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Company Name: W-Scope Corporation
Stock Exchange Listing: Tokyo Stock Exchange Section I
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Notice regarding capital investment decision and establishment of European corporation

We are pleased to inform you that our consolidated subsidiary W-SCOPE CHUNGJU PLANT CO., LTD. (WCP) has decided to make capital investment in order to meet the future increase in demand for European EVs.

<Overview>

1. In order to respond to the increase in demand for European EVs in the future, we will first install two film formation lines at the factory site of WCP in South Korea with an investment of about 12 billion JPY. The planned operation period is the second half of 2023, which will increase the number of WCP film formation lines to eight.
2. After that, we plan to establish a European subsidiary (Establishment capital 10,000 USD) of WCP wholly owned subsidiary by the end of this year; and to proceed with the installation of 8 film formation lines and 16 coating lines by 2025. This time, as the first step, we decided to make capital investment for four film formation lines. Mass production of these facilities is scheduled to begin in the first half of 2024. The purpose of establishing this European corporation is that local production in the region is required at the request of business partners in accordance with the raw material procurement policy of automobile manufacturers in the European region due to European carbon emission rights regulations. We plan to invest a total of approximately 90 billion JPY in Europe during the five years from 2021 to 2025.

<Production volume>

These capital investments are expected to more than double the supply capacity of the entire Group as of the end of 2021. (Details will not be disclosed).

<Impact on business performance>

By 2025, we expect consolidated sales of approximately 700 million USD annually.

※The details of the European corporation are currently undecided, so we will disclose the details once they are decided.