

November 21, 2023

To whom it may concern,

TAYCA CORPORATION

Regarding the New Manufacturing Facility for Functional Fine Particle Products

We, TAYCA CORPORATION, have decided to build a new GMP-compliant factory for the production of functional fine particle products in Akaiwa-City, Okayama.

The following is the outline of the new facility:

New Manufacturing Facility for Functional Fine Particle Products

- (1) Production item
Functional fine particle products (Micro titanium oxide, Micro zinc oxide, etc.)
- (2) Production capacity
1,000 tons/year
- (3) New facility address
50-22 Osegi, Akaiwa City, Okayama
- (4) Time of completion
Scheduled to be completed by the end of June 2025
- (5) Capital investment amount
Estimated approximately 5 billion yen
- (6) Progress of and reason for building a new facility
Functional fine particle products, such as micro titanium oxide and micro zinc oxide, are currently manufactured at our Okayama Factory (1072 Nishikozai, Higashi-ku, Okayama City), Kumayama Factory (50-1 Osegi, Akaiwa City, Okayama), etc. Functional fine particle products are mainly used in cosmetic applications. Although the demand for these products significantly decreased because of the spread of the new coronavirus infection that occurred in 2020, it is currently recovering in both Japan and overseas. We have decided to build a new facility, considering that the sales volume of functional fine particle products will further increase in the future. The new manufacturing facility will be built in Osegi industrial park (50-22 Osegi, Akaiwa City, Okayama; approximately 25,000 m²), which we acquired in 2019 and is close to the Kumayama Factory.
With the new manufacturing facility compliant with the "Good Manufacturing Practice (GMP) for Active Pharmaceutical ingredients," which is the international standards for manufacturing management and quality control, we continue to strive to stably supply users with high-quality products.
- (7) Expected sales increase brought by a new facility

We aim to increase sales by approximately 5 billion yen in FY2030, depending on the future business environment.