

Notice of Electronic Disclosure Measures Regarding the Convening of an Extraordinary
General Meeting of Shareholders
Electronic Provision Measures

TOYO INNOVEX Co., Ltd.
(April 1, 2024 to March 30, 2025)

Nissei Plastic Industrial Co., Ltd.

The above items have been omitted from the documents (Documents Containing Electronic Provision Measures) provided to shareholders who requested written delivery, in accordance with laws and regulations and the provisions of our Articles of Incorporation.

NOTICE: This is a translation of a part of the notice issued on June 6, 2025 in Japanese and is made solely for the convenience of the foreign shareholders. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

BUSINESS REPORT
(From April 1, 2024 to March 31, 2025)

1. Matters Regarding the Status of the Corporate Group

(1) Progress and Achievement in Business

The global economy during the current consolidated fiscal year experienced soaring prices of natural resources and worldwide price increases due to the protracted Russia-Ukraine situation, and has entered a period predominated by uncertainty about the future, including an economic slowdown against the backdrop of the downward trend in the real estate market in China as well as armed conflict in the Middle East. Also, although it was observed that the domestic economy showed a mild improvement underpinned by more active consumer spending and inbound spending, the domestic market experienced prolonged rising raw material costs and an increase in prices caused by the drastic depreciation of the yen and has entered a difficult situation.

The industry to which the Company belongs has also entered an extremely severe market environment affected by price increases of procured materials and rising energy prices due to prolonged sluggish global demand and a drastic depreciation of the yen.

Under the foregoing market environment, the Group moved ahead on its business activities based on the Medium-term Management Plan 2026, in which the business year ending March 2027 is the final year, and took measures to ensure continued growth and stable revenue from a medium- to long-term perspective such as “enhancement of the sales ratio of a competitive die-casting machine,” “enhancement of systematic production of mainstream models of an injection molding machine,” “creative innovation in molding and advancement of Customers’ Value UP” and “formulation of personnel strategy interlocked with management strategy.” Nonetheless, under the effect of a worldwide decline in demand for molding machines, intensifying competition, and economic slowdown in China, we achieved, in the current consolidated fiscal year, an amount of orders received of JPY 27,462 million (an increase of 3.5% compared with the preceding term), and sales amount of JPY 27,024 million (a decrease of 6.3% compared with the preceding term), among which the domestic sales amount was JPY 8,238 million (an increase of 0.5% compared with the preceding term) and the foreign sales amount was JPY 18,786 million (a decrease of 9.0% compared with the preceding term), which resulted in a 69.5% ratio of foreign sales amount. In terms of profit and loss, due to an insufficient recovery of fixed costs caused by a lowering of the capacity utilization rate as production decreased and by a rise of product cost impacted by price increases of materials, the result was an operating loss of JPY 521 million and ordinary loss of JPY 427 million, and, net profit for the year attributable to the owners of the parent of JPY 845 million caused by, in addition to the aforementioned impacts, other factors including an accrual of deferred income taxes of JPY 227 million due to a reversal of deferred tax assets.

The status of the sales amounts of the respective products is as follows.

[Injection Molding Machine]

As for the injection molding machine, domestic sales recorded an increase in automobile-related and housewares-related sales, while foreign sales recorded a decrease in medical device-related and automobile-related sales in China and housewares-related sales in the Americas, however, an increase was recorded in the medical device-related and automobile-related sales in Southeast Asia and South Asia.

As a result of the foregoing, the amount of orders received was recorded at JPY 20,299 million (an increase of 4.4% compared with the preceding term) and the sales amount was recorded at JPY 19,789 million (a decrease of 8.3% compared with the preceding term). Among the sales amount, the foreign

sales amount was JPY 13,552 million (a decrease of 12.5% compared with the preceding term), which resulted in a 68.5% ratio of foreign sales amount.

[Die-casting Machine]

As for the die-casting machine, domestic sales recorded a decrease in the sales related to industrial supplied materials and automobiles. In terms of foreign sales, while a substantial decrease was recorded in the sales related to automobiles and industrial supplied materials in China, an increase was recorded in the automobile-related sales in Southeast Asia and South Asia.

As a result of the foregoing, the amount of orders received was recorded at JPY 7,163 million (an increase of 1.1% compared with the preceding term) and the sales amount was recorded at JPY 7,235 million (a decrease of 0.4% compared with the preceding term). Among the sales amount, the foreign sales amount was JPY 5,234 million (an increase of 1.4% compared with the preceding term), which resulted in a 72.3% ratio of foreign sales amount.

(2) Status of Capital Expenditures

The aggregated amount of capital expenditure for the current consolidated fiscal year amounted to JPY 1,608 million. The major capital expenditures included those for monitoring devices and displaying devices for construction of the new large machinery assembling plants and for expansion of sales.

(3) Status of Financing

The funds for the capital expenditure stated above have been covered by borrowing from financial institutions.

Also, to ensure efficient financing of operating capital, the Company has continuously executed a loan commitment agreement with Sumitomo Mitsui Banking Corporation.

The total amount of the loan commitment: JPY 2,000 million

(4) Transitional Situation of Assets and Profit and Loss

(Unit: JPY million)

| Classification | 148th Term (FY 2021) | 149th Term (FY 2022) | 150th Term (FY 2023) | 151st Term (Current FY) |
|-----------------------------------------------------------------|-------------------------|-------------------------|-------------------------|----------------------------|
| Net sales | 33,273 | 35,298 | 28,842 | 27,024 |
| Ordinary income (loss) | 1,970 | 1,538 | (64) | (427) |
| Net profit (loss) for the year attributable to owners of parent | 1,277 | 648 | (1,293) | (845) |
| Per share net income (loss) for the year (yen) | 62.21 | 31.59 | (62.99) | (41.18) |
| Total assets | 31,141 | 31,901 | 30,062 | 30,100 |
| Net assets | 19,595 | 19,985 | 18,584 | 17,657 |
| Per share net assets (yen) | 940.49 | 955.97 | 883.30 | 835.82 |

(Note) Per share net profit or loss for the year is calculated based on the average number of outstanding shares during the term, and per share net assets are calculated based on the number of outstanding shares as of the end of the term. Both the average number of outstanding shares during the term and the number of outstanding shares as of the end of the term are calculated excluding the number of treasury shares.

(5) Issues to be Addressed

We forecast that the market environment surrounding the Group will remain dim because of geopolitical risks such as the protracted Russia-Ukraine situation and armed conflict in the Middle East, and, moreover, other factors including the remaining uncertainness of economic recovery in China and confusion over reciprocal customs tariffs imposed by the U.S. on various countries around the world.

On the other hand, in the market in which the Group does business, while positive signs are observed, such as an increase of automobile-related capital investment and increase of the amount of orders received in the market in the remarkably growing India, it is believed that the environment surrounding orders received is transitioning to a severe market environment due to a downturn in demand associated with stagnation of the Chinese economy as well as soaring prices of natural resources, energy, and raw material due to a drastic depreciation of the yen.

In the midst of the aforesaid market environment, the Group recognizes automatization as a solution to the labor shortage and creation of high-value added products to address customer needs such as product development that contributes to carbon neutrality, a focus on rebuilding the product portfolio, realization of quick turn and strengthening of after-sale services, are measures and policies of priority, and the Group will implement the following strategies for growth.

First, as a product strategy, we endeavor to enhance market penetration of “Si-7,” the latest version of the injection molding machine, raise awareness about the product, and attempt to thoroughly control costs. As for the die-casting machine, we will expand the sales of “BD-V7EX” in a focused manner, especially strengthening cultivation of the EV market. Also, in addition thereto, we will focus on proposing solutions to provide customers with newly added value by means such as labor-saving through utilization of artificial intelligence (AI) and formulating automatic systems. In terms of production, while we are commencing production of medium- and large-sized machines, the demand for which has been increasing for molding the parts of products, including those of automobile and consumer electronics, at the new factory building which was completed in April 2025, we will increase systematic production to hold in stock half-finished goods of small-sized machines that fill the volume category, to enhance productive efficiency and prompt a customized response, as well as to shorten the delivery time. Furthermore, we will strengthen our supply system of service parts by utilizing the service distribution center established in April 2024 to enhance the level of customer satisfaction. The Group will, in conjunction with making steady progress in these efforts, endeavor to strengthen our management foundation towards sustainable growth and enhancement of corporate value under the purpose, vision, basic policy and managerial strategy which are the medium to long-term indicators set forth in the “Medium-term Management Plan 2026.”

Although there are ongoing possibilities that factors, such as sharp exchange rate fluctuations, prolonged lead time for procured parts and price increases, could have an adverse impact on corporate management, we will attempt to ensure achievement by minimizing risks and taking all measures necessary to ensure profit.

As for the forecast of consolidated achievements for the term ending in March 2026, we predict that the amount of sales will be JPY 30,000 million (an increase of 11.0% compared to the preceding term), the operating profit will be JPY 300 million (while the preceding term recorded an operating loss of JPY 521 million), the ordinary profit will be JPY 400 million (while the preceding term recorded an ordinary loss of JPY 427 million), and the net profit of the year attributable to owners of the parent will be JPY 150 million (while the preceding term recorded a net loss of the year attributable to owners of the parent of JPY 845 million).

(6) Situation of Major Subsidiaries and Affiliated Companies

| Company Name | Capital | The Company's Equity Ratio | Major Business |
|--------------------------------------|-------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------|
| (Subsidiaries) | | % | |
| Toyo Koki Co., Ltd. | JPY million 20 | 100.0 | Manufacture of peripherals for injection molding machine and die-casting machine; manufacture and sale of conveyer |
| Toyo Machinery Engineering Co., Ltd. | 10 | 100.0 | Maintenance services and installation of modeling machine; sale of precision molds |
| TOYO MACHINERY (CHANGSHU) CO., LTD. | RMB million 47 | 100.0 | Manufacture and sale of injection molding machine and die-casting machine |
| (Affiliated Companies) | CHF million | % | |
| GM-Injection AG | 0.5 | 30.2 | Sale of and maintenance services for injection molding machine |

(Note) Consolidated subsidiaries are ten (10) companies comprising the three major subsidiaries described above and TOYO MACHINERY (M) SDN. BHD., TOYO MACHINERY (T) CO., LTD., TOYO MACHINERY & METAL (SHANGHAI) CO., LTD., TOYO MACHINERY (CHANGSHU) CO., LTD., TOYO INNOVEX (TAIWAN) CO., LTD., TOYO MACHINERY VIETNAM CO., LTD., and PT TOYO MACHINERY AND METAL INDONESIA.

(7) Outline of the Major Business (as of March 31, 2025)

The major products which the Group manufactures and sells are as follows:

| Category | Name of Major Products |
|---------------------------|-------------------------------------------------------|
| Injection Molding Machine | Plastic Injection Molding Machine and Its Peripherals |
| Die-casting Machine | Die-casting Machine and Its Peripherals |

(8) Major Business Locations (as of March 31, 2025)

(i) Major Business Locations of the Company

| Business Locations | Located In: |
|----------------------------------------------------|--------------------------------------|
| Head office/Factory | Akashi City, Hyogo Prefecture |
| Tokyo Branch Office [Nishi-kanto Branch Office] | Yokohama City, Kanagawa Prefecture |
| Kansai Branch Office | Higashi-Osaka City, Osaka Prefecture |
| Chubu Branch Office | Nagoya City, Aichi Prefecture |
| Saikyo Branch Office [Higashi-kanto Branch Office] | Kawaguchi City, Saitama Prefecture |
| Nishi-nihon Branch Office | Akashi City, Hyogo Prefecture |
| Hong Kong Branch Office | Hong Kong SAR, China |
| India Branch Office | Gurugram, India |

(ii) Major Business Locations of Subsidiaries

| Business Locations | Located In: |
|---------------------------------------------|-------------------------------------|
| Toyo Koki Co., Ltd. | Akashi City, Hyogo Prefecture |
| Toyo Machinery Engineering Co., Ltd. | Akashi City, Hyogo Prefecture |
| TOYO MACHINERY (CHANGSHU) CO., LTD. | Changshu, Jiangsu Province, China |
| TOYO MACHINERY (M) SDN. BHD. | Selangor, Malaysia |
| TOYO MACHINERY (T) CO., LTD. | Bangkok, Thailand |
| TOYO MACHINERY & METAL (SHANGHAI) CO., LTD. | Shanghai, China |
| TOYO MACHINERY (GUANGZHOU) CO., LTD. | Guangzhou, Guandong Province, China |
| TOYO INNOVEX (TAIWAN) CO., LTD. | Taipei, Taiwan |
| TOYO MACHINERY VIETNAM CO., LTD. | Hanoi, Viet Nam |
| PT TOYO MACHINERY AND METAL INDONESIA | Prov. Jawa Barat, Indonesia |

(9) Situation of Employees (as of March 31, 2025)

| Number of Employees | Year to Year Change |
|---------------------|---------------------|
| 737 | Decreased by 11 |

(Note) The number of employees means the number of working employees.

(10) Major Lenders (as of March 31, 2025)

| Lender | Outstanding Borrowings |
|-------------------------------------|------------------------|
| Sumitomo Mitsui Banking Corporation | 1,110 (JPY millions) |
| MUFG Bank, Ltd. | 720 (JPY millions) |
| The Chugoku Bank, Limited | 650 (JPY millions) |
| Mizuho Bank, Ltd. | 400 (JPY millions) |
| The Minato Bank, Ltd. | 300 (JPY millions) |
| The San-in Godo Bank, Ltd. | 100 (JPY millions) |
| The Hyakujushi Bank, Ltd. | 100 (JPY millions) |
| Resona Bank, Limited | 100 (JPY millions) |

2. Matters Regarding the Shares of the Company (as of March 31, 2025)

- (1) Total Number of the Authorized Shares: 80,000,000 shares
- (2) Total Number of the Outstanding Shares: 20,703,000 shares (including 235,151 treasury shares)
- (3) Number of Shareholders: 20,625 shareholders
- (4) Major Shareholders (the top 10 shareholders)

| Name / Company Name | Number of Shares Owned (1,000 shares) | Holding Ratio (%) |
|------------------------------------------------------|------------------------------------------|----------------------|
| Tatsuo KIYOHARA | 1,473 | 7.20 |
| The Japan Steel Works, Ltd. | 1,450 | 7.08 |
| UBE MACHINERY CORPORATION, Ltd. | 1,450 | 7.08 |
| Maruka Corporation | 622 | 3.04 |
| YAMAZEN CORPORATION | 600 | 2.93 |
| DAIICHI JITSUGYO CO., LTD. | 400 | 1.95 |
| MSIP CLIENT SECURITIES | 207 | 1.01 |
| DFA INTL SMALL CAP VALUE PORTFOLIO | 201 | 0.98 |
| The Master Trust Bank of Japan, Ltd. (Trust account) | 192 | 0.94 |
| Nomura Securities Co., Ltd. | 143 | 0.70 |

(Notes)

1. The numbers of shares are described by truncating the shares of less than one thousand.
2. While the Company holds 235,151 treasury shares, the Company is excluded from the major shareholders specified above.
3. The holding ratio is calculated excluding the number of treasury shares.

(5) Situation of Shares Delivered to the Company's Officers During the Current Business Year as Compensation for the Execution of Their Duties

| Classification | Number of Shares | Number of Recipients of the Issuance |
|-----------------------------------------|------------------|--------------------------------------|
| Directors (excluding Outside Directors) | 8,800 | Four (4) |
| Outside Directors | — | — |
| Corporate Auditors | — | — |

(Note) The particulars of the Company's stock-based compensation are as set forth in "3. Matters Regarding Corporate Officers (4) Determination Policy on Particulars of Individual Remuneration and the Like for Directors (iii) Determination Policy for Each Type of Remunerations and the Like 3) Non-monetary compensation (stock-based compensation)."

3. Matters Regarding Corporate Officers

(1) Name and Other Particulars of Directors and Corporate Auditors (as of March 31, 2025)

| Position in the Company | Name | Responsibilities in the Company and material posts concurrently held |
|---------------------------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| President and Representative Director | Yoshiaki TABATA | – |
| Director | Kenji TAKATSUKI | General Manager of Management Division and in charge of Sustainability and Risk Management |
| Director | Hiroyuki YAMAMOTO | General Manager of Sales Division |
| Director | Takao NAKAMURA | General Manager of Technology Division |
| Director | Mitsuo YAMADA | [Material post concurrently held:] Senior Managing Director, Entrepot Inc. |
| Director | Mari IGA | [Material posts concurrently held:] President and Representative Director, March Co., Ltd. Outside Director, Sumitomo Warehouse Co., Ltd. |
| Standing Corporate Auditor | Takayuki FUJIMOTO | – |
| Corporate Auditor | Yuka SHIMOKOBE | Attorney-at-law |
| Corporate Auditor | Amene SAWA | [Material posts concurrently held:] Representative, Sawa CPA Office Outside Audit & Supervisory Board Member of TOA Corporation |

(Notes)

1. Among the Directors, Mr. Mitsuo YAMADA and Ms. Mari IGA are Outside Directors, each of whom has been registered at Tokyo Stock Exchange as an independent officer.
2. Corporate Auditors Ms. Yuka SHIMOKOBE and Mr. Amene SAWA are Outside Corporate Auditors, who have been respectively registered at Tokyo Securities Exchange as independent officers.
3. Ms. Yuka SHIMOKOBE, Corporate Auditor, is qualified as an attorney-at-law and has a substantial level of expertise in corporate legal affairs.
4. Mr. Amene SAWA, Corporate Auditor, is qualified as a certified public accountant and certified tax accountant and has a substantial level of expertise in finance and accounting.
5. There are no special interests between the Company and each of the other juridical entities in which Outside Directors or Outside Corporate Auditors hold a post.

(2) Transfers of the Directors and Corporate Auditors during the Current Business Year

(i) Assumption of Office

Mr. Takao NAKAMURA was elected as Director at the 150th Annual General Meeting of Shareholders held on June 25, 2024 and assumed his office.

(ii) Retirement from Office

Mr. Yasuhiro MIWA, Director, retired from his office upon expiration of his tenure at the conclusion of the 150th Annual General Meeting of Shareholders held on June 25, 2024. Also, Mr. Masaya TAKAHASHI, Corporate Auditor, resigned from his office at the conclusion of the 150th Annual General Meeting of Shareholders held on June 25, 2024.

(iii) Change in Position of Director during the Current Business Year

| Name | New Position | Former Position | Date of Transfer |
|-------------------|---------------------------------------------|---------------------------------------------------------------------------------------------|------------------|
| Hiroyuki YAMAMOTO | Director, General Manager of Sales Division | Director, General Manager of Sales Division and General Manager of Chinese Sales Department | April 1, 2024 |

(3) Aggregate Amount and Other Particulars of Remunerations for Directors and Corporate Auditors

| Classification | Aggregate Amount of Remunerations (JPY million) | Total Amount of Remunerations per Type (JPY million) | | | | Number of Eligible Recipient Officers |
|-------------------------------------------------|-------------------------------------------------|------------------------------------------------------|---------------------------------|--------------------------------|---------------------------------|---------------------------------------|
| | | Fixed compensation | Performance-linked compensation | Non-monetary compensation (RS) | Non-monetary compensation (PSU) | |
| Directors (Excluding Outside Directors) | 63 | 53 | — | 10 | — | 5 |
| Outside Directors | 12 | 12 | — | — | — | 2 |
| Corporate Auditors (Outside Corporate Auditors) | 25 (12) | 25 (12) | — (—) | — (—) | — (—) | 4 (3) |

(Notes)

1. The aggregate amount of remuneration for Directors does not include employee salaries and the like for Directors who serve concurrently as employees.
2. The resolutions regarding the amount of monetary compensation and non-monetary compensation (stock-based compensation) for Directors were as follows:
 - (i) The resolution that the amount of compensation for Directors of the Company shall be no more than JPY 200 million per annum (of which up to JPY 20 million is for Outside Directors, not including employee salaries and bonuses for Directors who serve concurrently as employees) has been passed at the 143rd Annual General Meeting of Shareholders held on June 23, 2017. The number of Directors at the conclusion of such General Meeting of Shareholders was eight (8) (of which the number of Outside Directors was two (2)).
 - (ii) The resolutions regarding remunerations apart from the amount of monetary compensation set forth in (i) above were passed as described in item 1) and 2) below at the 147th Annual General Meeting of Shareholders held on June 25, 2021. The number of Directors (excluding Outside Directors) at the conclusion of such General Meeting of Shareholders was four (4).
 - 1) Restricted Stock whereby a certain restricted stock is delivered every term
The total amount of compensation paid for granting restricted stock is no more than JPY 10 million per annum; and the total number of shares is no more than 25,000 shares per annum (Outside Directors are not eligible).
 - 2) Performance Share Unit whereby restricted stock is delivered in accordance with the degree of

achievement of performance goals specified in advance

The total amount of compensation to be paid for granting restricted stock as remuneration for three (3) business years is no more than JPY 90 million (of which no more than JPY 30 million is paid per annum); and the total number of shares is no more than 75,000 shares (of which no more than 25,000 shares are granted per annum) (Outside Directors are not eligible).

3. The amount of monetary compensation for Corporate Auditors was resolved at the 120th Annual General Meeting of Shareholders held on June 29, 1994 as no more than JPY 4 million per month. The number of Corporate Auditors at the conclusion of such General Meeting of Shareholders was four (4) (of which the number of Outside Corporate Auditors was two (2)).
4. Non-monetary compensation is the Company's restricted stock. Restricted Stock is awarded every business year, in principle, and a transfer restriction has been established under the allotment agreement ("Allotment Agreement") whereby eligible Directors may not transfer the allotted stock until the time of their retirement from the position of Director. Such transfer restriction shall be removed on the condition that an eligible Director has remained in the position of Director [of the Company] until the time of his/her retirement therefrom. Also, in the event of the confirmed retirement of an eligible Director from a position at the Company for any reason other than death, expiration of the term of office or other justifiable reasons, the Company shall acquire the shares at no cost. On the other hand, Performance Share Units shall be awarded for three (3) business years of the Medium-term Management Plan of the Company ("Award Period") in accordance with the degree of achievement of goals in performance, the [length of] terms of office, and other factors (the minimum final number of the shares to be awarded is zero (0)), and, upon the award, an allotment agreement shall be entered into corresponding, mutatis mutandis, to the Allotment Agreement for the Restricted Stock. However, in the event of a resignation for any reason other than death, expiration of the term of office and other justifiable reasons, no shares shall be awarded. The status of the delivery of such shares during the current business year is as described in "2. Matters Regarding the Shares of the Company (5) Situation of Shares Delivered to the Company's Officers During the Business Year as Compensation for the Execution of Their Duties." The aggregate amount of non-monetary compensation set forth in the schedule above is the amount recorded as expenses for the amount of stock-based compensation with transfer restrictions for the relevant business year (*i.e.*, JPY 10 million for five (5) Directors excluding Outside Directors).
5. As for individual remunerations and the like for Directors (excluding stock-based compensation), Yoshiaki TABATA, President and Representative Director, is entrusted for the determination thereof pursuant to the resolution of the Board of Directors. Under such entrustment, the President and Representative Director determines individual fixed compensation and individual performance-linked compensation (bonus). The authority described above was vested in the President and Representative Director considering that the decision-making by the President and Representative Director is most appropriate to determine the particulars of compensation from a higher perspective on the performance of the Company as a whole, while taking the status of execution of duties of each Director into account. For such authority to be appropriately exercised, an original proposition of the individual remunerations for Directors prepared by the President and Representative Director shall be submitted to the Personnel Remuneration Committee, in which Outside Officers form a majority, and which is chaired by an Outside Director; after the Board of Directors receives proposals from the Committee and studies these proposals, it shall resolve the entrustment to the President and Representative Director; and then the President and Representative Director shall make decisions on the particulars of the individual remunerations for Directors.

(4) Determination Policy on Details of Individual Remunerations and the Like for Directors

The Company has stipulated the determination policy on details of individual remunerations and the like for Directors by the resolution of the Board of Directors, the outline of which is described below. Upon such resolution at the Board of Directors, the proposition was submitted to the Personnel Remuneration Committee, in which Outside Officers form a majority, and which is chaired by an Outside Director, the proposals of which were received by the Board of Directors.

Also, as for the individual remunerations and the like for Directors, the Board of Directors has confirmed that the method of decision-making and the determined details of the remunerations and the like for the current business year conform to the said policy and that the proposals by the Personnel Remuneration Committee have been respected, and judged that the remunerations and the like are in accordance with

such determination policy.

(i) Basic Policy

- 1) The remunerations for executive Directors shall be basically at the level and in a system appropriate as an incentive to positively endeavor to enhance corporate value.
- 2) The remunerations for Outside Directors shall be at the level that ensures the Company continuously secures personnel capable of delivering advice to and exercising supervision over the execution of the Company's business from an independent viewpoint underpinned by professional knowledge and experience.

(ii) System

1) Remunerations and the like for executive Directors

Remunerations are composed of monthly fixed compensation and bonus as short-term performance-linked compensation, and non-monetary compensation (stock-based compensation) for the purposes of reflecting medium-term performance and sharing values with shareholders.

2) Remunerations and the like for Outside Directors

Remunerations are solely composed of monthly fixed compensation.

Considering that Outside Directors' exercise of their duties is non-executive, bonus as performance-linked compensation and non-monetary compensation (stock-based compensation) shall not be awarded.

(iii) Determination Policy for Each Type of Remunerations and the Like

1) Fixed compensation

Fixed compensation shall be in the amount prescribed as the fixed amount corresponding to the responsibilities for operation of the Company.

2) Bonus

- i. The consolidated operating profit shall be the index so that it functions as an incentive for short-term performance, computed based on the standard amount of bonus corresponding to each position, and determined by further adding the individual evaluation based on a performance assessment sheet.
- ii. The minimum amount of bonus shall be JPY 0.

3) Non-monetary compensation (stock-based compensation)

- i. Non-monetary compensation shall be restricted stock and comprised of two programs that are: the Restricted Stock program, whereby a certain restricted stock is delivered for every business year, and the Performance Share Unit program, whereby restricted stock is delivered in accordance with the degree of achievement of performance goals specified in advance.

- ii. Restricted Stock shall be awarded by conferring monetary compensation claims for the allotment of restricted stock to eligible Directors every business year, in principle, and having them contribute the said monetary compensation claims in kind. The amount of the said monetary compensation claims shall be computed based on the standard amount to be awarded that is equal for each position and determined by the Board of Directors.

- iii. Performance Share Units shall be awarded by conferring monetary compensation claims for granting restricted stock to eligible Directors in accordance with the degree of achievement of performance goals specified in advance during the three (3) business years comprising the Medium-term Management Plan of the Company and having them contribute the said monetary compensation claims in kind. The number of shares to be allotted shall be computed based on the standard number of shares determined in accordance with the position of an eligible Director, the degree of achievement of performance goals specified for the cumulative amount of consolidated operating profit during the period of the Medium-Term Management Plan, the degree of achievement of performance goals specified for ROE for the last business

year of the period for the Medium-term Management Plan as well as the [length of]terms of office, and the amount of the monetary remuneration claims in accordance with such number shall be determined by the Board of Directors.

iv. The standard amount to be awarded for each position that will be the basis for computing the monetary compensation claims in Restricted Stock and the standard amount to be awarded for each position, that will be the basis for computing the standard number of shares to be awarded in Performance Share Units, shall be equal.

(iv) Policy regarding Determination of the Component Ratio of Fixed Compensation, Bonus, and Non-monetary Compensation (Stock-based Compensation)

The component ratio of fixed compensation, bonus and non-monetary compensation (stock-based compensation) is set so that it ensures an appropriate level of and system for executive Directors to positively address enhancement of corporate value, which shall be approximately 65:25:10, subject to variation according to the amount of consolidated operating profit or other factors.

(v) Policy regarding Determination of the Timing and Conditions for Grant of Remunerations and the Like

1) Fixed compensation

Upon entrustment by the Board of Directors to be held after the conclusion of the relevant Annual General Meeting of Shareholders, the Representative Director shall determine the fixed compensation for the period from July after such meeting to June in the following year, which shall be paid monthly.

2) Bonus

Upon entrustment by the Board of Directors to be held after the conclusion of the relevant Annual General Meeting of shareholders, the Representative Director shall determine the bonus for the preceding business year, which shall be paid on, in principle, the day immediately following such determination.

3) Non-monetary compensation (stock-based compensation)

As for Restricted Stock, a resolution will be passed by the Board of Directors after the conclusion of the relevant Annual General Meeting of shareholders, to confer the monetary compensation claims to grant restricted shares, which will be delivered in the month immediately following the month in which such resolution is passed.

As for Performance Share Units, after the closing of the last business year of the Medium-term Management Plan, in principle, a resolution will be passed at the meeting of the Board of Directors in which performance of the relevant business year becomes definite, to confer the monetary compensation claims to grant restricted shares, which will be delivered in the month immediately following the month in which such resolution is passed. In cases where Performance Share Units are allotted to a Director who retired in the business year during the period of the Medium-term Management Plan, it shall be delivered, in principle, in the month immediately following the month in which the resolution to confer the monetary compensation claims is passed.

(vi) Method of Determination of Details of Individual Remunerations and the Like

The Representative Director shall be entrusted with determination of individual remunerations and the like (excluding stock-based compensation) in accordance with the resolution passed by the Board of Directors and shall determine, upon such entrustment, the individual fixed compensation and individual bonus for Directors. For such authorization to be appropriately exercised, the original proposition prepared by the Representative Director on individual compensation for respective Directors shall be submitted to the Personnel Remuneration Committee, in which Outside Officers form a majority and which is chaired by an Outside Director, and the Board of Directors shall, after receiving the Committee's report, resolve to delegate to the Representative Director based on such

report. Then the Representative Director shall, pursuant to such resolution, determine the details of the individual remunerations and the like for respective Directors.

(5) Matters Regarding Performance-linked Compensation

(i) The particulars of or reasons for the selection of the performance index selected as a basis for the amount or computation of Performance-linked Compensation

1) Bonus

The performance index pertaining to bonus is consolidated operation profit, the performance of which is as set forth in “1. Matters Regarding the Status of Corporate Group (1) Progress and Achievement in Business.” The reason for the selection of such index was that it was judged as most appropriate to measure the added value created through business activities.

2) Performance Share Units

The performance index pertaining to Performance Share Units comprises the degree of achievement of performance goals in terms of the cumulative amount of consolidated operating profit for the three business years covering the period of the Medium-term Management Plan and the degree of achievement of performance goals in terms of ROE in the last business year of the period of the Medium-term Management Plan. The reason for the selection of the cumulative amount of consolidated operating profit during the three business years covering the period of the Medium-term Management Plan, was that the Company intends to conduct business as if the period subject to the Medium-term Management Plan is a single business year, and judged that the cumulative amount of consolidated operating profit during such period is significant as a direct goal of such business activities. Also, the reason for the selection of the degree of achievement of performance goals in terms of ROE in the last business year of the period for the Medium-term Management Plan is because the Company considers it significant as a target to enhance the Company’s corporate value.

(ii) Amount or method of computing Performance-linked Compensation

1) Bonus

The method of computing bonus is as set forth in “3. Matters Regarding Corporate Officers (4) Determination Policy on Details of Individual Remuneration and the Like for Directors (iii) Determination Policy for Each Type of Remunerations and the Like 2) Bonus.”

2) Performance Share Units

The particulars of the Company’s stock-based compensation are as set forth in “3. Matters Regarding Corporate Officers (4) Determination Policy on Details of Individual Remuneration and the Like for Directors (iii) Determination Policy for Each Type of Remunerations and the Like 3) Non-monetary compensation (stock-based compensation).”

(iii) Achievement regarding performance index used for computing the amount or number of Performance-linked Compensation and the like

1) Bonus

The achievement of consolidated operating profit is as set forth in “1. Matters Regarding the Status of Corporate Group (1) Progress and Achievement in Business.”

2) Performance Share Units

The degree of achievement of the performance target in terms of cumulative consolidated operating profit during the period of the Medium-term Management Plan as well as the degree of achievement of the performance target in terms of ROE shall become definite after the expiration of the period for the Medium-term Management Plan.

(6) Outline of the Agreement to Limit Liability

Pursuant to Article 427, paragraph (1) of the Companies Act of Japan (“Companies Act”), the Company has entered into an agreement with each of Mr. Mitsuo YAMADA and Ms. Mari IGA, Directors, and Mr. Takayuki FUJIMOTO, Ms. Yuka SHIMOKOBE and Mr. Amane SAWA, Corporate Auditors, to limit their liability under Article 423, paragraph (1) of the Companies Act for damages suffered by the

Company. The outline of such agreement is to limit the ceiling of liability of those Directors and Corporate Auditors to the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act.

(7) Outline of the Contents of the Directors and Officers Liability Insurance Policy

The Company has entered into a directors and officers liability insurance policy (“D&O Insurance”) as stipulated in Article 4303 paragraph (1) of the Companies Act with an insurance company, whereby the loss to be incurred by the insured(s) due to claims for damages made will be indemnified. However, there are certain exclusions, such as an exclusion that any loss arising out of an act committed knowing that it is an illegal act shall not be indemnified.

The insureds of such insurance policy are the Company’s Directors, Corporate Auditors, Executive Officers, managerial-level employees, officers dispatched to outside the Company, and retired officers, and the Company bears the premiums for all such persons including those for endorsements.

The term of the D&O Insurance policy is one (1) year, which has been renewed every year, after the Company reviewed the policy before the expiration of the term, and upon resolution of the Board of Directors.

(8) Matters Regarding Outside Officers

Status of major activities during the current business year

| Position | Name | Status of major activities |
|-------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director | Mitsuo YAMADA | He attended all twelve (12) meetings of the Board of Directors held during this business year, in which he positively expressed questions and opinions, from a viewpoint independent from the execution of business, concerning technology, investment and all other aspects of corporate management based on his abundant experience at manufacturers related to product development, operation of business and management. Beyond that, he has fulfilled the significant role that the Company expected in relation to ensuring and enhancing transparency, fairness and diversity of the Company through his conduct of the proceedings as the chairperson of the Personnel Remuneration Committee, and, in conjunction therewith, his advice given and opinions exchanged from an outside position. |
| Director | Mari IGA | She attended all twelve (12) meetings of the Board of Directors held during this business year, in which she expressed questions and opinions positively from a viewpoint independent from the execution of business, concerning all aspects of corporate management based on her abundant experience and expertise as a management executive of a consulting company in relation to marketing as well as activation of personnel resources and organization. Beyond that, she has fulfilled the significant role that the Company expected in relation to ensuring and enhancing transparency, fairness and diversity of the Company through her attendance at the Personnel Remuneration Committee, and, in conjunction therewith, her advice given and opinions exchanged from an outside position. |
| Corporate Auditor | Yuka SHIMOKOBE | She attended all twelve (12) meetings of the Board of Directors and all thirteen (13) meetings of the Board of Corporate Auditors held in this business year, in which she expressed valuable opinions, based on her abundant practical experience as an attorney-at-law, concerning corporate legal affairs and all aspects of legal affairs. Beyond that, she has fulfilled the significant role in ensuring and enhancing transparency, fairness and diversity of the Company through her attendance at the Personnel Remuneration Committee, and, in conjunction therewith, her advice given and opinions exchanged from an outside position. |

| | | |
|-------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corporate Auditor | Amane SAWA | He attended all ten (10) meetings of the Board of Directors and all ten (10) meetings of the Board of Corporate Auditors held after his assumption of office as Corporate Auditor, in which he made statements appropriately based on his professional expertise as a certified public accountant and with a high degree of insight concerning all aspects of management. Beyond that, he has fulfilled the significant role in ensuring and enhancing transparency, fairness and diversity of the Company through his attendance at the Personnel Remuneration Committee, and, in conjunction therewith, his advice given and opinions exchanged from an outside position. |
|-------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

(9) Other Material Matters Regarding the Status of the Corporate Group

As of April 1, 2025, the Company has changed its company name (trade name) to TOYO INNOVEX Co., LTD.

4. Policy Regarding the Decision-making of Dividends of Surplus

The Company's basic position from a medium- to long-term perspective is to strengthen its financial position and business foundation while also maintaining stable dividends and appropriate return of profits to shareholders. It is scheduled that the internal reserve will be utilized for activities to develop new businesses in the long-term forecast, investment to achieve efficiency and labor-savings in management practices, and the like.

Also, we aim to conduct stable and sustainable dividends to shareholders by heightening capital efficiency and achieving ROE of greater than 8%, which is the goal of the Medium-term Management Plan, through consideration of capital cost and also utilizing interest-bearing debt in alignment with balanced financial soundness.

The timing of distribution of dividends is basically twice a year at the midterm and term-end. Pursuant to the provisions of Article 459, paragraph (1) of the Companies Act, the Company has stipulated in the Articles of Incorporation that the Board of Directors may decide matters regarding dividends of surplus without a resolution at the general meeting shareholders. The term-end dividends and interim dividends distributed in the current term were as described below:

[Term-End Dividends]

- Amount of dividends per share: JPY 17.50 per common share
- Total amount of dividends: JPY 358,187,358
- Effective date: June 25, 2025

[Interim Dividends]

- Amount of dividends per share: JPY 17.50 per common share
- Total amount of dividends: JPY 359,514,225
- Effective date: December 2, 2024

(Note)

1. The number of shares indicated in this Business Report is presented by truncating fractions less than the indicated unit. The figure for amounts is presented by rounding down the amount less than one yen and truncating the amount less than the indicated unit.
2. The ratio is presented by rounding up or down to the ratio nearest to the indicated unit.

CONSOLIDATED BALANCE SHEET

(As of March 31, 2025)

(Unit: JPY million)

| Item | Amount | Item | Amount |
|-----------------------------------------------------|---------------|-------------------------------------------------------|---------------|
| (Assets) | | (Liabilities) | |
| Current assets | 21,328 | Current liabilities | 9,156 |
| Cash and deposits | 4,829 | Notes and accounts payable - trade | 3,194 |
| Notes and accounts receivable - trade | 5,821 | Electronically recorded obligations - operating | 638 |
| Electronically recorded monetary claims - operating | 1,241 | Short-term loans payable | 2,300 |
| Merchandise and finished goods | 3,539 | Long-term loans payable due within one year | 340 |
| Work in process | 3,223 | Accrued expenses | 593 |
| Raw materials and supplies | 1,315 | Income taxes payable | 156 |
| Other | 1,366 | Provision for product warranties | 47 |
| Allowance for doubtful accounts | (8) | Provision for loss on disaster | 252 |
| Non-current assets | 8,771 | Other | 1,632 |
| Property, plant and equipment | 7,332 | Non-current liabilities | 3,286 |
| Buildings and structures | 4,243 | Long-term loans payable | 840 |
| Machinery, equipment and vehicles | 920 | Net defined benefit liability | 1,399 |
| Tools, furniture and fixtures | 95 | Deferred tax liabilities | 927 |
| Land | 782 | Provision for share awards for directors | 4 |
| Leased assets | 135 | Other | 116 |
| Construction in progress | 1,155 | Total liabilities | 12,443 |
| Intangible assets | 291 | (Net assets) | |
| Software | 145 | Shareholders' equity | 15,207 |
| Software in progress | 15 | Capital stock | 2,506 |
| Other | 130 | Capital surplus | 2,398 |
| Investments and other assets | 1,148 | Retained earnings | 10,383 |
| Investment securities | 976 | Treasury shares | (80) |
| Deferred tax assets | 124 | Accumulated other comprehensive income | 1,900 |
| Other | 659 | Valuation difference on available-for-sale securities | 170 |
| Allowance for doubtful accounts | (611) | Deferred gains or losses on hedges | (6) |
| | | Foreign currency translation adjustment | 1,421 |
| | | Remeasurements of defined benefit plans | 314 |
| | | Non-controlling interests | 549 |
| | | Total net assets | 17,657 |
| Total assets | 30,100 | Total liabilities and net assets | 30,100 |

(Note) Amounts of less than one million yen are rounded down.

CONSOLIDATED STATEMENT OF INCOME

(From April 1, 2024 to March 31, 2025)

| Item | Amount | (Unit: JPY million) |
|--------------------------------------------------------------------------|---------------|---------------------|
| Net sales | 27,024 | |
| Cost of sales | 22,167 | |
| Gross profit | 4,856 | |
| Selling, general and administrative expenses | 5,378 | |
| Operating loss | 521 | |
| Non-operating income | | |
| Interest and dividend income | 31 | |
| Rent income on non-current assets | 68 | |
| Share of profit of entities accounted for using equity method | 78 | |
| Other | 35 | 213 |
| Non-operating expenses | | |
| Interest expenses | 30 | |
| Rent expenses on non-current assets | 8 | |
| Foreign exchange losses | 43 | |
| Other | 37 | 119 |
| Ordinary loss | | 427 |
| Extraordinary profit | | |
| Gain on sales of investment securities | 45 | |
| Insurance income on disaster | 301 | 346 |
| Extraordinary losses | | |
| Loss on valuation of investment securities | 4 | |
| Provision for loss on disaster | 273 | 278 |
| Loss before income taxes | | 359 |
| Income taxes - current | 209 | |
| Income taxes - deferred | 227 | 437 |
| Net loss for the year | | 796 |
| Net profit for the year attributable to non-controlling interests | | 48 |
| Net loss for the year attributable to owners of parent | | 845 |

(Note) Amounts of less than one million yen are rounded down.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(From April 1, 2024 to March 31, 2025)

(Unit: JPY million)

| | Shareholders' equity | | | | |
|------------------------------------------------------------|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance as of April 1, 2024 | 2,506 | 2,393 | 11,947 | (32) | 16,814 |
| Changes of items during period | | | | | |
| Dividends of surplus | | | (718) | | (718) |
| Net loss attributable to owners of parent | | | (845) | | (845) |
| Purchase of treasury shares | | | | (50) | (50) |
| Disposal of treasury shares | | 4 | | 1 | 6 |
| Net changes of items other than shareholders' equity | | | | | |
| Total changes of items during the consolidated fiscal year | – | 4 | (1,563) | (48) | (1,607) |
| Balance as of March 31, 2025 | 2,506 | 2,398 | 10,383 | (80) | 15,207 |

| | Accumulated other comprehensive income | | | | | Non-controlling interests | Total net assets |
|------------------------------------------------------------|-------------------------------------------------------|------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------------|---------------------------|------------------|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | | |
| Balance as of April 1, 2024 | 208 | (17) | 970 | 163 | 1,323 | 446 | 18,584 |
| Changes of items during period | | | | | | | |
| Dividends of surplus | | | | | | | (718) |
| Net loss attributable to owners of parent | | | | | | | (845) |
| Purchase of treasury shares | | | | | | | (50) |
| Disposal of treasury shares | | | | | | | 6 |
| Net changes of items other than shareholders' equity | (37) | 11 | 451 | 150 | 576 | 103 | 680 |
| Total changes of items during the consolidated fiscal year | (37) | 11 | 451 | 150 | 576 | 103 | (927) |
| Balance as of March 31, 2025 | 170 | (6) | 1,421 | 314 | 1,900 | 549 | 17,657 |

(Note) Amounts of less than one million yen are rounded down.

NON-CONSOLIDATED BALANCE SHEET

(From April 1, 2024 to March 31, 2025)

(Unit: JPY million)

| Item | Amount | Item | Amount |
|-------------------------------------------------------|---------------|---------------------------------------------------------------|---------------|
| (Assets) | | (Liabilities) | |
| Current assets | 16,015 | Current liabilities | 9,782 |
| Cash and deposits | 3,162 | Accounts payable - trade | 3,425 |
| Notes receivable – trade | 1,224 | Electronically recorded obligations - operating | 659 |
| Electronically recorded monetary claims – operating | 1,235 | Short-term loans payable | 3,000 |
| Accounts receivable - trade | 4,020 | Long-term loans payable due within one year | 340 |
| Merchandise and finished goods | 2,109 | Accounts payable - other | 195 |
| Work in process | 2,264 | Accrued expenses | 489 |
| Raw materials and supplies | 903 | Income taxes payable | 36 |
| Prepaid expenses | 32 | Provision for product warranties | 47 |
| Accounts receivable - other | 21 | Provision for loss on disaster | 252 |
| Consumption taxes refund receivable | 999 | Advances received | 468 |
| Other | 51 | Accounts payable - facilities | 582 |
| Allowance for doubtful accounts | (8) | Other | 284 |
| Non-current assets | 8,750 | Non-current liabilities | 2,928 |
| Property, plant and equipment | 6,538 | Long-term loans payable | 840 |
| Buildings | 3,443 | Provision for retirement benefits | 1,573 |
| Structures | 100 | Deferred tax liabilities | 401 |
| Machinery, equipment | 854 | Other | 112 |
| Vehicles | 3 | Total liabilities | 12,711 |
| Tools, furniture and fixtures | 63 | (Net assets) | |
| Land | 782 | Shareholders' equity | 11,889 |
| Leased assets | 135 | Capital stock | 2,506 |
| Construction in progress | 1,155 | Capital surplus | 2,398 |
| Intangible assets | 153 | Legal capital surplus | 2,028 |
| Software | 132 | Other capital surplus | 369 |
| Software in progress | 15 | Retained earnings | 7,065 |
| Other | 5 | Legal retained earnings | 203 |
| Investments and other assets | 2,058 | Other retained earnings | 6,862 |
| Investment securities | 539 | Reserve for tax purpose reduction entry of non-current assets | 719 |
| Shares of subsidiaries and associates | 670 | General reserve | 3,750 |
| Investments in capital of subsidiaries and associates | 828 | Retained earnings brought forward | 2,392 |
| Other | 20 | Treasury shares | (80) |
| | | Valuation and translation adjustments | 164 |
| | | Valuation difference on available-for-sale securities | 170 |
| | | Deferred gains or losses on hedges | (6) |
| | | Total net assets | 12,054 |
| Total assets | 24,765 | Total liabilities and net assets | 24,765 |

(Note) Amounts of less than one million yen are rounded down.

NON-CONSOLIDATED STATEMENT OF INCOME

(From April 1, 2024 to March 31, 2025)

(Unit: JPY million)

| Item | Amount |
|-----------------------------------------------------|---------------|
| Net sales | 23,749 |
| Cost of sales | 20,554 |
| Gross profit | 3,194 |
| Selling, general and administrative expenses | 4,153 |
| Operating loss | 958 |
| Non-operating income | |
| Interest and dividend income | 576 |
| Other | 166 |
| | 742 |
| Non-operating expenses | |
| Interest expenses | 19 |
| Foreign exchange losses | 8 |
| Other | 73 |
| | 101 |
| Ordinary loss | 317 |
| Extraordinary profit | |
| Gain on sales of investment securities | 45 |
| Insurance income on disaster | 301 |
| | 346 |
| Extraordinary losses | |
| Loss on valuation of investment securities | 4 |
| Provision of reserve for loss on disaster | 273 |
| | 278 |
| Net loss before income taxes | 249 |
| Income taxes – current | 28 |
| Income taxes – deferred | 197 |
| | 226 |
| Net loss | 475 |

(Note) Amounts of less than one million yen are rounded down.

NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(From April 1, 2024 to March 31, 2025)

(Unit: JPY million)

| | Shareholders' equity | | | | | | |
|---------------------------------------------------------------------------|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|---------------------------------------------------------------|
| | Capital stock | Capital surplus | | | Retained earnings | | |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings | Reserve for tax purpose reduction entry of non-current assets |
| Balance as of April 1, 2024 | 2,506 | 2,028 | 364 | 2,393 | 203 | 730 | 3,750 |
| Changes of items during period | | | | | | | |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | | | | | (11) | |
| Dividends of surplus | | | | | | | |
| Loss | | | | | | | |
| Purchase of treasury shares | | | | | | | |
| Disposal of treasury shares | | | 4 | 4 | | | |
| Net changes of items other than shareholders' equity | | | | | | | |
| Total changes of items during period | – | – | 4 | 4 | – | (11) | – |
| Balance as of March 31, 2025 | 2,506 | 2,028 | 369 | 2,398 | 203 | 719 | 3,750 |

| | Shareholders' equity | | | | Valuation and translation adjustments | | | Total net assets | |
|---------------------------------------------------------------------------|-------------------------|-----------------------------------|-----------------|----------------------------|-------------------------------------------------------|------------------------------------|---------------------------------------------|------------------|--|
| | Retained earnings | | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total valuation and translation adjustments | | |
| | Other retained earnings | Retained earnings brought forward | | | | | | | |
| Balance as of April 1, 2024 | 3,575 | 8,259 | (32) | 13,127 | 208 | (16) | 191 | 13,319 | |
| Changes of items during period | | | | | | | | | |
| Reversal of reserve for tax purpose reduction entry of non-current assets | 11 | – | | – | | | | – | |
| Dividends of surplus | (718) | (718) | | (718) | | | | (718) | |
| Loss | (475) | (475) | | (475) | | | | (475) | |
| Purchase of treasury shares | | | (50) | (50) | | | | (50) | |
| Disposal of treasury shares | | | 1 | 6 | | | | 6 | |
| Net changes of items other than shareholders' equity | | | | | (37) | 9 | (27) | (27) | |
| Total changes of items during period | (1,182) | (1,194) | (48) | (1,237) | (37) | 9 | (27) | (1,265) | |
| Balance as of March 31, 2025 | 2,392 | 7,065 | (80) | 11,889 | 170 | (6) | 164 | 12,054 | |

(Note) Amounts of less than one million yen are rounded down.

INDEPENDENT AUDITOR'S REPORT

May 14, 2025

To the Board of Directors of TOYO INNOVEX Co., Ltd.

Grant Thornton Taiyo LLC
Osaka Office, Japan

Mamoru Arihisa
Designated Engagement Partner
Certified Public Accountant

Keisuke Toda
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the consolidated financial statements of TOYO INNOVEX Co., Ltd. and its consolidated subsidiaries (the "Group"), which comprise the Consolidated Balance Sheet as of March 31, 2025, and the Consolidated Statement of Income, the Consolidated Statement of Changes in Equity, and the Notes to Consolidated Financial Statements for the consolidated fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025, and its consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the professional ethical requirements in Japan that are relevant to our audit, and we have fulfilled our other ethical responsibilities as an auditor in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Corporate Auditors and the Board of Corporate Auditors are responsible for overseeing the Directors' execution of duties within the maintenance and operation of the reporting process for the other information.

The scope of our opinion on the consolidated financial statements does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the consolidated financial statements is to read through the other information, and in the process of reading it, to examine whether there are material differences between the other information and the consolidated financial statements or the knowledge we have gained in the auditing process, and also to pay attention as to whether there are any indications in the other information of material errors besides such material differences.

If we determine there to be material errors in the other information based on the work we have performed,

we are required to report those facts.

There are no matters to report regarding the other information.

Responsibilities of Management, the Corporate Auditors and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes the maintenance and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and, where necessary, disclosing matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Corporate Auditors and the Board of Corporate Auditors are responsible for overseeing the Directors' execution of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and events.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Group as a basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Corporate Auditors and the Board of Corporate Auditors the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Corporate Auditors and the Board of Corporate Auditors with a statement that we have complied with relevant ethical requirements regarding independence in Japan, and report to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate obstruction factors when such measures are employed, and the contents of safeguards used to reduce obstruction factors to permissible levels when such safeguards are employed.

Conflict of Interest

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Accounting Auditor's Audit Report

INDEPENDENT AUDITOR'S REPORT

May 14, 2025

To the Board of Directors of TOYO INNOVEX Co., Ltd.

Grant Thornton Taiyo LLC
Osaka Office, Japan

Mamoru Arihisa
Designated Engagement Partner
Certified Public Accountant

Keisuke Toda
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements, which comprise the Non-consolidated Balance Sheet as of March 31, 2025, the Non-consolidated Statement of Income, the Non-consolidated Statement of Changes in Equity, and the Notes to Non-consolidated Financial Statements and related supplementary schedules of TOYO INNOVEX Co., Ltd. (the "Company") for the 151st fiscal year from April 1, 2024 to March 31, 2025 (collectively, the "Non-consolidated Financial Statements, Etc.").

In our opinion, the Non-consolidated Financial Statements, Etc. referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc." section of our report. We are independent of the Company in accordance with the professional ethical requirements in Japan that are relevant to our audit, and we have fulfilled our other ethical responsibilities as an auditor in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for expressing our opinion.

Other Information

The other information comprises the Business Report and its supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Corporate Auditors and the Board of Corporate Auditors are responsible for overseeing the Directors' execution of duties within the maintenance and operation of the reporting process for the other information.

The scope of our opinion on the Non-consolidated Financial Statements, Etc. does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the Non-consolidated Financial statements, Etc. is to read through the other information, and in the process of reading it, to examine whether there are material differences between the other information and the Non-consolidated financial statements, Etc. or the knowledge we have gained in the auditing process, and also to pay attention as to whether there are any indications in the other information of material errors besides such material differences.

If we determine there to be material errors in the other information based on the work we have performed, we are required to report those facts.

There are no matters to report regarding the other information.

Responsibilities of Management, the Corporate Auditors and the Board of Corporate Auditors for the Non-consolidated Financial Statements, Etc.

Management is responsible for the preparation and fair presentation of the Non-consolidated Financial Statements, Etc. in accordance with accounting principles generally accepted in Japan. This includes the maintenance and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of Non-consolidated Financial Statements, Etc. that are free from material misstatement, whether due to fraud or error.

In preparing the Non-consolidated Financial Statements, Etc., management is responsible for assessing whether it is appropriate to prepare the Non-consolidated Financial Statements, Etc. with the assumption of the Company's ability to continue as a going concern, and, where necessary, disclosing matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Corporate Auditors and the Board of Corporate Auditors are responsible for overseeing the Directors' execution of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the Non-consolidated Financial statements, Etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Non-consolidated Financial Statements, Etc.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Non-consolidated Financial Statements, Etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the Non-consolidated Financial Statements, Etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the Non-consolidated Financial Statements, Etc. or, if the notes to the Non-consolidated Financial Statements, Etc. on material uncertainty are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the Non-consolidated Financial Statements, Etc. and the notes thereto are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the Non-consolidated Financial Statements, Etc., including the related notes thereto, and whether the Non-consolidated Financial Statements, Etc. fairly present the underlying transactions and events.

We report to the Corporate Auditors and the Board of Corporate Auditors the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Corporate Auditors and the Board of Corporate Auditors with a statement that we have complied with relevant ethical requirements regarding independence in Japan, and report to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate obstruction factors when such measures are employed, and the contents of safeguards used to reduce obstruction factors to permissible levels when such safeguards are employed.

Conflict of Interest

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

AUDIT REPORT

In regard to Directors' execution of their duties for the 151st business year from April 1, 2024 to March 31, 2025, the Board of Corporate Auditors has prepared this Audit Report, as a unanimous opinion of all Corporate Auditors, after deliberations based on the audit reports prepared by each Corporate Auditor, and reports as follows.

1. Method and Contents of Audits by Corporate Auditors and the Board of Corporate Auditors

- (1) The Board of Corporate Auditors determined the audit policies and the audit plan, etc. for the business year under review and received reports from each Corporate Auditor regarding the implementation status and results of their audits, in addition to which it received reports from Directors, etc. and the Accounting Auditor regarding the status of the execution of their duties and requested explanations as necessary.
- (2) In compliance with the audit standards of the Board of Corporate Auditors established by the Board of Corporate Auditors and in accordance with the audit policies and the audit plan, etc. for the business year under review, each Corporate Auditor communicated with Directors, the internal audit department, and other employees, etc., by utilizing the Internet and other means, endeavored to gather information and develop the audit environment, and conducted audits using the following methods.
 - (i) Corporate Auditors attended meetings of the Board of Directors and other important meetings, received reports from Directors and employees, etc. regarding the status of the execution of their duties and asked questions and offered opinions whenever necessary, viewed important decision-making documents, etc., and inspected the status of operations and assets with respect to the head office and main business locations. Additionally, in regard to subsidiaries, the Corporate Auditors communicated and exchanged information with the directors and the corporate auditors, etc. of subsidiaries by utilizing the Internet and other means, requested the subsidiaries to make reports on their business as necessary, and inspected the status of operations and assets of subsidiaries. The results of the audits by the Board of Corporate Auditors were reported to the Board of Directors and persons responsible for relevant departments, and the status of the response thereto was confirmed at a later date.
 - (ii) In regard to the content of resolutions of the Board of Directors regarding the development of systems to ensure that Directors' execution of their duties complies with laws, regulations, and the Articles of Incorporation and other systems provided for in Article 100, paragraph (1) and paragraph (3) of the Regulations for Enforcement of the Companies Act as systems necessary to ensure the appropriateness of operations of the corporate group composed of a stock company and its subsidiaries, as well as the systems developed pursuant to those resolutions (*i.e.*, internal control systems) stated in the Business Report, Corporate Auditors received reports from Directors and employees, etc. regarding the status of the establishment and operation of those systems, requested explanations as necessary and expressed opinions in regard thereto.
 - (iii) Corporate Auditors oversaw and verified whether the Accounting Auditor maintained an independent position and conducted an appropriate audit, received reports from the Accounting Auditor on the status of the execution of its duties, and requested explanations as necessary. Additionally, Corporate Auditors received notification from the Accounting Auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), etc., it had developed systems for ensuring that the performance of its duties is being carried out correctly (*i.e.*, notification of the matters stated in the items of Article 131 of the Regulation on Corporate Accounting) and requested explanations as necessary.

Using the methods above, the Board of Corporate Auditors examined the Business Report, the supplementary schedules thereto, the Non-consolidated Financial Statements (*i.e.*, the Non-consolidated Balance Sheet, the Non-consolidated Statement of Income, the Non-consolidated Statement of Changes in Equity, and the Notes to the Non-consolidated Financial Statements), the supplementary schedules thereto, and the Consolidated Financial Statements (*i.e.*, the Consolidated Balance Sheet, the Consolidated Statement of Income, the Consolidated Statement of Changes in Equity, and the Notes to the Consolidated Financial Statements) for the business year.

2. Audit Results

- (1) Results of audit of the Business Report, etc.
 - (i) We find that the Business Report and the supplementary schedules thereto accurately present the status of the Company in accordance with laws, regulations, and the Articles of Incorporation.
 - (ii) We do not find any misconduct nor any material fact constituting a violation of any law, regulation, or the Articles of Incorporation in relation to Directors' execution of their duties.
 - (iii) We find the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the Business Report or Directors' execution of their duties relating to the internal control systems.
- (2) Results of audit of Non-consolidated Financial Statements and supplementary schedules thereto
We find the methods and results of the audit by the Accounting Auditor, Grant Thornton Taiyo LLC, to be reasonable.
- (3) Results of audit of Consolidated Financial Statements
We find the methods and results of the audit by the Accounting Auditor, Grant Thornton Taiyo LLC, to be reasonable.

May 23, 2025

The Board of Corporate Auditors, TOYO INNOVEX Co., Ltd.
Takayuki Fujimoto, Full-time Corporate Auditor [Seal]
Yuka Shimokobe, Outside Corporate Auditor [Seal]
Amane Sawa, Outside Corporate Auditor [Seal]