

TOYO CO., LTD

CORPORATE GOVERNANCE GUIDELINES

(Adopted by the Sole Director of TOYO Co., Ltd on March 1, 2024, effective upon the Merger Closing (as defined in that certain Agreement and Plan of Merger, dated as of August 10, 2023 (as amended, restated or supplemented) by and among TOYO Co., Ltd, Blue World Acquisition Corporation and other parties thereto)

The Board of Directors (the “*Board*”) of TOYO Co., Ltd (the “*Company*”) has established the following guidelines (“*Governance Guidelines*”) for the conduct and operation of the Board.

I. ROLE OF THE BOARD OF DIRECTORS

A. Responsibilities of the Board

The Board is selected by the shareholders to provide oversight of, and strategic guidance to, senior management. The core responsibility of a Board member is to fulfill his or her fiduciary duties of care and loyalty and otherwise to exercise his or her business judgment in the best interests of the Company and its shareholders. Service on the Board requires significant time and attention on the part of directors. More specifically, the Board has responsibilities to review, approve and monitor fundamental financial and business strategies and major corporate actions, assess major risks facing the Company and consider ways to address those risks, select and oversee management and determine its composition and oversee the establishment and maintenance of processes and conditions to maintain the integrity of the Company. Directors must participate in Board meetings, review relevant materials, serve on committees and prepare for meetings and discussions with management. Directors are expected to maintain an attitude of constructive involvement and oversight; they are expected to ask relevant, incisive and probing questions and require honest and accurate answers. Directors must act with integrity and are expected to demonstrate a commitment to the Company, its values and its business and to shareholder value, including the creation of long-term value. Directors are encouraged to attend the Company’s annual general meeting of shareholders, either in person or telephonically.

B. Delegation to Management

Except as required by law, the Articles of Association of the Company or these Governance Guidelines, the Board delegates the management of the Company to the Chief Executive Officer. The Chief Executive Officer may delegate such duties to other executives, and may empower them to further delegate their responsibilities and authorities.

II. BOARD COMPOSITION AND SELECTION

A. Size and Classes of the Board

The number of directors shall be established by the Board in accordance with the Articles of Association of the Company. The Board and the Nominating and Corporate Governance Committee will periodically review the appropriate size of the Board, which may vary to accommodate the availability of suitable candidates and the needs of the Company.

B. Independence of Directors

It is the policy of the Company that the Board be composed of not less than a majority of independent directors, subject to any exceptions permitted by The Nasdaq Capital Market (the “*Exchange*”) listing standards (the “*Listing Standards*”). In determining independence, the Board will consider the definition of independence set forth in the Listing Standards, as well as other factors that will contribute to effective oversight and decision-making by the Board.

C. Management Directors

The Board anticipates that the Company’s Chief Executive Officer will continue to be nominated to serve on the Board. The Board also may appoint or nominate other members of the Company’s management whose experience and role at the Company are expected to assist the Board in fulfilling its responsibilities.

D. Selection of Chief Executive Officer and Chairman of the Board; Lead Independent Director

The Board will select the Company’s Chief Executive Officer and Chairman of the Board (“*Chairman*”) in the manner that it determines to be in the best interests of the Company’s shareholders. It is the policy of the Company that the positions of Chief Executive Officer and Chairman may appropriately be held by the same person. The Board recognizes, however, that there may be circumstances under which these offices should be separate. If the Chairman is not an independent director, one of the independent directors may be designated by the Board as lead independent director to serve until replaced by the Board (“*Lead Independent Director*”). The Lead Independent Director would have the following responsibilities:

- With the Chairman, establish the agenda for regular Board meetings and serve as chairman of Board meetings in the absence of the Chairman;
- Establish the agenda for and preside over meetings of the independent directors;
- Coordinate with the committee chairs regarding meeting agendas and informational requirements;
- Preside over any portions of meetings of the Board at which the independence of the directors or performance of the non-independent Chairman or independent directors is presented or discussed; and
- Serve as a liaison between the Chief Executive Officer and/or non-independent Chairman and the independent directors.

E. Selection of Directors

The Board will be responsible for nominating members for election to the Board by the Company’s shareholders at the annual meeting of shareholders. The Board is also responsible for filling vacancies on the Board that may occur between annual meetings of shareholders. The Nominating and Corporate Governance Committee is responsible for identifying, reviewing and evaluating and recommending to the Board candidates to serve as directors of the Company, in accordance with its charter and consistent with the criteria set by the Board in accordance with Section II.F below. Invitations to join the Board should generally be extended by the Chairman or Lead Independent Director.

F. Board Membership Criteria

The Board will determine the appropriate characteristics, skills and experience for the Board as a whole and for its individual members. The Board considers recommendations for nominees from the Nominating and Corporate Governance Committee. In selecting candidates and existing directors for service on the Board, the minimum general criteria set forth below will be considered; specific additional criteria may be added with respect to specific searches. An acceptable candidate may not fully satisfy all of the criteria, but is expected to satisfy nearly all of them.

The Board believes that candidates for director should have certain minimum qualifications, including being able to read and understand basic financial statements, being over 35 years of age and having the highest personal integrity and ethics. In considering candidates recommended by the Nominating and Corporate Governance Committee, the Board intends to consider such factors as possessing relevant expertise upon which to be able to offer advice and guidance to management, having sufficient time to devote to the affairs of the Company, demonstrated excellence in his or her field, having the ability to exercise sound business judgment and having the commitment to represent the interests of the Company's shareholders. Candidates for director nominees are reviewed in the context of the current composition of the Board, the operating requirements of the Company and the long-term interests of shareholders. In conducting this assessment, the Board considers diversity, age, skills, and such other factors as it deems appropriate given the current needs of the Board and the Company, to maintain a balance of knowledge, experience and capability. In the case of incumbent directors whose terms of office are set to expire, the Board reviews such directors' overall service to the Company during their term, including the number of meetings attended, level of participation, quality of performance, and any relationships and transactions that might impair such directors' independence. In the case of new director candidates, the Board also determines whether the nominee will be independent for Exchange purposes.

G. Changes in Board Member Criteria

The Board and the Company wish to maintain a Board composed of members who can productively contribute to the success of the Company. From time to time, the Board may change the criteria for Board membership to maximize the opportunity to achieve this success. When this occurs, existing members will be evaluated according to the new criteria. A director who no longer meets the complete criteria for Board membership may be asked to adjust his or her committee assignments or resign from the Board.

H. Term Limits

The Board does not believe it should limit the number of terms for which an individual may serve as a director. Directors who have served on the Board for an extended period of time are able to provide continuity and valuable insight into the Company, its operations and prospects based on their experience with, and understanding of, the Company's history, policies and objectives. The Board believes that, as an alternative to term limits, it can ensure that the Board continues to evolve and adopt new ideas and viewpoints through the director nomination process described in these Governance Guidelines.

I. Other Board Memberships

Directors shall advise the Chairman and the Chairman of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board or committee of another company. The Board recommends that directors serve on no more than four other public company boards and on no more than two other public company audit committees. The Board recognizes that the critical consideration is the director's ability to fulfill his or her responsibilities as a director can be impaired if he or she serves on a large number of other boards or board committees. Service on boards and board committees of other companies should be consistent with the Company's conflict-of-interest policies and Code of Business Conduct and Ethics.

J. Retirement Age

The Board does not believe that a fixed retirement age for directors is appropriate.

K. Directors Who Change Their Job Responsibility

Any director who retires from his or her present principal employment, or who substantially changes his or her principal position or professional responsibilities, should promptly notify the Board and the Nominating and Corporate Governance Committee. The Board does not believe any director who retires from his or her present principal employment, or who materially changes his or her principal position or professional responsibilities, should necessarily leave the Board; however, there should be an opportunity for the Board and/or the Nominating and Corporate Governance Committee, to review the continued appropriateness of Board membership under these circumstances.

III. DIRECTOR COMPENSATION

The Company's management directors shall not receive additional compensation for service as directors. The form and amount of director compensation for Board and committee service for non-management directors shall be determined by the Compensation Committee in accordance with the principles set forth in its charter and applicable legal and regulatory guidelines and recommended to the Board for approval. The amount of compensation for non-management directors and committee members should be consistent with market practices of similarly situated companies and should encourage increased ownership of the Company's shares through the payment of a portion of director compensation in the form of equity awards. In determining compensation, the Compensation Committee will consider the impact on the director's independence and objectivity.

IV. BOARD MEETINGS

A. Number of Meetings.

The Board expects to have at least four regular meetings each year.

B. Attendance.

Board members are expected to attend all meetings of the Board and committees on which they serve. Directors must notify the Chairman of circumstances preventing attendance at a meeting.

C. Preparation and Commitment.

The Company will provide directors with appropriate preparatory materials in advance of a meeting. Directors are expected to fully prepare for, and actively participate in, all Board meetings and the meetings of committees on which they serve. Each director is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as director.

D. Agenda.

The Chairman, together with the Lead Independent Director, if applicable, will establish a schedule of topics to be discussed during the year (to the extent this can be foreseen) and an agenda for each Board meeting. Each Board member is encouraged to suggest the inclusion of items on the agenda at any time. Each Board member is free to raise at any Board meeting topics that are not on the agenda for that meeting.

E. Executive Session.

The independent directors of the Board will meet periodically in executive session but no less than two times per year or such greater number as required by the Listing Standards. Executive session discussions may include such topics as the independent directors determine. The directors generally shall not take formal action at these sessions, but may make recommendations for consideration by the full Board. Executive sessions will be chaired by the Lead Independent Director, if applicable.

F. Committee Reports

At each regular Board meeting, each committee that held a meeting subsequent to the last Board meeting and prior to the current Board meeting will present a brief summary of its committee meeting to the Board, including the principal subjects discussed and the conclusions and actions of the committee. In general, the Chairman of the appropriate committee will present such report.

G. Operating Plan

Every year the Board will review and approve an operating plan for the Company.

V. BOARD COMMITTEES

A. Number of Committees; Independence of Members

The committee structure of the Board will consist of at least (a) an Audit Committee, (b) a Compensation Committee and (c) a Nominating and Corporate Governance Committee. The Board may form, merge or dissolve committees as it deems appropriate from time to time, including the committees listed in the foregoing sentence. The Audit Committee shall be composed entirely of independent directors, except to the extent allowed under applicable Listing Standards.

B. Committee Charters

All standing committees will operate pursuant to a written charter, which sets forth the responsibilities of the committee and procedures that the committee will follow. Unless otherwise directed by the Board, new committees formed by the Board will develop a written charter delineating their responsibilities. The charters of all committees will be subject to periodic review and assessment by each committee and each committee shall recommend any proposed charter changes to the Board.

C. Committee Meetings and Agenda

The committee chairman, in consultation with committee members, will determine the frequency and length of the meetings of the committee, consistent with any requirements set forth in the committee's charter. The chairman of each committee, in consultation with the appropriate members of the committee and management and the Chairman and/or Lead Independent Director, will develop the committee's agenda.

D. Board Access to Management; Use of Outside Advisors

Board members have complete and open access to the Company's management. Board members will use judgment to ensure that this contact is consistent with any delegation of authority to management, is not distracting to the operations of the Company or to the managers' duties and responsibilities, and that such contact, to the extent reasonably practical or appropriate, will be coordinated with the Chief Executive

Officer. Written communications to management should, whenever appropriate, be copied to the Chief Executive Officer.

The Board and each committee shall have the power to hire at the expense of the Company, independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company.

VI. CHIEF EXECUTIVE OFFICER EVALUATION; SUCCESSION PLANNING

The Compensation Committee should conduct an annual review of the Chief Executive Officer's performance. The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives and the development of management. The evaluation will be used by the Compensation Committee or the Board, as appropriate, in the course of its deliberations when considering the compensation of the Chief Executive Officer.

The Nominating and Corporate Governance Committee should periodically review with the Chief Executive Officer the Company's plan for succession to the offices of the Company's executive officers. The Chief Executive Officer should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

VII. BOARD ASSESSMENT

The Nominating and Corporate Governance Committee will conduct an annual self-assessment to determine whether the Board and its committees are functioning effectively. The Nominating and Corporate Governance Committee will receive feedback from all directors and report annually to the Board with an assessment. The assessment should include an evaluation of (a) the Board's and each committee's contribution as a whole and effectiveness in serving the best interests of the Company and its shareholders, (b) specific areas in which the Board and management believe that the performance of the Board and its committees could be improved, (c) and overall Board composition and makeup. The results of these evaluations should be provided to the Board for further discussion as appropriate.

VIII. REVIEW OF GOVERNANCE GUIDELINES

The Nominating and Corporate Governance Committee will review and assess the adequacy of these Governance Guidelines periodically and recommend any proposed changes to the Board for approval.

IX. DISCLOSURE AND USE OF COMPANY INFORMATION

Directors should not disclose internal or nonpublic information, whether material or otherwise, about the Company to anyone outside the Company, except in a manner consistent with the Company's Disclosure Controls and Procedures, and should not use any such information for any purpose other than in furtherance of their service to the Company. Inquiries from investors, analysts or the media should be directed to the Company Spokespersons as provided in the Company's Disclosure Controls and Procedures.

X. CONFLICTS OF INTEREST

Directors are expected to avoid any conflict of interest or appearance of conflict of interest that could potentially interfere with the exercise of independent decision-making that is in the best interests of the Company and its shareholders. Any potential conflict of interest should be promptly disclosed to the Chairman of the Audit Committee in accordance with the Company's Code of Business Conduct and Ethics and Related Person Transaction Policy.

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