

To whom it may concern:

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Conclusion of Strategic Business Alliance with Blue innovation for Innovation in Pharmaceutical Logistics
– Drones and robotics to solve issues in the supply of pharmaceuticals in normal times and disasters and achieve a sustainable and stable supply –

TOHO HOLDINGS CO., LTD. (Headquarters: Tokyo; Representative Director, CEO and CFO: Hiromi Edahiro; hereinafter “TOHO HOLDINGS”) announces that it has entered into a strategic business alliance with Blue innovation Co., Ltd. (Headquarters: Tokyo; President and Chief Executive Officer: Takayuki Kumada; hereinafter “Blue innovation”) on September 6, 2024 for the realization of new pharmaceutical logistics, as described below. Through this alliance, we aim to realize a sustainable and stable supply system by utilizing drones, robots, and other technologies to address issues related to the supply of pharmaceuticals during normal times and disasters.

1. Reason for business alliance

TOHO HOLDINGS is a corporate group active in the medical, nursing and healthcare fields, engaged in pharmaceutical wholesaling, dispensing pharmacy, manufacturing and sales of pharmaceuticals, and development and provision of customer support systems under the corporate slogan “Total Commitment to Good Health”. TOHO HOLDINGS also proactively promotes initiatives for regional medical collaboration, nursing and home care. The Group has made it its social mission to ensure “safe and secure distribution of pharmaceuticals,” and has introduced cutting-edge technology to its logistics centers and strengthened business continuity plans (BCPs) in preparation for emergencies. In addition, stable distribution of pharmaceuticals and medical equipment to remote and inaccessible areas is also an important issue for us to address.

Blue innovation, which develops and provides DX solutions that utilize drones and robots, has been conducting joint research with the Ministry of Land, Infrastructure, Transport and Tourism and the University of Tokyo on takeoff and landing infrastructure for logistics drones since 2016. As a result, the company has developed vertiports for drones and are currently promoting the social implementation of drone logistics. In addition, Blue innovation has vast experience* in providing disaster relief using drone vertiports in response to the increasing number of disasters in recent years.

The logistics industry as a whole is facing challenges such as a shortage of drivers, declining service quality, and rising costs due to the “2024 Problem.” In particular, pharmaceutical logistics requires the establishment of an accurate and stable logistics system owing to the nature of products. In recent years, the risk of damage to roads and malfunctioning transportation infrastructure due to frequent and intensifying large-scale disasters such as earthquakes and torrential rains has increased, resulting in concerns that it will become difficult to supply pharmaceuticals to shelters, hospitals, and emergency medical facilities in disaster-stricken areas. Based on this social background, the Group, together with Blue innovation, will utilize drones and robot technologies with a focus on the drone ports to achieve a robust pharmaceutical logistics system that can provide accurate and stable supply during both normal times and disasters.

2. Overview of Blue innovation

- (1) Company name: Blue innovation Co., Ltd.
- (2) Location: 4F, Ichigo Hongo Building, 5-33-10 Hongo, Bunkyo-ku, Tokyo
- (3) Representative: Takayuki Kumada, President and Chief Executive Officer
- (4) Established: June, 1999
- (5) Business content: Developed and provided the following solutions based on the Blue Earth Platform (BEP), a base platform for remote control and integrated management of multiple drones and robots
- Inspection solutions (smart inspection of plants, factories, public infrastructure, etc.
 - 3D modeling, etc.)
 - Education solutions (Human resource development for corporations, provision of pilot management systems, etc.)
 - Logistics solutions (provision of drone port systems, etc.)
 - Next solutions (Provision of monitoring and cleaning systems, etc.)
- (6) Capital: 695 million yen

*https://www.blue-i.co.jp/corporate/disaster_support/index.html

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