TOYO Corporation

(TSE Prime: 8151)

Presentation for financial results for the fiscal year ended Sep. 2025

November 12, 2025

TOYO Corporation

Quest for Precision

1. **Financial results for the fiscal year ended Sep. 2025**
2. **Orders & order backlog**
3. **Full-year forecast for FY9/26**
4. **Shareholder returns**
5. **Medium-term Management Plan “TY2027” progress**
6. **Realizing management conscious of cost of capital and stock price**

1. Financial results for the fiscal year ended Sep. 2025

Key highlights for the fiscal year ended Sep. 2025

(¥mn)	FY9/24 Actual	FY9/25 Actual	YoY	
			Change	%
Net sales	35,042	32,559	-2,483	-7.1%
Operating profit	3,366	1,914	-1,452	-43.1%
OPM	9.6%	5.9%	-3.7ppt	–
Ordinary profit	3,375	1,985	-1,390	-41.2%
Profit attributable to owners of parent	2,522	1,195	-1,327	-52.6%

Net sales: -7.1% YoY

- The Advanced Mobility business declined significantly as the booking of several planned large domestic and overseas orders was pushed to the following fiscal year due to customer-side factors. The delayed projects will contribute to increased revenue from next fiscal year onwards
- Sustainable Energy sales were also down due to a low order backlog at the beginning of the fiscal year
- ICT / Information Security, Ocean / Defense & Security businesses grew thanks to solid demand

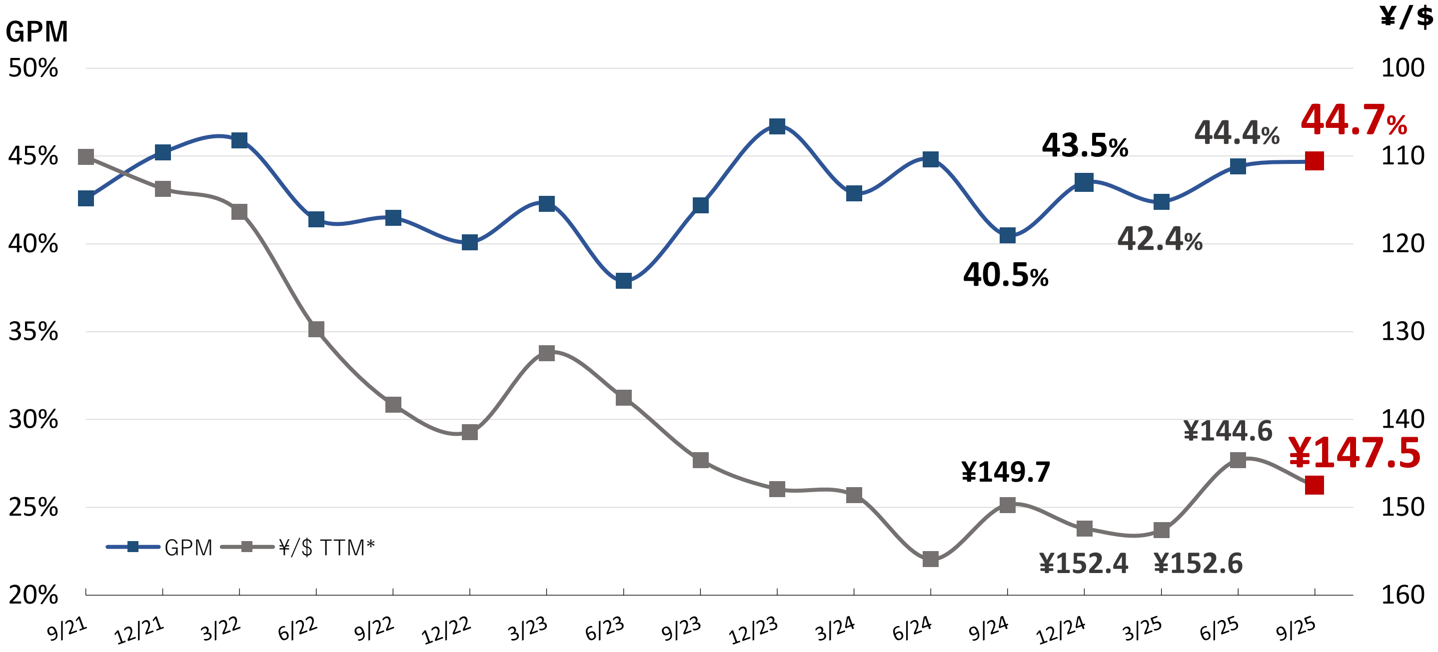
OP: -43.1% YoY

- OP fell due to the significant impact of lower sales, as well as increases in R&D and personnel expenses,

- **We surpassed the revised full-year guidance announced at Q3 results, because one of the several large overseas orders in Advanced Mobility that was expected to be pushed back to next FY was booked as sales in Q4**

Forex and gross profit margins

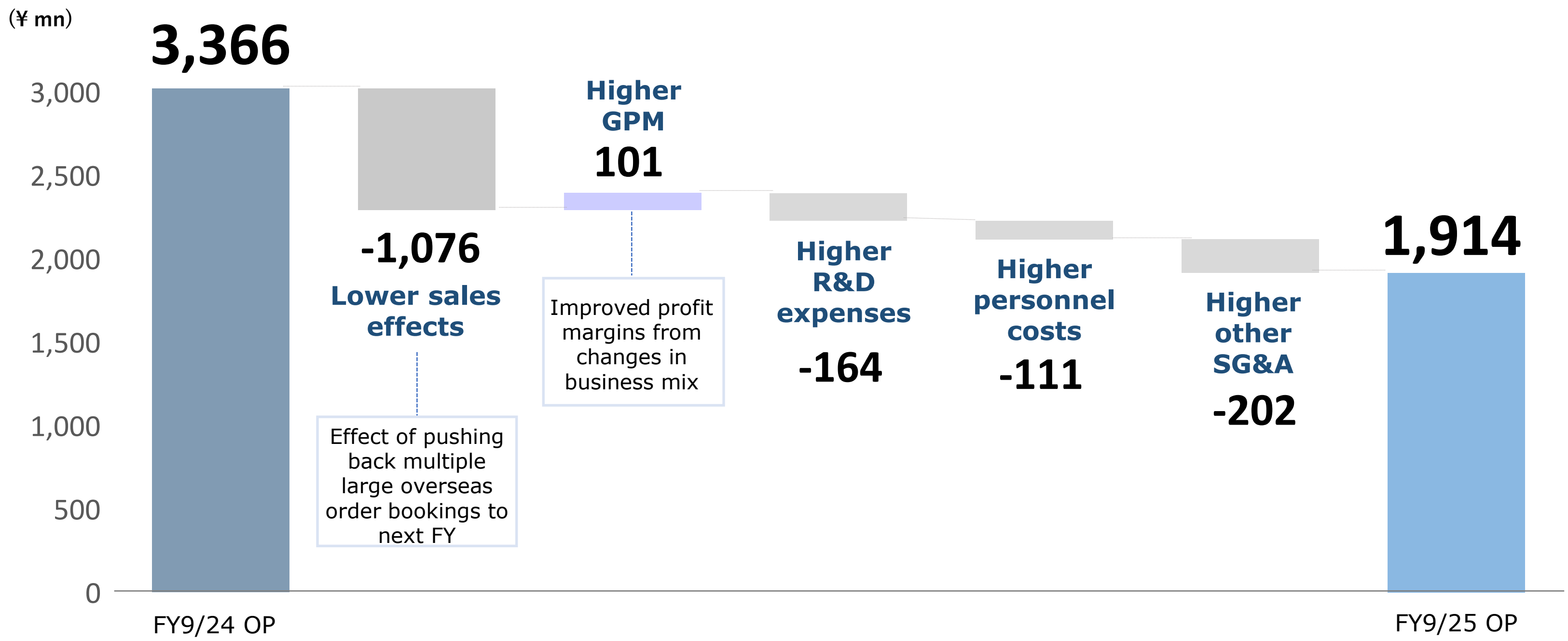
GPM was +0.3ppt YoY (Q4 FY9/25 44.7%, full-year FY9/25 GPM 43.6%



*3-month average forex rate

Operating profit YoY variance

Profit declined due to impact of lower sales and increased expenses including R&D

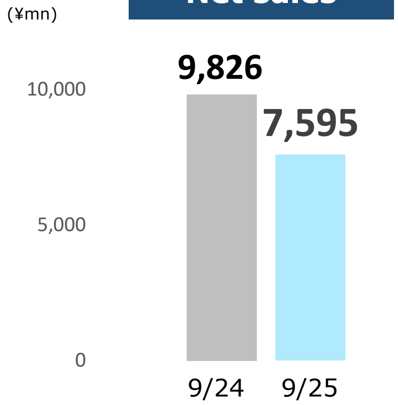


Analysis: Net sales and profit by segment

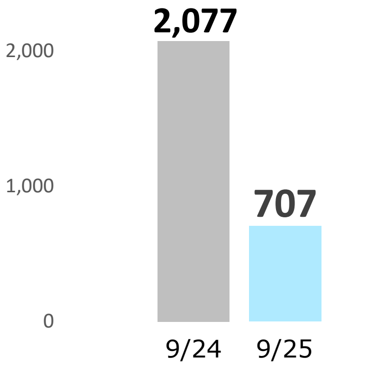
Advanced Mobility

(¥mn)	FY9/24 Actual	FY9/25 Actual	YoY	
			Change	%
Net sales	9,826	**7,595**	-2,231	-22.7%
Segment profit	2,077	**707**	-1,370	-65.9%

Net sales



Segment profit



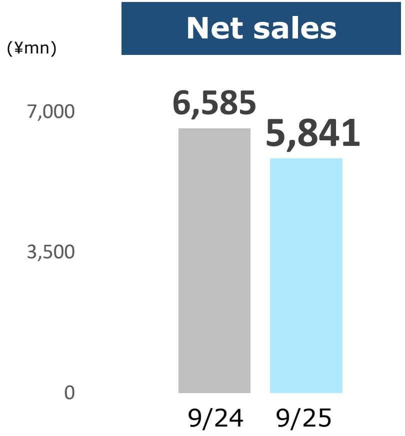
Notes

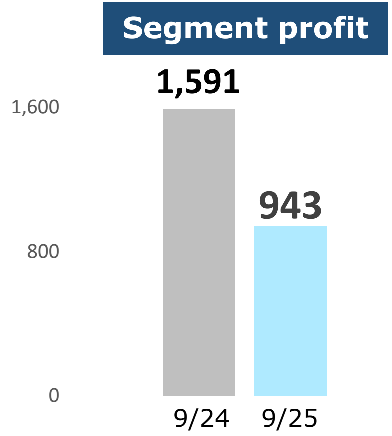
- Sales declined as the booking of sales for large overseas evaluation system projects for AD (Autonomous Driving)/ADAS (Advanced Driver Assistance System) development and large domestic projects in the e-mobility field slipped to next FY and beyond due to delays in building construction and facility installation at customer sites
- However, domestic sales for noise and vibration measurement-related products were robust

Analysis: Net sales and profit by segment

Sustainable Energy

(¥mn)	FY9/24 Actual	FY9/25 Actual	YoY	
			Change	%
Net sales	6,585	5,841	-744	-11.3%
Segment profit	1,591	943	-648	-40.8%





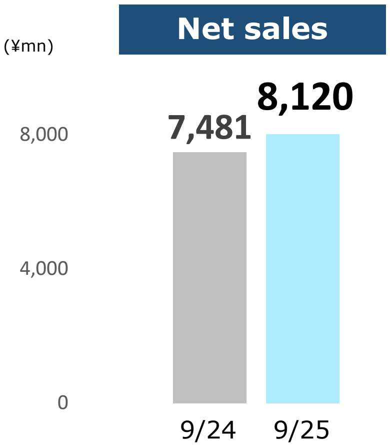
Notes

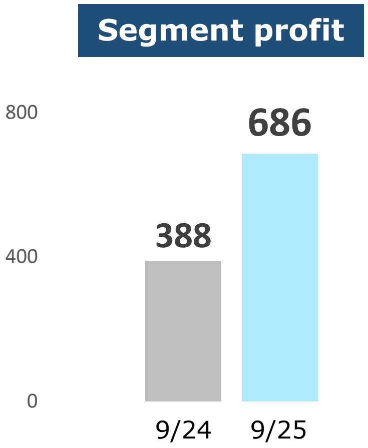
- While sales of electrochemical measurement systems and ultra low-temperature and magnetic field measurement systems exceeded the plan, sales overall were down compared to the strong results of the previous year due to a smaller order backlog at the year start.
- In addition to lower sales, segment profit also declined due to higher SG&A expenses including for expanded production capacity at subsidiary L.Tail Co., Ltd., a manufacturer of hydrogen-related equipment

Analysis: Net sales and profit by segment

ICT / Information security

(¥mn)	FY9/24 Actual	FY9/25 Actual	YoY Change	YoY %
Net sales	7,481	8,120	+639	+8.5%
Segment profit	388	686	+298	+76.8%





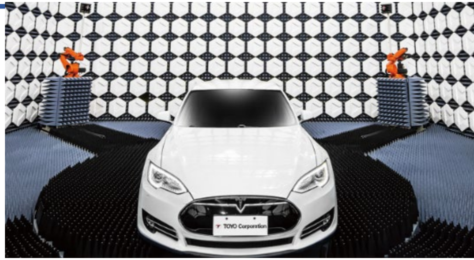
Notes

- In ICT, core network performance testing products for major communication carriers outperformed the plan, while vulnerability scanners, proprietary large-capacity packet capture systems and other products also showed YoY growth.
- In Cybersecurity, sales increased due to steady performance from service provider projects and the recording of a large project for a government agency.

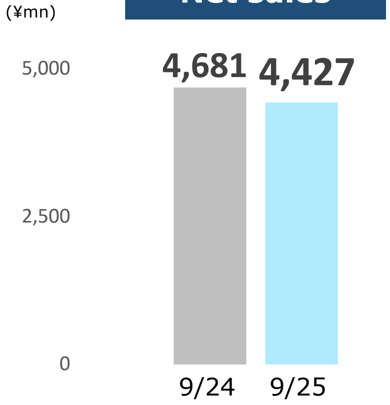
Analysis: Net sales and profit by segment

EMC & Antenna Systems

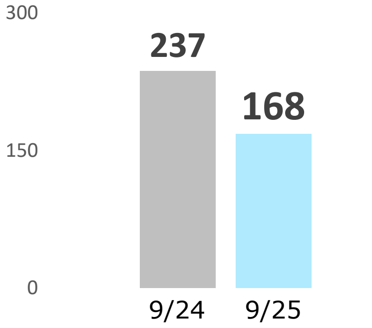
(¥mn)	FY9/24 Actual	FY9/25 Actual	YoY Change	YoY %
Net sales	4,681	4,427	-254	-5.4%
Segment profit	237	168	-69	-28.9%



Net sales



Segment profit

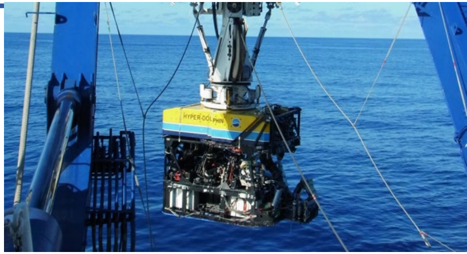


Notes

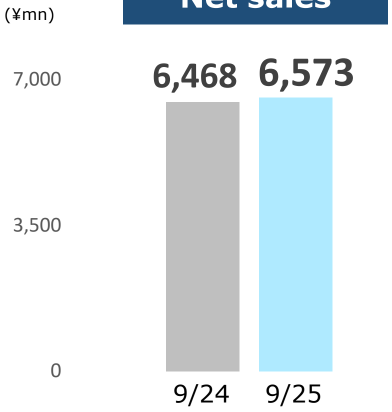
- Sales declined due to a lower order backlog at the start of the year and a delay for a customer in the completion of construction of anechoic chamber. Order backlog increased at the end of the year, and recovery is expected next year
- Segment profit decreased due to lower sales and booking of costs associated with new product development

Other businesses (Ocean / Defense & Security, Software Quality & Productivity, and Others)

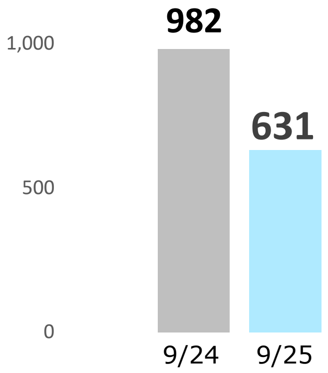
(¥mn)	FY9/24 Actual	FY9/25 Actual	YoY	
			Change	%
Net sales	6,468	6,573	+105	+1.6%
Segment profit	982	631	-351	-35.7%



Net sales



Segment profit



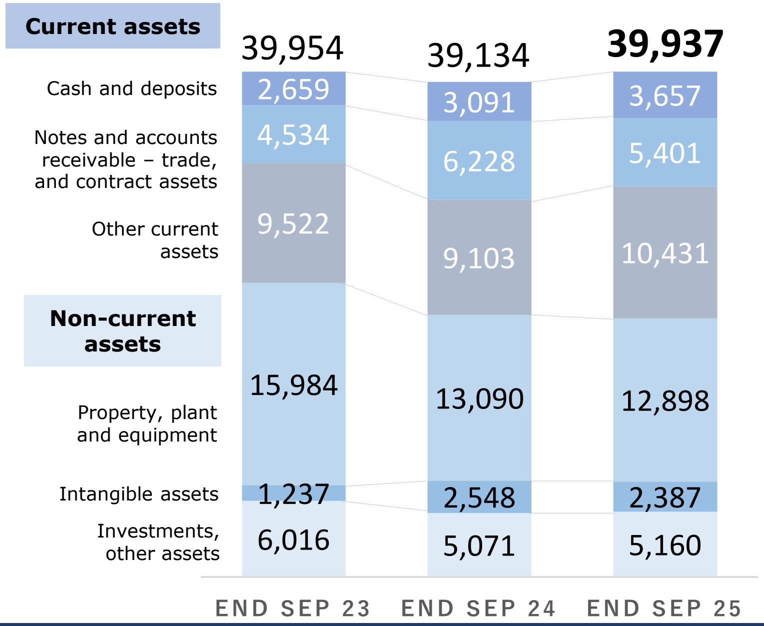
Notes

- In the Ocean / Defense & Security business, sales increased due to robust demand for defense equipment and the early delivery of a large-scale project originally slated for the following fiscal year. However, segment profits declined from one-off costs on large orders
- In Software Quality & Productivity, sales grew due to solid sales to gaming and automotive-related firms. However, higher SG&A expenses from increased procurement costs impacted by a stronger GBP, and from increased headcount for new business expansion weighed down segment profits

Consolidated balance sheet: Major items

Total assets

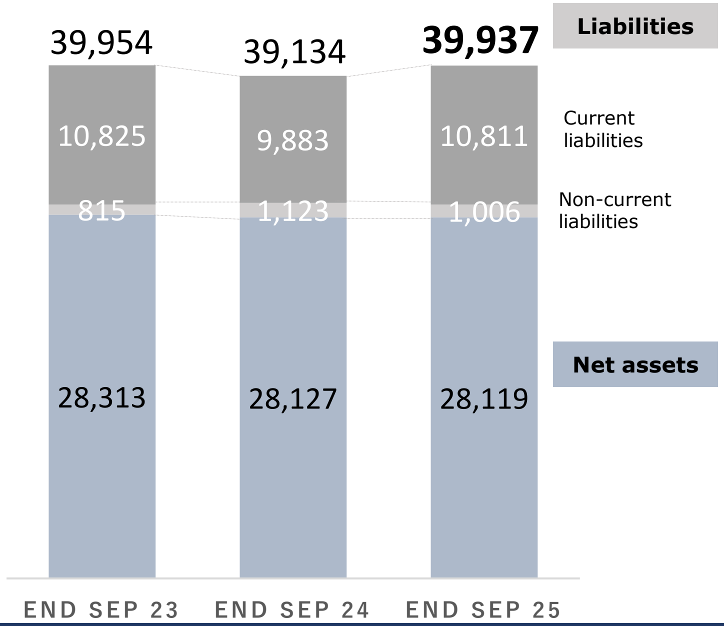
Current assets: Increases in Cash and deposits and Others; Decreases in Notes and Accounts receivable – trade, and contract assets and Merchandise and finished goods



Liabilities and net assets

Liabilities: Increases in Short-term borrowings and Contract liabilities; Decrease in Others
Net assets: Increases in Foreign currency translation adjustment and Deferred gains or losses on hedges. Decrease in Retained earnings

(¥mn)



2. Orders & order backlog

Overview of new orders and order backlog

Solid progress with various growth strategies led to a **sharp rise in both orders and order backlog**

New orders: **New record-high of ¥40,151mn**

・The Ocean / Defense & Security segment saw significant YoY growth owing to several large orders, and with nearly all businesses posting order increases, **a new record-high of over ¥40bn was reached**

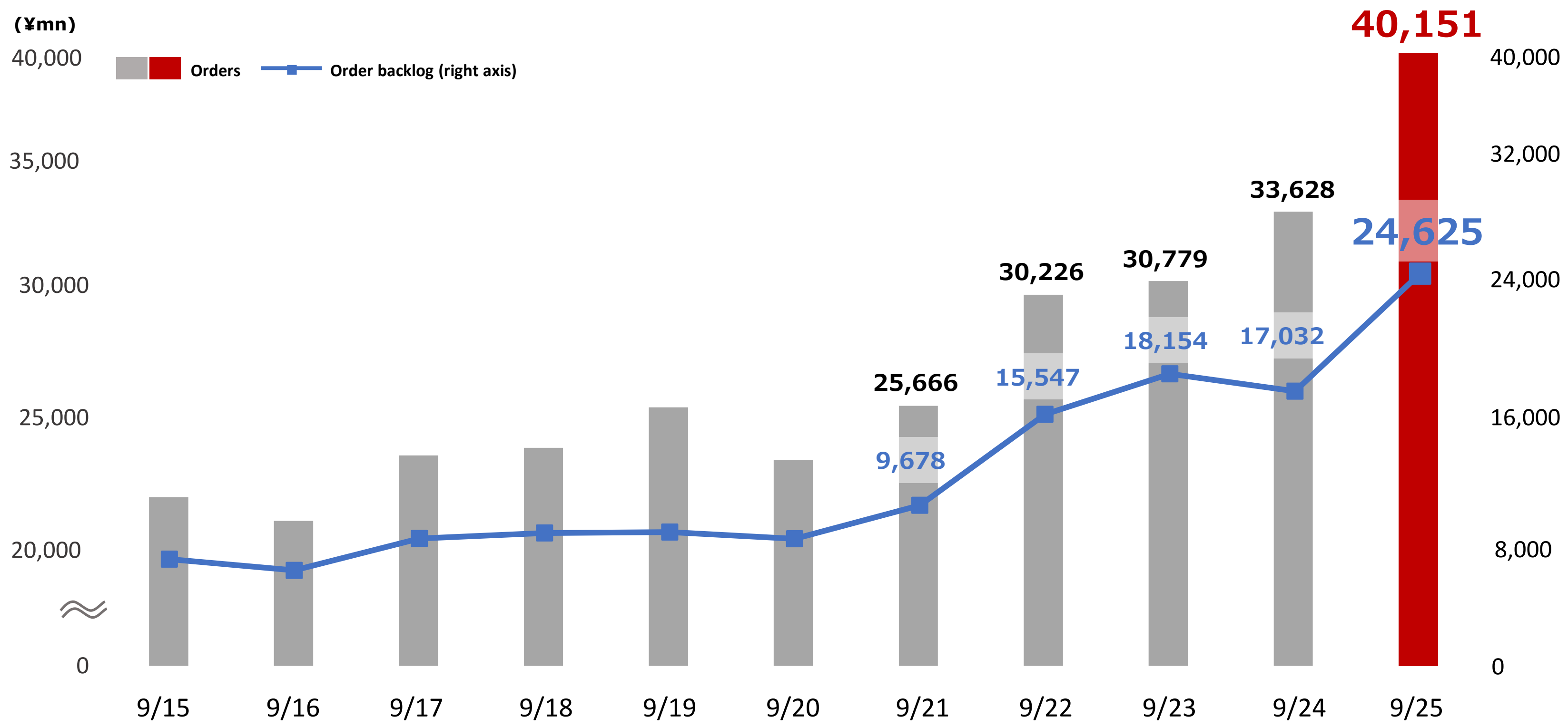
Order backlog: **Sharp YoY increase to +¥24,625mn YoY**

・Increased orders and longer project durations led to a **substantial increase in the order backlog compared to last year**

(¥mn)	FY9/24 Actual	FY9/25 Actual	YoY	
			Change	%
New orders	33,628	40,151	+6,523	+19.4%
Order backlog	17,032	24,625	+7,593	+44.6%

Trends in new orders & order backlog (FY-end)

New orders and order backlog both continued to grow steadily, achieving record highs



Orders & order backlog by segment

(¥mn)		FY9/24 Actual	FY9/25 Actual	YoY Change	YoY %	Notes
Advanced Mobility	Orders	9,101	9,762	+661	+7.3%	• In Automotive and Aerospace & defense, orders for noise and vibration measurement-related products were robust, and a large domestic order for AD/ADAS was booked. Orders for high-voltage in-vehicle component and small-to-mid sized motor development were also brisk
	Backlog	4,819	6,985	+2,166	+45.0%	• Order backlog increased significantly on the postponement of several large orders, and additional new large-scale orders
Sustainable Energy	Orders	5,810	6,359	+549	+9.5%	• The hydrogen business continued to perform strongly, while orders for electrochemical-related products also remained firm
	Backlog	2,113	2,630	+517	+24.5%	• The order backlog increased with further order growth in Q4
ICT / Information Security	Orders	8,144	7,817	-327	-4.0%	• While orders were up in cybersecurity with large-scale contracts, in ICT, renewal/replacement of core products led to a decline overall compared with the previous year
	Backlog	3,736	3,432	-304	-8.1%	• Order backlog declined due to lower total orders and bookings of large projects

Orders & order backlog by segment

(¥mn)		FY9/24 Actual	FY9/25 Actual	YoY Change	YoY %	Notes
EMC & Antenna Systems	Orders	4,111	5,130	+1,019	+24.8%	• Orders received were up thanks to multiple large EMC system orders • Order backlog also increased in tandem with the rise in orders, with some projects pushed back to the next fiscal year
	Backlog	2,593	3,296	+703	+27.1%	
Other businesses	Orders	6,461	11,081	+4,620	+71.5%	• Orders and order backlog increased in the Ocean / Defense & Security, Software Quality & Productivity and Other segments
	Backlog	3,770	8,279	+4,509	+119.6%	
(Ocean / Defense & Security)	Orders	2,812	6,120	+3,308	+117.7%	• In the Other businesses, orders and order backlog were up significantly due to multiple large contracts in the Ocean / Defense & Security business
	Backlog	2,168	5,582	+3,414	+157.5%	

3. Full-year forecast for FY9/26

Full-year forecast for FY9/26

We forecast a significant increase in both sales and profit this fiscal year from brisk orders and a robust order backlog

We expect performance this year to surpass FY9/24, which saw strongest results, to achieve record-high sales and the highest OP in the past two decades, thanks to strong orders and a high order backlog at the year start

(¥mn)	FY9/24 Actual	FY9/25 Actual	FY9/26 Forecast	YoY	
				Change	%
Net sales	35,042	32,559	39,000	+6,441	+19.8%
Operating profit	3,366	1,914	3,600	+1,686	+88.0%
OPM	9.6%	5.9%	9.2%	+3.3P	–
Ordinary profit	3,375	1,985	3,700	+1,715	+86.4%
Profit attributable to owners of parent	2,522	1,195	2,600	+1,405	+117.5%

4. Shareholder returns

Shareholder Returns

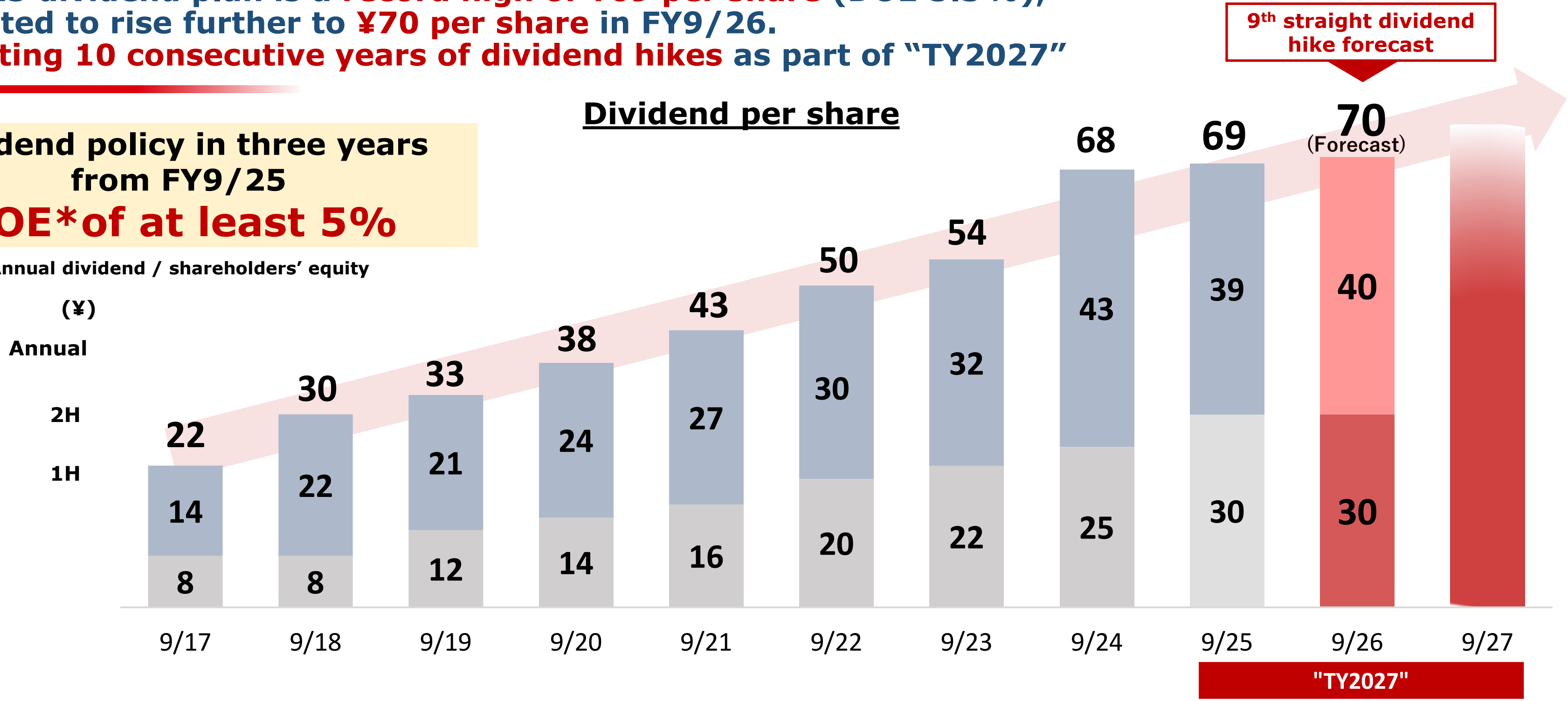
FY9/25 dividend plan is a record high of ¥69 per share (DOE 5.3%);
Expected to rise further to ¥70 per share in FY9/26.
Targeting 10 consecutive years of dividend hikes as part of "TY2027"

Dividend policy in three years from FY9/25

DOE*of at least 5%

*DOE = Annual dividend / shareholders' equity

Dividend per share



Share buybacks: Will continue to consider the balance with growth investments as appropriate

5. Progress with “TY2027”
Medium-term Management Plan

Medium-term management plan “TY2027” (FY9/25-FY9/27) management KPIs and strategies

■ Management targets

Sales ¥45.0bn + α (¥50.0bn+ incl. new M&A)　OP ¥4.5bn　ROE 11%

■ Business strategies

1. Focused Business Areas
   - Defense & Security
   - Sustainable Energy
   - Advanced Mobility
2. Differentiation by offering high value-added products
   - Further expand recurring business
   - Expand business with in-house development
3. Expansion of overseas businesses
   - Establish offices to boost overseas sales
4. M&A and new businesses to accelerate growth strategy

■ Financial & capital strategies

■ Sustainability management

Business strategy

1. Focus business areas (Defense & Security)

Multiple large-scale defense-related orders secured in FY9/25. We expect to continue to win large contracts going forward

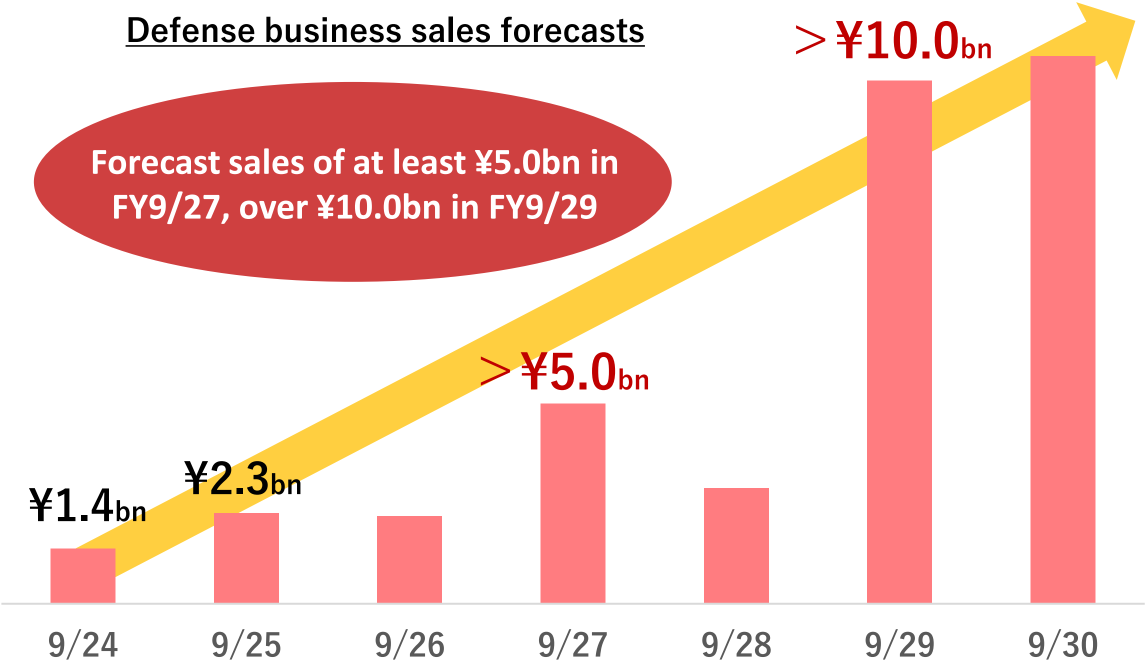
“TY2027” Sales plan : Ocean/Defense & Security

FY9/25 ¥2.7bn ➡ FY9/27 ¥6.3bn

- Multiple large orders including for a surveillance ROV* amounting to ¥2.7bn were secured in FY9/25 amid expanding defense budgets. Some projects are expected to lead to **ongoing large contracts** as standard equipment, and are projected to **contribute significantly to future revenue growth**
- Other business segments besides the Ocean / Defense & Security segment also handle defense-related products, and **we aim to capture projects in the order of several billion yen**

Image of an ROV (Remotely Operated Vehicle), an unmanned vehicle that carries out tasks and surveys underwater by remote operation

Defense business sales forecasts



Business strategy

1. Focus business areas (Sustainable Energy)

3. Expansion of overseas businesses

OEM supply of fuel cell and electrolyzer evaluation systems to BioLogic France

- **In July 2025, we began OEM supply of proprietary fuel cell and electrolyzer evaluation systems to BioLogic*** in France, a global leader in electrochemical measurement and charge-discharge systems

- We bolstered our mass production capabilities at subsidiary L.Tail Co., Ltd, which we turned into a subsidiary last year. We plan for sales to Europe from July 2025 and in North America in 2026, **targeting sales of ¥1bn from OEM supply of these systems by FY9/30**

Our fuel cell evaluation system

*BioLogic Science Instruments SAS

"TY2027" Sales plan : Sustainable Energy

FY9/25 ¥5.8bn ➡ FY9/27 ¥7.8bn

China-wide distributor rights for BioLogic's battery cycler test systems category

- We have **acquired China-wide distributor rights from July 2025** for BioLogic's battery cycler test systems category

- This is a result of recognition of our track record in the South China market, for which we secured distributor rights in January 2024, and where many development facilities of global battery and EV makers are based. We aim to **expand share in the China market** through increased sales for automotive battery development

Example of a modular charge-discharge measurement system

Business strategy

1. Focus business areas (Advanced Mobility)

3. Expansion of overseas businesses

"TY2027" Sales plan : Advanced Mobility

FY9/25 ¥7.6bn ➡ FY9/27 ¥10.8bn

Established new sales base in Germany

- The sales arm of our Sweden-based subsidiary Rototest International AB, which manufactures AD/ADAS evaluation systems, has been established in Germany
- The new base handles **sales and contract testing services in the German market**, providing comprehensive solutions to customers
- We are **strengthening the company's structure of its solution offerings to expand business in Europe's most important market** where the development bases of major automobile manufacturers and suppliers are concentrated.

The building housing Rototest Germany

Supporting Evaluation Testing of eVTOL, "SKYDRIVE"

- We are supporting SkyDrive Inc., a company developing eVTOL, with equipment construction and **testing for aircraft safety and durability**. SkyDrive Inc. held a demo flight at the Expo 2025 Osaka, Kansai, Japan, and is currently developing its aircraft to obtain type certification.
- Not only are we offering our **electric propulsion system testing bench** and **durability wind tunnel facility**, but we are building a testing alliance with U.S. partner and working to develop proprietary test management tools to **advance the commercialization of test support services**

SKYDRIVE model SD-05 test flight ©SkyDrive

Business strategy

4. M&A and new businesses to accelerate growth strategy

Distribution agreement with Finland-based IQM Quantum Computers, launching a quantum computing business

- Toyo Corporation **launched its quantum computer business,** becoming the domestic distributor of quantum computers for IQM, a global leader in the field of superconducting quantum computers*
- IQM offers currently popular cloud services, and also an on-premises lineup, **from the most state-of-the-art, cutting-edge models found globally to entry-level models priced at ¥200 million per unit**
- Help promote development of education and research environments in Japan through the sale of entry-level models. On-premises quantum computers, which offer superior security, are expected to see rising demand in the domestic market and **contribute to the implementation of quantum technology in society**.
- With IQM's support, we plan to develop talent and accumulate know-how to **secure a competitive edge and expand the business in Japan**. Further, by **expanding into the quantum sensing field**, which utilizes quantum effects to measure physical quantities with high precision, we aim to quickly build a track record and strengthen our existing business.

*Quantum computer: A next-gen computer using quantum mechanics for advanced computation, with materials development, autonomous driving, quantum cryptography, defense, drug discovery, and environmental engineering applications, handling complex and large calculations beyond conventional computer capabilities

Large-scale, advanced quantum computer model with scalability

Low-priced model of quantum computer ideal for education and research applications

Financial and capital strategies: Cash allocation

Regarding M&A, several projects are currently in progress. We target high levels of investment from year two.

FY9/25 results	"TY2027" (FY9/25-9/27) Cash in	"TY2027" (FY9/25-9/27) Cash out	FY9/25 results
Funds raised ¥1.3bn ・Sale of assets ¥0.6bn ・Bank loans ¥0.7bn	Funds raised (sale of assets, bank loans) ¥6bn	Growth investments ¥8.5bn	Growth investments ¥1.3bn ・Investment in growth businesses ¥0.7bn ・R&D investment ¥0.6bn
		Strengthening management base ¥1.5bn	Strengthening management base ¥0.15bn ・Capex ¥0.1bn ・DX/AI investment ¥0.05bn
CF from business revenues ¥1.75bn	CF from business revenues ¥9bn +α	Shareholder returns ¥5bn +α	Shareholder returns ¥1.6bn ・Dividend payout ¥1.5bn ・Share buybacks ¥0.1bn

Sustainability Management

Advancing sustainability initiatives to enhance corporate value

●Separating management and business operations

- We aim to clarify responsibility and authority, and enhance corporate governance by separating management decision-making functions and auditing functions from those of executive business functions

●Formulating a Human Rights Policy

- We formulated the Toyo Corporation Group Human Rights Policy in October 2025 to further clarify our approach on upholding respect for human rights and to further strengthen our efforts

●Developing a Procurement Policy

- To enhance supply chain management, we developed a procurement policy to promote fair transactions that are ethical and legally compliant, and environmentally and socially responsible procurement activities

●Promoting Employee Wellbeing and Diversity

- Under the banner of "Health and Productivity" management, we are promoting a work environment where diverse employees can thrive in their work and in good health. In FY9/25 we achieved a ratio of 9.3% of female employees in management roles (compared with 8.9% in FY9/24), while the male paternity leave rate reached 100% (81.8% in FY9/24).

External recognition and initiatives

- **Newly-selected constituent of the FTSE Blossom Japan Index**
- **Received "B" score in CDP's 2024 Climate Change assessment consecutive year**
- **Signed the United Nations Global Compact**

FTSE Blossom Japan

CDP Discloser 2024

6. Realizing management conscious of cost of capital and stock price

Analysis of current situation

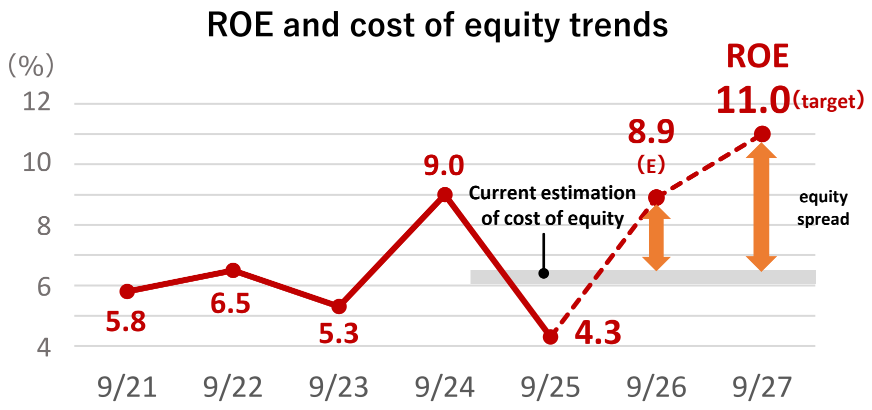
FY9/25 review

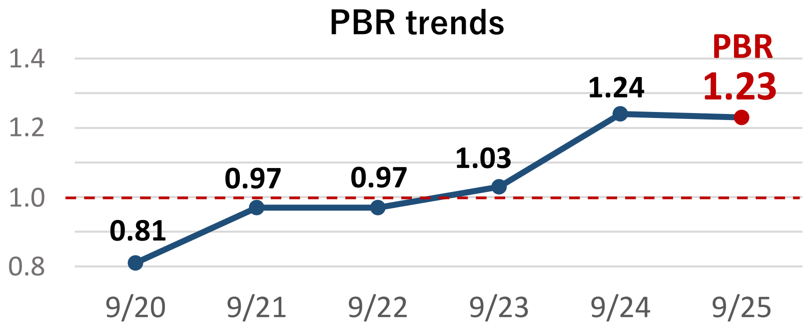
■ROE declined to 4.3% due to a decrease in net profit
■Although we revised our earnings forecast in August 2025, our share price at the end of FY9/25 was down slightly vs. the previous year-end and PBR was 1.23x
■ Current cost of equity is estimated at 6.1%-6.5% (calculated from CAPM*1 and earnings yield*2)

We target an improved ROE and larger equity spread to raise our share price and PBR

KPI for FY9/27: ROE 11%

*1 CAPM is calculated using a risk-free rate (10-year government bond yield) of 1.67%, risk premium (average of historical and implied methods) of 5.92%, and β (60 months of historical data) of 0.81
*2 Earnings yield is calculated using the average end-of-year P/E of 16.3x for the years FY9/21-FY9/24. End of FY9/25 is excluded due to extremely high P/E





Initiatives to further raise PBR

While the PBR is above 1x, we are aiming for further improvement and advancing various measures to improve ROE and PER

- PBR
  - ROE
    - Net income to sales ratio
    - Total asset turnover
    - Financial leverage
  - PER
    - Growth potential
    - Cost of equity

Business strategy
(➡Slides 24-27)

Financial and capital strategies
(➡Slide 28)

Sustainability management
Improving dialogue with investors and information disclosure
(➡Slide 29,33)

Improving dialogue with investors and information disclosure

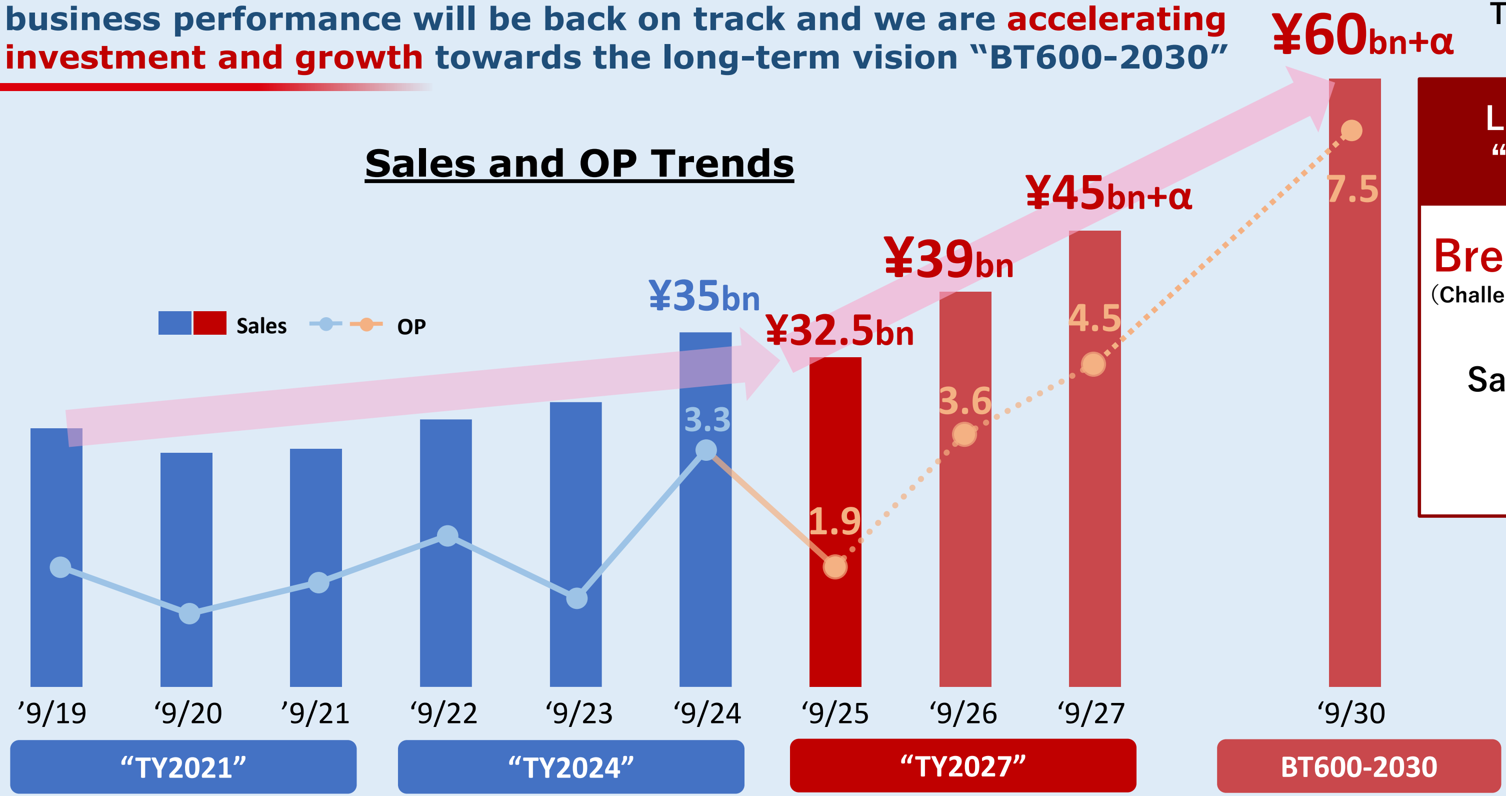
●Primary IR activities

FY9/25 results	Times conducted	Participating from the company	Target audience and notes
Private IR meetings	39x	CEO, CFO, Head of IR	International and domestic institutional investors, analysts
Results briefings	2x	CEO, CFO, Executive Officers	International and domestic institutional investors, analysts, press organisations
Small-scale meetings	1x	Head of IR	Domestic institutional investors, analysts
Briefing for individual investors	2x	CEO, CFO	Individual investors
IR site	–	–	International and domestic institutional investors, analysts, individual investors; E-mails with timely disclosure and other information
Shareholder communications	2x	–	Shareholders; Conduct an online shareholder Questionnaire once a year
Sponsored research	4x	CEO、Head of IR take interviews	International and domestic institutional investors, analysts, individual investors

Investor feedback gathered through IR activities, along with IR activity results and stock market topics, are shared every quarter and considered for reflection in management.

Progress with "TY2027" performance and long-term vision

This FY, the second year of the medium-term management plan, business performance will be back on track and we are **accelerating investment and growth** towards the long-term vision "BT600-2030"



TOYO Corporation targets for 2030

Long-term vision "BT600-2030"

BreakThrough600
(Challenge to exceed ¥60bn in sales)

Sales: ¥60.0bn + α
OP: ¥7.5bn
ROE: 15%

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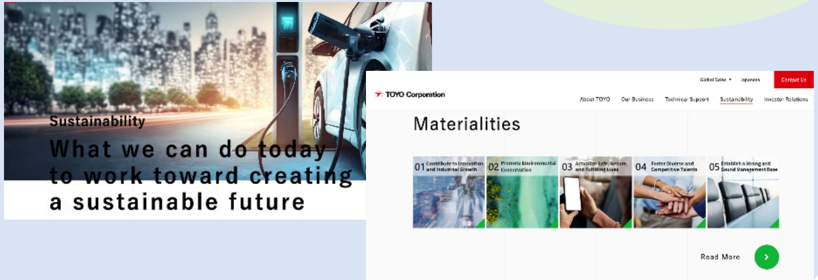

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