

## TOYO Co., Ltd (NASDAQ: TOYO)

## **Investor Deck**

**April 2025** 



## **Safe Harbor**

#### **Forward-Looking Statements**

This presentation includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding the expected growth of TOYO Co., Ltd ("TOYO"), the expected order delivery of TOYO, TOYO's construction plan for manufacturing and TOYO's strategies for building up an integrated value chain in the U.S. These statements are based on various assumptions, whether or not identified in this presentation, and on the current expectations of TOYO's management and are not predictions or guarantees of actual performance or future results.

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Powering the world with green, clean energy through high-quality solar solutions at a competitive scale and cost.

## **Investment Highlights**



Track record of **rapid growth & profitability** as one of the leading suppliers of N-TYPE Solar Cells

Leveraging **established relationships** with U.S. utility-scale customers

Proven **manufacturing excellence** delivers worldclass technology at a highly competitive cost

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Rapidly **expanding manufacturing footprint** to meet customer demand in a dynamic policy environment

## **Our Background**



Tokyo Stock Exchange: 3856.T

**TOYO** is a NASDAQ-listed Solar Company majority owned by **Abalance**—a leading Japanese renewable energy solutions provider.



**TOYO** founded as a carve-out from Abalance subsidiary **VSUN** to meet the needs of the U.S. market. Our affiliate, VSUN, has a track record of exponential growth & significant U.S. market share



One of the major so	olar module
suppliers to US mar	ket



Revenues grew from \$20 million to **\$1.3** billion over seven years (\$1.2B from U.S. market)



Bankability assured through **BloombergNEF** Tier 1 supplier status



Trusted by leading North American solar developers

#### **U.S. Customer Locations**



#### **U.S. Customer Highlights**



~8 GW PV modules installed in the U.S cumulatively



Equal to ~6 million homes powered by VSUN's modules annually ^

Equal to ~19 million tons of carbon emission saved cumulatively ^

^Per VSUN's internal estimates using conversion formula



## **TOYO To Leverage Established VSUN Brand and Sales Channel**







## **Proven N-Type Solar Cell Expertise**

TOYO owns one of the largest non-Chinese N-Type cell manufacturing bases in the world. TOYO combines rigorous quality standards with competitive pricing strategies, delivering premium products across worldwide markets. In FY 2024, 1.743 GW TOYO cells were shipped.

Silicon N-Wafer	NaOH/HCL/HF/H2O2 /O3/DIW/ADD Texturing	BCI3/N2/O2 Boron diffusion	Power, Graphics	N2/02	NaOH/HCL/HF/H2O2/ O3/DIW/ADD BSG Removal & Polishing	A G V
	SiH4/NH3/N2/O2 Front 460°C;Back 530°C	TMA/N2/H2O 270°C	NaOH/HCL/HF/H2O2/ O3/DIW/ADD	POCI3/N2/O2	SiH4/N2/O2	
	A G V PECVD A G V	ALD	G RCA Clean	A Phosphorous V Diffusion	G LPCVD	A G V
	Ag Paste Ag/Al Paste	850 °C, Belt speed	Time, Power	Appearance, Efficiency, EL		Warehouse
	A Screen A G V	Sintering	G Light Injection	• IV Testing	e Packaging	



## **Track Record of Scalable Manufacturing**

TOYO is dedicated to adhering to the highest standards of quality manufacturing, while ensuring its components are efficiently priced to remain competitive in all regions.







## **Advanced Automation Standards**

Extensive use of robotics and Automated Guided Vehicles decreases labor content, allows faster expansion, reduces product defects, and mitigates risks from hiring and training laborers.







## **Board of Directors**

# Junsei Ryu

#### Chief Executive Officer & Chairman

Mr. Ryu has nearly 20 years of experience in the solar solution industry and has been the director, representative or joint representative of several affiliates including, Abalance Corporation, WWB Corporation, Vietnam Sunergy Joint Stock Company ("VSUN"), Fuji Solar Co., Ltd, VALORS Corporation, Birdy Fuel Cells LLC, and Japan Photocatalyst Center Corporation. Japanese National

### Raymond Chung



#### Chief Financial Officer & Director

Mr. Chung has over twenty years' experience within the financial industry, encompassing roles in investment banking and infrastructure investor. Serving as the vice president of asset finance for Nomura Securities for 9 years and managing partner for Golden Equator Capital for 6 years, Mr. Chung advised and invested in equity & debt financing on different type of structured transaction related to solar and wind power projects. U.S. national

#### Dr. Aihua Wang, Ph.D.



#### Chief Technology Officer & Director

Dr. Wang, has achieved over 30 years of solar innovation and is recognized as a top scientist and innovator in PV tech. In Australia, she focused on PERL cells and associated technologies as a professional officer and scientist at the Photovoltaics Special Research Centre of the University of South Wales. She is a 2023 Winners of the Queen Elizabeth Award for Engineering Australian National

## **Board of Directors (Independent Directors)**



#### Independent Director

Mr. Hickey has over 20 years of experience in the cruise industry and has served as an outside director of BWAQ since February 2022. Since 2020, he has been the Managing Partner of Global Distribution Solutions, which operates river cruises on the Danube and Rhine rivers in Europe. From February 2000 to June 2020, he held senior VP positions at multiple major cruise companies, including Princess Cruises. U S National

#### Dr. Anders Karlsson, Ph.D.



**June Han** 

#### Independent Director

Dr. Karlsson holds 30 years of experience in science and technology policy and over 10 years in the renewable energy sector. Since 2012, he has served as VP at Elsevier, overseeing the Asia-Pacific region. Previously, he was a Science Counselor at the Embassy of Sweden in Japan. He also served as the Chair of the Japan Chapter of the International Association of Scientific, Technical, and Medical Publishers. Swedish National

#### Hiroyuki Tahara



#### Independent Director

Mr. Tahara founded the boutique M&A firm Core Competence Corporation in July 2003 and has served as its President and CEO ever since. Prior to that, he was engaged in investment banking, primarily in the M&A sector, for over 25 years. From February 1998 to June 2003, he focused on M&A transactions at Nikko Securities Co., Ltd. Before that, he worked at Yamaichi Securities Co., Ltd. from April 1975 to January 1998. Japanese National



#### Independent Director

Han has extensive experience in providing legal counsel to renewable energy companies and manufacturing firms. Until May 2023, she served as Sr Counsel at Renesas Electronics. Until January 2020, she was Sr. Counsel at Trina Solar Japan Energy, overseeing energy projects. Prior to that, she worked in global law firms specializing in finance and energy. She holds a JD degree from NY Law School and a bachelor's degree from UCLA. Korean National

## Award Winning Solar R&D

Accomplished engineers, Dr. Aihua Wang, Ph.D., the Chief Technical Officer, and Dr. Jianhua Zhao, Ph.D., as Chief Technical Advisor, lead the research and development efforts at TOYO.

Dedicated to the research and development of higher efficiency and quality solar cells.



Professor Andrew Blakers; Dr. Jianhua Zhao, Ph.D.; Dr. Aihua Wang, Ph.D.,; Professor Martin Green

## **Capturing Opportunities in the U.S. Solar Market Demand**

#### **Attractive Demand Outlook**

- Projected solar installations for 2025 is appx. 43 GW
- Growth of AI, data centers, electric vehicles, and manufacturing drives demands on the grid
- Solar + storage becoming cost-competitive source of baseload power
- High tariffs on Chinese suppliers creates an attractive pricing environment

#### **Constrained Domestic Supply**

- Domestic production of solar cells and wafers is minimal
- Current domestic cell production is less than 10 GW
- Chinese manufacturers may exit U.S. manufacturing, anticipating additional policy restrictions



#### New U.S. Electricity-Generation Capacity Additions: 2010 – Q1 2024



## **Our Strategy in a Dynamic Policy Environment**

#### Inflation Reduction Act (IRA) currently offers attractive incentives for U.S.-based module production

- Anticipate that IRA incentives will be viewed as energy security issue
- Incumbent domestic manufacturers would struggle to survive absent subsidies
- TOYO strategy considers range of incentive and tariff outcomes under new administration

# Anti-dumping (AD) and countervailing duties (CVD) investigations disrupted imports from SE Asia in 2H 2024

- Individual AD rate for Vietnam is in the range of 54.46% - 271.28% and preliminary CVD is 2.85%
- TOYO successfully diverted all Vietnam capacity to non-US market
- To supply US market with cells from Ethiopia and other non-AD/CVD affected production lines

#### **Balanced strategy for a range of policy outcomes**



## **TOYO's Global Manufacturing Footprint**

2.5 GW Capacity Module Manufacturing Plant in Houston, Texas<sup>\*\*</sup>

'OYO

4.0 GW Capacity Solar Cell Manufacturing Facility in Ethiopia\* Headquarters in Japan

**^2 GW N-TYPE Cell** Manufacturing in Vietnam

\* 2GW commenced production in April 2025, additional 2GW to be completed by August 2025
\*Anticipated First 1GW solar module production to start in mid-2025
^2 GW cell manufacturing capacity in Vietnam as of FY 2024

## New N-Type Cell Line in Ethiopia Leverages Abundant Green Power

# TOYO is fitting out a state-of-the-art solar cell manufacturing facility in Ethiopia

- 4.0 GW annual solar cell production facility strategically located in Hawassa, Ethiopia
- Facility will take advantage of Ethiopia's green power supply to advance TOYO's goal of reducing its carbon footprint across the supply chain
- Initial 2GW commenced production in April 2025, additional 2 GW capacity to be completed by August 2025.
- \$60 million project investment for first GW, and \$47 million for the additional 2 GW

#### **Strategic Rationale**

- Enables us to rapidly scale up solar cell production to meet needs of planned module facility in the U.S.
- Ethiopia offers favorable investment policies and ample hydropower supply.
- Ethiopia is exempt from U.S. tariffs for bifacial solar cells
- Diversifies supply chain



Asset to lease	Solar Cell Manufacturing Facility
Location	Hawassa, Ethiopia
Total facility size (sq ft)	339,063
Expected job creation	~ 880
Solar cell production capacity (GW) Phase 1: Phase 2:	2 GW (Commenced April 2025) 2 GW (August 2025)

## Acquisition of Texas Module Facility Accelerates U.S. Production

#### **Facility Details**

• The newly leased facility spans 567,140 square feet. It is designed to accommodate an initial solar module manufacturing capacity of 2.5 GW, with plans to scale up to 6.5 GW by 2029. The Phase I construction of the facility has been completed, and key equipment for production is expected to arrive in early 2025.

#### **Production Timeline**

- Mid-2025: The facility will commence its initial production with a capacity of 1GW.
- End of 2025: Production capacity will ramp up to 2.5 GW to meet anticipated demand from U.S. customers, driven by significant order volumes.

#### **Strategic Significance**

• This milestone marks a significant step forward in TOYO's strategy to establish a manufacturing base in the United States. Our goal is to provide advanced, highly reliable, and cost-competitive solar solutions to end customers. TOYO is committed to building a robust global solar supply chain that efficiently and competitively serves the U.S. market and other regions while adapting to evolving policy landscapes.



Asset acquisition	Solar Plus Technology's U.S. Solar Module Plant	
Location	6115 Greens Rd, Humble, TX 77396	
Total facility size (sq. ft.)	567,140	
Phase 1 planned sq. ft.	313,000	
Solar module production capacity (GW)	Phase 1: 1.0 Phase 2: 1.5	
Estimated start of production	Mid-2025	
Staff	500 for 2.5GW	

## **Rapid Growth in Shipments and Profitability**



#### Net Income\*



• Does not include contribution of modules to be produced from U.S. facility

• Net income in 2024 included a \$35.1 million change in fair value of contingent consideration payable for 13 million earnout shares

## **Strategy for Vertical Integration & Expansion**

Enhancing operational efficiencies through vertical integration of upstream **wafer** slicing production; midstream production of **solar cells**; and downstream production of **PV modules** 





## **Committed to Environmental Stewardship**



#### **Social Responsibility**

#### **100% Material Traceability**

TOYO is focused on further developing the clean energy industry, adhering to a responsible global supply chain strategy, and contributing to the sustainable development of human beings with more professional, efficient and cleaner products.



# Summary







**Key Metrics** 

#### **Financial Year 2024**

**3 GW** Manufacturing Capacity **1.74 GW** Solar cells shipped

\$177.0M

Revenues

## \$40.9M

Net Income

**Key Metrics** 

#### Second Half 2024

**3 GW** Manufacturing Capacity 758 MW Solar cells shipped

\$38.9M

Revenues

\$21.3M

Net income

# Unaudited Second Half 2024 Financial Summary

(USD in millions, except per share amounts)

	2H 2024	2H 2023
Revenues	38.9	62.4
Gross Profit	4.8	16.6
Gross margin	12%	27%
Operating expenses	8.5	2.9
Net income	21.3	11.8

## **2024 Financial Summary** (USD in millions, except per share amounts)

	2024	2023
Revenues	177.0	62.4
Gross Profit	21.9	16.6
Gross margin	12.4%	26.7%
Operating expenses	12.7	4.7
*Net income	40.9	9.9
**Net diluted income per share	0.13	0.24

\*Net income in 2024 included a \$35.1 million change in fair value of contingent consideration payable for 13 million earnout shares

\*\* Net diluted income per share excludes a \$35.1 million change in fair value of contingent consideration payable for 13 million earnout shares