



Expansion and Relocation of Hytem Own Factory

Hytem terminated its partnership with Salmat in 2008 and started operations at its own manufacturing plant in Tianjin, Toyota's production base in China, and has been expanding its production lines. Now, taking advantage of the fact that the current factory area has been designated as a commercial area in urban planning, we will relocate to the national-level Beichen Factory Zone, located approximately 10 km north of the current factory, with operations scheduled to begin in August of next year.



The current factory is becoming too tight, so the new factory will have a spacious 20,000 square meter site.

In addition to integrated cage and mesh production from aluminum-zinc wire and assembly of egg collectors and other machinery, the factory will internalize approximately half of the sheet metal processing that is currently done at cooperative factories, as well as focusing on forming and continuous press processing, which will automate the production from sheet metal coils to finished products. This will meet domestic demand while also actively responding to the expanding demand for EFA (egg farm automation) in Asia, including South Korea and Taiwan.

Furthermore, the most of the factory's electricity, including cage welding, will be supplied by solar power, demonstrating environmental considerations while also ensuring long-term stability of electricity costs and reducing overall expenses.

We will maintain our R&D, manufacturing drawings, and quality control at our headquarters factory. Our own factory will focus solely on manufacturing, and all Chinese staffs, from the factory manager down, will thoroughly uphold Hytem's Japanese management philosophy: "The company is the foundation of Hytem staffs' life" and "Work hard and pleasantly". The new factory will also improve the working environment by developing green spaces and enhancing the canteen.

The necessary funds will be primarily from our own capital, utilizing low-interest, long-term loans from Japanese National Bank for International Cooperation.

