



March 4, 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 (Making Subsidiary) of L.Tail Co., Ltd.

TOYO Corporation (the “Company”) has announced that it decided at the Board of Directors Meeting held on March 4, 2024 to acquire 100% shares of L.Tail Co., Ltd. (headquartered in Kawanishi-City, Hyogo, hereinafter “L.Tail”) and to make L.Tail its consolidated subsidiary.

1. Purpose of the acquisition

The Company has been involved in the in-house development and sales of fuel cell evaluation systems since 1999, as part of its efforts in the hydrogen field in Physics/Energies business, one of its core businesses. Currently, the Company also supports water electrolysis evaluation and has developed many measurement and analysis solutions for electrochemical reactions in fuel cells and water electrolysis. The products are widely used in the research and development of FCV (fuel cell vehicles), “ENE-FARM” (stationary fuel cells), and water electrolysis technologies at many automobile manufacturers and research institutes.

Since its establishment in 1997, L.Tail has been engaged in the development, manufacture, and installation of fluid control equipment using its proprietary technology, which is utilized by research institutes and major gas companies. L.Tail has also been involved in the manufacture of equipment for the Company’s fuel cell evaluation systems as a subcontractor and has handled a variety of fuel cell performance evaluations, utilizing the expertise obtained over the years through stable gas flow rate and dew point control necessary for fuel cell evaluation as well as customized design in response to customer requests.

By making L.Tail a subsidiary, the Company will share the intellectual property and know-how with L.Tail and establish a stable mass production system, thereby expanding its hydrogen-related business. Furthermore, the Company plans to expand its unique fuel cell and water electrolysis evaluation solutions globally through alliances with overseas partners.

Going forward, the Company will continue to make further contributions to the realization of an environmentally friendly hydrogen society.

2. Outline of the company to be acquired

1. Company name	L.Tail Co., Ltd.		
2. Head office	108-4, Kamo 6-chome, Kawanishi-City, Hyogo, Japan		
3. Representative	Takahiko Kasai / President		
4. Business	1. Manufacturing of fluid control equipment 2. Installation of fluid control equipment 3. Electrical construction		
5. Capital	JPY 20,000k		
6. Established on	December 1, 1997		
7. Major shareholders and shareholding ratio	Major shareholders are not disclosed because they are private individuals.		
8. Relationship between the Company and L.Tail	Capital relationship	N/A	
	Personal relationship	N/A	
	Trading relationship	The Company has a track record of dealing with products provided by L.Tail.	
9. Operating results and financial position in recent three years			
Fiscal year	FY Ended Sept. 2021	FY Ended Sept. 2022	FY Ended Sept. 2023
Net assets	JPY 163,080k	JPY 199,321k	JPY 258,381k
Total assets	JPY 303,428k	JPY 398,288k	JPY 412,474k
Net asset per share	JPY 407k	JPY 498k	JPY 645k
Sales	JPY 300,647k	JPY 378,378k	JPY 519,784k
Operating profit	JPY 39,483k	JPY 62,486k	JPY 96,806k
Ordinary profit	JPY 43,444k	JPY 62,811k	JPY 97,408k
Net income	JPY 31,040k	JPY 36,240k	JPY 59,060k
Net income per share	JPY 77.6 k	JPY 90.6k	JPY 147.6k
Dividend per share	JPY 0	JPY 0	JPY 0

3. Overview of the counterparty to the acquisition of shares

1. Names	12 private individuals	
2. Addresses	Addresses are not disclosed, because the counterparties to the acquisition of shares are private individuals.	
3. Relationship with the Company	Capital relationship	N/A
	Personal relationship	N/A
	Trading relationship	N/A

4. Number of shares acquired / Acquisition price / Status of shares held before and after acquisition

1. Number of shares before acquisition	0
2. Number of shares acquired	400
3. Acquisition price of shares	JPY 330,000k
4. Number of shares after acquisition	400

5. Schedule

1. Date of resolution by Board of Directors (of the Company)	March 4, 2024
2. Agreement signed	March 4, 2024 (planned)
3. Stock transfer	March 29, 2024 (planned)

6. Future outlook

The impact of this acquisition on the Company's business and financial position is currently under scrutiny. The Company will promptly announce any matters that should be disclosed in the future.