



February 15, 2021

To Whom it may concern

Company name Toyo Tire Corporation  
(Stock code: 5105, TSE 1st Section)

Representative Takashi Shimizu  
Representative Director, President & CEO

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### Closure and Dissolution of Malaysia Silverstone Plant

Hyogo, Japan - February 15, 2021 - Toyo Tire Corporation (Headquarters: Itami City, Hyogo Prefecture; President & CEO: Takashi Shimizu) announces that it has resolved to end production at its wholly-owned Malaysian tire manufacturing subsidiary Silverstone Berhad (Perak, Malaysia; hereafter "SSM") in June 2021 (planned), and to subsequently dissolve the aforementioned subsidiary once the necessary preparations have been completed.

#### 1. Reason for Closure and Dissolution

SSM manufactures tires for new vehicles and Silverstone brand tires for aftermarket use, primarily for automakers in Malaysia, as well as certain Toyo Tires brand tires. Considering its operating environment, the position of the plant in our global strategy and its production capacity from an all-round perspective, we have reached the conclusion that the closure of the plant is unavoidable.

The Toyo Group also operates another manufacturing subsidiary in Malaysia, Toyo Tire Malaysia Sdn Bhd (Perak, Malaysia; 100% subsidiary of Toyo Tire; common name: "Toyo Tire Malaysia plant"; hereafter "TTM"), which produces Toyo Tires brand tires. TTM functions as a global hub, supplying tires not only to Southeast Asia, but also to other global markets including North America, Europe, and Japan. Production of certain Silverstone brand products previously manufactured at SSM will be transferred to TTM, and production and supply will continue.

#### 2. Overview of Subsidiary to be Dissolved

(1)	Company Name	Silverstone Berhad	
(2)	Location	Lot 5831, Kawasan Perindustrian Kamunting Estate II, 34600 Kamunting, Taiping, Perak Darul Ridzuan, Malaysia	
(3)	Representative	Mike Toh (President)	
(4)	Business Activity	Manufacture and sale of motor vehicle tires	
(5)	Paid-in Capital	MYR 210,738,255	
(6)	Date Established	July 12, 1986	
(7)	Major Shareholders and Ownership Ratio	Toyo Tire 100%	
(8)	Relationship between Toyo Tire Corporation and SSM	Capital Relationship	Toyo Tire Corporation holds 100% of voting rights.
		Personnel Relationship	Employees of Toyo Tire Corporation concurrently serve as officers of SSM.
		Business Relationship	Toyo Tire Corporation purchases and sells products manufactured by SSM.
		Related Party Status	SSM is a consolidated subsidiary of Toyo Tire Corporation.

(9) Business Performance and Financial Position for the Past Three Years			
Fiscal Year	Year ended December 31, 2018	Year ended December 31, 2019	Year ended December 31, 2020
Net assets	475,595,795 MYR	320,380,465 MYR	268,183,737 MYR
Total assets	548,239,071 MYR	381,817,569 MYR	332,221,221 MYR
Net assets per share	2.33 MYR	1.57 MYR	1.32 MYR
Net sales	327,371,918 MYR	296,038,295 MYR	210,247,500 MYR
Operating income	-27,963,759 MYR	-35,388,395 MYR	-9,067,069 MYR
Ordinary income	-18,769,304 MYR	-27,392,626 MYR	-88,355 MYR
Net income attributable to owners of parent	-13,346,848 MYR	-155,215,330 MYR	-52,196,728 MYR
Earnings per share (EPS)	-0.07 MYR	-0.80 MYR	-0.26 MYR
Cash dividends per share	0 MYR	0 MYR	0 MYR

### 3. Schedule for Closure and Dissolution

On February 15, 2021, Toyo Tire resolved to terminate production activities at SSM in June 2021 (planned). The dissolution procedure will be commenced by December 31, 2021 (planned) and the Company will follow the necessary procedures in accordance with local laws and regulations.

### 4. Losses Due to Closure and Dissolution and Future Business Outlook

In accordance with the resolution to cease production at and dissolve SSM, the Company has booked an extraordinary loss totaling 6,270 million yen, in its consolidated financial results for the fiscal year ended December 31, 2020, consisting of an impairment loss of 5,110 million yen and a loss on liquidation of subsidiaries and affiliates of 1,159 million yen, and announced this on the same day of this notice in the release entitled *Announcement on Extraordinary Loss and Difference Between Consolidated Financial Forecasts and Results for the Fiscal Year Ended December 31, 2020 and Difference Between Non-Consolidated Financial Results for the Fiscal Year Ended December 31, 2020 and Non-Consolidated Financial Results for the Previous Period*.