

Medium- to Long- Term Growth Strategy 2025-2035



Agenda

- 0 1 : For medium- to long-term sustainable growth**
- 0 2 : Med- to Long- Term Growth Strategy**
 - Basic policy and financial target**
 - Strategy in our main business**
- 0 3 : Capital policy and Shareholder returns**

To lead all individuals and society surrounding us to “well-being” by delivering “health” to people around the world through our products and services and to make people happier and make the future brighter.

Corporate Philosophy

- 1. For the people to enjoy their fulfilled and happy life, the Company takes the greatest responsibility to contribute to their mental and physical health continuously, and to attain such responsibility, the Company endeavors to operate its business from a long-term perspective and generate value.**
- 2. Being fully aware of its mission as a public organ, the Company endeavors to cooperate with all persons surrounding the Company to solve social issues and share with them all benefits gained through such efforts.**

Rohto strives to be innovative in the fields of medicine and skincare products, as well as other business areas, so that people all over the world can experience “Well-being” then together. In order to fully realize this goal, we closely “connect” members to those inside and outside of company.

We also “connect” organizations to each other.

We train our staff members in our chain of trust, so that we can create an organization with a sense of unity and then “connect” them to further people’s “well-being”.

We will continue to contribute to the well-being of people all over the world through our business activities and aim to realize a sustainable society in which people can live healthy and happy lives.

Moving the Heart

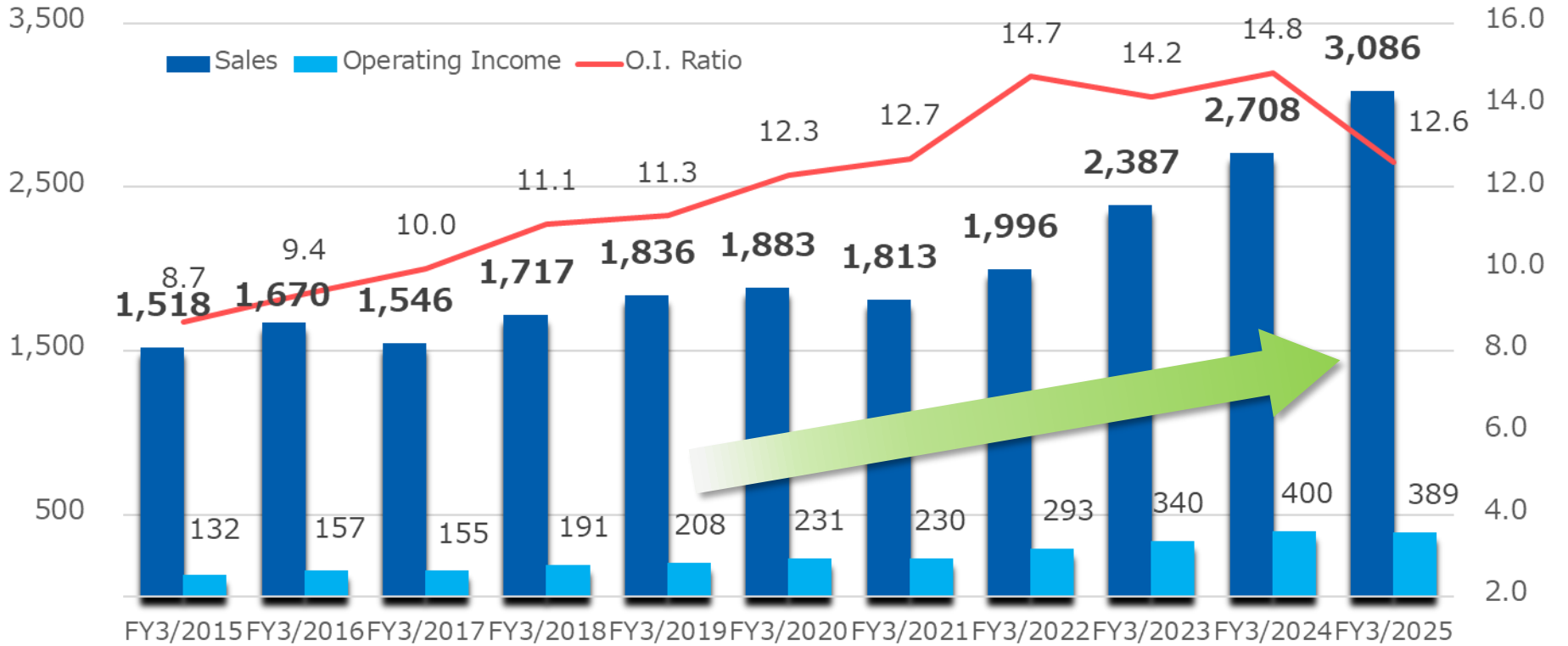


10 Years Financial Summary, Doubled both sales and profits

Expand the circle of customers in Japan and Asia centering on the core business

—Financial summary for 10 years—

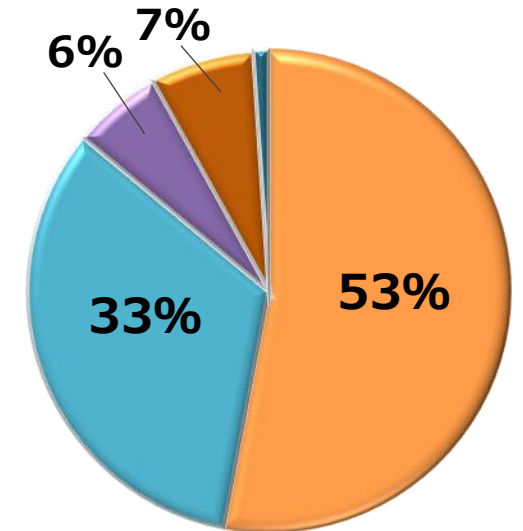
(100 million yen)



(500)

(%)

Sales by segment as of Mar. 2025



0.0  Japan  Asia  Europe  Americas  Others

Med- to Long- Term Growth Strategy / Basic Policy



Evolve Rohto Science and maximize earnings in the core self-care business.

Build a foundation for professional care, expand the circle of well-being, and create the future.

Problems

Strengthen business profitability

Deepen and enhance technological capabilities and product appeal

Establish a strong foundation of medical business

Strategy

Global expansion of self-care business/ Explore new market

- Expanding new values in eye/skin care both domestically and internationally
- Establish a position in new fields such as hair care and femcare

Deliver the lifestyle filled with “Well-being”

- From raw material research to the development of supplements utilizing phyto-science
- Oral medication and dietary care for gastrointestinal health
- Post-treatment care and synergy with EYS

Establish Foundation of medical business and a healthcare network

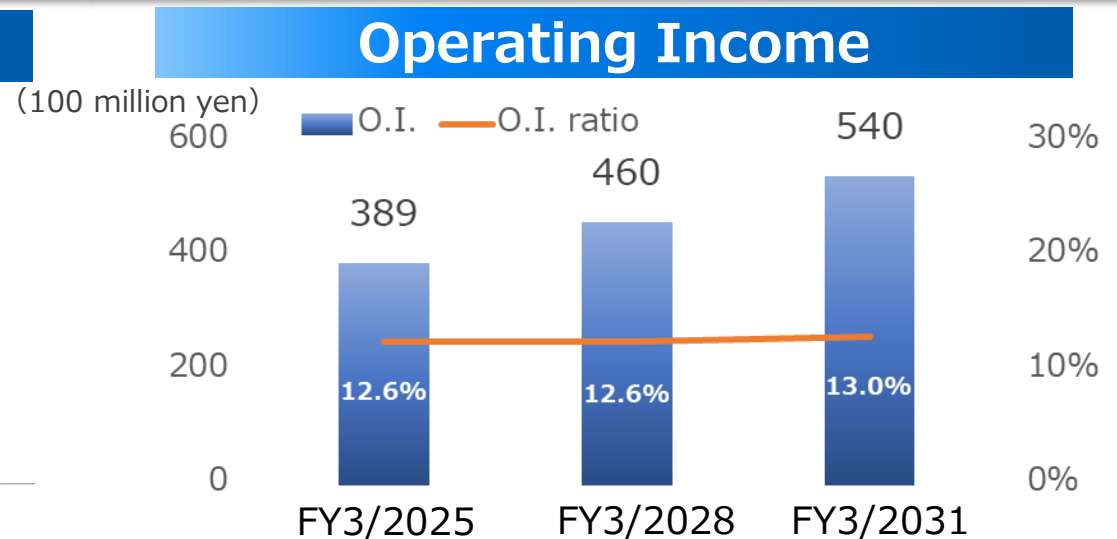
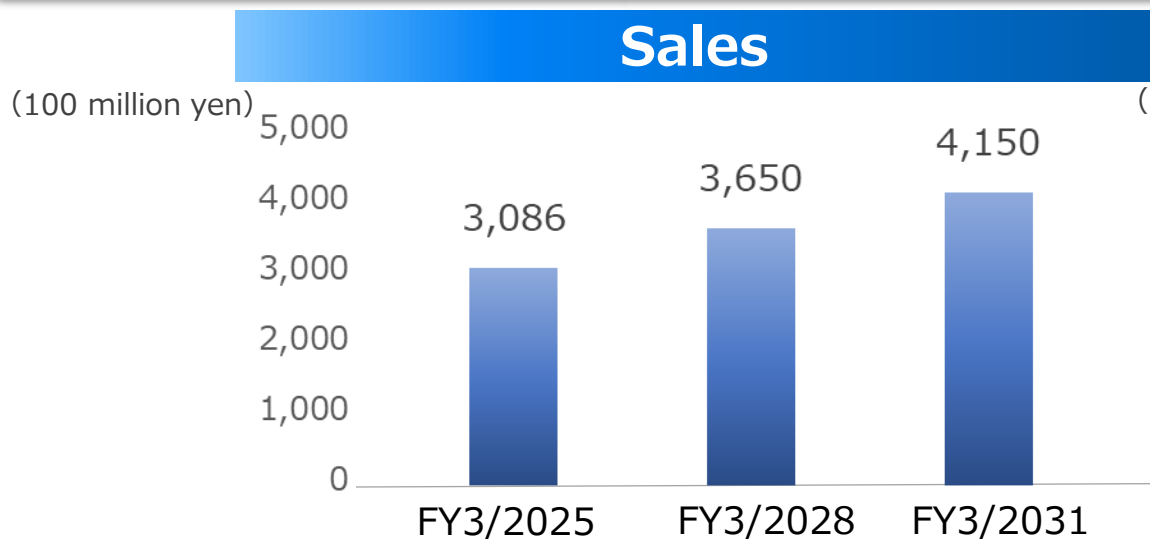
- Expand CDMO from chemical to biotechnology and cell processing
- Intra-group collaboration in ophthalmology business, cosmetics for dermatology
- Develop new ophthalmic drugs, regenerative medicines, and other drugs

Med- to Long- Term Growth Strategy / Consolidated Financial Target



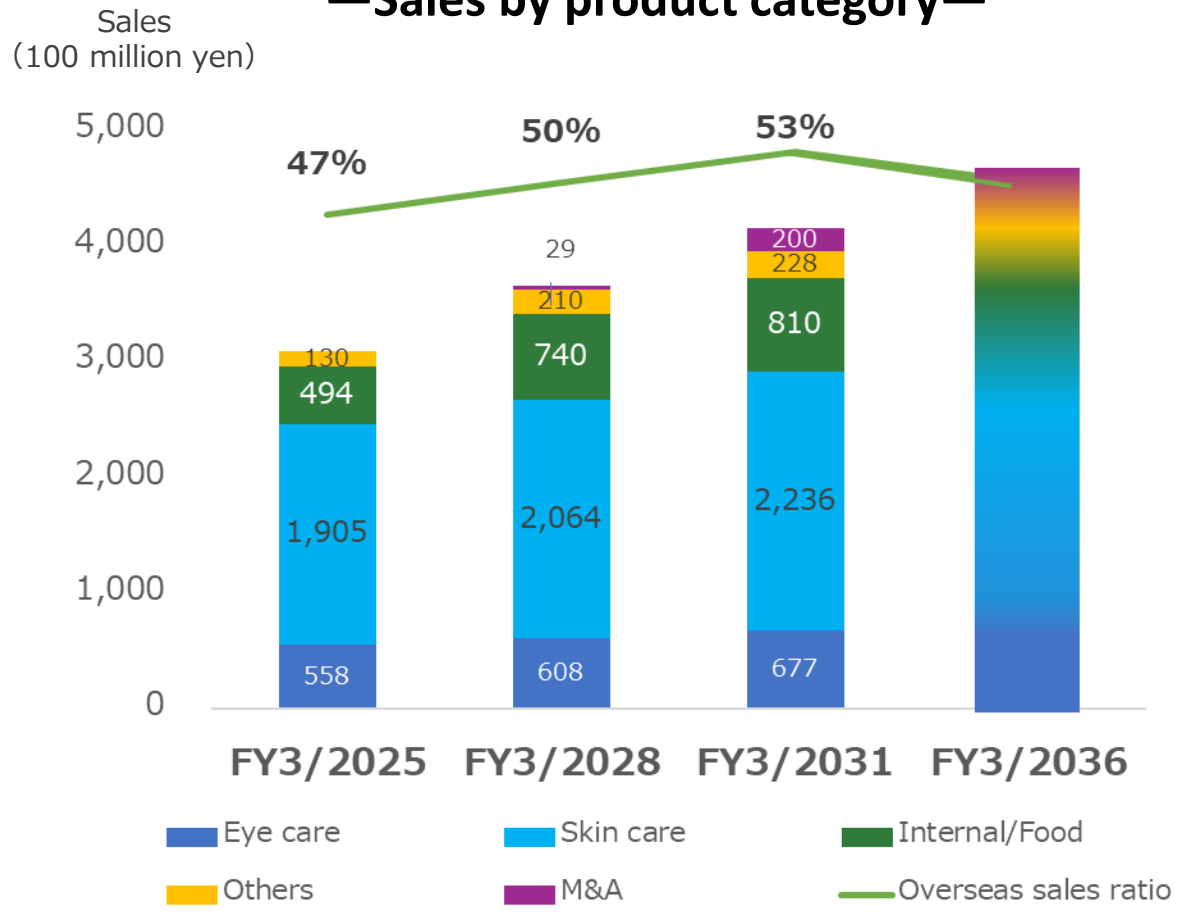
Target in 2030: Sales 415,000 million yen O.I. 54,000 million yen

	FY3/2025	FY3/2028	FY3/2031
Sales (100 Million yen)	3,086	3650	4150
Operating income (100Million yen)	389	460	540
O.I. ratio	12.6%	12.6%	13.0%
EBITDA margin	16.9%	17.9%	18.2%
Overseas sales	47%	50%	53%

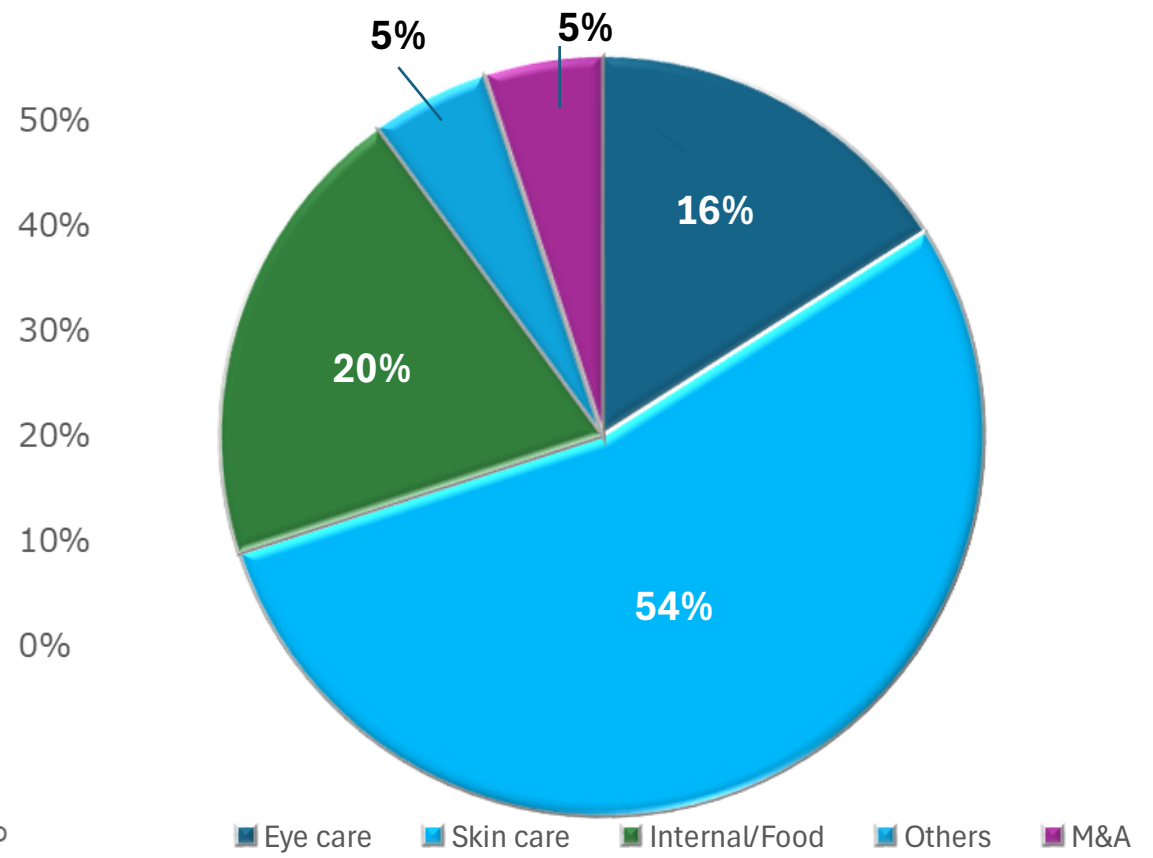


Overseas sales ratio is expected to exceed 50% in 2027 due to solid growth of eye care and skincare as well as growth of internal medicines and food businesses, mainly in Asia

—Sales by product category—



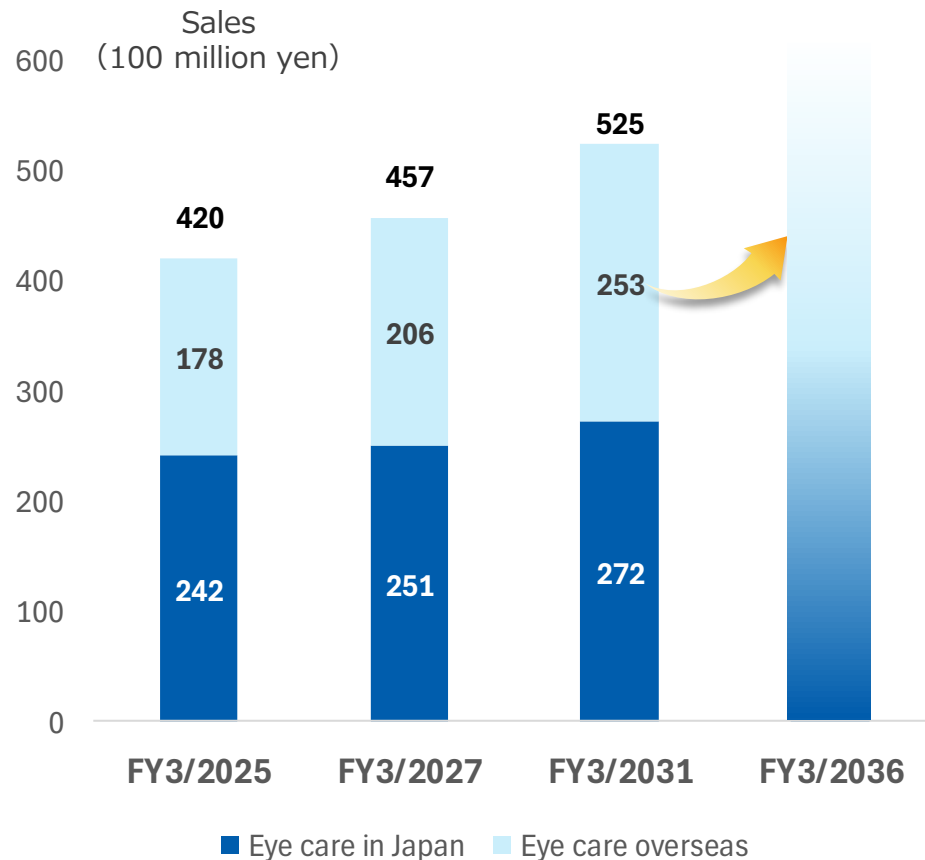
— Sales by product category —
(Estimate as of Mar. 2031)



Eye Care Business

With the overwhelming production capacity, create new demands in Japan and overseas, focusing on Asia while also expanding eye care business to the EU market.

Eye Care excluding ophthalmological products



Japan

- Expand new users by raising eye drop literacy
- Entry into switch OTC market

Overseas

- Expansion of OTC eye drop market share mainly in Asia
- Expansion of dry eye market in EU through Sigma

Strengths in eye care business

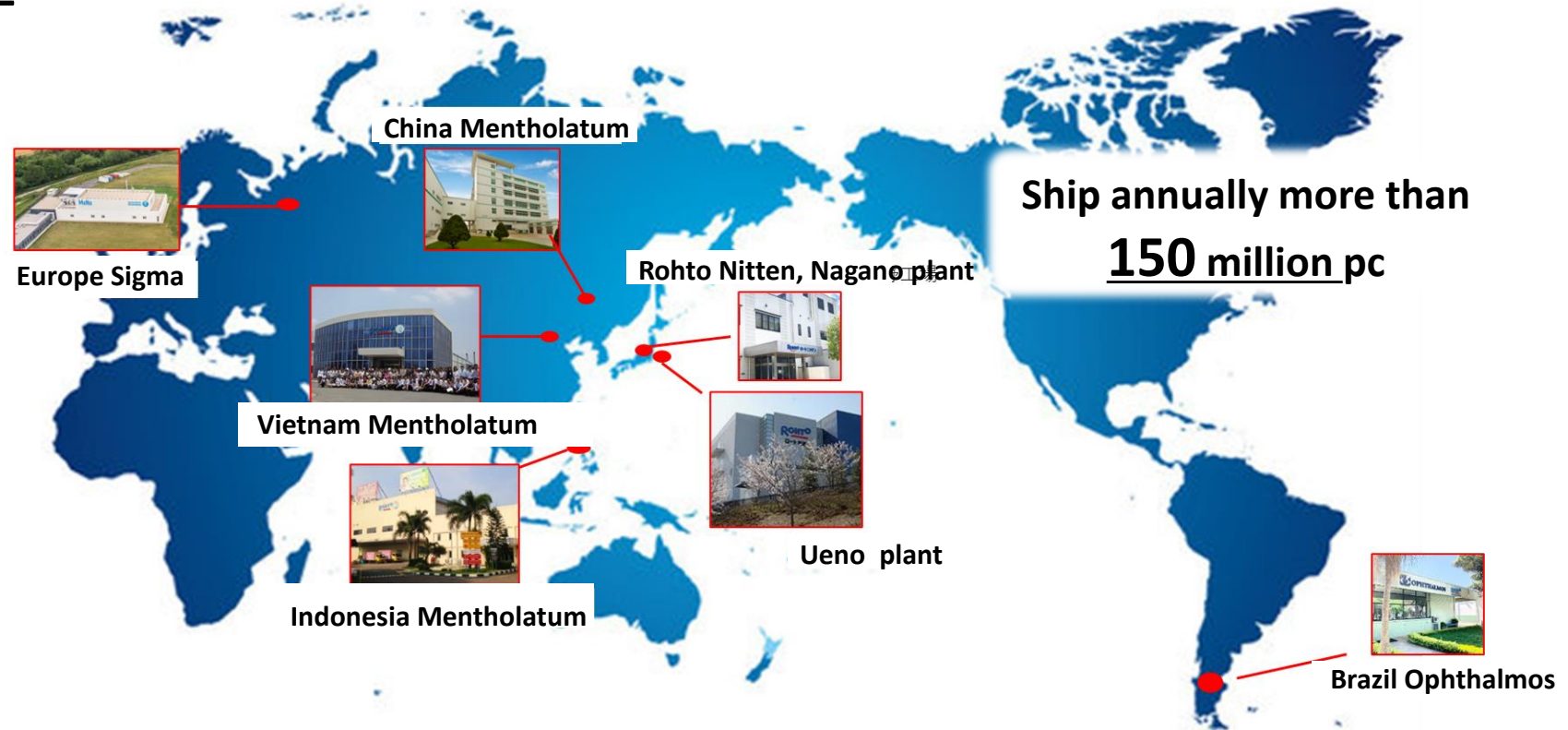
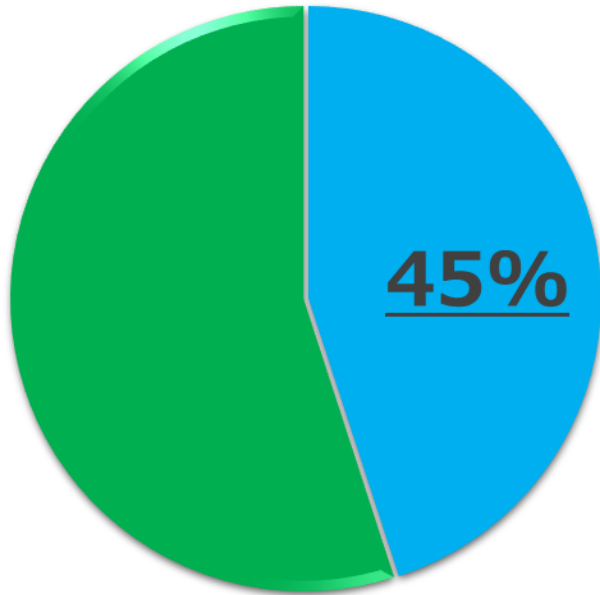
Overwhelming No. 1 share of the OTC market in Japan

High-quality and unparalleled production capacity, enabling global supply of wide-ranging products from OTC to medical use

— Production sites of eye drops —

Ship annually more than **150 million pc**

— Eye drop market share in Japan —

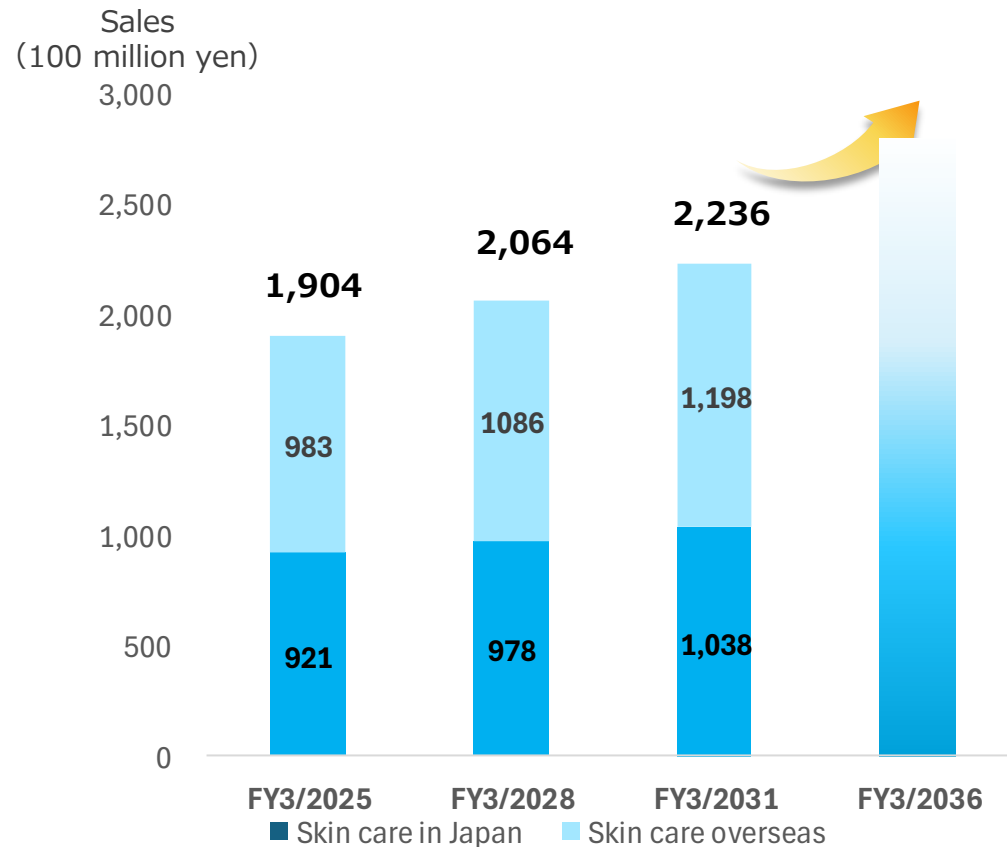


Intage SRI Categories : Total eye drops
Period : From Apr 2024 to Mar 2025, amount basis.

Skin Care Business

Introduction of high-value-added products from skin science and full-scale entry into the hair care business by applying the Rohto Group's research knowledge and technologies

Skin care



Japan

- Accelerate skin science
(Next brand creation after “Hadalabo” and “Melano CC”)
- Introduction and expansion of science-based hair care: GYUTTO
- Introduction of high-value-added skin care products to clinic channel

Overseas

- Expansion of “Hadalabo Tokyo” into EU and Middle-East countries
- Expansion of hair care : “Selsun” and “50 Megumi”

Strengths in skin care business



In addition to the strong support from customers for the Science First brand, a high level of patent strength for skincare functional ingredients unique to pharmaceutical company

Brand Strength

Creating touchpoints with changing customers

Strong Patent Capabilities

Rated in the Top 10 at the IFSCC International Conference



• Hyaluronic Acid
• Vitamin C
Patent Score Comprehensive Strength
No.1

Is pleased to announce that the

2024 IFSCC TOP 10 BASIC RESEARCH PAPERS

included the work of

Yuji Mochizuki
of Rohto Pharmaceutical (Japan)

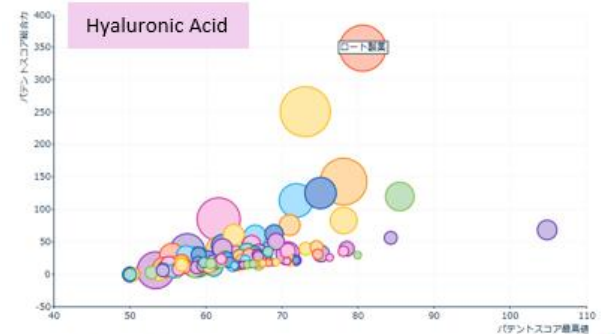
the paper

Novel hair coloring system using eumelanin precursor, DHI (5,6-Dihydroxyindole) based on Hair Science

at the

34th IFSCC 2024 Iguazu Falls Congress

Patent Score Comprehensive Strength Map (Rights Holder)



スコア算出対象の公報数: 1,009件 権利者の数: 497人 (ただし、主な133人のみをプロットしています。)

(Using Patent Result Co., Ltd.'s patent analysis tool "BizCruncher," we conducted research and created this report. The size of the circles represents the number of valid patents in the respective fields. The horizontal axis shows the score of the highest valued patent within each rights holder's patent portfolio, while the vertical axis indicates the sum of the scores of all patents in each rights holder's patent portfolio. As of April 2025.

Hada Labo Trademark in 46 Countries and Regions



Number 1 in Basic Skincare Product Quantity Ranking

No.1

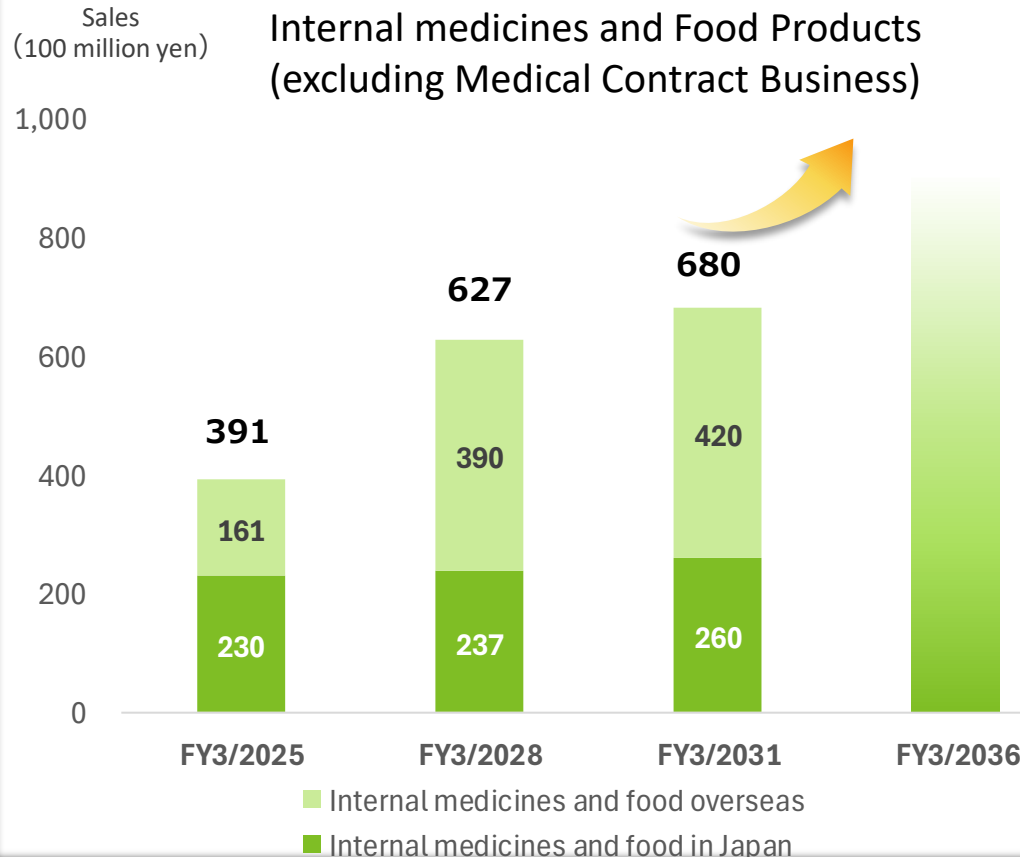


(FY2024) INTAGE SRI Cosmetics Category Cumulative Sales Quantity Share from April 2024 to March 2025

Internal medicines and food business

In addition to introducing functional supplements from Phyto-Science, maximize sales through the synergy between EYS and Mentholatum

Internal medicines and food



Japan

- Expansion of the Rohto V5 brand
- Unique product proposals using new materials
- Entry into gastrointestinal care and post-treatment care foods



Overseas

- Expansion of sales channels in Asia using EYS's brand assets
- Expansion of sales channels through synergy with Mentholatum Company



Strengths in Internal medicines and food business

The development capabilities of science-based herbal medicines and functional foods tailored to the diverse health needs of our customers

Herbal medicines and herbal ingredients



Beauty Factor:
Epidermal Growth Factor (EGF) & Mitogenic Stimulation Factor (MSF)

- ✓ Active glycoprotein
- ✓ Water-soluble protein
- ✓ Trace elements
- ✓ Sialic acid

Functionally Labeled Ingredients



Free lutein

ルテイン
ルテインを10mg配合!

見る力をサポートする成分として知られるルテインを配合しています。ルテインは特に、網膜への光ストレスを軽減させるとされています。

ゼアキサンチン
ルテインだけでなく、ゼアキサンチンも2mg配合!

見る力をサポートするといわれるルテインだけでなく、同じく網膜に働きかけるゼアキサンチンも配合していることもロートV5の特徴のひとつです。ゼアキサンチンはブロックする光の波長がルテインと異なるため、1粒に両方を配合しました。

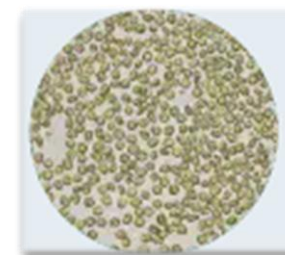
※文献: Billy R. Hammond, et al., A Double-Blind, Placebo-Controlled Study on the Effects of Lutein and Zeaxanthin on Photostress Recovery, Care Disability, and Chronic Contrast, Investigative Ophthalmology and Visual Science, (2014): 55: 8583-8589.

Functional Materials



独自素材 リコニン® (甘草エキス末)

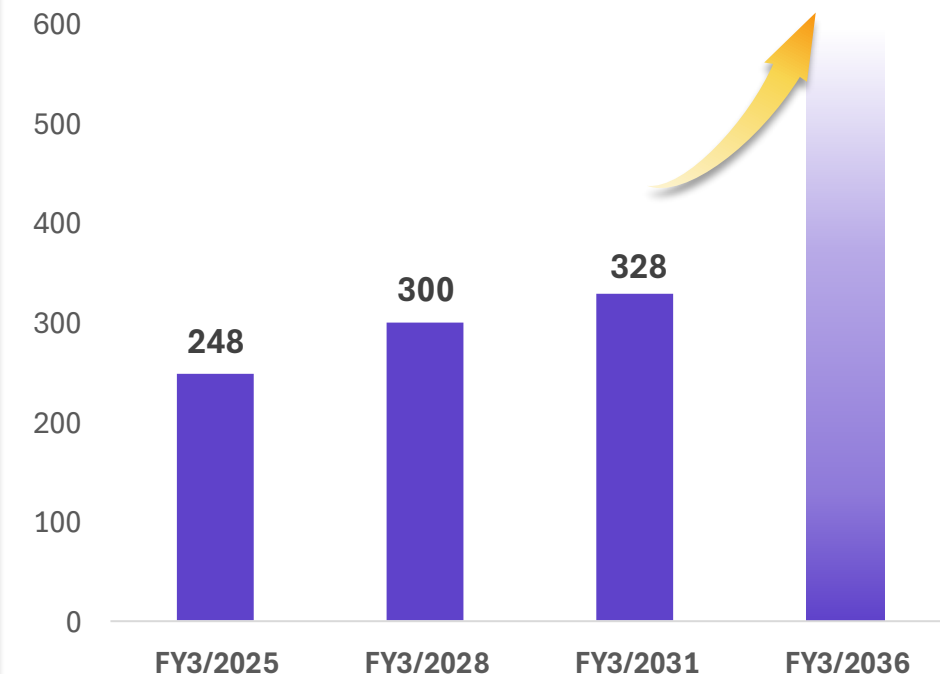
Microalgae



Strengthening the foundation of the medical business with a focus on CDMO
Monetizing through in-house sales and licensing out, with bio and cell technologies at the core

Medical business

Sales
(100 million yen)



Japan

- Full-scale entry into the CDMO business using regenerative medicine and exosome cultivation technology
- Strengthening the field of ophthalmic medical care, including intraocular lenses and tear duct tubes
- Enhancing the field of dermatological medical care, including high-performance cosmetics and beauty devices
- Strengthening medical devices such as the Autologel System
- Development of new ophthalmic drugs and regenerative medicine products

Overseas

- Strengthen collaboration within the group for the medical ophthalmology business
- Overseas export of AOF (Animal Origin Free) medium

*Medical Business:
The total of individual companies including Qualitec Pharma, Rohto Nitten, Ophthalmos, Interstem, RCFT

Progress of the Medical Pipeline



■ Medical Eye Drops

The myopia population is expected to exceed 5 billion in 2050, becoming a significant social issue. ROH-001, which shows effectiveness in slowing the progression of myopia, has entered the P2 stage.

Pipeline of Ophthalmology Area (As of May 2025)

Domain	Code	Indications	Planned regions	Partners	Stage					Target* ¹
					Non-clinical	P1	P2	P3	Application	
Ophthalmology area	ROH-101	CMV* ² Corneal endotheliitis	Japan	Théa, M'z Science						▶ Approval in 2026
	ROH-201	Dry eyes* ³	Japan	Japan Tobacco						▶ Approval in 2028
	ROH-202	Ophthalmic treatment agent	Japan	D. Western Therapeutics Institute, Inc.						-
	ROH-001	Suppression of Myopia progression	Japan	Tsubota Laboratory, Inc.						-

*1: Targets are for Rohto and are not agreed upon by partners. *2 Cytomegalovirus *3 Dry eye patients including those with Sjögren's syndrome - ROH-101: Completed P3 - ROH-201: Completed P2b - ROH-001: Completed P1

■ Regenerative Medicine Products

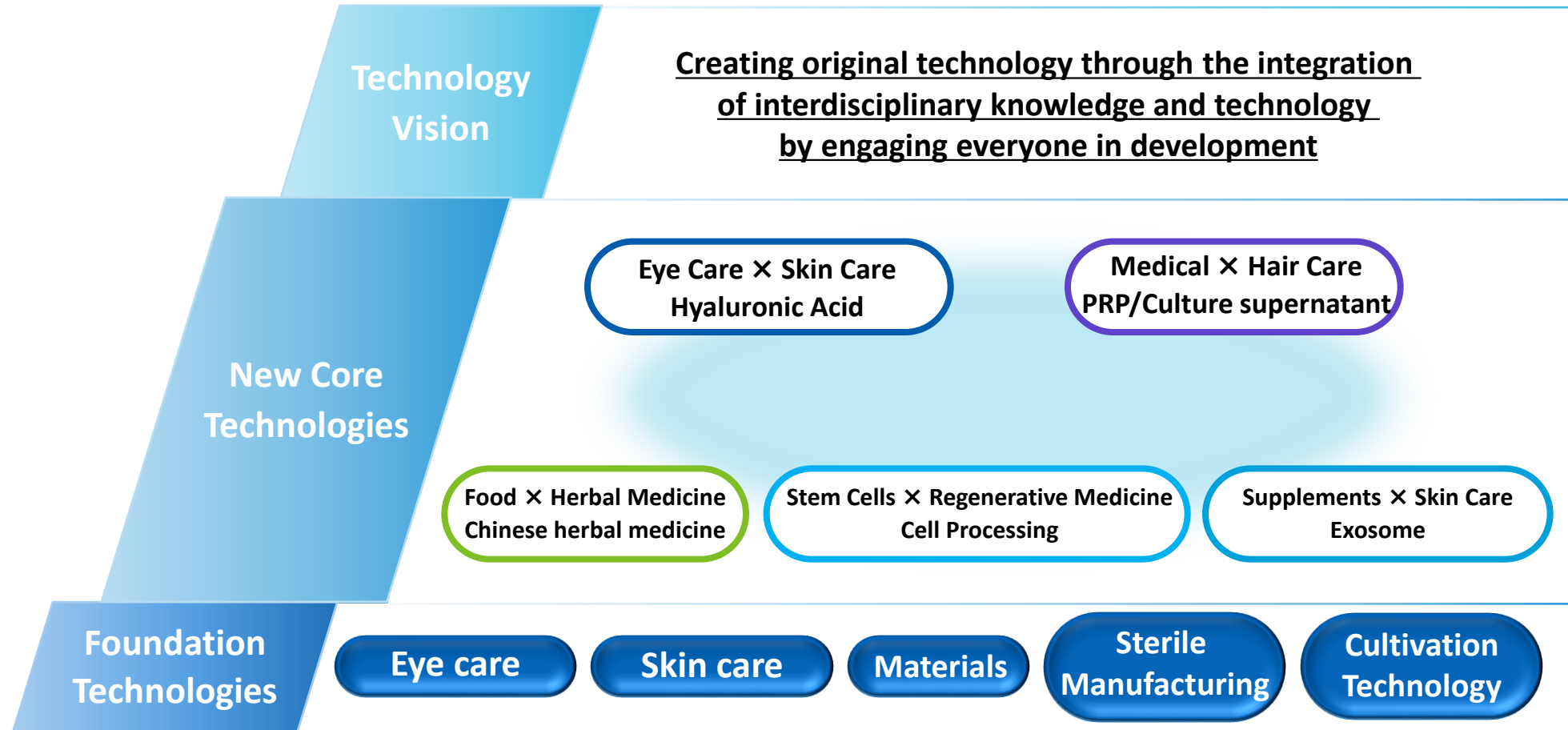
Osteoarthritis and severe cardiac failure are in the P2 stage. New drugs will be launched after 2030.

Pipeline of Regenerative medicines (As of May 2025)

Domain	Cell type	Code	Indications	Planned regions	Partners	Stage					Current stage completion target* ¹
						Non-clinical	P1	P2	P3	Application	
Regenerative medicines	Human adipose-derived stem cells	ADR-001	Cirrhosis of the liver	Japan	Shionogi						(P2 Completed)
		ADR-002K	Severe cardiac failure	Japan							▶ FY2029
		ADR-001	Kidney diseases	Japan							(P2 in preparation)
		ADR-001	Severe leg ischemia	Japan							▶ FY2025
		ADR-001	Lung fibrosis	Japan							▶ FY2025
	Human umbilical cord-derived stem cells	UDI-001	Neurodegenerative diseases	Japan							(P1 Completed)
	Cartilage cell kit* ²		Traumatic cartilage defects	Japan							(Application in preparation)
		Osteoarthritis	Japan							▶ FY2027	

*1: Targets are for Rohto and are not agreed upon by partners. *2 Produced by Interstem Co., Ltd. (our subsidiary)

Create original technology through integration of science and interdisciplinary technologies



Capital Policy and Cash Allocation (6-year period from 2025 to 2030)



Strengthen cash generation capabilities, invest aggressively in growth, and return profits to shareholders by maintaining a stable dividend policy

Inflows	Outflow Uses	Amount	Policy
Fundraising (20 billion yen)	Growth investments	Capital expenditures 100 billion yen	<ul style="list-style-type: none"> Expand overseas production facilities to meet growing demand Head Office Factory Renovation Expansion of Eye Care Production in China
Operating Cash Flow (before R&D expenses) 330 billion yen		R&D expenses 90 billion yen	<ul style="list-style-type: none"> R&D Investment to Further Accelerate Core Business Strengthen materials development and Rohto Science capabilities Invest in regenerative medicines and medical eye drops, which are the next pillars
		DX/IT investments 30 billion yen	<ul style="list-style-type: none"> DX/IT Investment to Increase Productivity per Employee
		M&A investments 50 billion yen	<ul style="list-style-type: none"> Strengthen business foundations, achieve business synergies, and enter new fields
		Shareholder returns (dividends, etc.) 80 billion yen	<ul style="list-style-type: none"> Dividend Payout Ratio of Over 30% and a DOE of Over 3.5% Increase dividend in line with medium- to long-term profit growth Provide stable and continuous shareholder returns

Shareholder Returns

Ensure stable and continuous dividend increases, unaffected by profit fluctuations
Raise the dividend payout ratio to the 30% level in FY2025 and strengthen shareholder returns

Dividend Payout Ratio

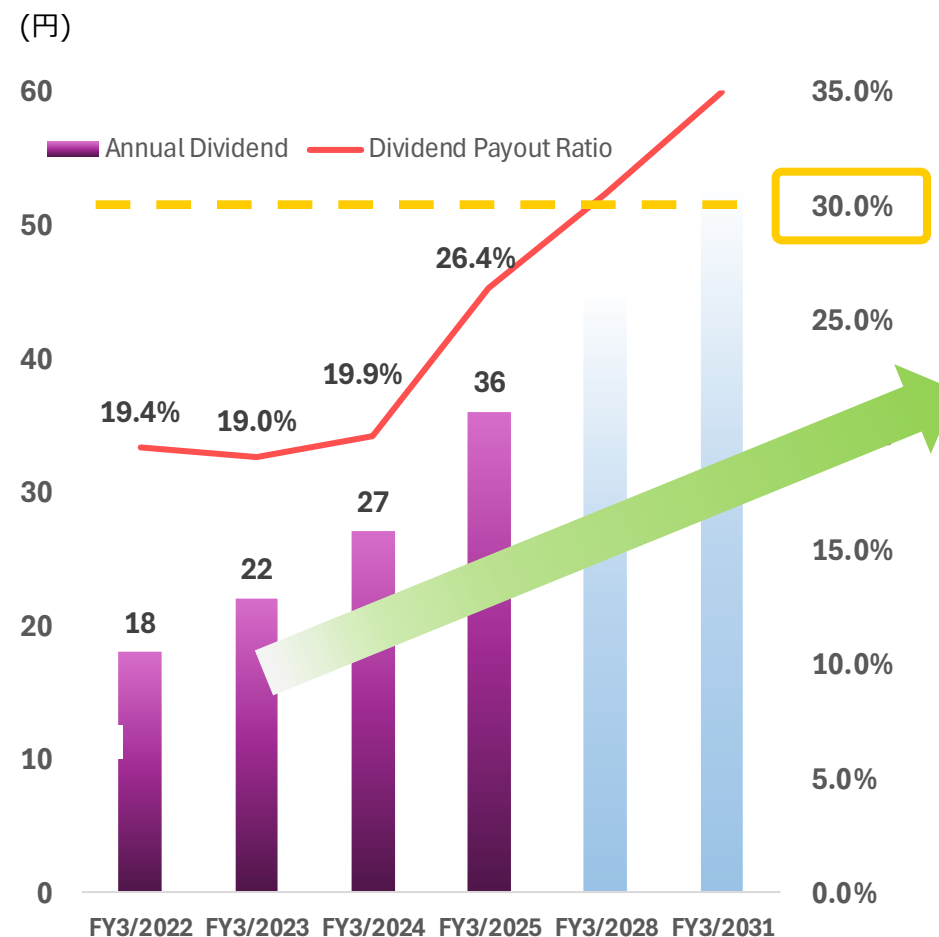
over **30%**

DOE

over **3.5%**

*DOE in FY3/2025 is 3.0%

-Dividend per Share and Dividend Payout Ratio Trends-



РОНТО

The image shows the word "РОНТО" in a bold, blue, sans-serif font. A thick red curved line underlines the text, starting from the bottom of the letter 'О' and ending under the letter 'О'. The background is plain white.