(This document is a summary English translation of the original Japanese document. If there are any discrepancies between this document and the original Japanese document, the original Japanese document prevails.)

February 26, 2025

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Notice Regarding Issuance of Zero Coupon Convertible Bonds due 2032

ROHTO PHARMACEUTICAL CO., LTD. (the "Company") hereby announces the proposed issuance of Zero Coupon Convertible Bonds due 2032 (the "Bonds with Stock Acquisition Rights") (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) pursuant to a resolution of the Board of Directors as of February 26, 2025.

Background and purpose of the Issuance of the Bonds with Stock Acquisition Rights

Under the "Rohto Group Comprehensive Management Vision 2030," the Company continues to invest in research and product development and human resource development to create high value-added and unique products in its core businesses of OTC drugs and Skincare. At the same time, the Company is strengthening its foundation by establishing production, development, and sales and marketing systems in major markets worldwide. Building on this stable foundation, the Company is actively pursuing growth investments such as new business domains including Regenerative medicine and M&A.

Considering the current rise in interest rates, the Company has decided to issue the Bonds, which allow for zero-coupon financing, with the aim of securing low-cost funds to further strengthen the overall profitability of the Rohto Group and enhance sustainable enterprise value through the steady implementation of the business strategies, while maintaining a stable financial foundation.

Additionally, the Company will acquire its own shares with part of the proceeds from the issuance of the Bonds. This acquisition of own shares with proceeds from the low-cost financing is intended to further improve capital efficiency while maintaining the financial soundness.

Note: This press release is intended as general information regarding ROHTO Pharmaceutical Co., Ltd.'s issuance of the Bonds with Stock Acquisition Rights. This press release does not constitute an offer to purchase or subscribe for, or the solicitation of an offer to purchase or subscribe for the Bonds with Stock Acquisition Rights or the shares of common stock of the Company in the United States or in any jurisdiction in which such offer or solicitation is unlawful. In particular, the Bonds with Stock Acquisition Rights and the shares of common stock of the Company issuable upon exercise of the stock acquisition rights (together, the "Securities") have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any relevant securities laws of any state or other jurisdictions of the United States, and any such Securities may not be offered or sold within the United States, absent registration or an exemption from registration under the Securities Act, and in compliance with any applicable state or local securities laws; any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company. No public offering of the Securities will be made in the United States.

Use of Proceeds

The Company intends to apply the net proceeds of approximately ¥25.0 billion as follows:

(a) Approximately ¥6.0 billion by the end of March 2028, as funds for strengthening the research and product development efforts in the Rohto Group's core areas of business (over-the counter drugs, skincare products and functional foods), and strengthening the research and development efforts and the business foundation in the Group's business expansion areas (medical ophthalmology, regenerative medicine and CDMO (contract development and manufacturing);

(b) Approximately ¥14.0 billion by the end of May 2025, for repayment of borrowings, including replacing the Company's current borrowings related to its acquisition of Eu Yan Sang International Ltd. (made into a subsidiary of the Company in June 2024) with a longer-term loan; and

(c) Approximately ¥5.0 billion by the end of April 2025, as funds for the repurchase of the shares by the Company, with a view to striving to improve return on equity and earnings per share, as well as for smoothly carrying out fundraising by mitigating the short-term impact on demand and supply for the Company's Shares accompanied by the issuance of the Bonds. To the extent such repurchase takes place prior to the Closing Date using cash reserves, the Company intends to apply the amount referred to above in respect of the relevant portion of the proceeds of the offering of the Bonds to, among others, replenishment of such cash reserves. As repurchases of Shares are dependent on market conditions, if any proceeds of the issue of Bonds should remain after effecting such repurchases, the balance is expected to be applied in the manner set out in (a) above.

Issuance of the Bonds with Stock Acquisition Rights

1.	Securities Offered	¥25,000,000,000 in aggregate principal amount of Zero Coupon Convertible Bonds due 2032 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*)
2.	Issue Price	104.0%
3.	Closing Date	March 14, 2025
4.	Coupon	0%
5.	Redemption at Maturity	100.0%

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