September 8, 2025

Timely disclosure

Company name	TOYO Corporation
Representative	Toshiya Kohno / President & CEO
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Notice Concerning the Establishment of a Second-Tier Subsidiary by Our Consolidated Subsidiary

TOYO Corporation (the “Company”) hereby announces that following a resolution at a Board of Directors meeting on September 8, 2025, Rototest International AB, a consolidated subsidiary of the company (headquarters in Sweden; CEO: Christian Engström; hereinafter “Rototest”), will establish a new subsidiary in Germany. The details are as below:

1. Purpose of Establishing the New Company

The automotive industry has in recent years seen technological innovations in areas such as electrification, AD/ADAS*1 and connected cars, leading to increasingly advanced and complex systems. As a result, conducting efficient evaluations at development sites has become challenging and methods such as VILS*2, which combine real vehicles and simulations, have garnered attention. In November 2023, the Company fully acquired Rototest, which develops and manufactures the hub dynamometer "ROTOTEST® Energy™" for VILS evaluation tests such as AD/ADAS development, and is conducting sales development of the product on a global basis.

Among global markets, Europe, but particularly Germany represents the most important region, as this is the base for several development centers of major manufacturers and suppliers. Accordingly, the Company has decided to establish Rototest Deutschland GmbH (hereinafter "Rototest Germany") near Stuttgart as a sales and test service base. The new company plans to open a test laboratory in January 2026 and start the provision of professional services for outsourced testing using ROTOTEST® Energy™. By strengthening technical support by hiring local staff and providing system proposals and technical support close to customers, the company aims to establish a position as a trusted premium development partner in the German automotive industry.

TOYO Corporation has positioned "Expansion of Overseas Businesses" as one of the key strategies in the current ongoing medium-term management plan, "TY2027". The Company believes Rototest Germany will represent a major step towards future growth. For the fiscal year ending September 2030, we are targeting orders of 1 billion yen at Rototest Germany and 3.5 billion yen across the entire Rototest group.

*1 AD/ADAS: Autonomous Driving/Advanced Driver-Assistance Systems

*2 VILS: Vehicle in the Loop Simulation. Technology which combines actual vehicles and simulation environments. This allows for performance testing and evaluation in more realistic conditions.

2. Overview of the Subsidiary

(1) Name	Rototest International AB
(2) Location	Salemsvägen 20,144 40 Rönninge, Sweden
(3) Job title and name of representative	CEO: Christian Engström
(4) Description of business	Development and production of hub dynamometers
(5) Share capital	SEK 500,000
(6) Year of establishment	1988

3. Overview of the New Company

(1) Name	Rototest Deutschland GmbH	
(2) Location	Alemannenstr. 9, 71296 Heimsheim, Germany	
(3) Job title and name of representative	Managing Director: Bjorn Sieland	
(4) Description of business	Provision of test and evaluation services and sales of hub dynamometers	
(5) Share capital	€25,000	
(6) Date of establishment	October 1, 2025 (plan)	
(7) Major shareholders	Rototest International AB 100%	
(8) Relationship between the listed company and the company concerned	Capital relationship	Planned to establish as a wholly-owned subsidiary funded by our 100% subsidiary Rototest International AB
	Human resources relationship	Directors of the Company and our subsidiary are scheduled to serve as directors of the new company
	Trading relationship	N/A

4. Schedule

(1) Date of resolution at Board of Directors meeting	September 8, 2025
(2) Date of establishment	October 1, 2025
(3) Commencement of business	October 1, 2025

5. Outlook

The impact on consolidated financial results for the period ending September 2025 is expected to be minimal. If any new matters requiring disclosure arise in future, we will disclose this in a prompt manner.

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