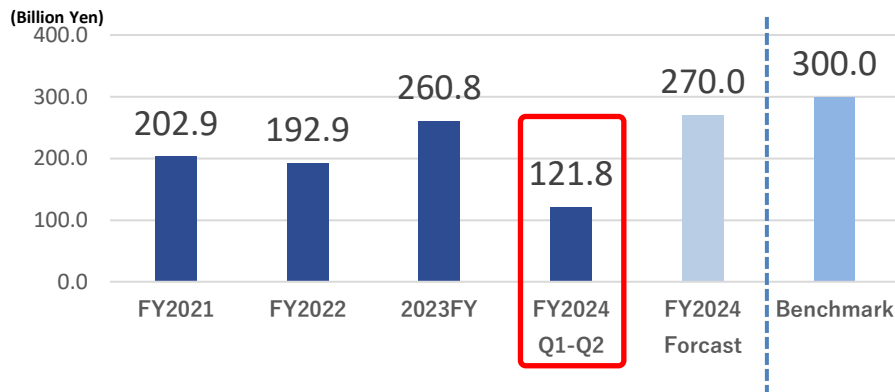
\*1 Non-EPC: Refers to projects other than EPC/EP Lump-Sum projects \*2 OFS (Singapore) is an equity-method affiliates and therefore not included \*3 Dividend payment resumed in FY2023 (12 JPY per share)

# KGI

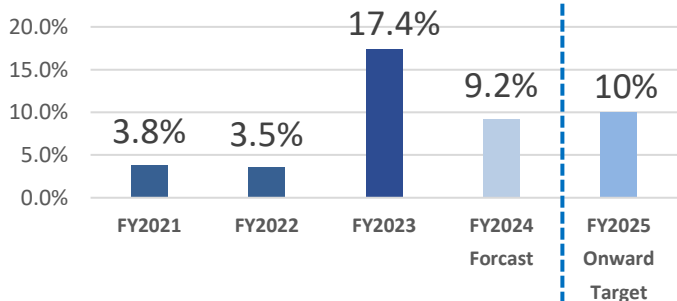
## Consolidated Net Income



## Consolidated Net Sales



## ROE



- Consolidated Net Income and Net Sales**

**Profit Progress at 28%:** Due in part to a higher effective tax rate.

**Expected Increase in Net Sales in 2<sup>nd</sup> half of FY2024:** Forecasted due to consolidation of a Brazilian equity-method affiliate in 2nd half of FY2024.

- ROE**

**Improvements Driven by Increased Profits:** Progressing towards the FY2025 target with improvements in core business performance.

- Dividends Reinstatement**

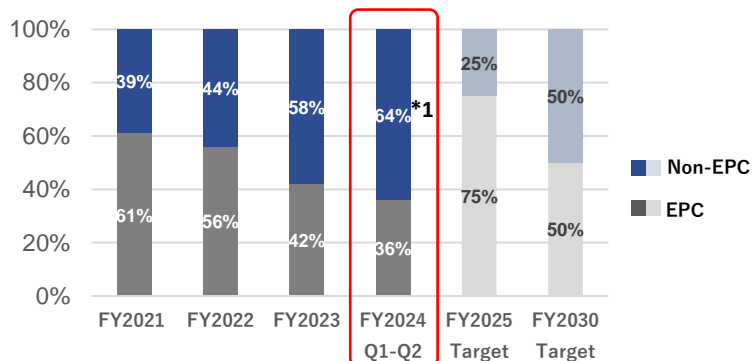
FY2023 (ending March 2024): **12 yen per share issued.**

FY2024 (ending March 2025): **25 yen per share is planned. (payout ratio of 25%)**

# KPI (Reiterated)

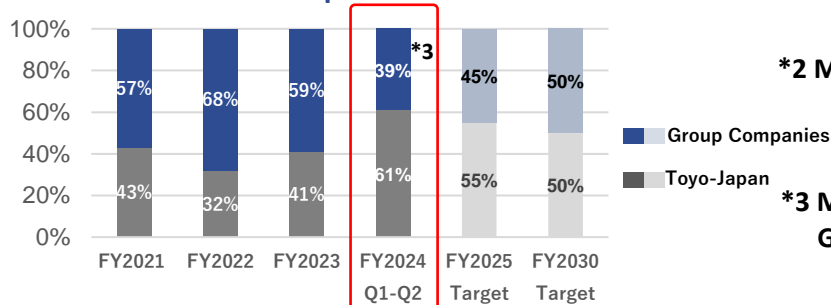
Non-EPC Gross Profit composition has already exceeded FY2025/FY2030 target

### Non-EPC Gross Profit Composition



Non-EPC: Refers to projects other than EPC/EP Lump-Sum projects

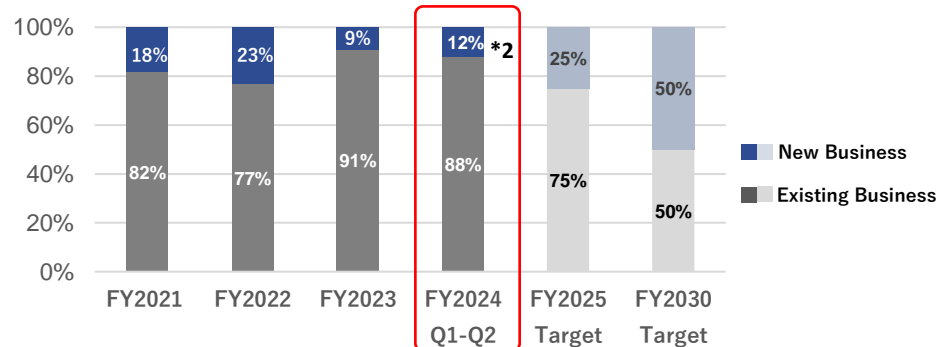
### Group Companies' Gross Profit Composition



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### New Business Gross Profit Composition







\*1 Major Non-ECP projects

- ✓ FS, Pre-FEED for Fuel Ammonia/SAF
- ✓ EPsCm, EPs, PMS for Petrochemicals
- ✓ Licensing/Basic Engineering for Urea

\*2 Major New Business Projects

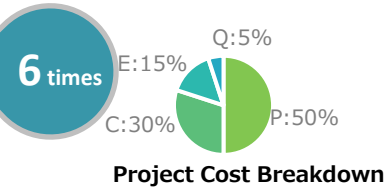
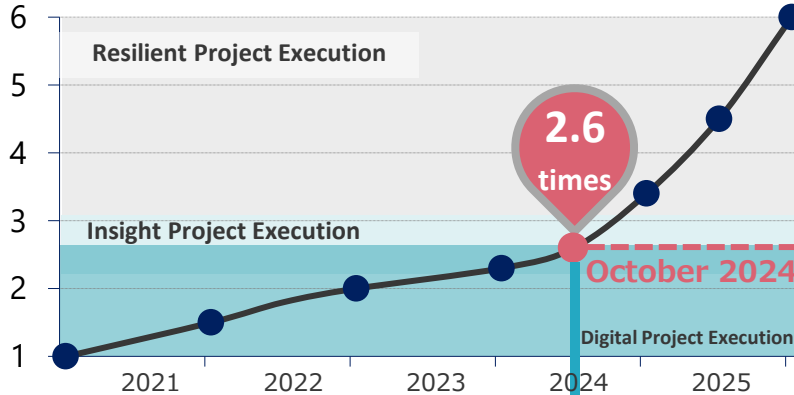
- ✓ Energy Efficiency and GHG Reduction
- ✓ High-Performance Chemicals
- ✓ Marine Resource Development

\*3 Major Projects by Group Companies

-  Toyo-India: Oil & Gas, Chemicals/Fertilizers
-  Toyo-China: Chemicals, Petrochemicals
-  IKPT (Indonesia): Geothermal/Gas-Fired Power
-  TPS: Maintenance, Pharmaceuticals, Chemicals

# Progress of Digital Transformation Strategy

## Productivity



- Quality-Related Loss Cost (Q) ↓ 50%
- Man-hours (E) ↓ 50%
- Construction Cost (C) ↓ 15%
- Material/Equip. Cost (P) ↓ 10%

### Target

### Progress Rate

- Technology X Knowledge Management Transformation  
**5%** Quality-related Loss Cost Reduction
- Partnership building capability x Digital Cloud Shift  
**30%** Man-Hours Reduction
- Management x Optimization  
**5%** Construction Cost Reduction
- Design Capability x Future forecasting with Digital Twins  
**2%** Materials and Equip. Costs Reduction

**44%** 44% progress toward 6x productivity

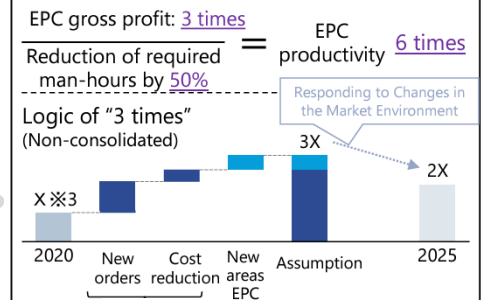
Number of DX-Integrated Projects

**12**

Ongoing EPC Projects : 3  
Ongoing FEED Projects : 4  
Projects in Proposal Phase : 3  
Collaborative Projects with OFS : 2



- ✓ Starting from FY2024 the application of DXoT is standardized across all global projects
- ✓ DX implementation in small to mid-sized projects as well, with the goal of expanding its impact beyond FY2025



# Overview of Key Projects (Japan)

## 7 Biomass Power Generation Plants (1 completed, 6 currently ongoing)

1) Shizuoka

Awarded in FY2019

2) Chiba

Awarded in FY2020

3) Niigata

Awarded in FY2021

4) Saga

Awarded in FY2021

5) Hokkaido

Awarded in FY2021

6) Aichi

Awarded in FY2021

7) Wakayama

Awarded in FY2021



1) Under commissioning

Scheduled for

Completion in FY2024

Under commissioning

Scheduled for

Completion in FY2024

E: Final Stage

P: Final Stage

C: Peak Phase

Scheduled for

Completion in FY2024

E: Final Stage

P: Final Stage

C: Peak Phase

Scheduled for

Completion in FY2024

E: Final Stage

P: Final Stage

C: Peak Phase

Scheduled for

Completion in FY2025

E: Final Stage

P: Final Stage

C: Peak Phase

Scheduled for

Completion in FY2025

E: Engineering P: Procurement C: Construction

# Overview of Key Projects (Japan)

## Pharmaceuticals / Petrochemicals

Yamaguchi: Pharmaceuticals  
Awarded in FY2022



**E: Final Stage**  
**P: Final Stage**  
**C: Final Stage**

Scheduled for  
Completion in FY2024

Chiba: Petrochemicals  
Awarded in FY2021



**E: Nearly Complete**  
**P: Nearly Complete**  
C: Final Stage

Scheduled for  
Completion in FY2024

# Overview of Key Projects (Overseas)

## India

Refinery related (Maharashtra)  
Awarded in FY2023



E: Completed  
P: Final Stage  
C: **Peak Phase**

Scheduled for  
Completion in FY2025

## India

Refinery related (Gujarat)  
Awarded in FY2022



E: Completed  
P: Completed  
C: **Peak Phase**

Scheduled for  
Completion in FY2024

## India

Refinery related (Haryana)  
Awarded in FY2022



E: Completed  
P: Completed  
C: **Peak Phase**

Scheduled for  
Completion in FY2025

## India

Refinery related (Assam)  
Awarded in FY2021



E: Completed  
P: Completed  
C: **Peak Phase**

Scheduled for  
Completion in FY2025



# Overview of Key Projects (Overseas)

## China

Petrochemicals (Guangdong)  
Awarded in FY2022



## Korea

Refinery related (Ulsan)  
Awarded in FY2023



## Indonesia

Gas-Fired Power Plant (Riau)  
Awarded in FY2023



## Nigeria

Fertilizer (Rivers)  
Awarded in FY2022



### 1) EPsCm Operations

E/P: Completed C: **Peak Phase**

### 2) PMS Services

E/P: Final Stage C: **Peak Phase**

### 3) Overall PMS

Contracted work is progressing well

E: Final Stage

P: **Peak Phase**

+ Commissioning

Scheduled for

Completion in FY2026

E: Final Stage

P: **Peak Phase**

C: Mid-Stage

Scheduled for

Completion in FY2025

E: Final Stage

P: **Peak Phase**

Scheduled for

Completion in FY2026

# Overview of Key Projects (Overseas)

## Brazil

Gas-Fired Power Plant (Pará)  
Awarded in FY2022



E : Completed  
P : Final Stage  
C : **Peak Phase**

Scheduled for  
Completion in FY2025

## Brazil

Refinery related (São Paulo)  
Awarded in FY2022



E : Completed  
P : **Final Stage**  
C : **Final Stage**

Scheduled for  
Completion in FY2025

## Brazil

Gas-Fired Power Plant (Maranhão)  
Awarded in FY2021



E : Completed  
P : Completed  
C : **Final Stage**

Scheduled for  
Completion in FY2024

# Overview of Key Projects (Overseas OFS\*1)

## Guyana

**FPSO Uaru Project**  
**Awarded in FY2023**



**E/P/C: Mid-Stage**

**Scheduled for  
 Completion in FY2026**

## Brazil

**FPSO Raia Project**  
**Awarded in FY2023**



**E/P/C: Significant Ramp-Up Expected**

**Scheduled for  
 Completion in FY2027**

\*1 Projects by Offshore Frontier Solutions Pte. Ltd., an equity-method affiliate (35% ownership share)



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The forecasts given above are based on information available at the time of compilation and are inherently subject to a variety of risks and uncertainties. Actual results may vary significantly from forecasts due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.