
Financial Results Briefing for the Fiscal Year Ending March 31, 2025

ROHTO Pharmaceutical Co., Ltd.
May 13, 2025

1. Results of Operations for the FYE Mar. 2025
2. Outlook for the FYE Mar. 2026



Results of Operations
for the Fiscal Year Ending
March 31, 2025

Vice President and CFO
Masaya Saito

Highlights of FYE Mar. 2025



□ Summary

- The personal consumption remained on a gradual recovery track due to improvements in the employment and income environment, but consumers are becoming more frugal due to rising prices in Japan.
- **Sales increased significantly** due to higher inbound demand, products that meet customer needs, and the impact of yen depreciation, and consolidation of Singaporean herbal medicine manufacturer, Eu Yan Sang International Ltd. (EYS) and Austrian Mono chem-pharm Produkte GmbH (Mono) contributed to increased sales as well.
- As for profits, in addition to deterioration in the cost of sales ratio, SG&A expenses increased due to an increase in R&D expenses. An increase of personnel expenses and depreciation and amortization expenses associated with new consolidation led to higher SG&A expenses, **resulting in lower profits (Profits increased in Q4 YoY)**.

□ In the domestic market, sales increased while profits decreased.

- Sales of “Rohto V5” supplements, new lip balms, “Hadalabo”, new hair treatment, “GYUTTO”, “CareCera” and high-end eye drops continued to perform strongly.
- Inbound demand increased.
- Rohto Nitten Co., Ltd. contributed to sales increase.
- Profits decreased due to deterioration in the cost of sales ratio as well as an increase in SG&A expenses including R&D expenses and system investment.
- **Sales in Americas, Europe and Asia recorded double-digit growth, and profit increased as well.**
- **The second half of both EYS and Mono were consolidated into Asian and European segment, respectively.**

FY3/2025 Consolidated Results



(Unit = Millions of yen, rounded down)

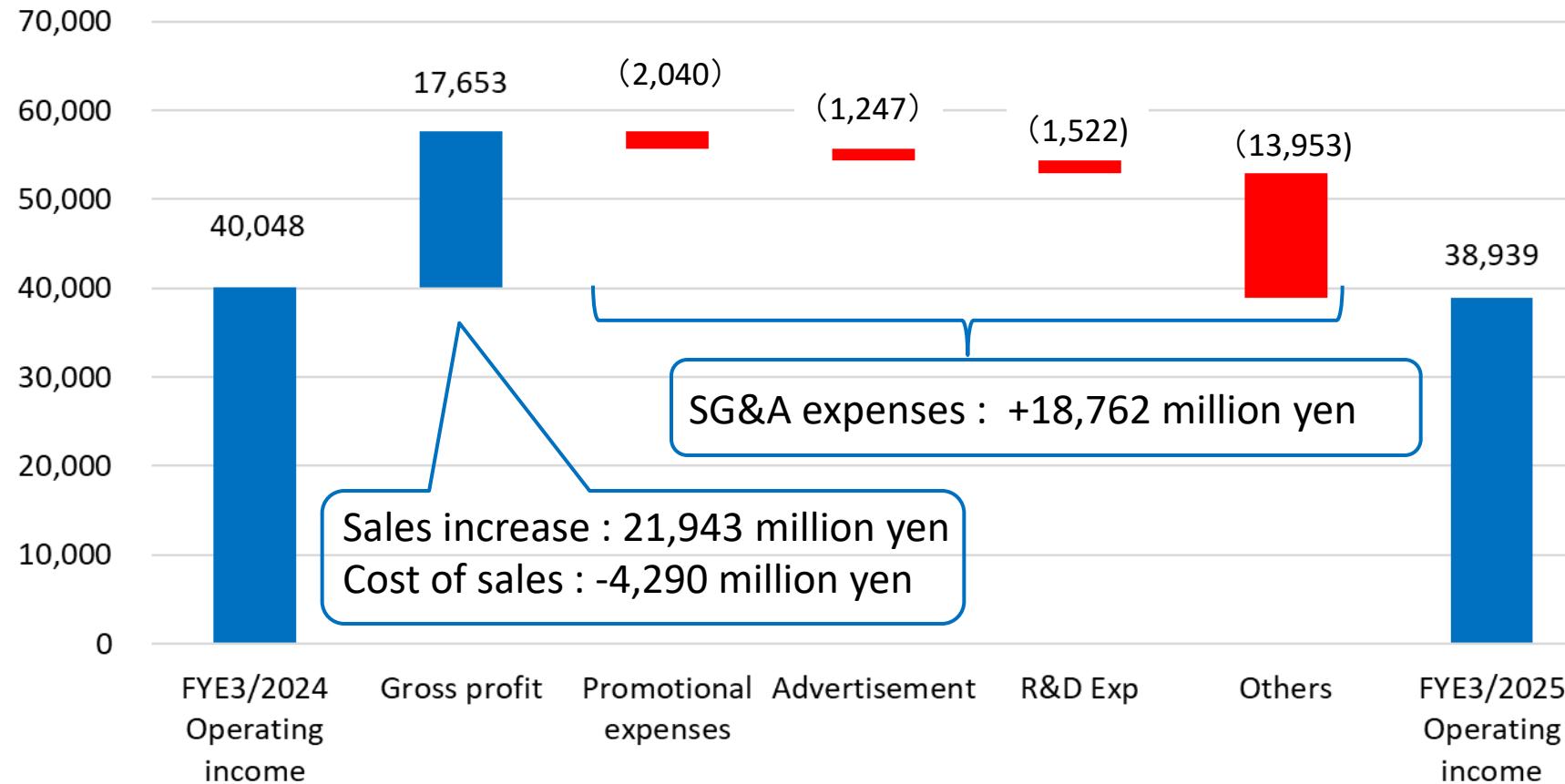
	FY3/2024		FY3/2025					
	4Q	1-4Q	4Q			1-4Q		
	Amount	Amount	Amount	YoY Change %	% of Net Sales	Amount	YoY Change %	% of Net Sales
Net Sales	69,676	270,840	82,730	18.7	100.0	308,625	14.0	100.0
Gross profit	39,866	157,285	45,942	15.2	55.5	174,939	11.2	56.7
SG&A expenses	35,080	117,237	39,270	11.9	47.5	135,999	16.0	44.1
Promotional Exp	5,638	16,242	5,524	(2.0)	6.7	18,282	12.6	5.9
Advertisement	11,849	37,977	11,517	(2.8)	13.9	39,224	3.3	12.7
R&D Exp	5,012	13,390	3,238	(35.4)	3.9	14,912	11.4	4.8
Others	12,580	49,627	18,989	51.0	23.0	63,580	28.1	20.6
Operating income	4,786	40,048	6,671	39.4	8.1	38,939	(2.8)	12.6
Ordinary income	5,187	42,434	7,046	35.8	8.5	40,430	(4.7)	13.1
Profit attributable to owners of parent	4,778	30,936	6,199	29.7	7.5	31,006	0.2	10.1
EBITDA-Margin	—	18.0	—	—	—	16.9	—	—

- Double-digit sales growth
- **Impact of Yen depreciation**
Sales: +7,700 million O.I.: + 890 million
- **Impact of EYS consolidation**
Sales: +16,500 million
O.I.: + 1,040 million (excluding amortization of goodwill, 1.090 million yen and acquisition-related expenses, 370 million yen)
- Slow sales of pollen-related products and seasonal items
- Economic slowdown in China, Singapore and Hong Kong
- Increase in SG&A expenses in Q4 due to higher personnel costs related to EYS despite lower R&D and advertising expenses.
- Decrease in O.I. and ordinary income due to lower-than-expected sales, despite an increase of profit in the 2nd half.

Composition of Change in Consolidated Operating Income (YoY)



(Millions of yen)



▪ COG

COG increased due to a decline of factory operation rate, increase in labor cost and higher depreciation.

▪ Other SG&A Expense

Increase in personnel expenses, goodwill and store lease expenses due to consolidation of EYS and Mono.

FY3/2025 Sales by Reporting Segment



(Unit = Millions of yen, rounded down)

	FY3/2024		FY3/2025					
	4Q	1-4Q	4Q			1-4Q		
	Amount	Amount	Amount	YoY Change %	% of Net Sales	Amount	YoY Change %	% of Net Sales
Japan	38,772	156,851	38,742	(0.1)	46.8	164,988	5.2	53.5
Asia	22,003	78,751	31,789	44.5	38.4	100,336	27.4	32.5
Americas	4,865	18,565	5,621	15.5	6.8	20,769	11.9	6.7
Europe	3,356	13,884	5,753	71.4	7.0	19,163	38.0	6.2
Sub total	68,998	268,053	81,907	18.7	99.0	305,258	13.9	98.9
Others	678	2,786	822	21.3	1.0	3,366	20.8	1.1
Total Sales	69,676	270,840	82,730	18.7	100.0	308,625	14.0	100.0

- Sales increased in all regions.
- Sales increased with double-digit growth in overseas regions.

*Net Sales to outside customers

FY3/2025 Operating Income



(Unit = Millions of yen, rounded down)

	FY3/2024		FY3/2025					
	4Q	1-4Q	4Q			1-4Q		
	Amount	Amount	Amount	YoY Change %	% of Net Sales	Amount	YoY Change %	% of Net Sales
Japan	2,776	24,437	3,969	43.0	59.5	22,453	(8.1)	57.7
Asia	1,189	12,028	1,473	23.9	22.1	12,289	2.2	31.6
Americas	241	1,205	457	89.7	6.9	1,542	27.9	4.0
Europe	343	1,385	448	30.6	6.7	1,425	2.9	3.7
Sub total	4,550	39,057	6,349	39.5	95.2	37,710	(3.4)	96.8
Others	402	240	144	257.9	2.2	354	47.2	0.9
Adjustment	195	750	178	(8.8)	2.7	874	16.6	2.2
Operating Income	4,786	40,048	6,671	39.4	100.0	38,939	(2.8)	100.0

- Profit increased in overseas regions.
- Profit in the 2nd half increased YoY in Japan.

Japan: Increase in Sales and Decrease in Profit



Sales : ¥ 164,988 million +5.2% (YoY) and -0.1% (Q4 YoY)

Operating Income : ¥ 22,453 million -8.1% (YoY) and +43.0% (Q4 YoY)

- Sales of “Rohto V5” supplements, new lip balms, “Hadalabo”, new hair treatment, “GYUTTO”, “CareCera”, sunscreen and high-end eye drops continued to perform strongly.
- Inbound sales reached a record high.
- In addition to Rohto’s non-consolidated sales, Rohto Nitten Co., Ltd. contributed to sales increase.
- Profits decreased due to deterioration in the cost of sales ratio as well as an increase in SG&A expenses including R&D expenses despite controlled advertisement cost.



“Lip Fondue,” for glossy, plumped lips, became popular quickly after the launch.



“Gyutto”, frizzy hair treatment for adults, received many cosmetic awards. It became out of stock quickly after the launch.



“Hadalabo” and “Melano CC” are No. 1 and No. 2 brands for basic skincare sold in drugstores.*



“Rohto V5 ACT-VISION” is very popular on EC channels.

Demand of Inbound Reached a Record-High Level.



Eye drops have strong demand.



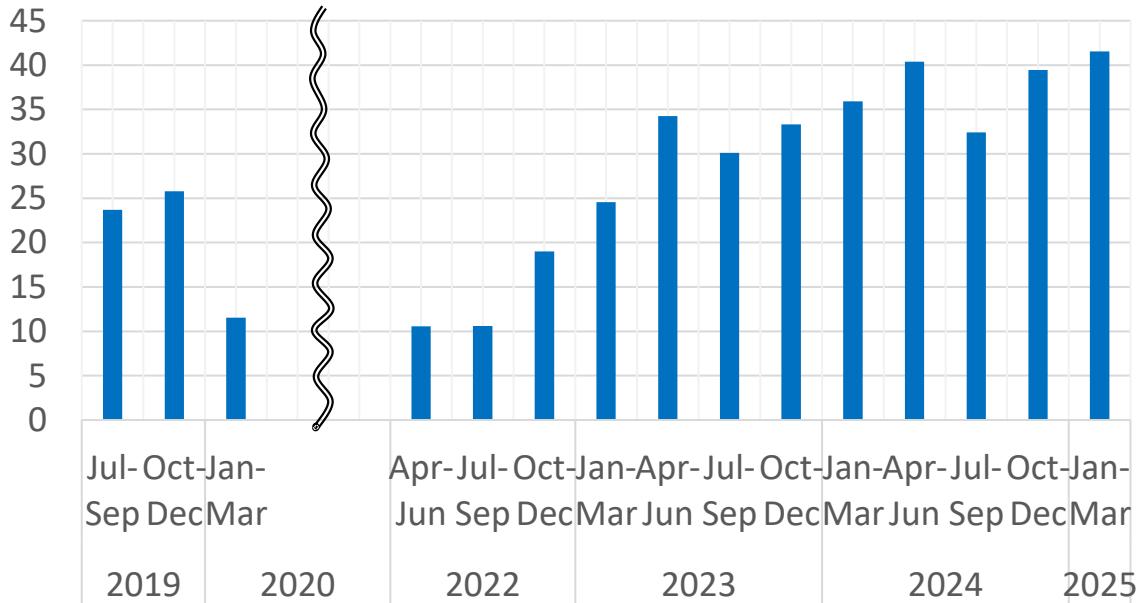
“Hadalabo” and “Melano CC” are popular among inbound visitors.



Lip balms are also popular.

Sales to foreign visitors in Japan (estimate)

(100 Millions of yen)



Asia: Significant Increase in Sales and an Increase in Profit

Sales : ¥ 100,336 million +27.4% (YoY) and +44.5% (Q4 YoY)

Operating Income : ¥ 12,289 million +2.2% (YoY) and +23.9% (Q4 YoY)

- Sales in Vietnam and Indonesia remained strong.
- The second half EYS was consolidated and its business has been affected by the economic slowdown in Singapore and Hong Kong.
- Import into Myanmar was severely restricted, which led to difficulties for the import of raw materials and products, resulting in a decrease in sales and profit significantly.
- Sales of “Hadalabo”, anti-dandruff shampoo “Selsun”, “Acnes” and lip balm performed strongly.
- Despite amortization of goodwill (1.090 million yen) and acquisition-related expenses (370 million yen), profits in both Vietnam and Indonesia contributed positively, resulting in overall profit growth.

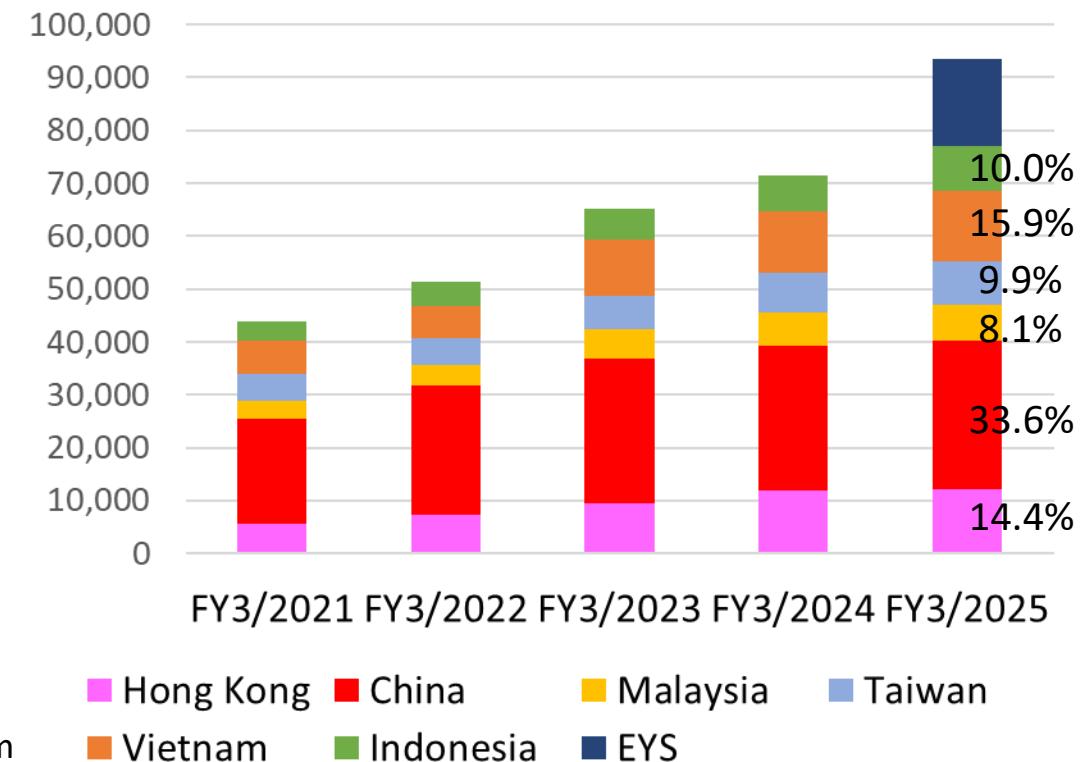


In Vietnam, new users were successfully acquired through the 15th anniversary campaign for “Hadalabo”.



Promotional campaign of Mentholatum 135th anniversary ran in Asian regions contributing to an increase of brand awareness and products sales.¹¹

Sales ratio in Asia



*Sales ratio in Asia is shown excluding EYS

Americas: Significant Increase in Sales and Profits



Sales : ¥ 20,769 million +11.9% (YoY) and +15.5% (Q4 YoY)

Operating Income : ¥ 1,542 million +27.9% (YoY) and +89.7% (Q4 YoY)

- OTC eye drops remained strong.
- Hydrox Laboratories, which manufactures and sells medical disinfectants, continued to perform strongly.
- Brazilian subsidiary contributed to increased sales thanks to popular “Hadalabo.”
- Improvement in profits of both Hydrox Laboratories and the Brazilian subsidiary contributed to an increase in profits.

“Dual Light Relief” was launched in Aug 2024.



Europe: Significant Increase in Sales and an Increase in Profit



Sales : ¥ 19,163 million +38.0% (YoY) and +71.4% (4Q YoY)

Operating Income : ¥ 1,425 million +2.9% (YoY) and +30.6% (4Q YoY)

- Sales of topical analgesic products declined due to delays in shipments to Middle-East countries.
- Dax Cosmetics contributed to increase in sales thanks to strong sales of “Perfecta” and “Hadalabo Tokyo” which expanded sales countries.
- “Rohto Dry Aid”, launched in 2021, explored new markets and remained strong.
- The second half of Mono chem-pharm was consolidated.
- Sales in Dax Cosmetics contributed to an increase in profit despite the sales decline of topical analgesic products.



MoNo



In addition to the UK and Poland, sales promotion with major retailer Gratis in Turkey and expansion into new markets such as Spain and South Africa are key growth drivers for “Hadalabo Tokyo”.



Outlook for FYE 3/2026

Highlights



- Although there are concerns about households' increased frugality in the face of rising prices in Japan, a gradual recovery is expected against the background of wage increases, expansion of capital investment, and rising inbound demand.
- Overseas, the environment for personal consumption is expected to remain challenging due to increasing uncertainty over trade policy and other factors.
- We forecast sales increase with record-high figures for FY 3/2026.
- We forecast a profit increase despite the impact of yen appreciation.
- Japan: Upfront investment for mid- to long-term sustainable growth.
 - In addition to a rise in inbound demand, domestic consumption remains steady.
 - Sales and profits in Qualitech Pharma Co., Ltd. and other subsidiaries are expected to decline.
- Overseas
 - We estimate appreciation of Japanese yen.
 - The Chinese and Hong Kong market is recovering, and Vietnam and Indonesia will continue to drive growth.
 - Eu Yan Sang and Mono chem-pharm will be fully consolidated.
- Dividends are planned to increase for 22 consecutive fiscal years with a payout ratio of 30.5%.

Forecast for FY3/2026



- Estimated to have record high sales
- Impact of Yen depreciation: Sales: -13,100 million yen, Operating income: -1,500 million yen
- EBITDA margin: Forecast at 16.7%

(Unit = Millions of yen, rounded down)

	FY3/2024		FY3/2025		FY3/2026 (Forecast)			
	Amount	% of net Sales	Amount	% of net Sales	Amount	% of net Sales	YoY Change	YoY Change %
Sales	270,840	100.0	308,625	100.0	334,500	100.0	25,874	8.4
Operating income	40,048	14.8	38,939	12.6	39,000	11.7	60	0.2
Ordinary income	42,434	15.7	40,430	13.1	40,500	12.1	69	0.2
Profit attributable to owners of parent	30,936	11.4	31,006	10.1	31,100	9.3	93	0.3
Basic net income per share (Yen)	135.61	-	136.11	-	137.63	-	-	-
EBITDA margin (%)	18.0	-	16.9	-	16.7	-	-	-

Exchange rate (Yen/USD) 143.31 152.611 142.00
(Yen/CNY) 19.82 21.02 19.00

FY3/2026 Sales Forecast by Segment



- Impact of Yen depreciation for sales (Americas: -2,000 million, Asia: -10,200 million, Europe: - 600 million yen)

(Unit = Millions of yen, rounded down)

	FY3/2024		FY3/2025		FY3/2026 (Forecast)			
	Amount	% of net Sales	Amount	% of net Sales	Amount	% of net Sales	YoY Change	YoY Change %
Sales	270,840	100.0	308,625	100.0	334,500	100.0	25,875	8.4
Reporting Segment	Japan	156,851	57.9	164,988	53.5	171,200	51.2	6,211
	Asia	78,751	29.1	100,336	32.5	116,000	34.7	15,663
	Americas	18,565	6.9	20,769	6.7	20,200	6.0	△569
	Europe	13,884	5.1	19,163	6.2	23,800	7.1	4,636
	Total	268,053		305,258		331,200	99.0	25,941
Others		2,786	1.0	3,366	1.1	3,300	1.0	△66
Exchange Rate (Yen/USD)		143.31		152.61		142.00		

*Net Sales to outside customers

FY3/2025 Operating Income Forecast by Segment (Unrevised)



- Asia, Europe : Estimated an increase in profits
- Japan : Qualitech Pharma Co., Ltd. and other subsidiaries are expected to contribute to a decline in profits.
- Impact of Yen depreciation : for O. I. (Americas: -100 million, Asia: -1,200 million, Europe: -100 million yen)

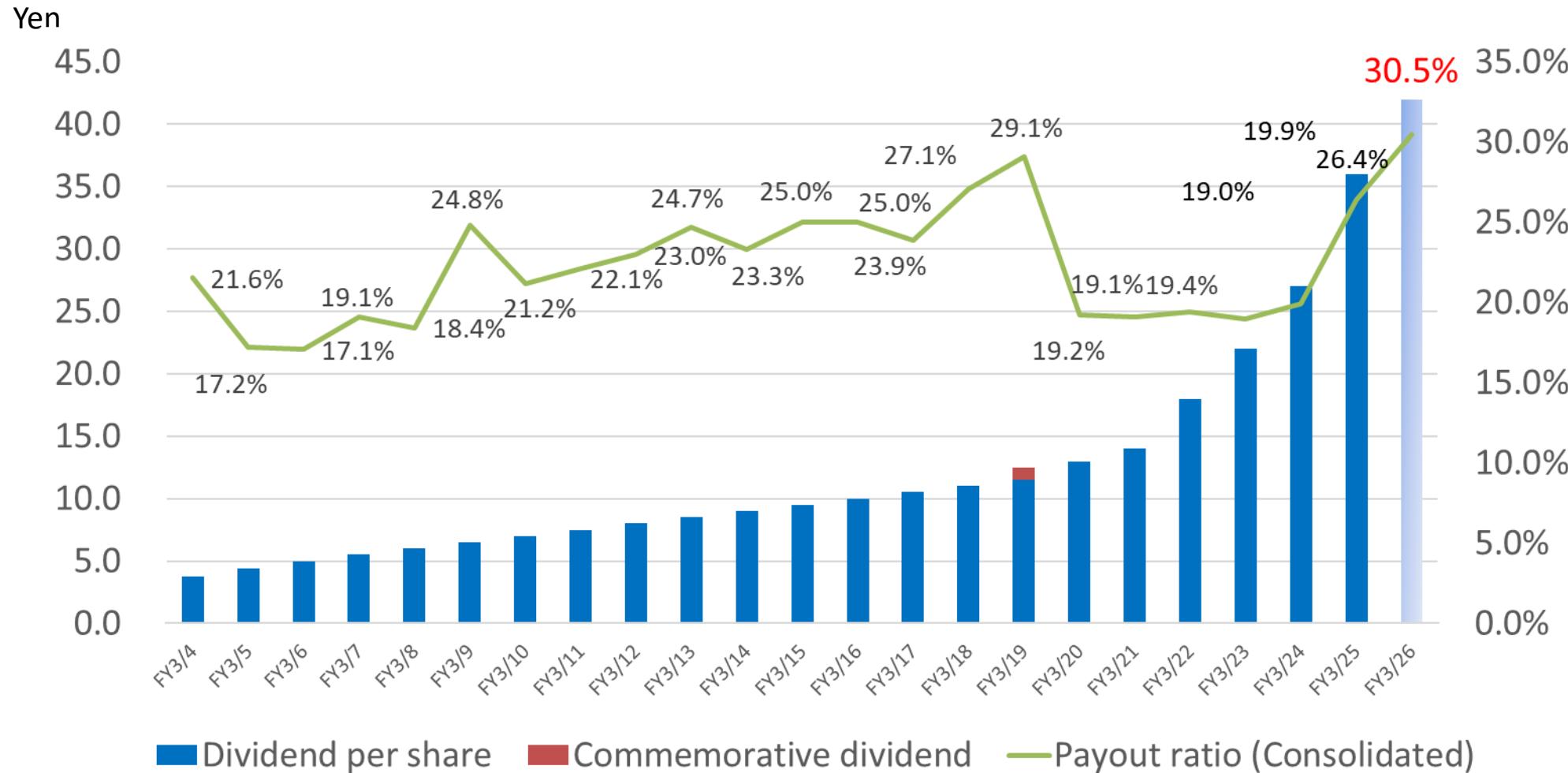
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	FY3/2024		FY3/2025		FY3/2026 (Forecast)			
	Amount	% of net Sales	Amount	% of net Sales	Amount	% of net Sales	YoY Change	YoY Change %
Operating income	40,048	100.0	38,939	100.0	39,000	100.0	60	0.2
Reporting Segment	Japan	24,437	61.0	22,453	57.7	21,700	55.6	△753 △3.4
	Asia	12,028	30.0	12,289	31.6	12,800	32.8	510 4.2
	Americas	1,205	3.0	1,542	4.0	1,400	3.6	△142 △9.2
	Europe	1,385	3.5	1,425	3.7	2,000	5.1	574 40.3
	Total	39,057		37,710		37,900		
Others	240	0.6	354	0.9	300	0.8	△54 △15.3	
Adjustment	750	1.9	874	2.2	800	2.1	△74 △8.5	
Exchange Rate (Yen/USD)	143.31		152.61		142.00			

Forecast to Increase Dividends for 22 Consecutive Fiscal Years



■ Interim dividend: 21 yen, Year-end dividend: 21 yen. Payout ratio: 30.5%



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