

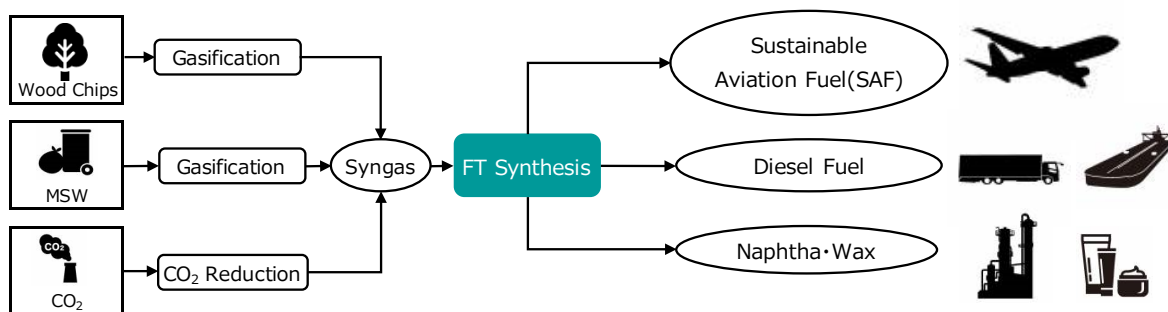
Concluded a comprehensive collaboration agreement with Velocys in the field of renewable fuels such as SAF

February 9, 2021

Toyo Engineering Corporation

Toyo Engineering Corporation (TOYO, President and CEO Haruo Nagamatsu), is pleased to announce the signing of a collaboration agreement dated February 5, 2021, with Velocys Inc., United States (Velocys, headquartered in the United Kingdom, Henrik Wareborn, CEO) which stipulates comprehensive business cooperation between the two companies (hereinafter referred to as the "Collaboration Agreement"). TOYO and Velocys will start the development of commercial projects to produce Sustainable Aviation Fuel (SAF※1) and other renewable fuels. This Collaboration Agreement combines FT synthesis (※ 2) using microchannel technology owned by Velocys and TOYO's experiences and achievements in plant engineering. TOYO and Velocys will collaborate with each other to promote development, design, sales cooperation, project development, construction, and other project execution for commercial-scale facilities that produce SAF and other renewable fuels from woody biomass, municipal waste, emitted carbon dioxide.

<Renewable fuel Production Process by FT Synthesis>



Through the Collaboration Agreement, TOYO will further strengthen its cooperation, including the exclusive license of Velocys technology in the Japanese market. Also, TOYO and Velocys

will broaden the alliance for other regions as preferred partners.

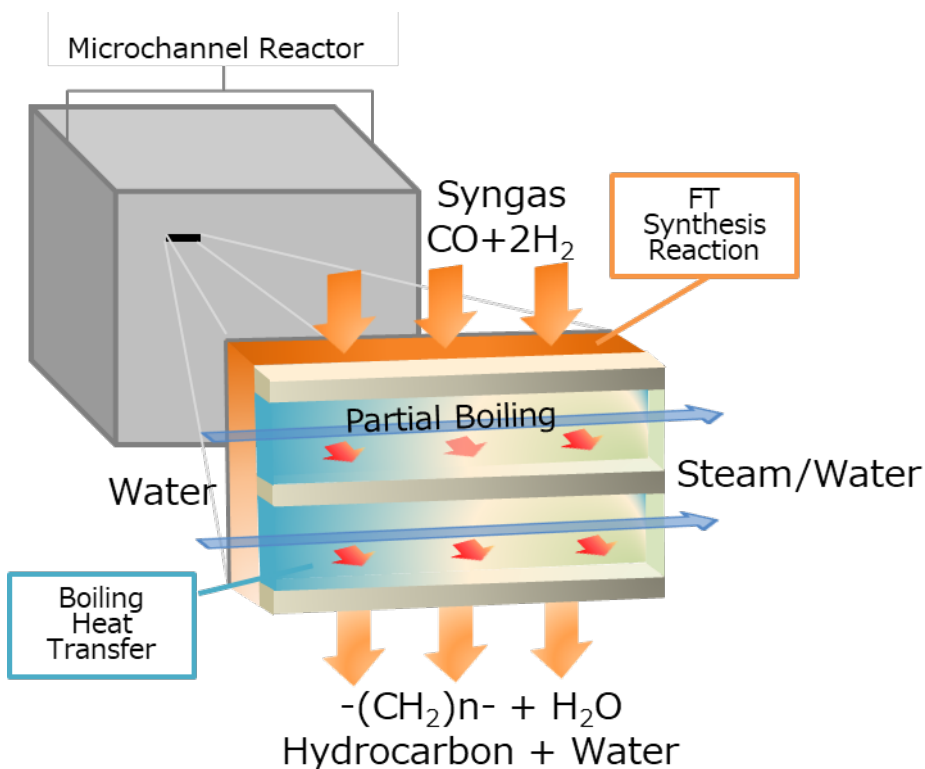
TOYO and Velocys have had a long-standing relationship since the collaboration in GTL (Gas to Liquid: liquid fuel production from natural gas) in 2007 and have recently collaborated in a demonstration project of wood-based SAF production technology.

Reference : <https://www.toyo-eng.com/jp/en/company/news/index.php?n=483&by=2018>

<About Velocys>

Velocys is a pioneer in the field of microchannel process technology. Regarding Fischer-Tropsch (FT) synthesis technology, Velocys possesses microchannel FT synthesis technology that efficiently removes heat of reaction and accelerates the reaction process. Several commercial-scale bio jet fuel production projects using Velocys microchannel FT reactors are underway in Europe and the United States.

<Velocys Microchannel FT Synthesis Technology>



※1 : SAF : Sustainable Aviation Fuel (aviation fuel produced from a sustainable source with low CO2 emissions in the process from raw feed production / collection to combustion)

※2 : FT (Fischer-Tropsch) synthesis: Technology for synthesizing liquid hydrocarbons from syngas (mixed gas of carbon monoxide and hydrogen) using a catalyst

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