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For Immediate Release

To Whom It May Concern

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Exchange Prime Market  
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Announcement on Transfer of Fixed Asset and Recording of Extraordinary Income and  
Revision to the Consolidated financial forecast  
for the fiscal year ending March 31, 2024

Toyo Engineering Corporation (“TOYO”, President & CEO: Eiji Hosoi) announced today that the board of directors of TOYO decided Transfer of Fixed Asset. This decision is expected to result in an Extraordinary Income of approximately 4.9 billion yen, which will be reflected in the consolidated financial results for the fourth quarter of the fiscal year ending March 31, 2024. Based on above fact and the forecast of current financial performance, TOYO resolved the following revision to the consolidated financial forecasts for the fiscal year ending March 31, 2024, which were announced on November 9, 2023.

1. Reason for Transfer of Fixed Asset

TOYO decided to transfer Fixed Asset which written in below Section 2 for the following reasons:

- Effective utilization of owned assets and implementation of new work styles for further growth.
- Acceleration of investment in new technologies and businesses, including Carbon Neutrality.

2. Outline of the Transferred Asset

| Asset and location   | Capital gain             | Current situation                       |
|--|--------------------------|---|
| Land (35,870 m <sup>2</sup> )<br>2-8-1 Akanehama, Narashino-shi, Chiba | Millions of Yen<br>4,900 | Headquarter office<br>(to be relocated) |

\*The transfer price will be a fair value reflecting the market price.

3. Use of funds obtained from the Transfer

Based on the reasons for the Transfer mentioned above Section 1, TOYO plan to allocate the Capital gain as follows:

- Development of an office environment that is suitable for new work styles.
- Seed funding for investment in new technologies and businesses.

#### 4. Outline of the transferee

Regarding the transferee (corporation), the transfer price and the book value of the fixed asset, we refrain from disclosing due to confidentiality obligations, however, there are no notable direct capital relationships, personal relationships, transactional relationships or affiliate between TOYO and the Transferee.

#### 5. Date of the Transfer

| TOYO's decision date | Contract date                 | Transfer date               |
|----------------------|-------------------------------|-----------------------------|
| January 25, 2024     | January 31, 2024<br>(Planned) | March 31, 2024<br>(Planned) |

#### 6. Revision to the consolidated financial forecasts for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

|  | Net Sales                  | Operating Income         | Ordinary Income          | Profit attributable to owners of parents | Net income per share |
|--|----------------------------|--------------------------|--------------------------|--|----------------------|
| Previous Forecast (A)<br>(Announced on November 9, 2023) | Millions of Yen<br>250,000 | Millions of Yen<br>5,000 | Millions of Yen<br>5,000 | Millions of Yen<br>3,000                 | Yen<br>51.19         |
| Revised Forecast (B)                                     | 250,000                    | 5,000                    | 5,000                    | 7,900                                    | 134.81               |
| Increase (B) – (A)                                       | 0                          | 0                        | 0                        | 4,900                                    |                      |
| Percentage Increase%                                     | 0.0%                       | 0.0%                     | 0.0%                     | 163.3%                                   |                      |
| (Reference) Results for the FY ended March 31, 2023      | 192,908                    | 4,764                    | 3,888                    | 1,647                                    | 28.11                |

(Note) Upon calculation of "Net income per share", the number of class A preferred stocks which were issued in March 2019 is included.

(Note) The forecast of consolidated results above was compiled based on the information available at the time of announcement. Due to various factors, actual business results may differ from the predicted figures in some cases.