HIGH-END VALUE

The Challenge for Health and Beauty

TOYO SHINYAKU

Toshimitsu Hattori
Toyo Shinyaku Co., Ltd. President, CEO

Focusing on *Health and Beauty* for the new era, we take evolutionary steps every day.

No matter how much times change, the need for health and beauty remains unchanged. To satisfy the need of people around the world, Toyo Shinyaku has manufactured evidence-based value-added products such as health foods, cosmetics, and pharmaceuticals as an ODM company.

The strengths of Toyo Shinyaku as a leading ODM company in the health foods and cosmetics industries are its R&D capabilities, quality control system, and plant equipment that meets global standards. Since our foundation, we have focused on R&D and provided products under a strict production and quality control system with quality as our top priority. Our efforts to provide high-quality, user-friendly products have also contributed to eliminating the lingering doubts some people might have had about the health foods and cosmetics industries and the effects and safety of their products. As a result of our efforts, we believe we have positively influenced the industries and contributed to achieving their soundness and expanding their markets.

Toyo Shinyaku will constantly pursue *HIGH-END VALUE*, the ultimate value beyond stereotypes, in every aspect such as products, support, and evidence to offer people around the world a wide range of options for their health and beauty, and will strive to meet people's expectations and prove worthy of their trust as an ODEM (ODM&OEM) company.

Corporate philosophy

MISSION	The Toyo Shinyaku Group contributes to the health and beauty of people around the world. To this end, we will continue to create HIGH-END VALUE, the value to be chosen by customers.
VISION	We aim to earn the trust of all the parties concerned, such as customers, employees, and society and become the only one company in the health and beauty industry.
VALUE	1 We put consumer safety and compliance before anything else at any time. 2 We strive to improve not only product quality but also customer satisfaction in every aspect. 3 We will continue to meet consumer needs and create added value by pursuing product differentiation and originality. 4 We foster a culture that encourages bold attempts and innovations and continue to create new values. 5 We focus on developing employees and improving their satisfaction and aim to become a company with happy employees and a lot of talent. 6 We respect diversity and aim to become an organization where people feel proud of and satisfied with their jobs. 7 We strive to contribute actively to society by working on environmental friendliness, sustainable operations, and revitalization of the local economy.

Company overview

Characteristics

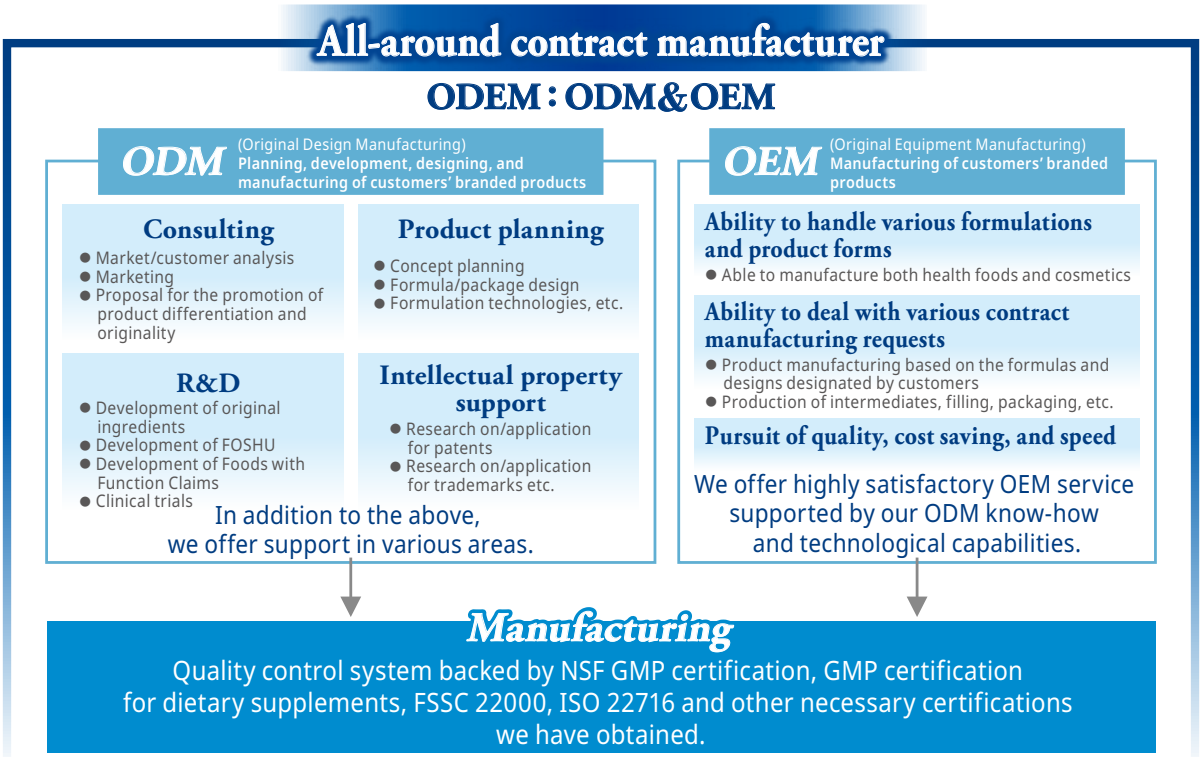
Toyo Shinyaku is an all-around contract manufacturer in the fields of health and beauty.

As an ODEM (ODM & OEM) manufacturer of products related to health and beauty, such as health and beauty equipment, in addition to health foods and cosmetics, we provide a wide range of services from product planning to formula and specification designing, manufacturing, delivery, and sales promotion support.

We have also developed original ingredients with a focus on the quality of evidence by utilizing our R&D capabilities. In addition, we fulfill various customer needs by taking advantage of our outstanding track record and extensive know-how on FOSHU (Foods for Specified Health Uses), Foods with Function Claims, quasi-drugs, and intellectual properties.

As for our manufacturing process, we have focused especially on quality management since the foundation. We have obtained NSF GMP certification, GMP certification for dietary supplements, FSSC 22000, ISO 22716, and other necessary certifications to implement a quality management system that meets global standards for all the processes from the selection of raw materials to manufacturing and product shipment.

We provide a one-stop service of manufacturing health foods, cosmetics, and health and beauty equipment and meet the growing needs for health and beauty at a high level.



Health foods business

Proposal of differentiated products by utilizing our product planning capabilities

We develop not only general health foods but also FOSHU and Foods with Function Claims to meet various needs. We provide high-quality health foods that satisfy customers by taking advantage of evidence backed by our R&D capabilities from product planning to sales promotion support.

Commitment to flavor creation

It is hard to eat foods or supplements with a bad taste, color, flavor, or texture no matter how good their functionality is. We have specialized staff prototype products a number of times and never compromise on taste and texture.

Formulation technologies needed by consumers

We have our own formulation technologies to develop differentiated products that are needed by consumers. We respond to any customer request such as requests for the improvement of appearance, texture, swallowability, and functionality.

[Improvement of swallowability]
Easy Tab®
Original formulation that becomes smoother when it comes in contact with water. It passes down the throat smoothly, helping people continue taking it.

Patented

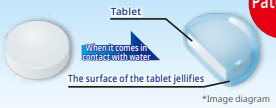


*Image diagram

[Improvement of solubility]
Easy Powder™
A technology that makes protein powder soluble. Protein formulation dissolves with no shaker bottle.

Patented

[Visual appeal]
Marble Tab®
Tablets that are colorful appearance with a pleasant aroma and sweet flavor.

Examples of available formulations and product forms

We respond to a wide range of requests for formulations and product forms. In addition to the examples shown below, we can propose sustainable packages at customers' request.

Tablets

Granules

Hard capsules

Liquid/Jelly

Soft capsules

Tea bags

Sachets sealed on 3 or 4 sides

Stick-type sachets

Assembly

Left: Package delivered to mailboxes
Right: Shrink wrapping

Bottles

Aluminum pouches

PTP

"Easy Tab" and "Marble Tab" are trademarks of Toyo Shinyaku Co., Ltd.

Development of FOSHU

What are Foods for Specified Health Uses (FOSHU)?

FOSHU is a name given to foods that are proven to be effective in maintaining and promoting health and allowed to display specific health claims such as "reduction of the absorption of cholesterol" on labels. Business operators must submit scientific evidence on efficacy, safety, quality, etc. of their products to apply for FOSHU approvals. FOSHU approvals are given to individual foods by the Commissioner of the Consumer Affairs Agency after an approx. 5-year review period.

The largest market share of FOSHU products

Since our foundation, we have been committed to developing FOSHU and obtaining its approvals. We have an unrivaled track record of FOSHU development with the largest number of approvals in Japan.

	Applicants	No. of approvals
1	Toyo Shinyaku Co., Ltd.	259*
2	Suntory Beverage & Food Limited	55
3	Mondelez Japan Limited	54
4	Yakult Honsha Co., Ltd.	44
5	Kao Corporation	43

Source: Information published by the Consumer Affairs Agency on August 15, 2024
[*No. of acquired approvals: 300]

FOSHU products line up

Health claims	Food categories
Body fat	●Powdered tea
Cholesterol	●Green juice
Blood pressure	●Tablets
Blood glucose level	●Beverages bottled in PET bottles (green tea, oolong tea) ●Green juice ●Powdered tea ●Powdered soup
Bowel movement	●Green juice ●Powdered beverage (yogurt flavor)
Osteoporosis	●Green juice

Significantly reducing the cost, time, and resources

Companies are required to prove that the efficacy and safety of their products are similar to those of drugs to have them approved as FOSHU products and need to invest an enormous amount of money, time, human resources, and equipment. In addition, the application process takes long and there is no guarantee that an approval will be given. We provide a service that significantly reduces the amount of money our customers need to invest to get FOSHU approvals and the development period and support them in offering FOSHU products.

Development of Foods with Function Claims

What are Foods with Function Claims?

As is the case in FOSHU, Foods with Function Claims are foods that contain ingredients with functions that are effective in maintaining and promoting health and display specific health use (functionality) on labels. However, functions are claimed and displayed under the responsibility of each food business operator and are not reviewed by any government agency. Functionality can be displayed on labels after submitting necessary information such as efficacy and safety to the Consumer Affairs Agency.

*We can propose not only our original ingredients but also product planning according to customers' requests by utilizing our network with a large number of ingredient manufacturers.

Comprehensive support system

Evidence collection
Efficacy: Implementation of clinical trials, publication of papers
Safety: Assessment in accordance with the FOSHU approval system, etc.

Drafting product claims to be submitted

Product design
Establishment of the method for quantitatively determining the amount of active functional ingredients
Safety tests etc.

Submission of the necessary information to the Consumer Affairs Agency

Support after the submission
Provision of information on system trends
Support for the submission of notifications of change etc.

Examples of health claims line up

- Body fat
- Triglycerides
- Blood glucose level
- Blood pressure
- Intestinal environment
- Bowel movement
- Liver function
- Muscles
- Joints
- Walking
- Fatigue
- Skin
- Bone health
- Energy consumption
- Fat breakdown/ burning
- Postprandial uric acid level
- Cholesterol
- Strain on the shoulders and lower back
- Eye care
- Quality of sleep
- Daytime sleepiness
- Psychological stress
- Energy/vitality
- Mental health
- Elasticity of blood vessels
- Cognition (memory)

Development of original ingredients

Principal functional ingredients line up

FLAVANGENOL®
It is a naturally derived functional ingredient extracted from the bark of French coastal pines. It contains proanthocyanidins B_1 and B_3 and has antioxidative properties approx. 600 times stronger than those of vitamin C.

Cholesterol / Elasticity of blood vessels / Skin elasticity

Powdered young barley grass
It is an ingredient produced by drying and finely grinding young leaves of barley. It is the first raw material for green juice that obtained the approval for displaying the FOSHU claim of improving bowel movement and inhibiting a postprandial increase in blood glucose levels in Japan.

Bowel movement improvement / Blood glucose level / Intestinal environment improvement / Increase in water content of the skin

Pueraria flower extract™
It is an ingredient extracted from Pueraria flowers. It contains unique isoflavones and has obtained the approval for displaying the FOSHU claim "Suitable for people who care about abdominal fat, waistline, waist size, body fat, and obesity."

Body fat / Fat breakdown/ burning / Energy consumption

Garcinia indica extract
It is an ingredient extracted from the fruit skin of the Indian mangosteen, a plant that naturally grows in India. It contains a characteristic ingredient that has anti-inflammatory effects called garcinol.

Liver function / Energy/vitality / Fatigue reduction

Terminalia bellirica™
It is an ingredient extracted from Terminalia bellirica fruits that are distributed mainly in tropical regions, such as South Asia and used in the traditional Indian medicinal system Ayurveda.

Triglycerides / Blood glucose level / Abdominal fat/BMI / Uric acid level

Collagen peptide
It is a functional ingredient made by depolymerizing animal-based collagen. It is absorbed by the body easily and soluble in water.

Reduction of discomfort in the knees / Reduction of discomfort in the lower back

Banasulin®
It is a functional ingredient extracted from leaves of the banaba, a plant that widely grows in Southeast Asia and India. It contains a high content of a characteristic ingredient called corosolic acid.

Locomotive syndrome prevention / Blood glucose level

Black ginger extract
It is an ingredient extracted from roots and stems of a Kaempferia plant in the ginger family, not ginger itself. It contains a characteristic polyphenol called polymethoxy flavonoid.

Fatigue reduction

Manufacturing

Cultivation of raw materials

As for raw materials for green juice, we select cultivars and promote smart agriculture by utilizing IoT for stable yields. We have obtained the Organic JAS certification for not relying on chemical fertilizers, agricultural chemicals, or genetic modification technologies. We have also obtained GLOBALG.A.P. Certification, the certification to the international standards for good agricultural practices, for the cultivation of young barley grass in organic agricultural fields. We are striving to further sophisticate the cultivation management system.

Raw material processing

The primary processing of raw materials, such as young barley grass is performed at the Kumamoto plant that has obtained the FSSC 22000 certification by utilizing the pieces of equipment designed to maintain the quality of fresh raw materials and human resources cooperating with each other. The secondary processing into raw materials for green juice is performed at the Tosu plant in Saga that is certified with NSF GMP using the sterilization and ultra-fine pulverization methods.

Product manufacturing

Our equipment is highly hygienic, safe, and automated and one of the best in the industry in terms of scale, technological level, and management. Our ingredients and products are manufactured with these reliable technologies and equipment. We have an integrated manufacturing system with the pulverizers that use the patented "ultra-fine pulverization" method, granulating machines, tableting machines, and filling/packaging equipment.

Processing of ingredients and raw materials • Sterilization • Pulverization → Formulation • Granulation • Tableting → Filling/packaging


Pulverizer

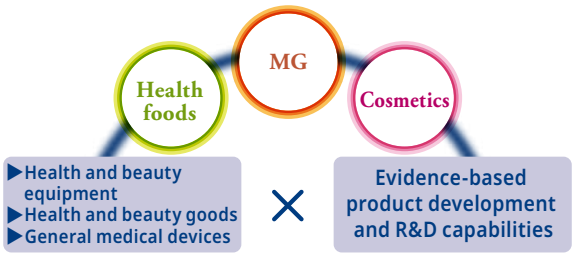

Granulating machine


Filling equipment

MG (Machine & Goods) business

New initiative to contribute to health and beauty of people

To meet the needs for health and beauty that are becoming more diverse, we operate the MG (Machine & Goods) business in which we provide health and beauty equipment and goods and general medical devices by utilizing our evidence-based product development and R&D capabilities that we have developed in the health foods business and cosmetics business. We can develop better products that promote health and beauty by not only developing individual products but also developing products together with health foods and cosmetics.






Product development at 2 bases in Kyushu and Tokyo

We conduct product development not only at Tosu Head Office in Kyushu but also at our Tokyo Branch Quick Lab Shibuya (QLS), which allows us to prototype and test health food and cosmetic products quickly. Head Office and QLS can be connected online. We provide new values to consumers and develop products that sell well with customers.

Characteristics of Quick Lab Shibuya (QLS)

1. Prototyping
Health foods and cosmetics can be prototyped with customers. Customers can check the taste, color, smell, and texture of their prototypes on the spot.

2. Evidence collection
Added value can be created by evaluating prototypes using cutting-edge, sophisticated evaluation/testing devices and collecting evidence.

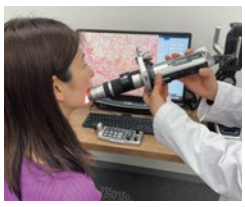
3. Picture taking
Customers can take photos of product development processes. Photos taken can be used for sales promotion.

Health foods

[Examples of prototype]
Tablets, powders, hard capsules
[Examples of measurements and evaluations to be conducted]
Disintegration, moisture, hardness, bulk specific gravity, etc.


Cosmetics

[Examples of prototype]
Lotion, emulsion, cream, all-in-one gel, BB cream, etc.
[Examples of measurements and evaluations to be conducted]
Water content of stratum corneum, skin viscoelasticity (resilience), in vitro SPF, transepidermal water loss (TEWL), skin surface radiance, skin/hair evaluation using a digital microscope, etc.




Cosmetics business

Proposal of product planning that make products sell well

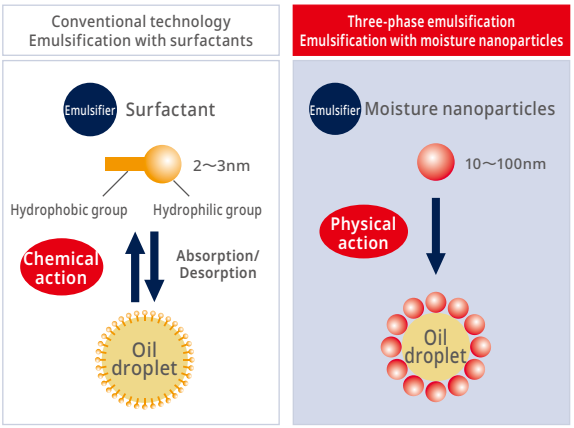
Experienced professionals in cosmetics development materialize customers' brand concepts and images based on market research and propose competitive products. In addition, evidence-based consumer benefits are important to make products that sell well. We developed a system in which we gather information on raw materials and collect evidence by ourselves.

Strong technological capabilities Special emulsification technology called "three-phase emulsification technology"

The three-phase emulsification technology is a new emulsification technology developed by Kanagawa University that requires no surfactant. We have created products of various formulations using this technology. This technology is adopted by not only Japanese but also overseas skincare product brands for the unique dewy texture it creates.

Advantages of cosmetics that adopt the three-phase emulsification technology

(1) Non-irritant with no need for surfactants
(2) Emulsifying with moisturizing ingredients called "moisture nanoparticles"
(3) Excellent adhesion to the skin and water resistance
(4) Light first touch



Evaluation tests on humans

We conduct evaluation test on humans not only to confirm product safety but also to provide added value to products. We decide on test plans based on customers' requests and collect evidence using various analytical instruments.

Cutting-edge efforts made by specialist staff

Our specialist staff always look for the latest marketable raw materials and containers from all around the world. One of the results of their efforts is InnerBottle, a sustainable container that only we can exclusively provide in Japan. Utilizing such know-how, we can provide comprehensive support from planning to formulas, containers, and manufacturing.

◀ InnerBottle
As shown from left to right, InnerBottle shrinks after every use.
Various materials can be used for outer bottles.

Formulations and product forms available

We respond to a wide range of requests for formulations and product forms for skincare, makeup, body care, and hair care products.

In addition to the examples shown above, we can propose sustainable packages at customers' request.

Development of quasi-drugs

What are quasi-drugs?

Quasi-drugs are positioned between drugs and cosmetics and expected to have a broad range of efficacy and effects. Every quasi-drug must be approved by the Minister of Health, Labour and Welfare.

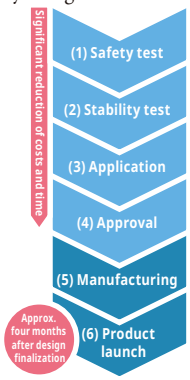
The largest number of annual quasi-drug approvals

We have focused on the development of quasi-drugs and established a lengthy track record by continuing to bring a large number of products taking advantage of our long years of experience and extensive expertise. We have obtained the largest number of annual quasi-drug approvals*1 for 4 years in a row from 2013 to 2016 and boast a wide range of quasi-drug products.

*1 Calculated based on the information on approved pharmaceuticals published on the website of the Federation of Pharmaceutical Manufacturers' Associations of Japan. However, products specified in Article 2, Item 2, of the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices and approved by prefectural governors who have the delegated authority based on Article 80 of the Order for Enforcement of the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices are excluded. (According to our survey)

Speedy development

We have a large number of approved formulas of quasi-drugs. Though it usually takes five to six months to get products approved as quasi-drugs, we can help customers develop products speedily by using these formulas.



Quasi-drugs line up

Examples of product forms

- Hair grower
- Makeup remover
- Face wash
- Lotion
- Emulsion
- Cream (Face, specific parts, body)
- Serum
- Pack
- Cosmetic oil
- Shampoo
- Hair conditioner
- Sunscreen
- Bath additive
- Underarm deodorant
- Gel
- Bath soap
- Aerosol products
- Cushion foundation

and so on

Efficacy/effects

- ✓ Skin brightening*2
- ✓ Prevention of skin problems/dry skin
- ✓ Anti-acne
- ✓ Hair growth
- ✓ Wrinkle prevention

and so on

*2 Suppress melanin production and prevent spots and freckles.

The first quasi-drugs approved in Japan

Taking advantage of our excellent track record and technological capabilities, we have obtained the first quasi-drug approvals in Japan for our products. We provide new unparalleled quasi-drugs. We also propose combinations of efficacy, effects, and ingredients, utilizing our know-how on obtaining approvals.

Product example

●**Four active ingredients contained Melty beauty cream**
In addition to reduction of wrinkles, whitening, and prevention of skin problems, it is effective for adult pimples that tend to occur on sensitive skin.

●**Four active ingredients contained Clear serum**
It is a multifunctional serum that treats acne and skin problems caused by hormonal imbalances and is also effective for age spots and wrinkles that appear at the early stage of aging.

*These ingredients can be contained in other formulations.

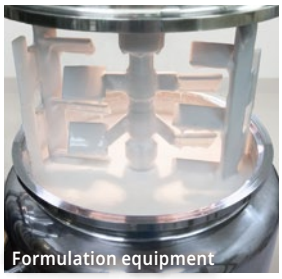
Manufacturing

Manufacturing of cosmetics

The cosmetics manufacturing area has obtained ISO 22716 (GMP for cosmetics) and performs the formulation, filling, and packaging processes mainly of basic skincare products in an integrated manner with a sophisticated quality management system.

Formulation
• Dissolution
• Emulsification
▶▶▶▶ Filling/packaging


Formulation equipment


Formulation equipment


Filling equipment


Filling equipment

Logistics business

Provision of support for customers with our logistics bases

Many customers face the challenges of logistics and shipping. We take charge of customers' logistics operations so that they can focus on providing their service to end consumers by utilizing our advantage of combining our contract manufacturing service and logistics service.

Risk management by decentralizing logistics bases

We have 2 logistics bases in Kawagoe, Saitama and Tosu, Saga. In order not to stop the sale of customers' products when it becomes difficult to continue operations at either of these bases due to a disaster and following restrictions, we have a backup system in place to promptly transfer the logistics operations to the other base.

Ability to pack cosmetics and quasi-drugs

We have obtained the license for manufacturing cosmetics and the license for manufacturing quasi-pharmaceutical products required to pack and ship cosmetics and quasi-drugs. As we can label cosmetics and quasi-drugs, enclose package inserts, create sets of packaged products by, for example, including samples, customers can entrust us with the shipment of their products with peace of mind.

Raw materials business

Original ingredients with great potential

In order to provide added value of functional ingredients to many more people to help them improve their health and beauty, we propose the use of functional ingredients not only for supplements but also for foods and beverages. We pursue functionality, safety, and quality when developing original ingredients. They can be used as active functional ingredients for Foods with Function Claims and FOSHU.

Overseas business

Provision of an integrated system to support overseas business expansion

For customers that look ahead to the future and plan overseas business expansion, we provide overseas business expansion support tailored to the export of health foods and cosmetics and cross-border e-commerce. This service is available for business expansion in various countries and regions such as China, Taiwan, East Asian countries, North America, and Europe.

Collaboration with and contribution to the local governments

To contribute to developing a healthy, vibrant society for people around the world

Based on our corporate philosophy "We strive to contribute actively to society by working on environmental friendliness, sustainable operations, and revitalization of the local economy," we have concluded comprehensive partnership agreements with 7 prefectures to support their PR, industrial development, and educational supports.

Ehime (December 10, 2013)
- Exploration and research on ingredients suitable for Foods with Function Claims and product development
- Improvement of brand value of Ehime Prefecture's agricultural, forestry, and fishery products
- Promotion of the food industry in the prefecture

Akita (March 12, 2014)
- Revitalization of the local economy by developing products utilizing foods and ingredients produced in the prefecture
- Expansion of sales outlets for foods produced in the prefecture and creation of brands
- Promotion of the food-related industries in the prefecture

Joint venture

Established JVs with a number of enterprises in different business genres

As business and management environments are changing rapidly and customer needs are becoming more diverse and sophisticated, it is essential for companies to bring together their core competencies and develop new businesses. A joint venture (JV) is one such joint business. We have established a number of JVs and accumulated know-how and resources.

Joint ventures we have established

- September 2005: Established Taisho Active Health Co., Ltd., a JV with Taisho Pharmaceutical Co., Ltd.
- August 2008: Established Energy of Ground (Daichi-no-chikara) Laboratory Co., Ltd., a JV with Asahi Ryokuken Inc.
- November 2009: Established Nippn Wellness Co., Ltd., a JV with Nippn Corporation.

Research and development system

R&D is Toyo Shinyaku's key driving force

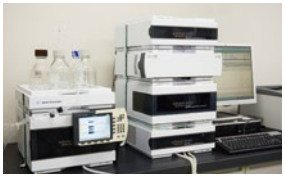
As an R&D company, we have explored new functional ingredients, verified their efficacy and safety, and elucidated mechanisms of action with highly professional human resources and sophisticated equipment since our foundation. In order to create ingredients and products that genuinely contribute to improving people's health and beauty as soon as possible, our researchers are bringing and utilizing their expertise at this very moment and seeking new possibilities every day.

Exploration and development of functional ingredients

We explore promising ingredients widely in Japan and overseas countries and develop the discovered ingredients into original ingredients with high added value. We focus not only on efficacy but also safety and develop ingredients that are suitable for applications and submissions in accordance with related laws and regulations and academic discussions. We also conduct joint research with universities.

Safety and efficacy evaluation

We collect evidence on efficacy and safety by conducting in vitro/in vivo tests and human tests. We also consider elucidating how to elucidate, qualify and quantify active ingredients by using various analytical instruments such as HPLC (High performance liquid chromatograph), LC/MS and GC/MS.



High performance liquid chromatograph

Cell culture equipment (clean bench)

The strongest*1,2 development capabilities (FOSHU/Foods with Function Claims)

We have a track record of obtaining the largest*1 number of approvals for Foods for Specified Health Uses (FOSHU) in Japan. We can propose FOSHU containing our original ingredients Pueraria flower extract™ and Powdered young barley grass as active functional ingredients that only we can realize. It takes more than 10 years and an enormous amount of money to develop FOSHU. However, by utilizing the know-how we have developed over the years, we can support our customers in developing FOSHU products and applying for their approvals in a short period of time. We also have a track record of having the strongest*2 comprehensive capabilities regarding Foods with Function Claims and develop products that are at the level of FOSHU. We propose products with a focus on the quality of evidence (having multiple papers as evidence, etc.)

*1 According to the information published by the Consumer Affairs Agency on August 15, 2024 (according to our survey) *2 Extracted and counted the number of actual notifications and the number of pieces of original evidence based on the information on the submission by the companies that mainly engage in contract manufacturing included in the information published by the Consumer Affairs Agency. (As of September 30, 2024, according to our survey)

Joint research and development partners/expert referral

We can introduce experts in various fields with whom we have collaborated in research and development.

●Joint research and development partners

- Hokkaido University • The University of Tokyo
- Ochanomizu University • Nagoya University • Kyoto University
- Kyushu University • Toyama Prefectural University
- Kyoto Prefectural University of Medicine
- University of Nagasaki • The Nippon Dental University
- Musashino University • Kanagawa Dental University
- Fukuoka University
- National Agriculture and Food Research Organization and so on

●Examples of fields the experts we can introduce specialize in

- Nutrition-related areas
- Skin/beauty-related areas
- Sleep-related areas
- Blood vessel-related areas

and so on

Presentations at academic conferences/publication of papers

We actively share budding technologies and results we have obtained through our R&D activities and exchanges with a wide range of institutions with society by making presentations at academic conferences and publishing papers. We believe such an academic approach will drive new discoveries and lead to the development of new next-generation products.

In search of new ingredients available overseas

With our office in Frankfurt, Germany, we are exploring global trends and attractive ingredients and technologies that are not well-known in Japan yet to find promising ingredients and technologies.
We constantly collect and analyze new information utilizing our network with overseas research institutions.

Industry-academia collaboration

To realize a strong economy that generates hope

We are actively working on industry-academia collaboration projects and promoting practical application of our research results.
We concluded partnership agreements with the University of Tokyo in October 2016, Kyoto University in June 2017, and Kyushu University in June 2019 and have been working on collaboration projects.
We engage in joint research and collaborative development with many research institutions including universities and government agencies by utilizing our domestic and international networks.

Concluded a partnership agreement with the University of Tokyo

Concluded a partnership agreement with Kyoto University

Intellectual properties

To protect our customers

It is absolutely necessary to manage intellectual properties in order to protect the research results and technologies. We protect the rights of our customers that not only trust us with ingredients and formulation techniques but also entrust us with the manufacturing of their products by establishing a dedicated department familiar with the management of intellectual properties and take measures not to violate the rights of third parties.

Received the award from the Japan Patent Office Commissioner (April 17, 2015)

Achievements	• No. of acquired patents: About 450 patents • No. of acquired trademarks: About 1000 trademarks

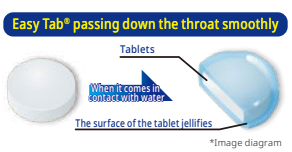
(As of September 2024)

To support the originality of products

We receive many inquiries from our customers that wish to use patents or trademarks to call attention to their originality. As it takes time to obtain patents and trademarks, we have a system to respond to customers' requests in a timely manner by obtaining patents or trademarks in advance. We have also obtained patents for combinations of the formulations of products and trademarks with various unique names related to products and ingredients. We can propose products and ingredients utilizing patents and trademarks.

Cases of obtaining patents/trademarks

• Easy Tab®
Original formulation technique that makes the tablet become smoother when it comes in contact with water.
Both the patent and trademark have been obtained.
(Patent No. 7096593, Trademark No. 5801562)



• Patent for the combination of green juices for weight loss
Patent for the formulation combination of the original ingredients "Terminalia bellirica™" and "Powdered young barley grass." (Patent No. 6631877)

"Easy Tab" is a trademark of Toyo Shinyaku Co., Ltd.

Quality assurance system

Putting consumer safety first since the foundation

As product quality of both health foods and cosmetics directly affects the health and safety of consumers and a strict quality control system is indispensable. We manufacture products and manage their quality based on our Corporate Philosophy "We put consumer safety and compliance before anything else at any time." We consider quality management is never too strict to meet the expectations of customers who entrust us with the manufacturing of their products. It is our approach that has not changed since our foundation.

Company-wide quality assurance system

We have strict quality standards for all the processes from the selection and procurement of raw materials to the design, development, manufacturing, and shipment of products. We check whether safe, appropriate quality management is conducted on a regular basis by not only checking whether these quality standards are observed on our own but also receive objective audits from certification bodies to promote continuous improvement and quality enhancement.

Design and development

We realize product designs that have no problem in safety, stability, and legality by conducting various tests and checks at each development stage such as formula design, package design, and label design.

Raw material management

We secure the safety and security of raw materials by selecting reliable suppliers evaluated based on our original quality and safety standards and checking the safety and legality of each raw material.

Examples

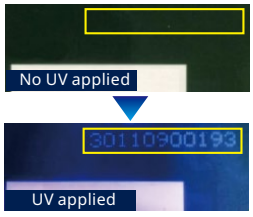
- **Identity test**
  Securing the identity of raw materials used for manufacturing
- **Prevention of misuse of materials**
  Preventing misuse of materials by checking them using a handheld camera

Manufacturing (Formulation) (Filling/ packaging)

We manage the quality information of all the raw materials used, records of product tests, and records of pass/fail assessments for each manufacturing lot. We check the quality records quickly and identify the problems if there is a complaint about product defects.

Examples

- **Traceability**
  A system to trace the manufacturing conditions based on raw materials used based on the lot numbers (lot printing/invisible printing) of products has been established.



- **Utilization of AI**
  Automating the tests by using a large number of surveillance and detection cameras and AI devices

Shipment

We implement strict management to provide safety and security to consumers by analyzing food safety hazards in all the processes and managing food safety hazards such as allergens, harmful microorganisms, and residual agricultural chemicals.

In-house warehouses that support the manufacturing of safe and secure products

We reduce quality risks by supplying raw materials and other materials just in time from the in-house warehouses directly connected to the plants.

Employee education

We make sure to implement strict hygiene and manufacturing management by providing quality training to all the employees working at the plants on a regular basis.

Quality assurance system that meets global standards

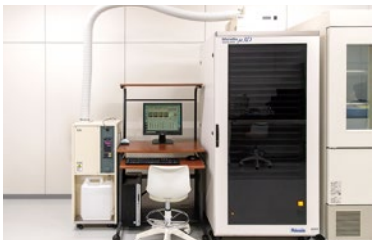
As the first all-around contract manufacturer that is granted NSF GMP (American standards for proper management of manufacturing, packaging, labeling, and storage of dietary supplements) registration, we have been imposing highly strict quality management standards on ourselves. We make sure to operate more safely and securely by obtaining various certifications.

	NSF GMP	GMP certification for dietary supplements	FSSC22000	ISO22716	Organic JAS
Tosu Plant	●	●	●	●	●
Intelligence Park Plant	●	●	●		●
Kumamoto Plant			●		●

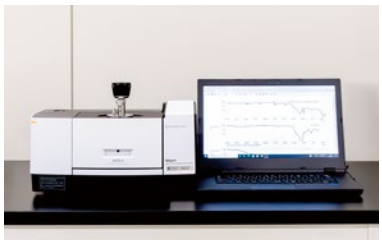
Examples of analytical instruments

We have a rapid, reliable analytical system with the latest analytical instruments.

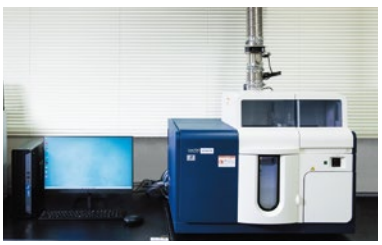
[Rapid microorganism identification device]
It identifies the types of microorganisms and checks whether they are bacterial or fungal species that affect the human body. When fungal or bacterial contamination occurs, it enables us to rapidly investigate the cause without fail.



[Rapid microorganism culture device]
It can count the number of colonies (bacteria/fungi) in real time. When fungal or bacterial contamination occurs, it enables us to detect the cause more rapidly without fail compared to visual inspections by humans.



[FT-IR (foreign material identification device)]
It identifies the names and composition ratio of substances by applying infrared rays. When a product is contaminated by a foreign material, it enables us to analyze the components of the foreign material.



[Atomic absorption spectrometry (measurement of hazardous metals)]
It is a device that measures hazardous metals such as arsenic and lead. It can check whether hazardous metals are not contained in raw materials or products.

[LC/MS (determination of the quantity of active ingredients)]
It is a device that can determine the quantity and check active ingredients. It enables us to guarantee the efficacy of products and prevent active ingredients from being excessive in amount and taken excessively.

TOYO SHINYAKU

HIGH-END VALUE

To contribute to the health and beauty
of people around the world

Corporate profile

Established:	September 18, 1997
Representative:	President, CEO Toshimitsu Hattori
Capital:	50 million yen
Number of employees:	1,198 (As of the end of September 2024)
Tosu Head Office/Tosu Plant:	7-28 Yayoigaoka, Tosu-shi, Saga, Japan Phone: +81-942-81-3555 Fax: +81-942-81-3554
Intelligence Park Plant:	3-1-2 Yayoigaoka, Tosu-shi, Saga, Japan
Intelligence Logistics:	3-1-2 Yayoigaoka, Tosu-shi, Saga, Japan
Headquarters/Fukuoka Branch:	Kyu-kan Hakataekimae Bldg., 2-19-27 Hakataekimae, Hakata-ku, Fukuoka- shi, Fukuoka, Japan Phone: +81-92-411-3555 Fax:+81-92-431-8363
Tokyo Branch:	Sumitomo Fudosan Shibuya First Tower, 1-2-20 Higashi, Shibuya-ku, Tokyo, Japan Phone: +81-3-3499-3555 Fax: +81-3-3499-3558
Osaka Branch:	JP TOWER OSAKA, 3-2-2 Umeda, Kita-ku, Osaka- shi, Osaka, Japan TEL. +81-6-6453-3555 FAX. +81-6-6453-3557
Kumamoto Plant:	272-5 Oaza Takaono, Ozu-machi, Kikuchi-gun, Kumamoto, Japan Phone: +81-96-340-3555 Fax: +81-96-340-3301
Kanto Logistics:	MFLP Prologis Park Kawagoe, 1-9-3 Minamidai, Kawagoe- shi, Saitama, Japan
EU Office:	August-Schanz-Str.8 60433 Frankfurt am Main, Germany
URL:	www.toyoshinyaku.co.jp

Lines of business

[Health foods]
- Contract manufacturing and sales of health foods, Foods with Function Claims, and FOSHU
- Research, development, and sales of ingredients for health foods, Foods with Function Claims, and FOSHU

[Cosmetics]
- Contract manufacturing and sales of cosmetics and quasi-drugs
- Research and development of raw materials and ingredients for cosmetics and quasi-drugs

[MG]
- Contract manufacturing and sales of health and beauty equipment and goods and general medical devices
- Research and development of health and beauty equipment and goods and general medical devices

[Logistics]
- Outsourced shipping of health foods and cosmetics etc.

[Pharmaceuticals]
- Contract manufacturing and sales of pharmaceuticals
- Research and development of raw materials and ingredients for pharmaceuticals

History

1993
- Established Seven Seeds Co., Ltd. (cosmetics wholesale distributor)
- Started research on functional water

1996
- Started research in the fermentation field

1997
- Spun off the health foods department from Seven Seeds Co., Ltd. and established Toyo Shinyaku Co., Ltd. (capital: 10 million yen)
- Started research on green juice made from young barley grass

1999
- Increased the capital (50 million yen)
- Certified as a participating company in the Tosu Technopolis Program developed and promoted by Japan Regional Development Corporation (current Urban Renaissance Agency), the prefecture and the city
- Signed an agreement on advancement to Northern Tosu Hillside New Urban Area (Tosu City, Saga)
- Concluded a land transfer agreement with Japan Regional Development Corporation (current Urban Renaissance Agency) and acquired the land to build a plant

2000
- Started research on FLAVANGENOL®

2001
- Completed the construction of Head Office/Tosu First Plant Started the operations of Head Office/Tosu First Plant that combines a pharmaceutical GMP-certified plant, head office functions, and laboratory
- Established Tokyo Branch
- Started joint research on the stems and leaves of sweet potatoes with Agriculture Research Organization (current National Agriculture and Food Research Organization)

2002
- Launched FLAVANGENOL® Clinical Pharmacological Research Group
- Obtained the first FOSHU approval for a green juice product in Japan

2003
- Obtained ISO 9001:2000 at Head Office/Tosu Plant
- Became the special sponsor of the Hupfer Peace Memorial Piano Competition
- Completed the construction of the new building (research building) at Head Office. Started its operation as a research facility
- Established Osaka Branch

2004
- Concluded a land transfer agreement with Japan Regional Development Corporation (current Urban Renaissance Agency) and acquired the site for the raw material processing and shipping center
- Announced the benefits of the stems and leaves of sweet potatoes for diabetes and hypertension treatment with Agriculture Research Organization (current National Agriculture and Food Research Organization)
- Concluded a sales agreement for Pueraria flower extract™ with Ohta's Isan Co., Ltd.

2005
- Started the CRO (Contract Research Organization) business
- Completed the construction of Tosu Second Plant
- Established Taisho Active Health Co., Ltd., a JV with Taisho Pharmaceutical Co., Ltd.
- Obtained the largest number of FOSHU approvals in Japan

2006
- Completed the construction of Kumamoto Plant
- The Association of Organic Farmers (currently Toyo Shinyaku Co., Ltd.) obtained Organic JAS certification
- Established FORMAL KLEIN Co., Ltd.
- Whole Kumamoto Plant and part of the Tosu Plant were certified to manufacture processed organic foods

2007
- Kumamoto Plant and the cosmetics manufacturing division of Tosu Plant obtained ISO 9001:2000
- Appointed as the Vice Chairman of Kyushu Bio Cluster Conference

2008
- Proved to be compliant with FDA's GMP for dietary supplements
- Head Office/Tosu Plant obtained ISO 22000:2005
- Established Energy of Ground (Daichi-no-chikara) Laboratory Co., Ltd., a JV with Asahi Ryokuken Inc.

2009
- Established EU Office
- Established Nippn Wellness Co., Ltd., a JV with Nippon Flour Mills Co., Ltd. (current Nippn)
- Suioh was selected as a Frontier Development Project for New Demand Creation by the Ministry of Agriculture, Forestry and Fisheries

2010
- Started joint research on FLAVANGENOL® with National Polytechnic Institute of Toulouse

2011
- Concluded a comprehensive agreement on industrial promotion with Kumamoto prefecture

2012
- Concluded a comprehensive agreement on industrial promotion with Saga prefecture
- Obtained the first GLOBALG.A.P. Certification (version 4) for a young barley grass product in Japan
- Tosu Plant obtained the first NSF International's GMP registration as an all-around contract manufacturer

2013
- Concluded a comprehensive partnership agreement on the promotion of the food-related industries with Hokkaido prefecture
- Tosu Plant obtained GMP certification for dietary supplements
- Concluded an agreement on collaboration and cooperation with Ehime prefecture
- Obtained the largest number of annual quasi-drug approvals

2014
- Concluded a partnership agreement on the promotion of the food-related industries with Akita prefecture
- Concluded a comprehensive partnership agreement with Fukuoka prefecture

2015
- Received the 2015 Intellectual Property Achievement Award from the Japan Patent Office Commissioner
- Obtained the first FOSHU approval for a green juice ingredient as a FOSHU effective in controlling blood sugar levels in Japan

2016
- Obtained the first FOSHU approval for a product that contains Pueraria flower extract™ as an active functional ingredient with the obesity prevention claim in Japan
- Concluded a partnership agreement with the University of Tokyo
- Obtained the largest number of annual quasi-drug approvals for 4 years in a row

2017
- Concluded a partnership agreement with Kyoto University
- Concluded an advancement agreement concerning the construction of the new plant (called Intelligence Park Plant) with Tosu City, Saga

2018
- Announced Powdered young barley grass positive effects on the gut microbiota as the first finding from the research conducted for the partnership agreement with the University of Tokyo
- Held the industry-academia collaborative research seminar based on the partnership agreement with the University of Tokyo
- Received the letter of appreciation from the Hokkaido government for our efforts for the partnership agreement with Hokkaido

2019
- Announced young barley grass extract powder's function to promote sugar uptake into skeletal muscle as the second finding from the research conducted for the partnership agreement with the University of Tokyo
- Announced the new method of evaluating tablets' swallowability as the third finding from the research conducted for the partnership agreement with the University of Tokyo
- Became the sponsor of J.League football club Sagan Tosu and professional baseball team Fukuoka Softbank Hawks
- Participated in Smart Agriculture Technology Development and Demonstration Project for the realization of smart agriculture advocated by the Ministry of Agriculture, Forestry and Fisheries
- Concluded a comprehensive partnership agreement with Tokyo Metropolitan Board of Education
- Completed the construction of Intelligence Park First Plant
- Concluded an organizational partnership agreement with Kyushu University
- Established Kanto Logistics and started the business of outsourced shipping to consumers
- Intelligence Park Plant obtained GMP certification for dietary supplements
- Obtained ISO 9001:2015 and ISO 22000:2005 at Intelligence Park Plant

2020
- Expanded the business of outsourced shipping to consumers with 2 logistics bases in eastern and western Japan/Obtained the licenses for manufacturing cosmetics and quasi-drugs
- Intelligence Park Plant obtained NSF International's GMP certification
- Established Toyo Foods Co., Ltd.
- Opened Mail Order Business Station, an informational website that contains a wealth of tips on business growth and expansion for mail order business operators
- Obtained FSSC 22000 at Head Office/Tosu Plant and Intelligence Park Plant

2021
- Opened Raw Material & Ingredient Navi, an informational website on raw materials for functional foods
- Announced the new finding on FLAVANGENOL®'s positive effects on hair growth as the first finding from the research conducted for the organizational partnership agreement with Kyushu University
- Tosu Plant obtained ISO 22716 (Cosmetics GMP)

2022
- Established Quick Lab Shibuya (QLS)
- Concluded an advancement agreement concerning the construction of the new plant (called Intelligence Logistics) with Tosu City, Saga
- Obtained FSSC 22000 at Kumamoto Plant

2023
- Concluded a contract with a Korean company INNERBOTTLE and started to exclusively provide their sustainable cosmetics bottles in Japan
- Completed the construction of Intelligence Logistics

2024
- Obtained the first quasi-drug approval (for the combination of four active ingredients including niacinamide) in Japan
- Established HARIAS Co., Ltd.


TOYO SHINYAKU