



5 September, 2022

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(Stock Code 5301 TSE Prime Market)
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Notice of consolidated subsidiary's new plant construction and current plant relocation

Tokai Carbon Co., Ltd. announces that board meeting held today approved the resolution to construct a new plant of its consolidated subsidiary Thai Tokai Carbon Product Co. (Hereafter "TCP". Head Office: Bangkok, Thailand; Production site: Sriracha, Thailand) .

1. The reason for relocation and constructing a new plant

TCP was established in 1989 and has been engaged in the production and sale of carbon black, which is used as a reinforcement material for automobile tires and other rubber products. The demand for carbon black in the region has increased significantly in recent years due to the expansion of the automotive industry. TCP's plant site has been leased under a long-term lease agreement since its establishment, but considering the robust market trend to be continued in the region, we decided to establish a more sustainable supply platform by relocating the plant to a new land owned by the company. The new plant will be equipped with cutting edge technologies to achieve higher productivity and quality that will reduce the environmental impact.

2. Overview of the new plant

(1)	Location of the new plant	LK Rubber Industrial City Hub 888 , Moo 2, Sam Nak Thong, Mueang Rayong District, Rayong 21100
(2)	Site area	126.5365 rai (=202,458 m2)
(3)	Capacity	180 thousand ton per annum
(4)	Start of construction	July 2023 *
(5)	Completion	April 2025 *
(6)	Construction cost	9,900 million Baht (Approximately 34.6 billion in JPY)
(7)	Finance	Cash on hand, borrowings from financial institutions and issuance of bonds

(Notes)

*1. The scheduled start and completion of construction will change depending on the timing of approval of applications for permission to use and develop the land.

3. Outlook

There are no major financial impact on the FY2022 earnings result. We will promptly disclose of any events to be notified in the future.

End of notice