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To whom it may concern:

Company	D.Western Therapeutics Institute, Inc.
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	(Securities code: 4576; TSE Growth)
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Announcement of basic agreement on U.S. sales partnership for "Bondlido"

D. Western Therapeutics Institute, Inc. (hereafter, "DWTI") hereby announces that it has received notice from MEDRx Co., Ltd. (hereinafter "MEDRx"), with which the Company has jointly developed and obtained marketing approval in the United States for the lidocaine tape formulation "Bondlido (development code: DW-5LBT)," that MEDRx has reached a basic agreement with Terrain Pharmaceuticals (Reno, Nevada, hereinafter "Terrain"), a U.S. pharmaceutical company, on the basic terms of a sales partnership in the United States. MEDRx and Terrain plan to finalize the detailed terms of an exclusive sales license agreement within 60 days, execute a formal agreement, and proceed with preparations for launch in the second half of 2026.
Terrain is a U.S.-based specialty pharmaceutical company headquartered in Reno, Nevada, and has more than 10 years of experience in the development and sales of topical analgesics. Through a nationwide distribution network that includes independent retail pharmacies, specialty pharmacies, and medical institutions, the company has cultivated deep expertise in bringing prescription pharmaceuticals and over-the-counter products to market, including topical patches and semi-solid formulations containing lidocaine and NSAIDs.
For details, please refer to the company's website (https://terrainrx.com/).

Under the agreement with MEDRx, the Company will receive a profit-sharing payment based on this product's revenue performance.

As the revenue performance of this product is uncertain, there will be no change to the earnings forecast for the fiscal year ending December 2026 as a result of this matter; however, the Company will promptly disclose any impact once it becomes clear.

Bondlido (development code: DW-5LBT)
Bondlido is a novel lidocaine patch that utilizes MEDRx's proprietary ionic liquid transdermal system (ILTS®) technology and is being developed to address and expand the existing market for the Lidoderm® lidocaine patch. Based on the results of the clinical trials to date, Bondlido is expected to penetrate the market as a superior product to Lidoderm®, the leading benchmark product, with less skin irritation, superior adhesive strength, and retention of adhesive strength even during exercise. The US market for lidocaine patch products was estimated to be worth about USD 295 million in 2025 (date source : MEDRx).

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