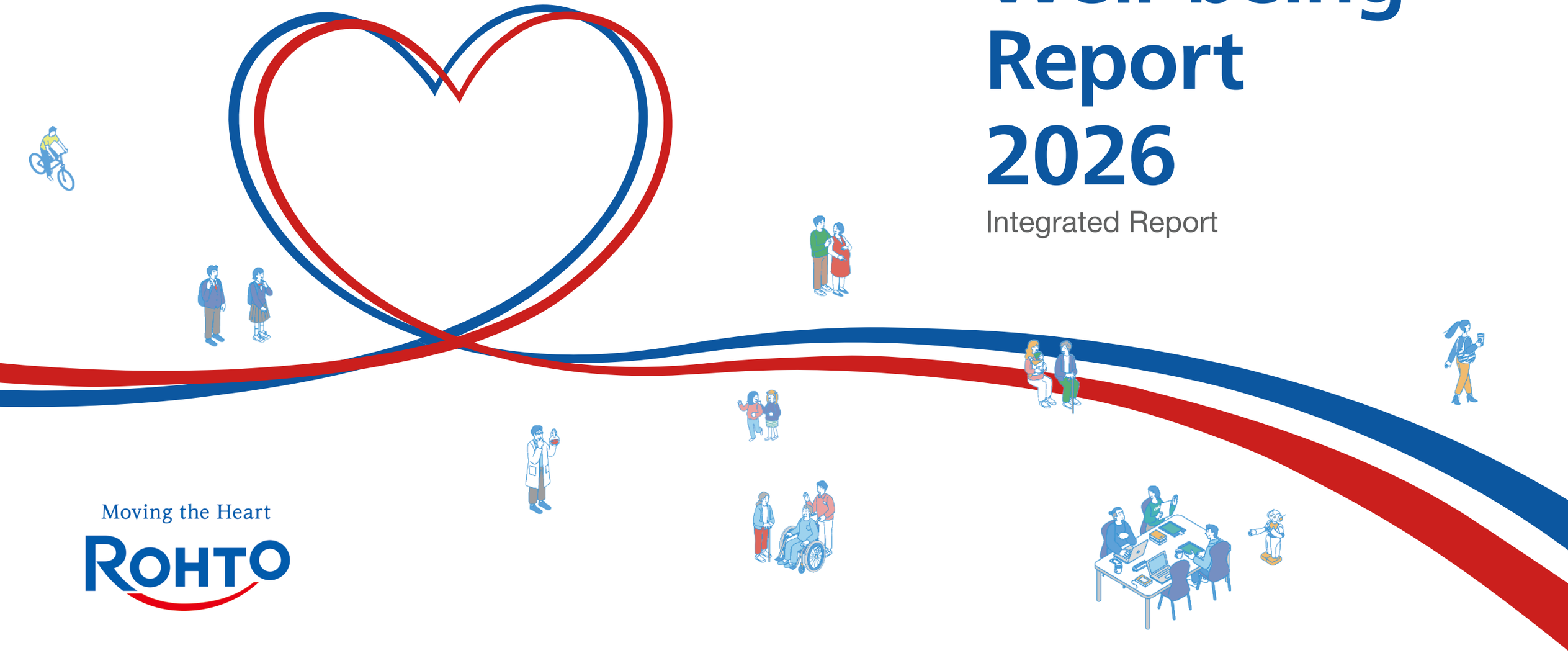
ROHTO Well-being Report 2026

Integrated Report



Moving the Heart

ROHTO

Rohto Group 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 institution of society, 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.









Purpose : Our mission and reason for existence in society

Make people happier, make the future brighter.

Vision : Our ideal state

Connect for Well-being & Longevity

DNA : What shapes us

Happy Surprise! | NEVER SAY NEVER | Passion & Science

Values :The values we cherish

RHOTO's Seven Pledges

1. We work wholeheartedly to support society, to help create a better world.
2. To this end, we are resolved to learn with humility and strive continuously toward self-improvement.
3. We place the highest importance in earning the trust and respect of our colleagues and our external business partners.
4. We take pride in our corporate culture that fosters lofty ideals, stirs passionate debate, and generates energetic actions.
5. We delight in constantly challenging each other to create waves of happy surprises for our customers worldwide.
6. Our people are our greatest asset. Our hard working culture, spirit of close cooperation, determination, passion, and leadership provide the fuel that drives the company.
7. We firmly pledge to serve the people, the society, and the environment, and are thankful for our meaningful existence.







Corporate Slogan

Moving the Heart

We aim to be a company where employees work from the heart to move the heart of the consumers, to make people happier, and to make the future brighter.





CONTENTS

ROHTO Group's Value Creation

Our Purpose/Corporate Philosophy 01
Message from the President 03
Value Creation Story 07

Growth Strategies for Realizing Our Purpose

Rohto Group Comprehensive Management Vision ... 13
Medium- to Long-Term Growth Strategy 2025-2035 ... 16
At a Glance 17
Regional Strategy 18
Business Strategy
- Eye Care 19
- Skincare 21
- Oral Medicine/Health Food 24
- Medical 26

Financial Strategy/Message from the CFO ... 29
Human Capital Strategy/Message from the CHRO 32
Manufacturing Strategy 36
Digital Strategy/Message from the CDO ... 38
Intellectual Property Strategy 40
Co-creation Strategy 42

Sustainability

Sustainability System 45
Sustainable Global Environment 47
Coexistence with Society 53

Special Dialogue—Chairman Yamada x Outside Director Iwata

Proactive Governance Leads Challenges to the Future ... 59

Corporate Governance

Corporate Governance 63
Risk Management 67
Compliance 68
Directors and Audit & Supervisory Board Members ... 69

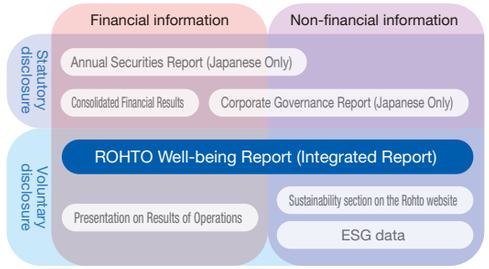
Data Section

Key Financial Data (11-Year Summary) ... 71
Non-Financial Data 72
Corporate Data 73
Global Network 74

Editorial Policy

We are issuing Rohto Well-being Report 2026 in order to help a deeper understanding of our initiatives to increase Rohto Group's medium- to long-term corporate value. It includes an overview of the Group, our medium- to long-term growth strategy centered on Well-being, and ESG information. We would be grateful if this report could foster greater understanding and support among our stakeholders, in particular shareholders and investors, and serve as a catalyst for dialogue. Any information concerning finances, sustainability, research and development, or other matters that is not included in this report can be found on our website.
https://www.rohto.co.jp

Disclosure information



Reporting Period

From April 1, 2025 to March 31, 2026 (Information outside this period is also included if it is appropriate to indicate present historical background and data, or recent cases.)

Please Note

The financial results forecasts and other forward-looking statements in this report include forecasts based on the judgment made by management using data that was readily available as of the date of the preparation of this report. Therefore, actual results may greatly differ from the forecasts due to various factors that may affect business performance.

Moving the Heart
ROHTO

ROHTO Group's Value Creation

▶ **Our Purpose/Corporate Philosophy**
Message from the President
Value Creation Story
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

Message from the President



Towards management that transforms change into strength Delivering new health value to the world

President and Representative Director
Hidetoshi Segi

Navigating the era of change with people and science

In fiscal 2025, the Rohto Group achieved record-high net sales and operating income. My first year as President and Representative Director has been a year in which we have demonstrated to everyone inside and outside the Company the new direction that we are aiming for, and in which we steadily advanced efforts toward achieving that direction. I would like to express my sincere gratitude to everyone who has supported our activities on a regular basis.

In recent years, the business environment has remained unpredictable due to factors such as rising geopolitical risks, increasing raw material prices, and exchange rate fluctuations. Change is no longer a temporary issue, but an issue that needs to be addressed on an ongoing basis. Especially in times like these, I believe it is crucial that we do not waver from our purpose: Make people happier, make the future brighter.

In order to continuously realize this purpose, I set the goal of “creating a company that is resilient to change” when I took office. A company that is resilient to change is not one that simply endures change. It is a company that, while maintaining its medium- to long-term direction and steadily advancing its current business, proactively initiates change and boldly takes on the challenge of new possibilities. Then, it eagerly absorbs what it has learned, transforming it into a force for further evolution. Our vision of a “company that is resilient to change” is one that continuously grows to become even stronger by using change as a springboard.

At the foundation of this is our strength—our people and the organization that enables them to thrive—and the driving force behind it is science. Human resources who question the status quo, formulate their own questions, and take on challenges in new fields. And science that verifies hypotheses based on facts, discerns the essence of things, and leads to solutions through innovation. By combining these, we transform change from a threat into an opportunity for growth. That is the vision we strive for.

Moving the Heart
ROHTO

ROHTO Group’s Value Creation
Our Purpose/Corporate Philosophy
▶Message from the President
Value Creation Story
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

Moving the Heart ROHTO

ROHTO Group's Value Creation
Our Purpose/Corporate Philosophy
Message from the President
Value Creation Story
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

Towards "Longevity" beyond "Well-being"

We have adopted "Connect for Well-being & Longevity" as our new vision. Well-being refers to a state in which each individual is healthy both physically and mentally, and can live with a sense of happiness. Longevity refers to maintaining that healthy state over a long period of time. Our vision is not simply about extending life expectancy, but about figuring out how to maintain youthful, healthy, and happy days both physically and mentally for as long as possible. This vision reflects our will to address this question through science and deliver concrete solutions to society.

Japan, having been a pioneer in addressing the challenges of a society with a long life expectancy, possesses the wisdom needed to live a healthy and fulfilling life, and I believe that the Company has the potential to offer such Japanese-born science to the world. Of course, we cannot achieve this on our own. We will connect with diverse partners through joint research, business partnerships, and regional co-creation, and leverage each other's strengths to shape new approaches to health. The concept of "Connect for," which links people, businesses, and research, underpins the Company's growth strategy.

Toward realizing the Medium- to Long-Term Growth Strategy

In fiscal 2025, in addition to the steady performance of our domestic business, growth of our overseas business, mainly in Southeast Asia, and the effect of consolidating Eu Yan Sang and MoNo chem-pharm Produkte GmbH boosted the growth of the entire Group. As a result, we expect to achieve our initial fiscal 2027 net sales target one year ahead of schedule in fiscal 2026, demonstrating how our Medium- to Long-Term Growth Strategy is progressing better than expected.

However, as I mentioned earlier, I believe that our Medium- to Long-Term Growth Strategy should also be flexible and adaptable precisely because we are living in an era of rapid change. While steadily achieving short-term performance forecasts, we are calmly assessing risks and opportunities from a medium- to long-term perspective, without being too tied to the current situation.

One of the major factors in our growth strategy is global expansion. Currently, the overseas sales ratio is more than 50% of our total sales, and the number of countries in which we sell our products has expanded to more than 115 countries. Expanding points of contact with consumers around the world is a major step toward achieving our purpose, and at the same time, it is the foundation that supports our growth. In addition, expanding our business across diverse countries and regions leads to risk management that reduces dependence on specific markets and economic environments. The Company has a number of products, including eye drops, that it has yet to deliver to many consumers around the world. By leveraging our strengthened overseas network, we will deliver products to countries and regions where self-care has yet to take root. In addition to traditional communication methods such as in-store displays and TV commercials, I believe that increasing our points of contact to support daily health and spread appropriate care habits as



well as just delivering products, through one-to-one communication via cross-border social media, will lead to the realization of our Medium- to Long-Term Growth Strategy.
In addition, we will expand our points of contact while simultaneously strengthening our business portfolio. The strength of our portfolio lies in the fact that, rather than being isolated as separate businesses, we are able to share brands, knowledge, and know-how in sales, R&D, and manufacturing. One of our approaches is to address the need for inner care, combined with eye care and skincare, through oral medicine/health food. In addition, we will broaden the scope of our proposals by using science to elucidate natural material-based products, such as those from Eu Yan Sang, which we acquired in 2024.
Furthermore, in the medical business, which is positioned as a growth investment, Qualitech Pharma has achieved growth in oral medicine for medical use, ROHTO NITTEN has achieved growth in ophthalmic pharmaceuticals and lacrimal duct tubes, and Amato Pharmaceutical Products has achieved growth in hemorrhoid remedies. Overseas, companies such as Hydrox, which handles disinfectants for medical institutions, and Ophthalmos S.A., which handles ophthalmic medical devices, also continue to grow through the medical route. Going forward, we will leverage synergies across the Group in Japan and overseas to develop the medical business into a pillar of revenue.



Deepening science and connecting it to the future

A symbol of our commitment to sharing knowledge and know-how in business is our “Longevity” science, which originates from cell research. Knowledge and know-how cultivated through self-care are utilized in the medical field, and the knowledge and technology deepened in the medical field are then returned to consumers in the form of familiar products. This cycle of knowledge continuously generates new value. This initiative is based on the wide range of knowledge that we have accumulated since our founding related to the human body, including knowledge of the eyes and skin. It aims to scientifically elucidate the mechanisms that maintain the body’s inherent health and to implement the results in products and services for society. Furthermore, by combining self-care and professional care businesses, which operate on different cycles, we can improve development efficiency while also balancing a short-term revenue base with medium- to long-term growth opportunities.
At present, we are promoting the application of “phytoscience,” which harnesses the power of plants, algae, and other organisms. This research knowledge is being used to add value to skincare products and develop functional supplements, leading to products that support daily health. Going forward, we will continue to build upon research results centered on Longevity, enhance the value of our existing businesses, and expand new possibilities that lead to future growth.
In addition, collaboration within the Group is essential in order to deliver scientific findings more quickly and widely to society. We will strengthen our global medical development with MoNo chem-pharm Produkte GmbH, and also promote synergy creation through integration with Eu Yan Sang, aiming to expand our product lineup and improve profitability by leveraging our knowledge in herbal medicine and Kampo (Chinese herbal medicines).

ROHTO Group’s Value Creation
Our Purpose/Corporate Philosophy
Message from the President
Value Creation Story
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

ROHTO Group's Value Creation
Our Purpose/Corporate Philosophy
Message from the President
Value Creation Story
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

In the domains of regenerative medicine and CDMO, we will take on challenges in cutting-edge fields through co-creation with companies such as RAYMEI Inc. and Human Life CORD Japan Inc.
From self-care that is familiar to consumers to cutting-edge medical care, we connect knowledge across fields to support people in leading healthier lives for longer periods of time. Toward that end, we will build a strong and balanced business portfolio that leads to sustainable growth.



Contributing to global health with heart

At the heart of the Company's activities is the desire to contribute to solving social issues as a "public institution of society." Under our corporate slogan, "Moving the Heart," we have continuously taken on challenges with passion. I believe that delivering health to people and contributing to the formation of a well-being society and the realization of longevity will lead to the vitality of society and the sustainability of the global environment, and that solving sustainability issues is an activity that supports corporate value.
Sustainable growth requires a business foundation that consistently earns the trust of society. Quality control, in particular, is a crucial element that supports said trust in us as a pharmaceutical company. We will fulfill our responsibility for quality by ensuring the safety and functionality of our products, as well as by ensuring their reliable delivery and that they are used based on accurate information. In addition, we believe that consideration for the environment and risk management, including throughout the supply chain, cannot be achieved by the Company alone. Rather, it can only be realized through collaboration with our partners, including our business partners. In our efforts, we will not only pursue numerical targets such as the reduction of CO_2 emissions, but also work towards achieving true sustainability beyond those targets. We will also continue our efforts to strengthen information disclosure and governance.
All of this, including our growth strategy, can only be realized because we have human resources who possess diverse values, who understand science, and who can translate that understanding into tangible business activities. In any era, it is ultimately people's will and actions that create new value. Science, no matter how brilliant, can only reach society when it is driven by compassion and concern for people. That is why we are also focusing on health and productivity management, so that each and every employee can be healthy in mind and body, make the most of their abilities, and create new value.
In fiscal 2025, we had many opportunities to engage in dialogue with stakeholders. Through these dialogues, we reaffirmed the significant role that the Rohto Group must play. We will embrace the changing times, provide unprecedented health solutions, and support healthy lives for people around the world. To meet these expectations, we will continue to take on new challenges.

Value Creation Story

The Company was founded in Osaka in 1899, with the aim of protecting the health of people suffering from stomach diseases. Since then, with "Health" as our core value, we have responded to the needs of the times and society, accumulating wisdom and research, and delivering "Health" to people around the world through valuable products and services. We will continue to address the concerns of each and every person and strive to create new value through innovation.

History

1899

Increase in the number of people suffering from stomach diseases

In the Meiji period, the number of patients with stomach diseases increased due to changes in dietary habits. The Company began with the launch of Ikatsu gastrointestinal medicine by the founder, who believed that effective stomach medicine was needed.



Founder
Yasutami Yamada

1909

Prevalence of trachoma

After the Russo-Japanese War, the nation was struck with trachoma (chronic conjunctivitis) epidemic, which had spread from demobilized soldiers, causing the number of people losing their eyesight to increase. The launch of Rohto Eye Drops contributed to improving eye health of people.



1959

Promoting health and productivity management

Under the company motto "Wakyô Doryoku," and in the belief that the development of the Company and the happiness of its employees are inseparable, the Company improved its working environment, automated production, and enhanced welfare facilities, developing a comprehensive worksite where employees can work comfortably.



1985

Protecting mothers and babies

We began sales of pregnancy test kits at pharmacies and drugstores for the first time in Japan from the perspective of protecting mothers and babies. We continued to emphasize the significance of test kit, and in 1992, gained approval as an OTC drug, which was launched in the following year.



2013

To patients waiting for new treatment methods

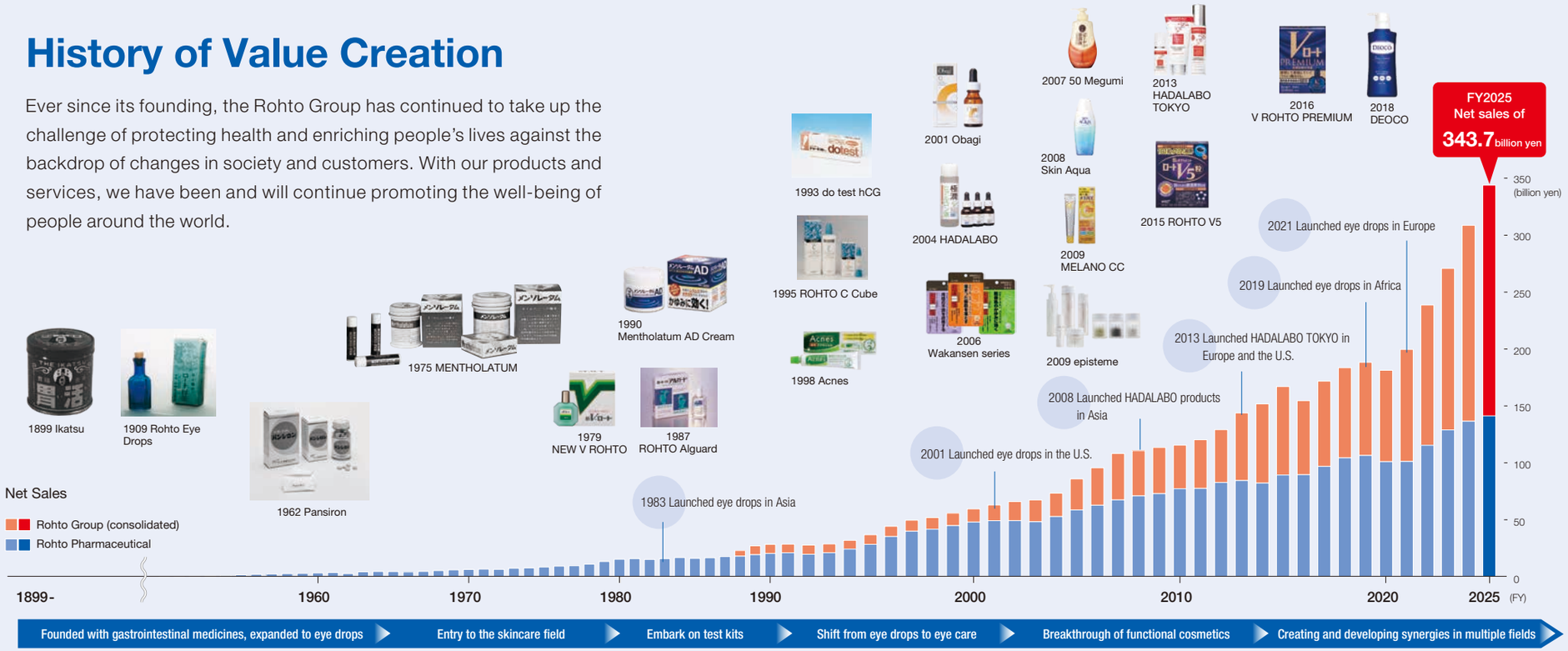
We started regenerative medicine research. The Company continues to take on the challenge of curing injuries and illnesses for which there was no treatment approach through conventional medicine.



ROHTO Group's Value Creation
Our Purpose/Corporate Philosophy
Message from the President
Value Creation Story
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

History of Value Creation

Ever since its founding, the Rohto Group has continued to take up the challenge of protecting health and enriching people's lives against the backdrop of changes in society and customers. With our products and services, we have been and will continue promoting the well-being of people around the world.



Value creation

1899 Founded with Ikatsu gastrointestinal medicine
"All diseases start from the stomach." The Company started business in response to an increase in the number of patients with stomach diseases. We enhanced convenience with Siron (1954), an individually packaged medicine fit for the lifestyle, followed by the launch of Pansiron (1962) in an easy-to-drink granule form. We thus built a base for the lineup according to symptoms.

1909 Launched Rohto Eye Drops against the backdrop of the spread of eye diseases
Rohto Eye Drops, which was launched to protect the eyes from ocular disease trachoma, revolutionized the eye drops industry with its easy-to-use, drop-in, double-ended eye drop bottle (1931). It continues to evolve into the current eye-drops, including the launch of the multi-prescription V Rohto (1964).

1975 Entry to the skincare field with the Mentholatum series
Beginning with dermatological medicines and lip balms, the Mentholatum series offers a range of products tailored to skin problems, including sunscreen and acne care, to protect healthy skin.

1985 Sale of pregnancy test kits at pharmacies and drugstores
We started selling pregnancy test kits at pharmacies and drugstores. In order to protect mothers and babies, we challenged the acquisition of approval as an OTC drug, which was achieved in 1992. The Company's in-house brand Dotest (1993) carries on this philosophy, and supports self-care with various test kits.

1995 Popularized contact lens care
We launched contact lens care products available at drugstores. We then began sales of contact lenses and expanded the scope of our eye care domain.

2001 Proposed functional cosmetics
We turned pharmaceutical concepts into cosmetics. Centering on Obagi (2001) and HADALABO (2004), we pursue functions and evidence with a focus on the fundamentals of skin.

2009 Aging care* for which cutting-edge technology is applied
We started counseling sales of cosmetics at department stores with the launch of episteme. We offer beauty solutions that help customers overcome skin problems.

2013 Started regenerative medicine research
The Company continues to take on the challenge of curing injuries and illnesses for which there was no treatment approach in the conventional medical care.

*: Moisturization according to age

2022 The companion animal business
We challenged the well-being of companion animals.

2025 Sponsored and participated in the Osaka Expo
At the "Osaka Healthcare Pavilion Nest for Reborn" at Expo 2025 Osaka, Kansai, Japan, we presented new future-oriented exhibits focusing on two areas: regenerative medicine and eye care.

2025 Acquired Obagi-related trademarks (Japan)
We acquired Obagi-related trademarks in Japan, and all licenses and sales rights were permanently transferred. We will further strengthen the Obagi brand in Japan.

Strengthen the system

1959 Opened a plant Osaka Plant

1988 M&A The Mentholatum Company (U.S.)

1991 Established a subsidiary Mentholatum (China) Pharmaceuticals Co., Ltd.
1996 Established a subsidiary PT. Rohto Laboratories Indonesia
1997 Established a subsidiary Rohto-Mentholatum (Vietnam) Co., Ltd.
1998 Opened a plant Vietnam Plant
1999 Opened a plant Ueno Plant (Mie Prefecture)

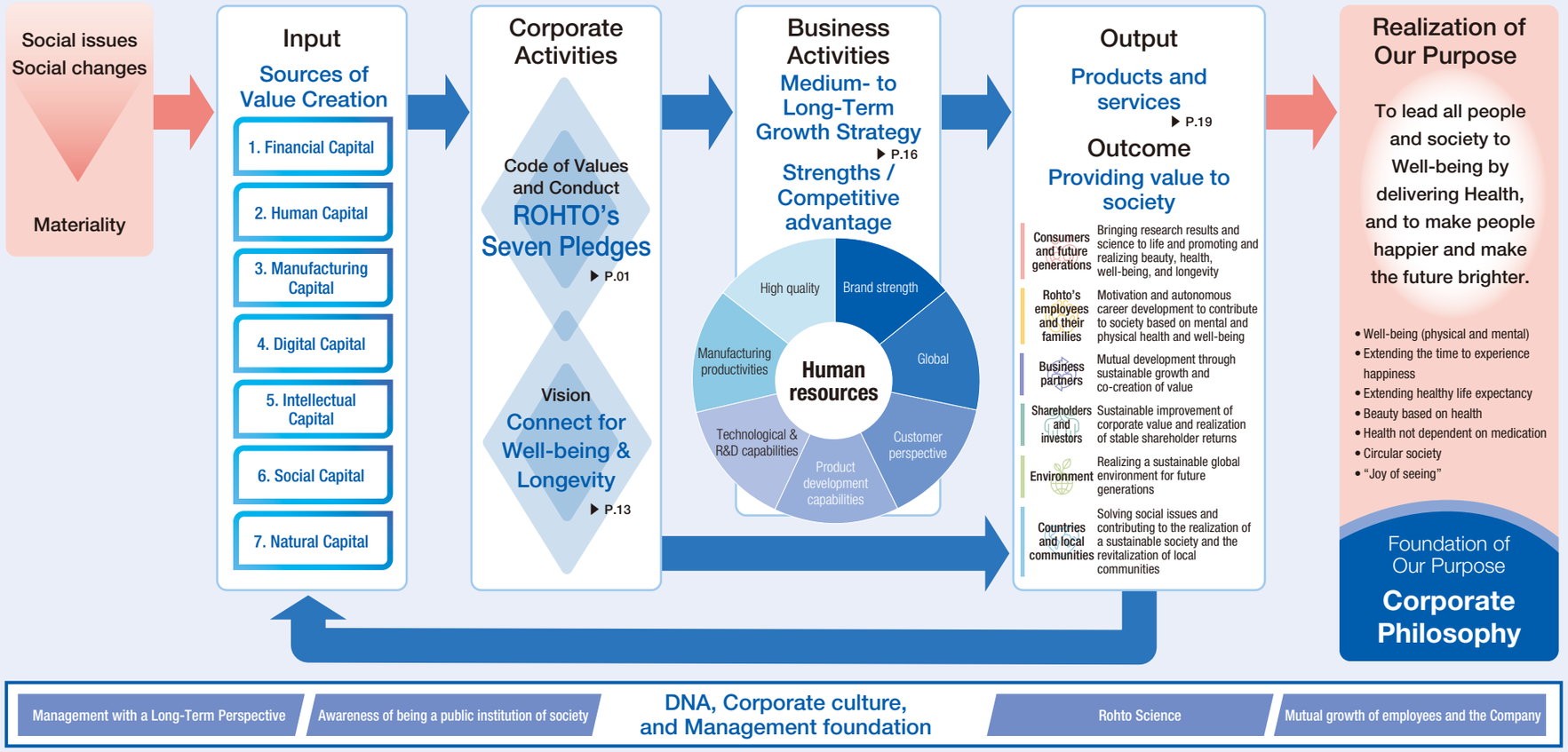
2002 M&A MG Pharma Inc.
2006 Opened a lab. Research Village Kyoto
2007 M&A Meguro Kako Inc. (currently Qualitech Pharma Co., Ltd.)
2014 M&A DAX Cosmetics Sp. z o.o. (Poland)
2016 M&A Ophthalmos S. A. (Brazil)

2020 M&A Nitten Pharmaceutical Co., Ltd. (currently Rohto Nitten Co., Ltd.)
2021 M&A Hydrox Laboratories, Inc. (U.S.)
M&A Amato Pharmaceutical Products, Ltd.
M&A Olympus RMS Corporation (currently Interstem Co., Ltd.)
2024 M&A Eu Yan Sang International Ltd. (Singapore)
M&A MoNo chem-pharm Produkte GmbH (Austria)

Well-being Management

The "well-being management" that the Rohto Group pursues is founded on our corporate philosophy and the mental and physical health of our members. We aim to promote the value of well-being both within the Company and beyond. We foster meaningful connections between people, co-create with colleagues within and outside the Company, and cultivate well-being by continuously rising to new challenges. In this way, we endeavor to promote well-being in all aspects of life—for consumers, future generations, business partners, local communities, countries, the world, and the natural environment—thus contributing to the formation of a sustainable society with well-being and the realization of longevity.

Value Creation Process



Sources of Value Creation

1. Financial Capital

Enhancing management resilience by balancing growth investments and shareholder returns under appropriate financial discipline

By creating value based on science that emphasizes innovation, we have created a high level of cash-generating capabilities. We will allocate cash generated to investments in future growth and to stable and continuous shareholder returns, while maintaining financial soundness. This disciplined allocation of capital enhances the resilience of management.

▶ Financial Strategy P.29

3. Manufacturing Capital

Quality and supply capabilities supported by continuously evolving manufacturing

Based on people and a culture of Kaisen, we integrate DX, AI, and a global production and supply network. We own seven plants worldwide that handle sterile formulations, which require high levels of technological capabilities and quality control, and we also have a wide range of manufacturing bases that include skincare and oral formulations. By mutually leveraging the knowledge accumulated in each domain, we are creating synergies and achieving high quality, stable supply, and speed.

▶ Manufacturing Strategy P.36

7. Natural Capital

Value creation that links natural gifts to the future

Water resources, energy resources, plant-derived raw materials, forests, biodiversity, and other natural capital are essential foundations that support people's health and affluent lifestyles, as well as our R&D and production activities. We are grateful and responsible for these natural gifts, and we are committed to creating value for the future through their conservation and sustainable use.

▶ Sustainable Global Environment P.47

2. Human Capital

Letting diverse individuals shine and realizing "mutual growth for the Company and employees"

Based on an organizational foundation for well-being, we promote challenges and co-creation through the participation of all employees, and foster an environment where diverse individuals can learn and grow autonomously. The challenges and growth of each individual become the strength of the organization, as well as the driving force that continues to transform the issues in a changing society and market into new value.

▶ Human Capital Strategy P.32

4. Digital Capital

Supporting co-creation between humans and AI, and accelerating value creation for each type of capital

We leverage our health-related knowledge, customer feedback, and the accumulated challenges and aspirations of each employee as data assets to expand human creativity and insight. We are accelerating the creation of "Well-being & Longevity," a kind of value that is tailored to each individual, by enhancing everything from R&D to production sites and points of contact with customers.

▶ Digital Strategy P.38

6. Social Capital

A co-creation platform that transforms diverse connections into value creation

Through dialogue, collaboration, and co-creation with diverse stakeholders, including consumers and future generations, employees and their families, business partners, shareholders and investors, and countries and local communities, we create value that would be difficult to generate alone, thereby achieving both business growth and the resolution of social issues.

▶ Co-creation Strategy P.42

5. Intellectual Capital

Supporting sustainable business growth with an optimal intellectual property portfolio

To support the deepening and exploration of business areas aimed at realizing people's well-being and longevity, we are flexibly developing our intellectual property activities, ranging from eye care and skincare to regenerative medicine and health food. We leverage our technological capabilities and product strength, achieved through pioneering R&D, along with our strong brand value, to create a competitive advantage and enhance our corporate value.

▶ Intellectual Property Strategy P.40

Value Creation through Materiality

Materiality	Activity themes	Corporate value improvements	Targeted value creation
Realization of well-being through business	● Contributing to solving social issues in the medical, healthcare, and beauty area ● Achieving both high-quality and fair prices in the provision of products and services ● Improvement of productivity and profitability	● Improved brand strength ● Expansion of business opportunities ● Improved customer satisfaction ● Strengthened competitive advantage ● Enhanced global growth potential ● Improved profitability	**Consumers and future generations** Bringing research results and science to life and promoting and realizing beauty, health, well-being and longevity
Maximizing human capital to enhance corporate value	● Supports the growth of autonomous individuals ● Improvement of employee well-being ● Promotion of diversity ● Ensuring occupational safety and health ● Talent acquisition	● Enhanced organizational and human capital capabilities ● Enhanced innovation creation capabilities ● Improved engagement ● Reduction in employee turnover rate ● Ensured business continuity	**Rohto's employees and their families** Motivation and autonomous career development to contribute to society based on mental and physical health and well-being
Contributing to a sustainable global environment	● Contribution to a decarbonized society ● Environmental considerations in products ● Reduction of waste and promotion of recycling ● Protection of water sources and biodiversity ● Responsible chemicals management	● Enhanced environmental value ● Enhanced sustainable procurement and product development capabilities ● Enhanced medium- to long-term competitive advantage ● Improved safety and security value ● Cost reduction	**Environment** Realizing a sustainable global environment for future generations
Coexistence with society	● Responsible response to consumers (assurance of safety and security) ● Respect for human rights ● Promoting CSR procurement ● Coexistence with local communities ● Support for future generations	● Improved customer trust ● Reduction of reputation risk ● Increased resilience of value chain ● Strengthened relationships with stakeholders ● Stabilization of business foundation ● Building of relationships with next-generation customers	**Business partners** Mutual development through sustainable growth and co-creation of value **Countries and local communities** Solving social issues to realize a sustainable society and contributing to the revitalization of local communities
Further strengthening of business foundations	● Strengthening the corporate governance system ● Raising compliance awareness ● Strengthening risk management ● Establishing a business and human resources portfolio from a long-term perspective ● Dialogue with stakeholders and information disclosure	● Improved management quality ● Acquisition and maintenance of social trust ● Increased trust from capital markets ● Enhanced sustainable growth potential ● Improved management stability ● Optimal allocation of management resources ● Promotion of understanding of the company and appropriate evaluations	**Shareholders and investors** Sustainable improvement of corporate value and realization of stable shareholder returns

Financial value*1 [FY2030 forecast]

Net sales	415.0 billion yen
Operating income	54.0 billion yen
Operating income margin	13.0%
EBITDA margin	18.2%
Overseas sales ratio	53%
Forecasted portfolio	
Eye care	12%
Skincare	53%
Oral medicine/Health food	17%
Medical	10%
Other	3%
M&A	5%

Non-financial value*2 [FY2030 targets]

Well-being survey score Self-evaluation of Well-being of employees (out of 10 points for each item)	Full score for all items
Certified as a Health & Productivity Management Outstanding Organization (White 500)	Continued
Overtime hours (hours/month)	0 hours
Number of serious work-related injuries and illnesses	0
Reduction of total GHG emissions (Scope1 & 2 of ROHTO)	46% or more (compared to FY2013)
Purchase rate of Co_2-free electricity at major offices	100%

*1 Scope: Consolidated scope of the Group *2 Excerpt from Sustainability Targets 2030 Sustainability Targets 2030 P.46

Growth Strategies for Realizing Our Purpose

Strategy Numbers

Brand Power

that delivers timeless attractiveness

28
Number of long-selling*1 brands

Sales volume in Japan
NO.1 *2
OTC eye drops

Sales volume in Japan
NO.1 *3
Basic skincare products

Localized development

Global

Sales network in
more than 115 countries

Eye drops sold in
48 countries

Human Capital Strength

as a driving corporate growth

76 people
Employees engaged in External Challenge Work

An Awareness of Improvements

to pursue higher goals

15,430
Improvements and findings

*1 Number of brands that have been continuously sold for more than 10 years since their launch and have sales of more than 1 billion yen in fiscal 2025 (For Rohto Pharmaceutical's non-consolidated basis)
*2 Intage SRI + eye drops category Sales volume from April 2025 to March 2026
*3 Intage SRI + total of 5 Basic Skincare Categories (lotions, emulsions, beauty serums, nourishing creams, face masks) Sales volume from April 2025 to March 2026

ROHTO Group Comprehensive Management Vision

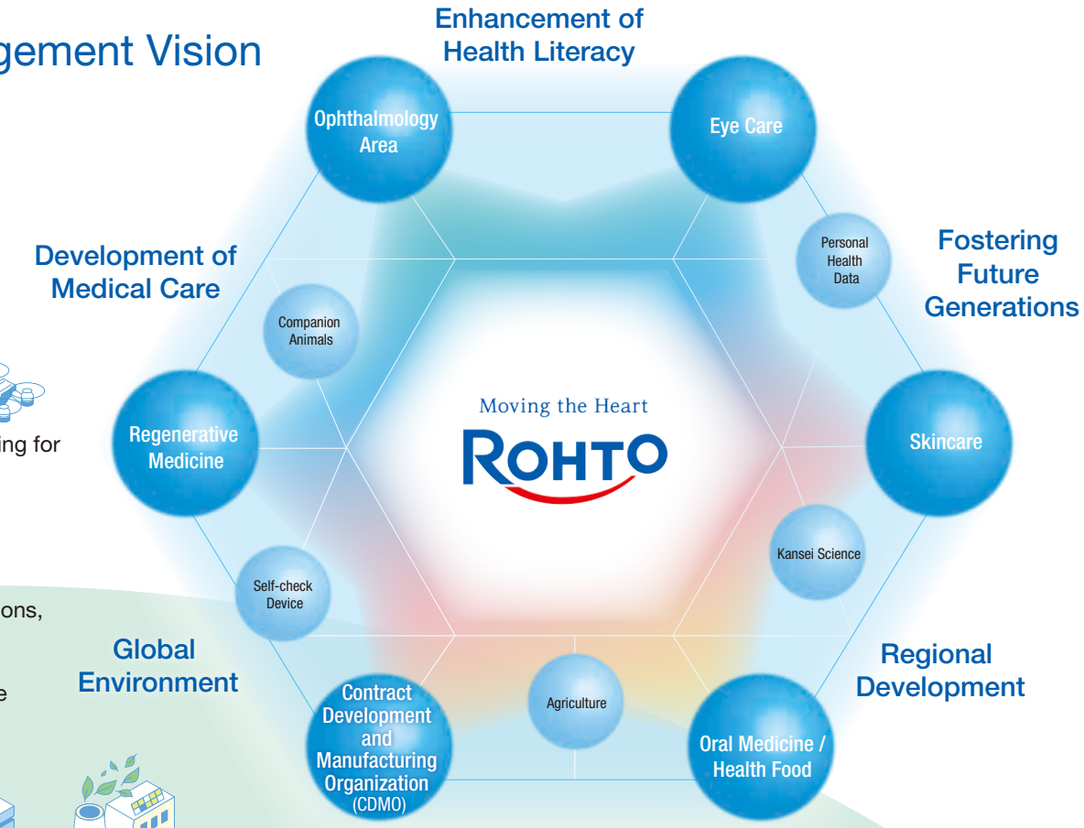
—Connect for Well-being & Longevity—

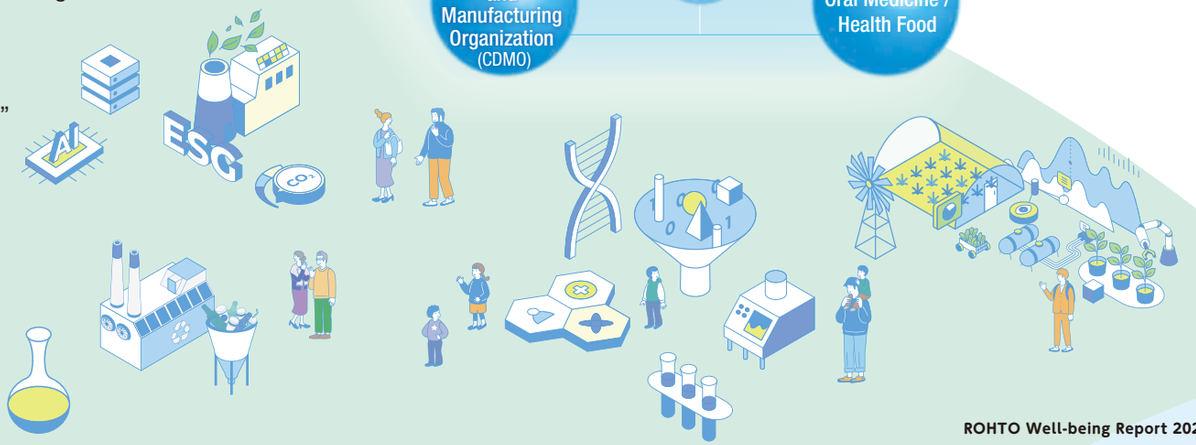
Well-being means living each day with both body and mind full of vitality, and enjoying a happy life filled with smiles throughout every stage of life. At Rohto, Longevity means maximizing “health” through science and enabling people to live longer, more enjoyable lives.

We, the Rohto Group, regard Well-being and Longevity as “connected values.” To help people around the world experience Well-being for as long as possible, we will deepen our “Longevity” science and develop products, services, and businesses that support people’s futures.

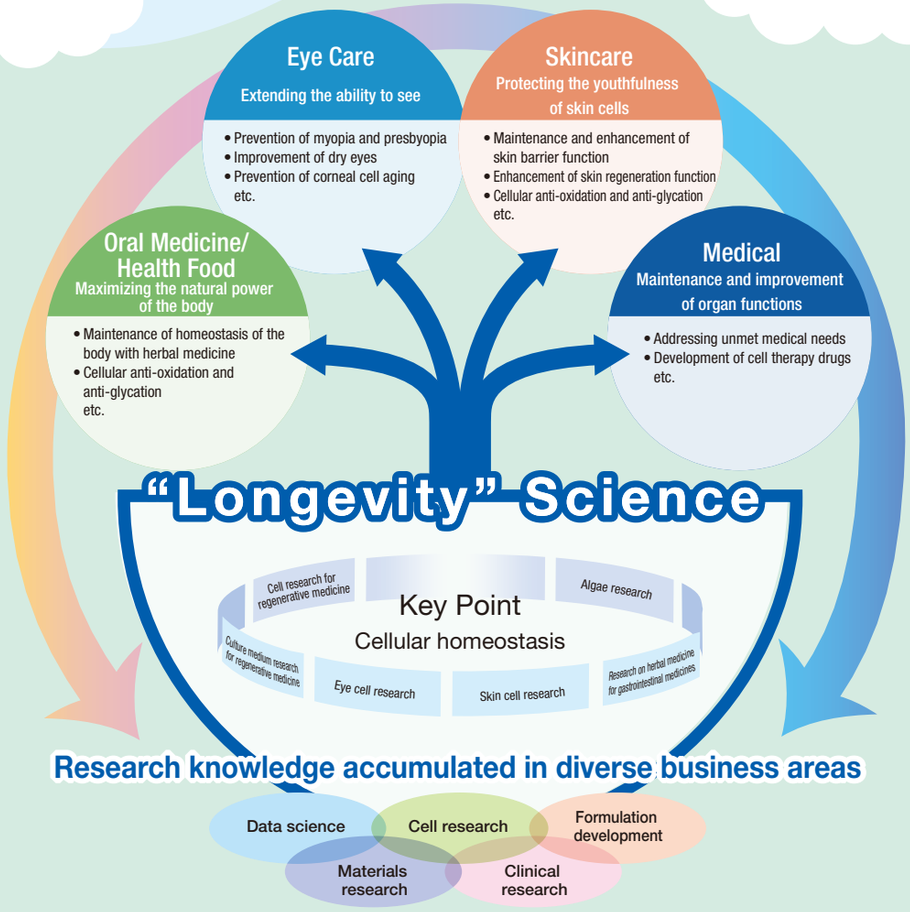
By “connecting” diverse people with people, organizations with organizations, and businesses with businesses, we will create new innovation and value. Through science, we will “connect” the present and the future, expand the possibilities of life without limit, and pioneer the future of Well-being and Longevity.

Guided by our vision to “Connect for Well-being & Longevity,” we will work to realize a sustainable society in which people around the world can live healthy, long, and happy lives through all of our activities.





Delivering well-being to people around the world and realizing a society where people can live long, healthy, and happy lives



Connecting the Present and the Future with "Longevity" Science

In May 2026, the Group adopted "Connect for Well-being & Longevity" as its new vision. Under this vision, we will further pursue ways in which people can live long, healthy, and happy lives.

We view the body as a multi-layered structure of cells, tissues, and organs, and we have been using science to elucidate the very force that allows each of these to continue functioning flexibly. This is the "Longevity" science that the Group is pursuing.

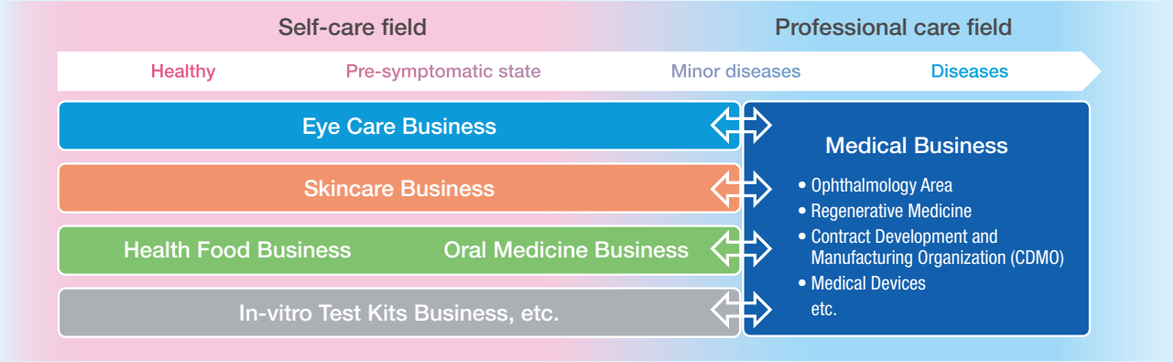
Through cell research cultivated in both the self-care field, which we have built up since our founding, and the professional care field, which we have deepened as a growth investment business, we have gained a deep understanding of cellular homeostasis, which is the ability of cells to maintain their own balance, and the mechanisms of aging. By leveraging this knowledge in diverse business areas, we will provide an even wider range of solutions that address people's entire lives, from health and beauty to prevention, diagnosis, and treatment. "Longevity" science, which positions cells as its key, is sustainable and creates significant value even in an aging society. Based on the science built up since our founding and the accumulation of expanding businesses, and as a company that "promotes and realizes Longevity," we will pioneer the future of global healthcare with "Longevity" science that originates in Japan.

The Group's Advantages

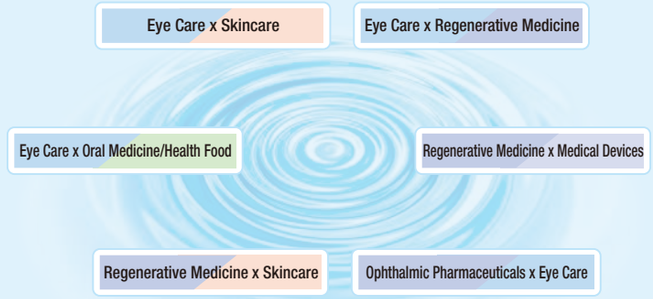
- Knowledge in cell science that extends into the medical field
- A technological system that enables an integrated approach from formulation and mass production to quality control
- Powerful brands that can reach a wide range of consumers, from mass-market to high-end segments
- An unshakable global platform established mainly in Asia

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
▶ ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Business Domains



Various Synergies between Businesses



The Group's businesses, including eye care, skincare, oral medicine/health food, and medical, do not exist in isolation, but rather operate under the common philosophy of "realizing well-being and longevity for people."
In today's world, where health issues are intricately connected across business segments, we aim to evolve into a comprehensive healthcare company that supports everything from prevention to treatment and the realization of well-being. By sharing our long-cultivated R&D capabilities and knowledge on manufacturing, brands, and customer touchpoints across each of our businesses, we are enhancing the competitiveness of our entire portfolio. This is a strategic expansion into adjacent areas that leverages shared management resources, representing a long-term portfolio management approach that balances strengthening the profitability of existing businesses with fostering future growth engines. We create value at the boundaries where these different domains overlap. For example, exosome knowledge accumulated through cell research expands the possibilities of skincare, and by combining professional care, which is a growth area, and self-care, with data and IT, we can resolve issues that cannot be addressed by a single business. By combining our businesses, we will create new value and move forward towards a healthy future.

Eye Care x Skincare

Hyaluronic acid, originally prescribed for dry eye and moisturizing eye drops, is now being applied to skincare. In the future, we plan to expand its use to hair care and oral medicine/health food.

Eye Care x Oral Medicine/Health Food

Rohto V5 achieved sales of 10.0 billion yen in fiscal 2025. Leveraging the brand power and knowledge of eye health cultivated in the eye care field, we will expand its development in the oral medicine/health food domain.

Eye Care x Regenerative Medicine

We have strengthened our collaboration with RAYMEI Inc. and have been contracted to manufacture iPS cell-derived corneal epithelial cell sheets currently under development by RAYMEI Inc.

Regenerative Medicine x Medical Devices

In January 2025, we began sales of our AutoloGel System as a new treatment kit for intractable wounds.

Ophthalmic Pharmaceuticals x Eye Care

We have launched "Rohto Alguard Epinastine Eye Drops," the first OTC drug approved for purchase at pharmacies, etc. without a prescription, which contains an anti-allergy ingredient previously used in ethical pharmaceuticals.

Regenerative Medicine x Skincare

We discovered the effects of algae-derived phytoexosomes on skin cells. By combining our unique gene analysis technology with data science, we are promoting the further elucidation of the mechanism of action.

Medical Devices x Consumer Business

A wearable medical device for treating overactive bladder was launched in the Chinese market in June 2026.

Eye Care x Health Food x Companion Animals

The animal brand "Anitto" has launched a new product and supplement for dogs. It contains antioxidant ingredients* that are also found in Rohto V5 for humans.
*Lutein, zeaxanthin, and vitamin E

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Medium- to Long-Term Growth Strategy 2025-2035

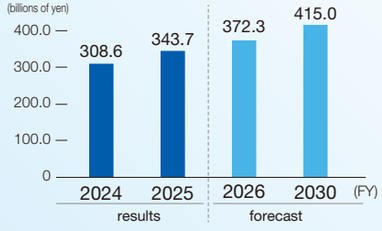
In May 2025, the Group formulated and announced the Rohto Group Medium- to Long-Term Growth Strategy 2025-2035 as a roadmap for growth toward achieving our purpose. Based on a long-term portfolio that takes into account the different growth cycles of each business, we will maximize profits in our core self-care business, centered eye care and skincare, and build a foundation for professional care, thereby expanding the circle of Well-being & Longevity and achieving sustainable growth over the medium to long term.

Progress

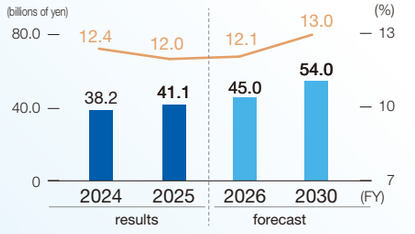
The Medium- to Long-Term Growth Strategy has progressed at a faster pace than expected since the first fiscal year. In fiscal 2025, we got off to a strong start with increased revenue and profits. In fiscal 2026, we expect net sales of 372.3 billion yen and operating income of 45.0 billion yen, driven by growth in the overseas business, mainly in Southeast Asia. This level of net sales exceeds the 365.0 billion yen forecast for fiscal 2027, and we expect to reach that target a year ahead of schedule. We are also making steady progress toward our fiscal 2030 operating income target of 54.0 billion yen. Business segments are also performing steadily, with some expected to achieve their forecasts ahead of schedule. We will continue to pursue growth in our core businesses and make investments for the future, working towards realizing our management vision.

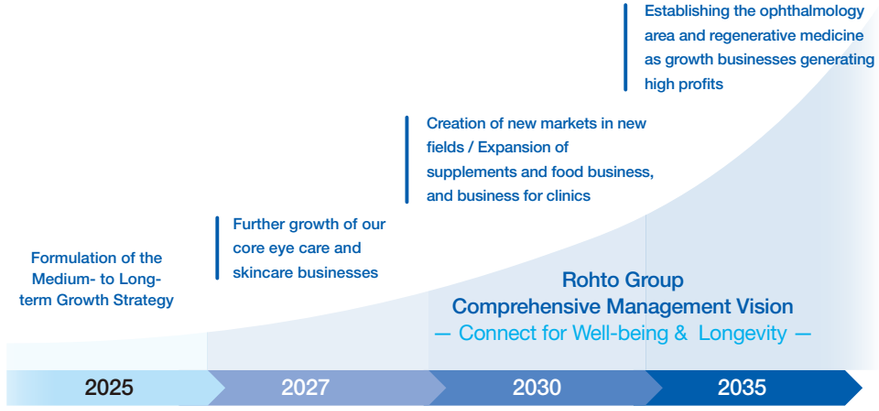
	FY2025 results	FY2026 forecast	FY2030 forecast
Net sales	343.7 billion yen	372.3 billion yen	415.0 billion yen
Operating income	41.1 billion yen	45.0 billion yen	54.0 billion yen
Operating income margin	12.0%	12.1%	13.0%
EBITDA margin	17.0%	17.1%	18.2%
Overseas sales ratio	50.7%	53%	53%

Net sales



Operating income ■ Operating income ― Operating income margin



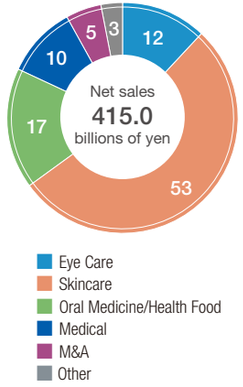


Challenges and Strategies for 2030

Challenges	Strategies
Strengthening business profitability	Global expansion of the Self-care business and entry into new fields ● Delivering new value in Eye Care and Skincare both in Japan and overseas ● Establishing a solid position in new fields such as Hair Care and Feminine Care
Deepening and expanding technological and product capabilities	Providing Well-being-oriented lifestyles ● Advancing research on materials in Phyto-Science* and introducing supplements ● Offering gastrointestinal and post-treatment care and leveraging synergies with Eu Yan Sang International Ltd. (EYS) in Internal Medicine and Food Products fields
Building a foundation for the Medical Business	Establishing a Medical Business foundation and network ● Expanding CDMO from Chemical to Biopharmaceutical and Cell-processing ● Integrating Ophthalmology businesses within the group; cosmetics developed for dermatological settings ● Developing new ophthalmic pharmaceuticals and regenerative medicine products

* Phyto-Science: One of the new business strategies pursued by Rohto Pharmaceutical, aimed at developing the health industry and solving social issues through the use of local natural materials and technologies. Focusing on the active properties and functions of plant-based materials ("Phyto-Power"), we aim to unlock their value and potential using cutting-edge science, working toward the creation of a sustainable society.

Forecasted Portfolio in FY2030 (%)



Eye Care Strategy P.20
Skincare Strategy P.22
Oral Medicine/Health Food Strategy P.25
Medical Strategy P.27
Financial Strategy (Cash Allocation) P.29

At a Glance

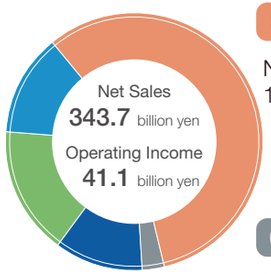
The Rohto Group is developing a wide range of businesses, including eye care, skincare, oral medicine/health food, and medical, aiming to realize well-being and longevity for people. We optimize our businesses and brands based on the market maturity, competitive environment, lifestyle, and values in each region, and promote strategies that take into consideration the characteristics of each market. This business and regional portfolio not only generates synergies across our businesses but also diversifies business environment risks, promoting our sustainable growth.

Net Sales by Business Segment in FY2025

Eye Care Business
Net Sales
45.4 billion yen

Oral Medicine / Health Food Business
Net Sales
54.3 billion yen

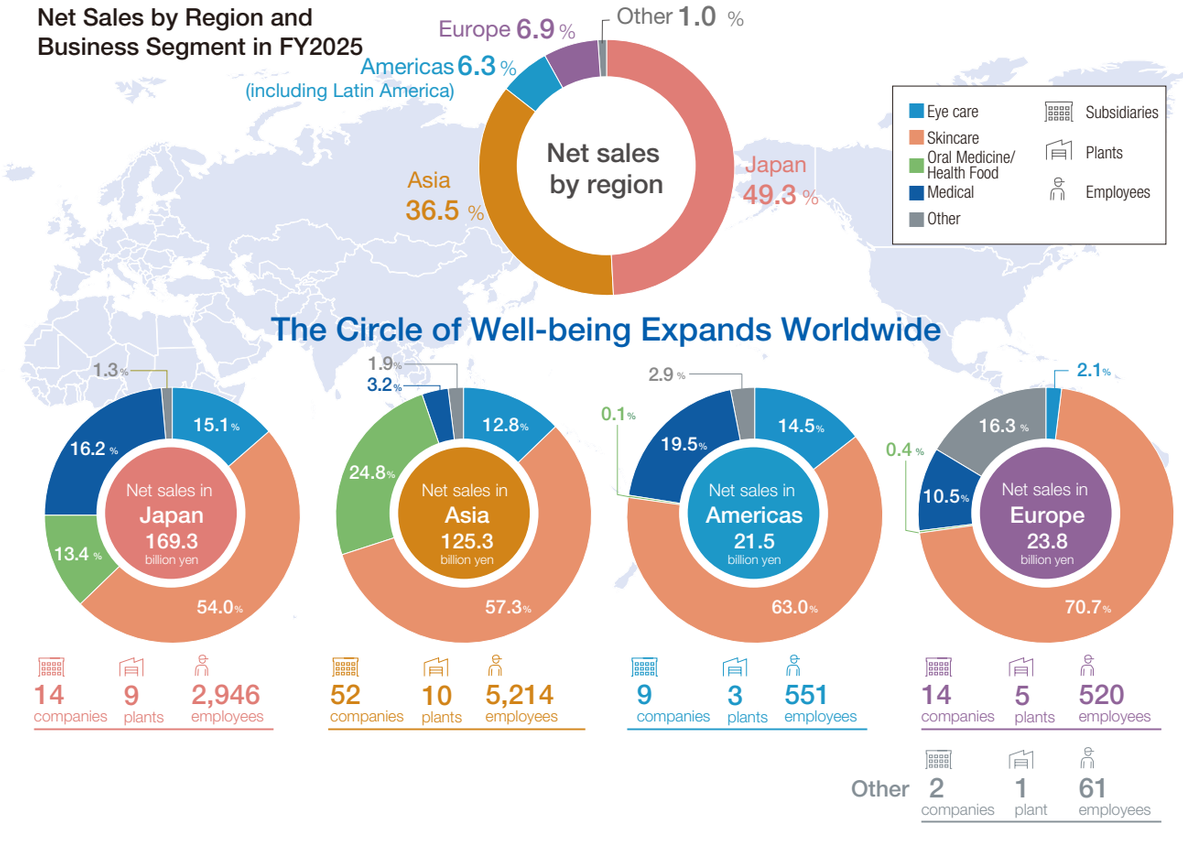
Medical Business
Net Sales
38.1 billion yen



Skincare Business
Net Sales
196.9 billion yen

Other
Net Sales
9.0 billion yen

Net Sales by Region and Business Segment in FY2025



Business Segments

Eye Care Business

Net sales share **13%**

Development, manufacturing, and sales of products for the maintenance and improvement of eye health, including eye drops, eyewash, contact lenses, and contact lens care products

Skincare Business

Net sales share **57%**

Development, manufacturing, and sales of products for maintaining the health and beauty of skin, including dermal medicines, hemorrhoid remedies, topical anti-inflammatory analgesics and other medicines, functional cosmetics, lip balms, sunscreens, body cleanser, antiperspirant, and hair care products

Oral Medicine/ Health Food Business

Net sales share **16%**

Development, manufacturing, and sales of products for maintaining and improving health, including gastrointestinal drugs, kampo-yaku (Chinese herbal medicines), supplements, food, beauty beverages, and laxative internal medicines

Medical Business

Net sales share **11%**

Development, manufacturing, sales of medical-related products, and provision of services, including prescription ophthalmic pharmaceuticals, regenerative medicine products, culture media, the CDMO business, medical devices (intraocular lenses, lacrimal duct tubes, etc.), skincare products for medical use, and the clinic business

Other

Net sales share **3%**

Development, manufacturing, and sales of in-vitro test kits, oral care products, nasal spray, insect repellent, and disinfectants

Regional Strategy

Since its founding, the Group has developed diverse brands in countries around the world through its products and services, and fostered businesses rooted in each region. While sharing and utilizing management resources such as brand value, R&D technologies, and production know-how within the Group, we practice “in-house manufacturing,” in which each base handles everything from development and production to marketing and sales. As a result, we swiftly provide products and services tailored to regional values, lifestyles, climates, and consumer needs. In Asia in particular, we have established a high market share for eye drops and skincare by building a business foundation from an early stage and developing brands tailored to local needs. Under our purpose of “Make people happier, make the future brighter,” we will achieve sustainable growth for the entire Group by combining our globally developed strengths with the original manufacturing capabilities of each region, based on a shared vision and quality standards.

Japan





In Japan, the Group’s largest core market, we have built strong brand power in a wide range of categories, including eye care, skincare, and oral medicine, and we are supporting growth in the self-care field. We are promoting the development of high-value-added products that leverage our R&D capabilities, and in addition to our Group companies’ ethical drug businesses, we are also strengthening the professional care field by addressing unmet medical needs such as regenerative medicine. By positioning the self-care and professional care fields as growth drivers, we are leveraging our brand power, R&D capabilities, and manufacturing capabilities cultivated in Japan to enhance our competitiveness in global expansion.

Asia





Asia, with its continued high economic growth, is a key strategic region that drives the growth of the Group. In Vietnam and Indonesia, we have established high brand recognition and market share, mainly through eye drops. In China, in addition to skincare and lip balms, we are strengthening eye drops and hair care. In Southeast Asian countries, we are promoting the development of products tailored to regional needs, including “Selsun,” our anti-dandruff shampoo. Furthermore, we are expanding our business in the fields of Kampo (Chinese herbal medicines) and wellness, while also strengthening the medical field, including the intraocular lens business in Indonesia, to advance expansion into growth fields.

Americas
(including Latin America)



We are building a business foundation centered on the skincare business, with the MENTHOLATUM brand at its core. In addition to promoting integrated brand development from North America to Latin America centered on Mentholatum Ointment and lip balms, we are also promoting brand development in the U.S. market, where growth is expected, in our eye drop business, which we have been developing since 2001. Moreover, we are strengthening our presence in the medical field, such as by offering disinfectants for medical institutions and ophthalmic surgery devices, and expanding business in both the self-care and professional care fields.

Europe
(including the Middle East and Africa)





We are developing our mainstay Deep series, a topical anti-inflammatory analgesics drug, and the skincare brand, YOSKINE. In addition, as new growth areas, we are strengthening our medical business and eye drop manufacturing base. Furthermore, taking advantage of the acquisition of CE certification* for ROHTO DRY AID, we are expanding our sales area within the EU and moving forward with development in the Middle East and Africa. In addition to our brand business, we are strengthening our business foundation in Europe by expanding our medical business and manufacturing functions.

*By obtaining CE certification demonstrating compliance with the safety requirements of EU member states, the product can now be marked as a medical device in those countries.

Eye Care Business

Expanding growth in Japan and overseas with the aim of acquiring a leading position in the global OTC eye care market based on the quality and technology developed in Japan



As society faces an aging population and rising healthcare costs, eye care that contributes to maintaining visual function is essential for realizing well-being of people and extending healthy life expectancy. Since its founding, the Company has seen contribution to the well-being of people through eye health as one of its core missions. Leveraging the technical capabilities and brand power it has developed over many years, the Company provides customers with self-care products that respond to eye-frailty and diversifying eye-related concerns caused by the spread of digital devices. In addition, in its development not only in Japan but also in global markets such as Asia and Europe, we aim to solve social issues through eye health for people around the world.

Where We Aim to Be in 2035

The Company recognizes “Seeing” as an important foundation for living in good health and aims to be a leading eye care company that supports all generations. We provide total solutions tailored to everyone’s condition and lifestyle in response to diversifying eye concerns, and expand the possibilities of self-care. In addition, by maintaining and strengthening our leading position in major Asian countries and building a solid presence in growth markets such as Europe and the United States, we will grow the ROHTO Eye Drops brand into a leading global brand.

Market Opportunities

- Expansion of demand for self-medication products
- Harsh environment surrounding the eyes
- Rising social demand to protect “Seeing”
- Global growth potential

Rohto’s Strengths

- No.1 OTC eye drop sales volume* brand in Japan
- R&D capabilities and quality assurance system
- Ability to propose comprehensive eye care solutions
- World-leading production and supply capabilities

*Intage SRI + eye drops category Sales volume from April 2025 to March 2026

2025

- Proposed high-value-added products that meet customer needs
- Created demand for next-generation eye care
- Expanded overseas into 48 countries

2030

- Respond to the switch to OTC eye drops in Japan
- Provide new solutions such as devices
- Expand the ROHTO Eye Drops brand globally
- Expand production capacity

2035

Become a globally preferred comprehensive eye care manufacturer

Main Issues for Growth

Response to the various market characteristics of each country and region We will carefully respond to usage habits and regulations that vary by country or region, seize growth opportunities in Asia, and aim to expand overseas business while strengthening our development platform in Europe through MoNo.

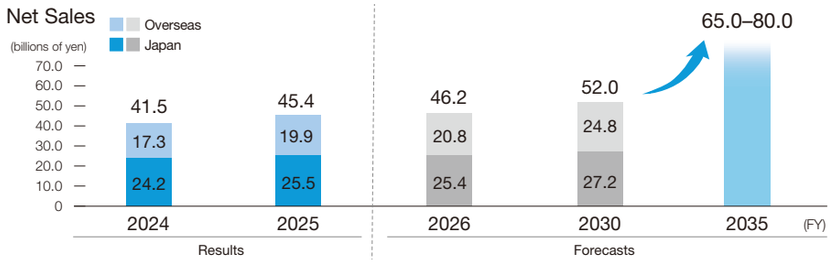
Response to soaring raw material prices and procurement risks In response to geopolitical risks and instability in raw material prices and supply due to foreign exchange fluctuations, we will balance stable supply with profitability by reviewing designs, diversifying procurement, and strengthening supply chain management (SCM) utilizing global ERP.

Production and supply system enhancement In response to increased demand in Japan and overseas, we will utilize seven in-house plants worldwide that meet high sterile-control standards for eye drops and have the capacity to supply more than 150 million units per year. We will use this network to strengthen our production and supply systems that support growth.

Manufacturing Strategy P.36

Eye Care Business

Growth Strategy Toward 2035



*Reclassifications: From fiscal 2025, the intraocular lens business was reclassified to the Medical Business, and figures for each fiscal year have been restated.

In the Eye Care Business, we expect net sales to reach 52.0 billion yen in fiscal 2030 and 65.0-80.0 billion yen in fiscal 2035. In fiscal 2025, we posted net sales of 45.4 billion yen, achieving our fiscal 2027 net sales forecast of 45.2 billion yen two years ahead of schedule.

In Japan, we will promote high-value-added proposals that respond to diversifying eye concerns from younger people to seniors, while also engaging in switch OTC initiatives and maintaining the top share* of OTC eye drop sales volume. In addition, we will promote the creation of new demand and habits for younger generations through awareness-raising activities that promote eye health. As for the development capabilities that support these initiatives, in addition to deepening our existing businesses, we will utilize expertise gained in the Medical business in product development and strengthen our capabilities through collaborating and co-developing with external research institutions. We will also promote the use of personal health data and aim to commercialize new eye-care solutions tailored to the conditions of each consumer.

Overseas, we will promote the globalization of the ROHTO brand. While maintaining growth at existing bases in Asia, we will enter the Thai and Serbian markets in fiscal 2026. We will also expand the development of "ROHTO DRY AID" in the Kenyan and Australian markets using CE marking. In order to develop new regions, it is necessary to respond to regulatory environments, usage habits, and distribution structures that differ across countries and regions. In addition to utilizing MoNo's European bases as a platform for production, development, and regulatory compliance, we will also work with partner companies familiar with local sales channels to enhance our development capabilities.

In terms of production, we will promote supply chain management (SCM) utilizing global ERP, and strengthen global production capacity, including from the perspective of optimizing costs, improving production efficiency, and business continuity plan (BCP).

Through these initiatives, we aim to evolve into the globally preferred comprehensive eye care manufacturer.

*Intage SRI + eye drops category, sales volume from April 2025 to March 2026

Key Initiatives in FY2025

Proposals for High-Value-Added Products for Diversifying Eye Concerns

Proposals for high-value-added products tailored to individual needs, such as "V Rohto Dry Guard Premium," which cures painful dry eye symptoms and eye fatigue, and "Rohto Alguard Epinastine Eye Drops," which contain the same antiallergic ingredients as ethical pharmaceuticals, were supported, and eye drops sold well.


V Rohto Dry Guard Premium


Rohto Alguard Epinastine Eye Drops

Creating Demand and Habits for Eye Care for Future Generations

Stimulating Demand for Eye Drops for Young People

We welcomed SixTONES as an eye drop ambassador, and based on the message "Time for eye drops. Just start!", we appealed the usage scene when you felt eye trouble or stress. We raised interest in eye care among young people, who are less likely to use eye drops, leading to new demand stimulation.


"Time for eye drops. Just start!" campaign

Fostering Vision and Eye Health for Future Generations

We launched the "Kodomo MY Mirai Eye Project" in cooperation with Izumiotsu City. Three elementary schools in the city will be designated as model schools for eye care, and classes on eye health, food education, and information dissemination to parents will be held to improve children's eye health literacy and help them develop proactive eye care habits.


Kodomo MY Mirai Eye Project

Explore New Eye-Care Solutions Using PHR data

In the Expo 2025 Osaka, Kansai, Japan, we developed experiential content using Personal Health Records (PHR) to help people become aware of their eye health. We will analyze the personal health data obtained at the Expo, and link to new eye-care solutions tailored to the conditions of each consumer.

Increased the Number of Countries Where Our Eye Drops Are Sold to 48

We expanded the global development of the "ROHTO DRY AID" brand, mainly in Europe, and expanded the number of countries in which we sell eye drops from 37 in fiscal 2024 to 48. While responding to different regulations, approval processes, consumer needs, and distribution environments in each country, the Company is developing a foundation for overseas expansion.

Skincare Business

Developing high-performance skincare products based on science, while strengthening brands and accelerating business expansion in Japan and overseas



The Company provides high-performance skincare products through an evidence-based research and development that pursues safety, efficacy, and mechanisms based on scientific knowledge in the dermatological field. The Company has created unique values through the application of regenerative medicine research and core technologies accumulated over many years. In recent years, we entered the hair care market on a full scale, strengthening its brand power both in Japan and overseas. Furthermore, by leveraging our technological capabilities, we are promoting interdisciplinary research and development covering pharmaceuticals, quasi-drugs and cosmetics, and continuing to take on challenges for new domains centered on our global brands. We create innovations with skin science, and realize sustainable growth and value creation as a company that responds to skin- and hair-related issues around the world.

Where We Aim to Be in 2035

Building on skin science, we will expand the value we provide to support healthy skin and hair, both in Japan and overseas. In Japan, we will strengthen our brands to make them brands that consumers consistently trust and choose, while overseas, we will create value that takes root in each region by offering solutions tailored to local skin concerns and usage habits. By translating research findings into product value, we will expand our value proposals that contribute to Well-being and Longevity.

Market Opportunities

- Increasing complexity and diversity of skin concerns
- Growing demand for personalized solutions
- Trend toward evidence-based and proposal-oriented approaches
- Demand for high-value-added products in the maturing domestic market
- Global growth potential

Rohto's Strengths

- Brand with the No.1* sales volume of basic skincare products in Japan
- R&D capabilities and intellectual property strength
- Integrated quality assurance system from research to manufacturing
- Brand expansion across Japan and overseas

*Intage SRI + total of basic skincare categories (lotions, emulsions, beauty serums, nourishing creams, face masks), sales volume from April 2025 to March 2026

2025

- Grew the HADALABO brand both in Japan and overseas
- Advanced research on vitamin C and exosomes
- Achieved growth in hair care brands
- Developed brands tailored to regional characteristics

2030

- Strengthen brand in Japan and overseas by applying Longevity science
- Expand new value, including in the hair care domain
- Establish global brands
- Increase production capacity

2035

Contribute to the beauty and well-being of people around the world through skin science

Main Issues for Growth

Deepen core brands and develop next-generation brands Aiming for sustainable growth, we will deepen research in both chemicals and biotechnology, strengthen core brands, and foster next-generation brands.

Create new demand and value As consumers' concerns and purchasing behavior diversify, there is a need for value propositions that go beyond conventional frameworks. We will create new value in skincare by proposing solutions to new concerns and usage scenarios to a wide range of customers, including men and young people.

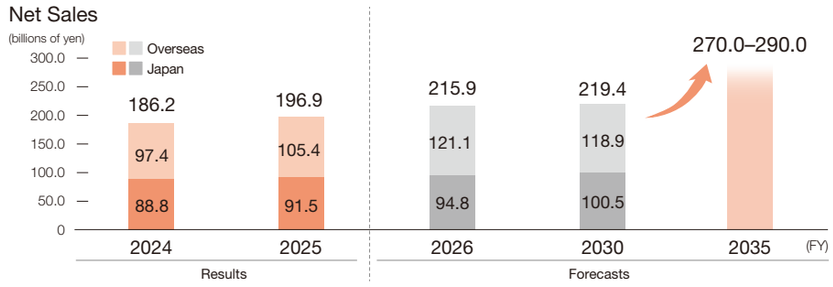
Expand development in new categories and channels In response to intensifying competition in Japan due to the declining birthrate, aging population, and maturing market, we will expand development into categories and channels where we can leverage our proprietary technologies and brand power.

Develop global brands Based on the needs and competitive environment of each country and region, we will nurture brands that grow globally by proposing flexible products tailored to each market while sharing the brand philosophy.

Increased resilience of the supply chain In order to prepare for geopolitical risks and foreign currency fluctuation risks, we will strive to balance stable supply with cost competitiveness. We will strengthen the supply base that supports global growth by leveraging our own manufacturing and development bases in Japan and overseas and optimizing procurement and production systems.

Skincare Business

Growth Strategy Toward 2035



*Reclassifications: From fiscal 2025, the medical skincare and other businesses were reclassified to the Medical Business, and figures for each fiscal year have been restated.

In the Skincare Business, we expect net sales to grow to 219.4 billion yen in fiscal 2030 and to 270.0–290.0 billion yen in fiscal 2035, leveraging our competitive advantages in the form of the strength of core domestic brands, research and development capabilities based on skin science, pharmaceutical-grade quality assurance systems, and a brand portfolio that is expanding in Japan and overseas. We forecast net sales of 215.9 billion yen for fiscal 2026, which is one year ahead of the fiscal 2027 forecast of 202.2 billion yen.

In Japan, we will capture the diversity and complexity of skin and hair concerns and strengthen high-value-added proposals based on ingredients, functions, and evidence. In skincare, we will successively apply Longevity science based on cell research, including phyto-exosome technology derived from plants, microorganisms, and algae, in the core brands of “HADALABO,” “MELANO CC,” and “Obagi.” By developing these advanced technologies not as proprietary technologies for specific products or brands, but as shared platform technologies, we will apply them to a wide range of brands and make these benefits widely accessible to consumers. Furthermore, by optimally combining price, channels, and added value, we will further expand points of contact with consumers who seek tangible results in their daily care. In hair care, we will provide science-based solutions for hair and scalp concerns that are diversifying as people age, including frizz and manageability issues, as well as loss of firmness and elasticity, gray hair, and changes in the scalp environment. We will foster high-performance brands that leverage the technologies and knowledge we have developed in skincare, while leveraging synergies with other business areas to expand our business as a new growth area.

Overseas, with global brands as the core of growth, we are promoting localization tailored to skin concerns, usage habits, and purchasing behavior in each market. We will develop HADALABO, HADALABO TOKYO, Dermacept, and other brands to become the brands of choice in their respective markets. At the same time, we will leverage the skin science expertise we have cultivated in Japan as a common platform, and through our integrated local operations spanning R&D, manufacturing, and sales in each region, we will promptly reflect market needs in our products and brands and provide optimal value to the regions. In addition, we will accelerate the development of global brands while mutually leveraging brand assets and sales bases in each region, and roll out brands and technologies developed in individual regions across the Group, leading to the creation of new value. At the same time, we will leverage our global enterprise resource planning (ERP) system to diversify our raw materials procurement sources and establish redundant production capabilities, thereby strengthening our supply base to support global growth.

Toward 2035, we aim to be a company that contributes to the realization of Well-being and Longevity by spreading the values that support the health of skin and hair worldwide, starting with skin science.

Key Initiatives in FY2025

HADALABO’s Expanding Brand Value: A Global Choice

As our flagship global brand, HADALABO is available in 60 countries worldwide and has grown into a brand worth over 40.0 billion yen globally. In fiscal 2025, in Japan, we stepped up proposals tailored to each individual’s skin through the “Let’s choose! HADALABO!” campaign. In addition, in Hong Kong-centered Asian countries, the “HADALABO” brand has become popular among consumers and has gained a foothold as a standard brand. In Europe, the sales countries of “HADALABO TOKYO” have expanded, and we have increased our presence as a “brand of choice” globally.



Campaign “Let’s choose! HADALABO!”



HADALABO


HADALABO TOKYO

Skincare Business

Cell Research Supporting Longevity

The Company views Longevity based on the concept that “in order for people to live long and healthy lives, it is important for the cells that constitute the body to maintain their inherent functions.” What emerged from this was the importance of understanding the “homeostasis” of cells, the smallest units that support the body, and “dialogues” between cells. In the skin, interactions between various cells, including epidermal cells, fibroblasts, and vascular endothelial cells, have been shown to influence barrier function and elasticity, and there is a growing perspective to rethink skincare from the perspective of cell science.

In addition to cell science cultivated in the medical domain, the Company has long been exploring the potential of plants, microorganisms, and algae, including extracts and herbal medicines. In order to develop such knowledge, scientifically elucidate the potential of biological information contained in plants and algae, and realize Longevity, we established the Phyto-Science Research Institute in April 2025, and are advancing phyto-exosome research focusing on extracellular vesicles derived from plants, microorganisms, and algae as a core technology.

As the first step toward commercialization of research outcomes, from fiscal 2026, we will gradually apply phyto-exosome technology to products and formulations for the core skincare brands HADALABO, MELANO CC, and Obagi.

Value Creation Enhanced by Vitamin C Research

Centered on vitamin C, one of the strategic ingredients, we have enhanced the brand value of products such as MELANO CC and Obagi. Celebrating the 20th anniversary of its launch, MELANO CC renewed its formula and brand design, and won the No. 1 sales volume* in the skin lotion market for four consecutive years. In Obagi, which marked the 25th anniversary of the brand’s birth, we completely renewed Obagi C Serum, a key item, and are preparing the brand’s foundation for the next stage of growth.

*Intage SRI + No. 1 brand in the lotion category, sales volume from April 2022 to March 2026



MELANO CC



Obagi



SKIO



Dermacept

New Hair Care Proposals Based on Science

We are developing hair care as the next growth domain by leveraging the technologies and knowledge we have developed in Skincare. In Japan, the Gyutto wavy hair care brand gained strong consumer support, and since its launch, sales have reached 400% of the initial plan. Overseas, sales of the Selsun anti-dandruff hair care brand expanded in Asian countries, while 50 Megumi developed a premium line for deeper concerns such as gray hair and anti-hair fall. In the future, we will continue to respond to diversifying hair and scalp concerns in Japan and overseas, and aim to grow the Hair Care Business.



Gyutto



Selsun



50 Megumi

Global Brands Developed Through Local Markets Adaptation

In order to develop our global brands into brands that are preferred in each market, we are promoting local adaptation while maintaining each brand’s axis. At Mentholatum (Asia-Pacific), the number of new products launched in fiscal 2025 reached a record high of 126 SKUs, and the expansion of sales was supported by development tailored to regional needs, including proposals for young people and products that address scalp and hair concerns. In Europe, sales of YOSKINE increased significantly by 135% year on year, supported by the contribution of new products marketed by DAX as Longevity.



SKIN AQUA



50 Megumi



YOSKINE

Oral Medicine/ Health Food Business

Based on gastrointestinal medicine research and quality as a pharmaceutical company since its foundation, developing businesses that support patients from pre-symptomatic state care to convalescence care through food and oral administration.



"Food," which supports health issues in daily life, from daily health maintenance to pre-symptomatic state, mild illness, and convalescence care, is playing an increasingly important role toward the realization of Well-being and Longevity. In response to various needs, the Group is developing functional food products and oral medicines that are safe, effective, and unique. Through co-creation with Group and partner companies, we bring out the value of materials through science and provide health solutions that consumers can continue to use with peace of mind.

Where We Aim to Be in 2035

In the Oral Medicine/Health Food Business, we will take the initiative to identify consumers' health issues, expand proposals that can be easily incorporated into everyday life, and evolve our businesses. Based on gastrointestinal medicine research and the quality we have cultivated as a pharmaceutical company since our founding, we will provide value that links care for the pre-symptomatic state to convalescence care, centering on "See," "Eat," "Move," and "Vital beauty." At the same time, we will deepen research on new health themes such as ectopic fat, and develop health solutions based on scientific evidence in Japan and overseas.

Market Opportunities

- Rising self-care needs to support healthy life span expansion
- Expansion of needs for daily support of pre-symptomatic state, mild disease, and convalescence care
- Rising demand for quality and safety
- Rising health and wellness awareness, mainly in Asia

Rohto's Strengths

- Knowledge and product development capabilities cultivated through gastrointestinal medicine research since foundation
- Ability to search for functional materials and functional elucidation
- Quality and safety of pharmaceutical company standards
- Knowledge of multimodal materials, technologies, know-how, sales channels, and contact points with customers held by Group companies

2025

- Achieved significant growth in the ROHTO V5 brand
- Made progress in developing foods with functional claims using proprietary ingredients
- Began proposing products through collaboration with Eu Yan Sang

2030

- Create demand for oral medicines and care through awareness campaigns
- Establish a new brand based on proprietary materials
- Expand the oral medicine and food product portfolio, mainly in Asia

2035

Support health from pre-symptomatic care to convalescence care and establish this as a new pillar of growth

Main Issues for Growth

Strengthen values of existing brands In addition to functionality, product designs that are easy to maintain on a daily basis are required. We will strengthen brand value through ease of use, ease of maintenance, and appropriate pricing.

Development and exploration of new materials In order to differentiate ourselves through proprietary materials with functionality and evidence, we will combine the enhancement of functional research with external collaboration, and seamlessly advance from material exploration to commercialization.

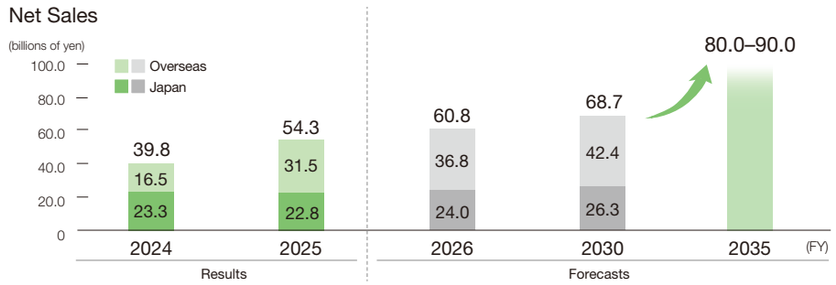
Addressing quality and safety We place the highest priority on ensuring the quality and safety of our products precisely because they are intended for customer consumption, and we will strengthen our management system from the selection of raw materials to shipment. We will work to improve safety, reliability, and transparency through the acquisition of international certification and collaboration with external organizations.

Stable procurement of raw materials In order to address the variation in qualities and procurement risks inherent in natural materials, we will secure multiple suppliers while constantly reviewing raw materials standards, as well as processing and inspection systems to support stable supplies.

Accelerate commercialization through collaboration In order to respond to diverse needs, we will deepen collaboration with Group companies and partners, and accelerate the commercialization of new value by going through everything from research and development to commercialization and sales.

Oral Medicine/Health Food Business

Growth Strategy Toward 2035



*Reclassifications: From fiscal 2025, some of the Other Business were reclassified to the Oral Medicine/Health Food Business, and some of the Oral Medicine/Health Food Business were reclassified to the Medical Business; accordingly, the figures for each fiscal year have been restated.

In the Oral Medicine/Health Food Business, we will evolve the business into one that supports care from pre-symptomatic to convalescent stages through oral medicines and food products, based on gastrointestinal medicine research and quality that we have cultivated as a pharmaceutical company since our founding. We aim to increase net sales to 68.7 billion yen in fiscal 2030 and grow to the level of 80.0–90.0 billion yen in fiscal 2035, and we are making progress as expected.
In addition to cultivating brands such as ROHTO V5, we will accelerate research and development in the phyto-science field that utilizes METAP® (globin protein hydrolysate), LICONINE® (licorice extract powder), herbal medicines and kampo (Chinese herbal medicines) ingredients, as well as plant-derived ingredients such as algae. By leveraging synergies with the expertise and business foundations of Group companies in Japan and overseas, we will develop products and brands that meet diversifying health needs. In addition, we will promote the creation of new health value, such as intestinal care based on research into the intestinal environment and convalescence care that supports the recovery of physical condition after illness. Furthermore, by expanding sales channels in Asian countries through co-creation with Eu Yan Sang and delivering high value-added products in a form that is easy to incorporate into daily life, we will evolve into a business that continuously provides solutions to consumers' health issues.

*METAP and LICONINE are registered trademarks of MG PHARMA Inc.



ROHTO V5



Eu Yan Sang Cordyceps

Key Initiatives in FY2025

ROHTO V5: Progressing From a 10-Billion-Yen Brand to the Next Stage of Growth

The ROHTO V5 series continues to grow as a core brand driving the Oral Medicine/Health Food Business. In fiscal 2025, we strengthened proposals tailored to the concerns of consumers, such as double-care for the eyes and sleep, and promoted brand penetration and high value-added. Cumulative shipments have exceeded 23 million units, and the brand is approaching a new stage of growth with annual sales exceeding 10 billion yen. Going forward, we will evolve into a brand that supports the daily health habits of consumers by further expanding proposals tailored to age and lifestyle, with eye care as the starting point.

Tackling the New Health Issues of Ectopic Fat

Ectopic fat refers to a condition in which fat accumulates in the liver and muscles, which should not normally accumulate, and is a new health issue that is attracting increasing attention against the backdrop of lifestyle and aging. The Group promotes research with a focus on the field of lipid metabolism, and works to propose materials and develop products based on scientific evidence. In fiscal 2025, we launched an industry-academia collaboration project that positions ectopic fat as a new health theme, and promoted public awareness and materials research. As a result, in April 2026, a food with functional claims containing ingredients derived from our proprietary ingredient LICONINE® extract was accepted* for the first time in Japan, paving the way for a new value proposition in the area of body fat control. We will raise awareness in society about the health theme of ectopic fat.

*Based on our research (as of April 2026; an accepted case of foods with functional claims containing licorice-derived glyasperin B as the functional substance in the Consumer Affairs Agency's "Food with Function Claims Notification Search")

Expanding Asian Growth Through Collaboration with Eu Yan Sang

The collaboration with Eu Yan Sang is one of the important pillars of our Asian growth strategies. The Company promotes the creation of new health value by combining Eu Yan Sang's knowledge of ingredients based on TCM (Traditional Chinese Medicine), sales platform mainly in Asian countries, and direct customer contacts through clinic operations, with kampo (Chinese herbal medicines) and functional ingredients research cultivated by the Company. In March 2026, we launched a new self-care proposal in Japan, with cordyceps the first product. This will be the first step toward expanding the potential of plant-based materials (phyto-power).

Medical Business

Building a business platform with chemical, biology, and cell technologies as its core to provide innovative and multifaceted solutions in the professional care field, while also demonstrating synergies in the self-care business.



Amid growing demands to extend healthy life expectancy, social challenges in the medical field are diversifying and becoming more complex, including the unmet medical needs, the practical application of advanced medical technologies, and ensuring safety and effectiveness. Under these circumstances, the Company has continued to take on challenges in the professional care field from various angles, including the ophthalmology, regenerative medicine, contract development and manufacturing organization (CDMO), and medical device development. By applying the knowledge and know-how developed in the Self-care business to the research and development of the medical business, as well as by using the specialist knowledge obtained in the medical business to advance new technology development and elucidate mechanisms of action, we will circulate the knowledge from both businesses, aim to achieve Well-being and Longevity for people, and accelerate the creation of value for the entire Group.









Major Initiatives in the Medical Business

- **Ethical pharmaceuticals** — Japan: Ophthalmic medicines, oral medicines (sales and CDMO), hemorrhoid treatment medicines
  Overseas: Nose drops, ophthalmic medicines
- **Medical devices** — Japan: Contact lens, intraocular lens (IOLs), autologous platelet-rich plasma gel preparation kit, lacrimal duct tube
  Overseas: Intraocular lenses, ophthalmic surgery equipment and solutions
- **Regenerative medicines** — Regenerative medicine products, culture media (sales and CDMO), contract cell processing (CDMO)
- **Medical-related products** — Overseas: Disinfectants
- **Medical skincare** — Cosmetics and quasi-drugs on the medical route

*Including those in the development stage.

Where We Aim to Be in 2035

We will provide new value that addresses challenges and unmet medical needs of medical settings across a wide range of fields, including ethical pharmaceuticals, medical devices, regenerative medicine products, and medical skincare. In addition to in-house commercialization, we will combine various business models, including contract manufacturing and out-licensing to other companies, and establish them as pillars of future earnings.

2025

- Promoted practical application of regenerative medicine by collaborating with partners in Japan and overseas
- Optimized each pipeline
- Developed overseas markets for medical devices

2030

- Obtain approval and launch new ophthalmic pharmaceuticals and regenerative medicine products
- Expand our business in Japan and overseas
- Expand CDMO business
- Achieve growth in the medical skincare field

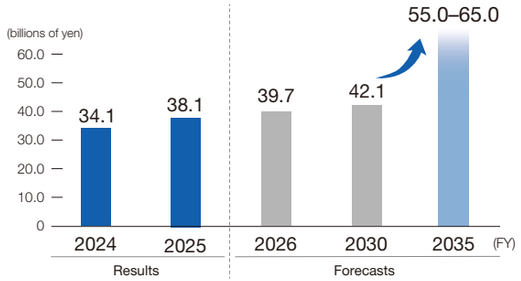
2035

Become a company that contributes to the advancement of healthcare and the Longevity of people

Medical Business

Growth Strategy Toward 2035

Net Sales



*Reclassifications: From fiscal 2025, some businesses of the Eye Care Business, the Skincare Business, and the Oral Medicine/Health Food Business were reclassified to the Medical Business, and figures for each fiscal year have been restated.

One of the Company's strengths is its ability to provide a wide range of solutions, from self-care to professional care, for challenges faced by consumers, including patients. To that end, we will strengthen the professional care field through the Medical business and position it as a pillar of earnings in 2035. Net sales are expected to reach 42.1 billion yen in fiscal 2030 and approximately 55.0–65.0 billion yen in fiscal 2035. Net sales for fiscal 2026 are expected to be 39.7 billion yen, and progress is being made as planned.

Toward 2035, we will strengthen cooperation within the Group in Japan and overseas, including ROHTO NITTEN Co., Ltd. and Mono, which handle ethical pharmaceuticals, Ophthalmos S.A. and PT. Rohto Laboratories Indonesia, which handle medical devices, and solidify our business foundations by sharing the knowledge that each has developed. In addition, we will promote medium- to long-term research and development through open innovation with universities and venture businesses with proprietary technologies, as well as through collaboration with medical institutions, to create innovative products and technologies that we cannot develop by ourselves. The Company plans to monetize the technologies and pipelines developed by combining not only in-house launches but also contract manufacturing and out-licensing. The collaborations with RAYMEI Inc. and Human Life CORD Japan Inc. are examples of this. In areas such as regenerative medicine and medical ophthalmology, which require long-term investment, we will narrow down our investment areas, taking compatibility with our philosophy and synergies with our core businesses as important criteria.

By continuing these initiatives, we will provide patients with new treatment options toward 2030 and 2035.

Ophthalmic Pharmaceuticals Business

In the Ophthalmology, the Group is providing generic drugs, developing pharmaceuticals that address unmet medical needs, and advancing ophthalmic medical devices. We will contribute to the development of ophthalmic medicine by providing products and technologies that prioritize quality and safety in both pharmaceuticals and medical devices.

Market Opportunities

- Increase in the myopia population worldwide
- Expanding demand for generic drugs
- Unmet medical needs
- Overseas expansion of developed products

Rohto's Strengths

- Prescription technology cultivated through the development of OTC eye drops
- Accumulation of know-how for manufacturing sterile eye drops
- Group collaboration system in production and sales in Japan and overseas
- High market share for lacrimal duct tubes

Key Initiatives in FY2025

Application for Manufacturing and Marketing Approval for ROH-101

Regarding ROH-101, which is indicated for cytomegalovirus corneal endotheliitis, the Company steadily progressed with preparations for the application for manufacturing and marketing authorization and completed them on April 30, 2026. After approval, ROHTO NITTEN will take the lead in developing sales for medical use.

Launch of Overseas Expansion at ROHTO NITTEN

ROHTO NITTEN is developing its supply base, including strengthening its production capabilities and preparing for the manufacturing of medical devices, with an eye toward expanding its product lineup and regions and launching new drugs in the future. In fiscal 2025, we began sales of ophthalmic pharmaceuticals through the medical channel and OTC ophthalmic pharmaceuticals through the drug store channel in Hong Kong through Mentholatum (Asia-Pacific) Limited. We are also moving forward with development in other Southeast Asian countries.

Pipeline (as of August 2026)

Code	Indications	Stage
ROH-101	Cytomegalovirus corneal endotheliitis	Application submitted on April 30, 2026
	Herpes simplex virus keratitis	P3
ROH-201	Vernal keratoconjunctivitis	P2
	Dry eyes	P2
ROH-202	Ophthalmic treatment agent	P1
ROH-001	Suppression of myopia progression	P2

Moving the Heart
ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Medical Business

Regenerative Medicine Business (Including CDMO)

Regenerative medicine is an advanced medical field with the potential to address unmet medical needs that were previously difficult to solve through approaches beyond conventional treatments. Through regenerative medicine research and development, we are taking on the challenge of creating new treatment options and aiming to bring them into clinical practice. While focusing on safety and effectiveness, we will contribute to the advancement of medical care, and create synergies with the self-care business, contributing to the Well-being of more people.

Market Opportunities

- Expansion of markets for regenerative medicine and cell therapy
- Unmet medical needs
- Increase in CDMO demand for specific cell processing and manufacturing
- Expectations for regenerative medicine in the field of Longevity (healthy and longevity)

Rohto's Strengths

- Accumulation of knowledge through many years of cell research
- Application of know-how for manufacturing sterile eye drops
- Unique serum-free Animal Origin Free (AOF) medium that does not contain any animal*- or human-derived components
- CDMO system which provides a one-stop solution for the development and manufacturing of products

*The animals refer to Kingdom Animalia (including vertebrates and invertebrates, excluding protists).

Key Initiatives in FY2025

Accelerated Practical Application of Regenerative Medicine Through External Collaboration

The Company advanced initiatives for commercialization and practical application through external collaborations, including consideration of consigned production and sales of corneal epithelial cell sheets with RAYMEI, and consigned production of investigational products using umbilical cord-derived mesenchymal stem cells developed by Human Life CORD Japan.

Optimization of Each ADR-001 Pipeline

We are reviewing development strategies for each pipeline based on its business potential and synergies with our existing businesses. In ADR-001, we narrowed down the target disease group for kidney disease based on the clinical results, and are considering options for liver cirrhosis, critical limb ischemia, pulmonary fibrosis, and neurodegenerative diseases, including out-licensing to other companies.

Pipeline (as of August 2026)

Cell type	Code	Indications	Stage
Human adipose-derived stem cells	ADR-002K	Severe cardiac failure	P2
	ADR-001	Kidney diseases	P1/2
		Cirrhosis of the liver	Exploring out-licensing
		Severe leg ischemia	Exploring out-licensing
		Lung fibrosis	Exploring out-licensing
Human umbilical cord-derived stem cells	UDI-001	Neurodegenerative diseases	Exploring out-licensing
Autologous cartilage cells	CCI	Traumatic cartilage defects	Application in preparation
Allogeneic chondrocytes	TLC-01	Knee osteoarthritis	P2

TOPICS

20th Anniversary of "DRX," a Clinic-Exclusive Cosmetics Brand

DRX is a clinic-exclusive cosmetics brand, which was born from a physician's words of "provide patients with higher-quality products." By leveraging frontline feedback, DRX has built a solid foundation as a medical skincare brand and has now reached its 20th anniversary. We will continue to take on the challenge of realizing "trust, high quality, high functionality, and peace of mind."



DRX

Medical Device Business Enters a New Phase

Non-invasive wearable medical devices for the management of symptoms of overactive bladder, which were developed in collaboration with health-tech venture Australis Scientific Pty Ltd., were launched through the medical channel by Mentholatum (Asia-Pacific) from June 2026. In the Chinese market, where the need to address urination problems is increasing as the population ages, we aim to provide new healthcare solutions that make it easier to manage chronic diseases in daily life.



Wearable Smart Patch for Treatment of Overactive Bladder

Financial Strategy

Message from the CFO/Financial Strategy



We will focus on the balance between growth investments, shareholder returns, and financial soundness, and aim to sustainably improve corporate value through highly resilient management.

Executive Vice President Chief Financial Officer (CFO) Masaya Saito

Review of fiscal 2025

The basis of the Company's financial policy is to maintain an optimal balance between growth investments, shareholder returns, and financial soundness, while strengthening cash-generating capabilities through the efficient utilization of management resources, and then respond resiliently to unpredictable changes in the environment and sustainably improve corporate value, based on appropriate financial discipline.

In the current fiscal year, amid continuously unstable and harsh economic and market conditions, revenue increased in all regions and all businesses, and net sales and operating income both reached record highs. Profit at each level increased significantly, and the EBITDA margin improved to 17.0%. In addition to strong growth in Southeast Asia, particularly in Vietnam and Indonesia, overseas sales grew significantly despite the strong yen, supported by contributions from Eu Yan Sang and MoNo chem-pharm Produkte GmbH, which were newly included in the scope of consolidation in fiscal 2024. In Japan, inbound demand and mainstay categories such as HADALABO and eye drops performed strongly. Although the cost of sales ratio rose slightly due to factors such as rising raw materials costs, the significant increase in revenue absorbed this, resulting in increased profits. Furthermore, by striving for efficient asset management, we were able to further enhance the cash-generating capabilities of our overall business.

As a result, in fiscal 2025, we generated operating cash flow before R&D expenses of 61.649 billion yen, an increase of 9.7 billion yen, or 18.7%, from the previous fiscal year. This was far more than expected compared to our target of 330.0 billion yen in operating cash flow before R&D expenses over the six years leading up to 2030, as stated in our Medium- to Long-Term Growth Strategy. This profitability is the most important foundation supporting our financial strategy.

Regarding growth investments, we actively invested in production facilities and R&D for core businesses in Japan and overseas. In addition, we acquired the trademark rights, all licenses and sales rights for Obagi, a core skincare brand, in Japan, thereby establishing a system to further enhance the brand's value. We also decided to acquire Thann Oryza Co., Ltd., a Thai wellness company, as a subsidiary, laying the groundwork for accelerating growth in the Asian well-being domain. Even after making these proactive investments, free cash flow was positive by approximately 18.0 billion yen, strengthening our financial foundation to support further growth investments.

In terms of shareholder returns, in addition to increasing dividends for the 22nd consecutive fiscal year (annual dividend of 46 yen with a dividend payout ratio of 30.4% and a DOE of 3.7%), we resolved to flexibly acquire up to 1.5 million treasury shares for 3.0 billion yen (to be implemented in fiscal 2026).

In this way, fiscal 2025 was a year in which we steadily advanced implementation and decision-making for measures to allocate cash generated from increased revenue and efficient asset management towards investments for future growth and enhanced shareholder returns.

Progress of the Medium- to Long-Term Growth Strategy

The core of our Medium- to Long-Term Growth Strategy from a financial perspective is to enhance our ability to generate stable earnings from core businesses and allocate limited management resources in a disciplined manner to both growth investments and shareholder returns. The Medium- to Long-term Growth Strategy announced in May 2025 presented an overview of capital allocation over the six years from fiscal 2025 to fiscal 2030, in line with this approach. (Figure 1)

At the end of the first year, we generated operating cash flow that exceeded the plan, and succeeded in steadily implementing proactive growth investments and progressive enhancements of shareholder returns. The dividend payout ratio was 30.4%, DOE was 3.7%, ROE was 12.1%, and R&D expenses were 4.0% of net sales, and all of these meet the levels set out in our Medium- to Long-Term Growth Strategy.

Specifically, with regard to capital investment, we enhanced overseas production facilities in response to expanding demand and established Rohto Science Hub Tokyo, which serves as a point of contact between research and customers. With regard to DX/IT investments, we promoted the construction of an enterprise resource planning system through the promotion of the Global ERP Project. In terms of intellectual property, we acquired the Japanese domestic trademark for Obagi, and in R&D, the development of ROH-101 progressed to the application stage, demonstrating steady progress in various areas.
These are all investments that will lead to improved cash-generating capabilities in the future. In particular, we are proactively making R&D investments in the medical field, which we have positioned as a future pillar of revenue in our business portfolio strategy. At the same time, we manage R&D expenses for all businesses so that they stay within 5% of net sales, thus balancing growth investments with financial soundness, based on appropriate financial discipline.

Towards the sustainable enhancement of corporate value

We believe that the growth strategy can only move forward when both financial and non-financial aspects work together in harmony. In other words, in addition to improving financial figures, we believe that strengthening non-financial management foundations such as human capital, sustainability, and governance is essential for achieving medium- to long-term cash-generating capabilities and sustainable enhancement in corporate value.
Furthermore, in a highly uncertain business environment, the management of working capital and non-current assets becomes crucial. By establishing production and procurement bases in regions close to major markets and continuously enhancing functions and improving operating rates, the Company strives to balance a stable supply with capital efficiency by securing cost-competitive procurement in the face of supply uncertainties caused by factors such as the situation in the Middle East, while also paying attention to the efficiency of working capital such as inventories. By consistently implementing disciplined financial management in this way, we will maintain a highly resilient financial base even in the face of unpredictable environmental changes, and secure the ability to invest in growth.
In terms of capital efficiency, we perceive our cost of equity as being around 6-8%*, and we aim to secure ROE that stably exceeds this. In addition, we place importance on ROIC as an indicator of how efficiently capital invested in business is converted into revenue. By maintaining and improving ROIC at a level that exceeds WACC, we will contribute to sustainable corporate value enhancement.
With regard to shareholder returns, we make comprehensive decisions based on future investment capacity, financial conditions, and market conditions, while maintaining a balance between growth investments and financial discipline. In addition to steadily and progressively expanding dividends, we also position the acquisition of treasury shares as an option, and flexibly implement capital policies that contribute to the enhancement of corporate value.
We also recognize that these financial management practices will be refined through constructive dialogue with shareholders, investors, and other stakeholders. In addition to myself, the CFO, and the department in charge of IR, we established the Corporate Communications Division in March 2026 to communicate the Company's value in an easy-to-understand way from both financial and non-financial perspectives, and to deepen two-way dialogue. By utilizing the feedback received in management and Board of Directors discussions, and by enhancing disclosure and promoting mutual understanding, we will realize a reduction in the cost of capital as well as a sustainable enhancement in corporate value.

*In addition to quantitative analysis results based on the CAPM (approximately 6-7%) conducted with input from external experts, this has been set by taking into comprehensive consideration the expected returns identified through engagement with investors and prevailing market valuation levels.

Figure 1: Cash Allocation (Six Years from 2025 to 2030)

Inflows

Fundraising (20 billion yen)
Operating Cash Flow (before R&D expenses) 330 billion yen

Outflows

Uses		Amount*	Key Initiatives
Growth investments	Capital expenditures	100 billion yen (34%)	• Expand overseas production facilities to meet growing demand • Head Office factory renovation • Expansion of Eye Care Production in China
	R&D expenses	90 billion yen (33%)	• 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 (15%)	• DX/IT investment to increase productivity per employee
	M&A	50 billion yen (40%)	• Strengthen business foundations, achieve business synergies, and enter new fields
Shareholder returns	Shareholder returns (dividends, etc.)	80 billion yen (26%)	• 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

*Figures in parentheses indicate the progress rate based on actual results for fiscal 2025 and the forecast for fiscal 2026

Dividend payout ratio	30% or more
Ratio of R&D expenses to net sales	Up to about 5%
DOE	3.5% or more
ROE	10% or more

Moving the Heart ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Financial Strategy to Support Improved Corporate Value/Financial Highlights

Strengthening cash-generating capabilities

The source of our cash-generating capabilities lies in our continuous practice of science-based value creation, which emphasizes innovation in all corporate activities, based on our human capital capabilities and production and development functions. In addition to our ability to create unique, high-value-added products and services, we are also refining our marketing and sales capabilities to accurately communicate that value, as well as our production and procurement capabilities to support stable supply while responding to changes in the environment. By enhancing these strengths and operating them efficiently and cyclically, we aim to improve sales growth and profitability, thereby strengthening our structure for stably generating cash.

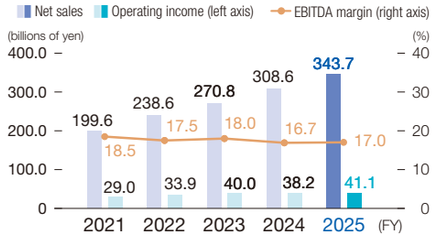
Proactive growth investments and disciplined capital management

To broaden our future revenue base, we make disciplined investment decisions while identifying growth opportunities. While proactively making R&D investments to create science-based value as a source of growth, we control the ratio of R&D expenses to be within 5% and focus our capital allocation on human resource investments and domestic and international production facility investments, which are the core of our cash-generating capabilities, DX and IT investments to improve operational efficiency and the quality of decision-making, and M&A and investments that enhance profitability through synergies with our businesses. In fiscal 2025, while promoting proactive growth investments, we generated free cash flow of approximately 18.0 billion yen, and achieved ROE of 12.1%, exceeding the cost of equity. Going forward, we will continue to allocate capital towards medium- to long-term growth while maintaining a balance between investment capacity, financial soundness, and capital efficiency.

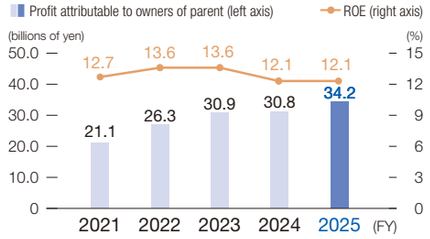
Progressive expansion of shareholder returns

Our basic policy is to steadily implement growth investments aimed at sustainable corporate value enhancement, while also setting a consolidated dividend payout ratio of 30% or more and a DOE of 3.5% or more, and to progressively and continuously increase shareholder returns in a stable manner, taking into account our financial position and investment opportunities. In fiscal 2025, we increased the annual dividend to 46 yen, marking our 22nd consecutive year of dividend increases. In addition to stable dividends, we have resolved to purchase treasury shares up to a maximum of 3.0 billion yen as part of our efforts to improve capital efficiency and implement a flexible capital policy. Going forward, we will continue to improve shareholder returns while maintaining a balance between growth investments and financial soundness.

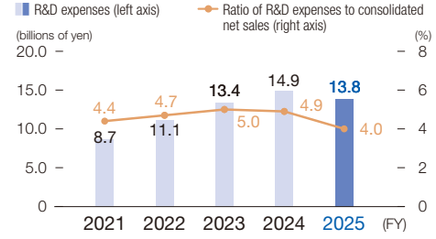
Net Sales, Operating Income and EBITDA Margin



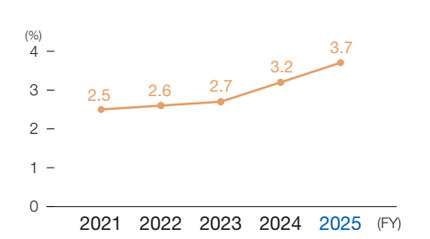
Profit Attributable to Owners of Parent and Return on Equity



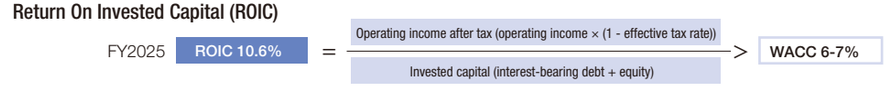
R&D Expenses and Ratio of R&D Expenses to Consolidated Net Sales



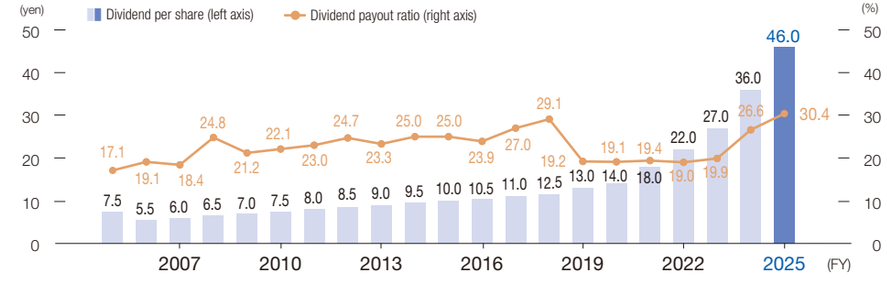
Dividend on Equity Ratio (DOE)



Return On Invested Capital (ROIC)



Trends in Dividend Per Share and Dividend Payout Ratio



Moving the Heart
ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Human Capital Strategy

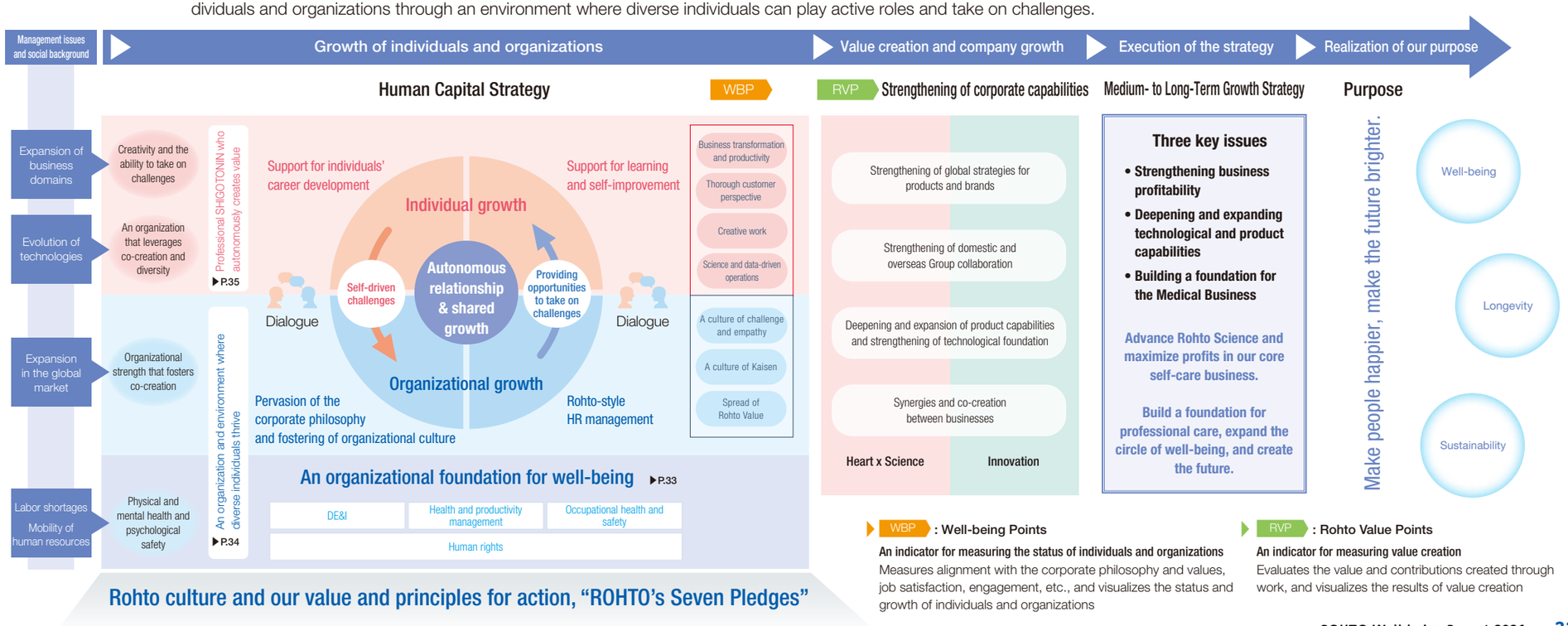
Message from the CHRO



Director
Chief Human Resources Officer (CHRO)
Yasunori Kawasaki

Towards achieving the Group's Comprehensive Management Vision, "Connect for Well-being & Longevity," we have positioned human capital at the core of value creation. In order to achieve sustainable growth in an era of rapid change, it is essential that diverse individuals demonstrate their capabilities and continue to take on challenges. We will realize "mutual growth of the Company and employees" through investment in human capital , which will lead to the creation of new value.

The Company's human capital strategy is centered on deeply engaging with "diverse individuals" and consists of two pillars: creating an organization where individuals can thrive, and fostering individual growth and challenges. Based on the Company's culture and our value and principles for action, as well as respect for human rights, we are building an organizational foundation for well-being through our long-standing health and productivity management, and are fostering an organization where diverse individuals can take on challenges and co-create. In addition, through support for individuals' career development and for learning and self-improvement, we are creating an environment where each employee can learn autonomously and grow while forging their own career path. Such organizational development and human capital development are not independent processes. An organizational foundation for well-being supports individual challenges, and the growth of individuals and the evolution of the organization interact with each other to create value. The accumulation of these efforts leads to the growth of the entire company, and this cycle is the embodiment of the mutual growth for both the Company and employees that we aim to achieve. Going forward, we will continue to contribute to the sustainable enhancement of corporate value and the realization of a well-being society by maximizing the potential of individuals and organizations through an environment where diverse individuals can play active roles and take on challenges.



WBP : Well-being Points

An indicator for measuring the status of individuals and organizations

Measures alignment with the corporate philosophy and values, job satisfaction, engagement, etc., and visualizes the status and growth of individuals and organizations

RVP : Rohto Value Points

An indicator for measuring value creation

Evaluates the value and contributions created through work, and visualizes the results of value creation

An Organizational Foundation for Well-being: Health and Productivity Management and Occupational Health and Safety

Since its foundation, the Group has focused on health and productivity management, believing that the health of its employees lies at the foundation of sustainable corporate growth. We established the Health and Productivity Management Declaration in 2018, and we have been promoting the development of autonomous health-conscious human resources who manage their own health and grow in order to spread well-being to society and customers and bring passion (a sense of meaning in their jobs and their lives) to their daily work based on mental and physical health. We are also promoting the prevention of occupational accidents, the maintenance of physical and mental health, and the creation of a comfortable workplace environment.

Working brings health benefits

Health Value Creation from Individuals to Organizations and Society



External Evaluation

- **Certified Health & Productivity Management Outstanding Organization (White 500)**

Our health and productivity management initiatives were recognized, and we received this certification for the ninth time in six consecutive years

- **Sports Yell Company 2026+ (Silver)**

Our efforts to promote employee exercise habits and health were recognized

- **Smart Meal (three stars*)**

Our creation of a healthy food environment earned us the highest three-star certification

*The menu provided by our head office cafeteria (SHIDAX CONTRACT FOOD SERVICE CORPORATION) received certification

Promotion of Health and Productivity Management: A Health Behavior Change Model that Fosters Autonomous Health-conscious Human Resources

Under the leadership of top management, the Rohto Health Insurance Society and Group companies collaborate, primarily through specialized departments, to promote company-wide health and productivity management. In addition, we visualize health checkup data and exercise records to encourage employees to change their health behaviors, and we are promoting the development of autonomous health-conscious human resources through habit formation and personalized support.

Visualization
Behavioral change begins with understanding the state of your own health. Through health indicators and fitness age, individuals can understand the state of their own health, as well as issues, and use this information to set autonomous goals.

Behavioral change
We encourage daily behavioral change by providing opportunities for employees to acquire and put in practice health-related knowledge through the use of health apps, in-house health currency, and health drills.

Making it a habit
We do not treat health as an individual issue; we share it as a theme to be addressed by the entire organization, and we use company-wide events and other means to encourage everyone to make healthy behaviors a habit.

Personalized support
We utilize health data and expert support from our Health Management Office to provide health support tailored to each individual's condition.

Health and Productivity Management: Approaches and Systems

Realization of Organizational Well-being

We aim to improve the well-being of employees and the organization as a whole by analyzing health checkup and examination data and making continuous improvements. The physical and mental health of each individual supports the realization of organizational well-being by enhancing engagement and psychological safety, and fostering an organizational culture that encourages people to take on challenges. In addition, we are expanding our health and productivity management initiatives throughout the entire Group, and working to create an organizational foundation where employees can play active roles.

Indicators		Effects on the organization
Well-being Points (WBP)	⇧	Enhanced well-being
Exercise habits	⇧	Entrenchment of healthy behavior
High stress	⇩	Improved psychological health
Presenteeism	⇩	Improved productivity

Health White Paper

Sharing Health Value with Society

With the improvement of our employees' well-being as a starting point, we are expanding the circle of health to society through co-creation with their families, local communities, local governments, and partner companies. Through initiatives unique to the Group, which positions health as a core value, we are contributing to the realization of a well-being society and the creation of new value.

Participation in Local Communities

Moving the Heart ROHTO

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

An Organization and Environment where Diverse Individuals can Thrive: Creating Challenges and Co-creation through the Participation of all Employees

We are promoting the development of an organization where challenges and co-creation are born through the participation of all employees, where all employees voluntarily and autonomously take part in building our business and organization. By sharing our vision through the dissemination of our corporate philosophy and the fostering of an organizational culture, we practice and advance Rohto-style HR management, which focuses on each individual, draws out their potential, and provides them with opportunities to take on challenges. This fosters an organization and environment where diverse individuals can thrive.

Pervasion of Corporate Philosophy and Fostering of Organizational Culture

Equal relationships and a common foundation connecting diverse individuals

Through the dissemination of the corporate philosophy and ROHTO's Seven Pledges, we are sharing our vision and fostering an organizational culture that connects diverse individuals.

"Mr. Segi (President) Town Hall Meetings"

In his first year in office, the President visited all sites and domestic Group companies and engaged in dialogue with employees. The focus was on fostering mutual understanding and an organizational culture.



Held a total of 29 times across all sites

Publication of "Culture Karte" a common language and dialogue with all employees

We are working to share Rohto's unique identity and values, and to create a common language that connects diverse individuals.



Rohto Heart Award: Putting our philosophy into practice and celebrating it

We recognize employees' actions that pursue customer happiness through an internal awards program, and encourage employees to put our philosophy into practice by fostering a culture of appreciation that inspires empathy and encourages people to take on challenges.



107 actions were submitted, and approximately 80% of all employees participated in voting

Rohto-style HR Management

Unleashing the potential of individuals and transforming challenges into value creation

We create opportunities for employees to take on challenges through dialogue, based on their aspirations, strengths, and potential, and foster an environment where diverse individuals can play active roles.

Personnel transfers and organization development through dynamic human resource management

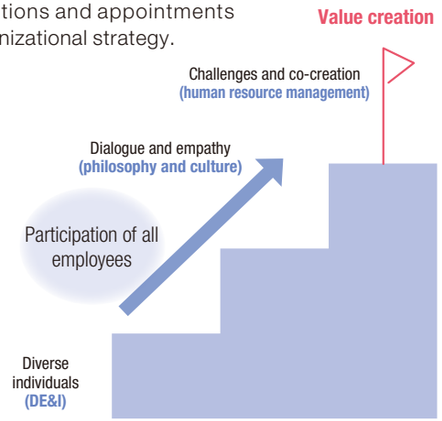
The Human Resources Development Committee checks the "My Vision Sheets" of all employees, and makes promotions and appointments based on their experience, aptitude, and organizational strategy.

Feedforward interviews

We support growth and challenges through dialogue aimed at realizing the aspirations and career goals of individuals.

Rank Fit Challenge for next-generation executives

A practical program to hone management perspectives and leadership skills. We provide opportunities for growth through introspection and dialogue.



Diversity, Equity & Inclusion (DE&I)

Promoting women's empowerment

- Support for balancing work and family life (childcare, nursing care, etc.)
- Operation of childcare facilities
- Ratio of female managers of more than 30%

Employment and active participation of persons with disabilities

- Farms
- Activation of internal information sharing
- Silver Medal at the Abilympics Mie Prefecture Tournament



LGBTQ+ initiatives

- Internal allies
- Community activities

work with Pride PRIDE INDEX Silver 2025

Promotion of the active participation of diverse human resources

- Global human resources
- Senior human resources

Professional SHIGOTONIN who Autonomously Creates Value: Human Capital Development that Supports Individual Growth and Challenges

Amid accelerating changes in the business environment, we believe that learning by oneself, forging a career path, and continuing to take on challenges are the sources of sustainable growth. Through diverse learning and challenges, we foster professional SHIGOTONIN and promote the development of human capital who autonomously create value.

Support for individuals' career development

Believing in and expanding the potential of each individual

Based on the aspirations and potential of each and every employee, we create an environment where employees can grow while forging their own career paths through diverse opportunities to take on challenges.

Cross-border experience through secondary employment and concurrent positions (since 2016)

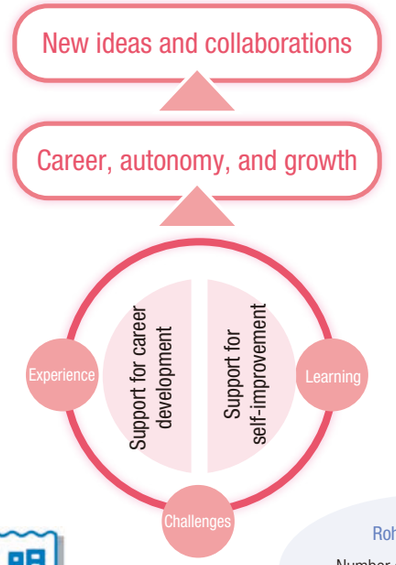
Through External Challenge Work (secondary employment) and Internal Double Jobs (concurrent positions), we have created an environment where employees can take on challenges that transcend departmental and company boundaries. Through experience in different industries and fields, as well as the implementation of cross-departmental practices, employees acquire new perspectives and capabilities, which they utilize in their personal growth and main jobs.

Support for diverse career development

We support autonomous career development through training tailored to life stages, job types, and career issues.
(Generational career training, career training for plant workers, etc.)

"Asuniwa project" supporting entrepreneurs within the company (since 2020)

We support entrepreneurs within the company and promote the creation of new value through internal pitch competitions and crowdfunding that encourage employees to take on challenges related to future businesses and social issues.



External Challenge Work (secondary employment)
FY2016 to FY2025:
Total of 202 people
20 new people

Internal Double Jobs (concurrent positions)
233 participants
(as of March 2026)

Asuniwa project (support for entrepreneurs within the Company)
Incorporation 11 businesses
(including 1 internal business)
(as of May 2026)

Support for Learning and Self-improvement

Willingness and attitude to always keep learning

We place importance on the "ability to keep learning" in order to adapt to change. Rohto Academy plays a central role in providing diverse learning opportunities to enhance the expertise of each and every employee and promote the creation of new value.

Rohto Academy

An in-house learning platform that supports autonomous learning. We aim to evolve the platform into a learning environment run by employees, for employees, and are starting courses by in-house lecturers who are self-recommended or recommended by others, with the goal of fostering a culture of mutual learning.

"In-house Meister program (healthcare)"

This program deepens employees' understanding of health knowledge, products, and pharmaceutical regulations related to our business areas, fostering their expertise and shared foundations as Rohto employees.

Rohto Academy
Number of participations in autonomous learning programs:
4,562 times (FY2025)

In-house Meister program (healthcare)
Cumulative number of certifications:
4,664 (FY2024 to FY2025)

Investment in training
110,129 yen/person
(FY2025)

TOPICS

Towards Recruitment Based on Dialogue

Beginning with the recruitment of new graduates graduating in 2027, we will abolish document screening based on application forms and introduce "Entry Meet recruitment," which begins with direct dialogue with HR coordinators. Placing importance on individuality and potential, we aim to build relationships where both the company and individuals can grow together.

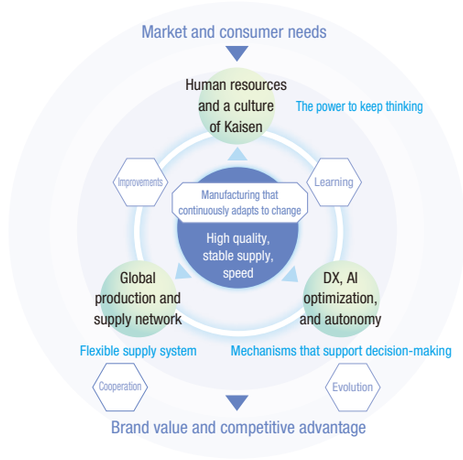
Moving the Heart ROHTO

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Manufacturing Strategy

World-leading Manufacturing and People Development

By integrating human resources, a culture of Kaisen, DX/AI, and a global production and supply network, we are building a production base that optimally links research, technology, production, and supply in accordance with the characteristics of businesses and regions. In addition to sharing knowledge and technologies on a global scale, we have developed fully integrated production and supply systems that are close to the market in each region, thereby realizing manufacturing that can flexibly respond to change. In addition to achieving high quality, stable supply, and speed, we support decision-making that is resilient to change as well as the creation of customer value and a sustained competitive advantage. Furthermore, we will widely share the knowledge and practices cultivated within the Group, contributing to the development of the entire manufacturing industry and the realization of a sustainable society.



Optimal Global Production System Tailored to Business Characteristics

Eye Care

Production infrastructure that supports high quality and stable supply

- **Over 150 million eye drops supplied annually (7 sites)**
- **Top share at 44% in domestic OTC eye drop sales volume***

With rigorous quality assurance and overwhelming supply capabilities, we supply high-quality eye care products both in Japan and overseas.

High quality / Stable supply / Global Regulatory Compliance

Skincare

Cosmetics manufacturing that balances sensory quality and high quality

We handle everything from high-mix low-volume production to mass production, achieving both speed and high quality.

Support for a wide variety of products / Rapid product launches / Sensory quality

Other Healthcare

A production infrastructure with strengths in specialized technologies and quality assurance

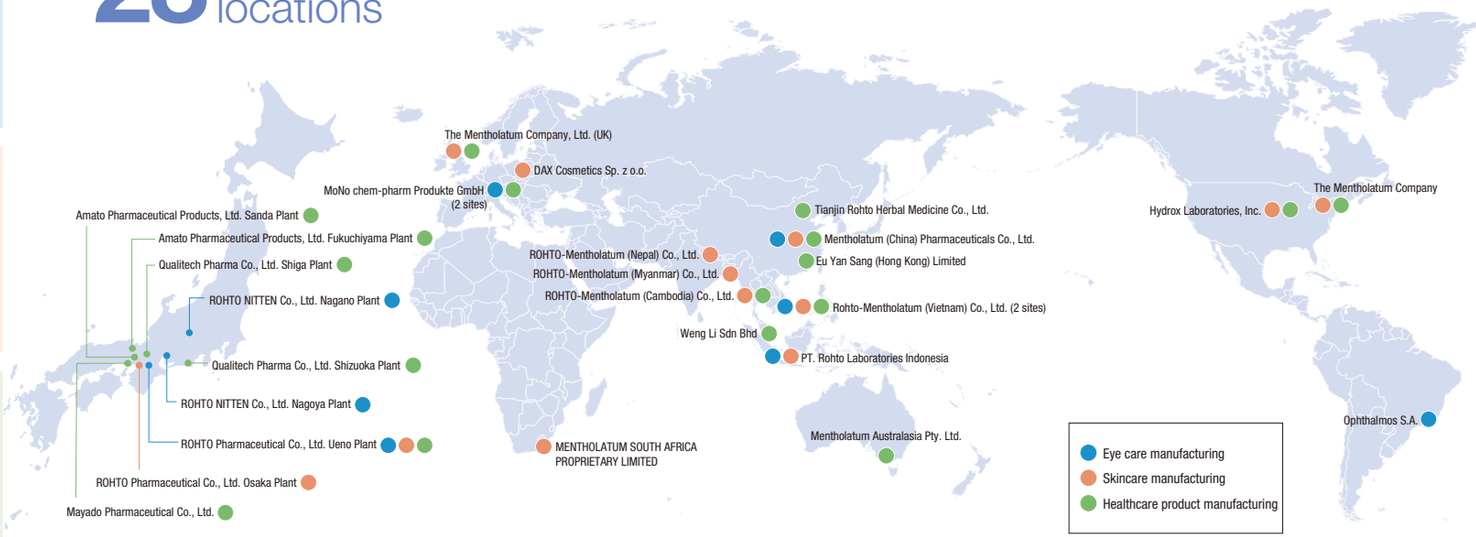
We manufacture products that meet diverse healthcare needs, including oral medicines, dermatological medicines, and traditional medicines.

Specialized technologies / Quality assurance / Group synergy

*Intage SRI + eye drops category sales volume from April 2025 to March 2026

Rohto Group's major production sites

28 locations



*The Group also has six food plants and three CPC plants (cell processing centers). (as of March 2026)

Manufacturing that Continuously Adapts to Change, Supported by Human Power and a Culture of Kaisen



Kaisen activities
(improvements and findings)
15,430 cases/year
(ROHTO Pharmaceutical Co., Ltd.)

At the heart of our manufacturing is a culture of Kaisen, in which we question what was considered good in the past and constantly strive to make it better. Kaisen activities (improvements and findings) are not merely business improvement methods; they represent a system that fosters individuals who think for themselves, engage in dialogue, and take action, while also cultivating a culture of mutual learning and knowledge sharing that transcends generations, departments, and even Group company boundaries. We continue to encourage our frontline employees to identify problems and implement improvements, while also spreading this approach to Group companies in Japan and overseas. This autonomous culture of Kaisen not only enhances quality and productivity, but also fosters organizational strength that allows us to flexibly respond to changing markets and customer needs, thereby supporting our competitive advantage.

Human resource exchanges

We conduct personnel exchanges lasting three to five months between our domestic Group companies. We share our culture of Kaisen and management philosophy to improve organizational strength.

Global Supply and Resilience

A strong production and supply network supported by domestic and international Group companies

Based on the principle of “local production for local consumption,” we are building a global supply system in which our domestic and international production bases collaborate.
In Japan, ROHTO Pharmaceutical Co., Ltd. serves as the core company, while ROHTO NITTEN Co., Ltd., Amato Pharmaceutical Products, Ltd., Qualitech Pharma Co., Ltd., and other companies undertake manufacturing functions that leverage their respective expertise, and enhance quality and supply capabilities through contract manufacturing and functional complementarity.
Overseas, in addition to strengthening our manufacturing and supply systems to meet the demands of each country and region, we utilize global ERP to link supply and demand, production, and inventory information. We have established flexible supply systems tailored to the characteristics and market conditions of each region.
In addition, we are building a strong supply chain that is capable of responding to market changes and supply risks by enhancing our competitiveness in terms of quality, supply, and cost through technology sharing, human resource exchanges, and the development of a culture of Kaisen between domestic and international bases.



Building an Environment where People can Focus on Value Creation through DX, AI, and Automation

Evolution of smart factories and supply chains supported by CPS

Aiming to realize smart factories and supply chains that are friendly to people and the environment, we are promoting the establishment of a Cyber-Physical System (CPS), starting from the Ueno Techno Center. By integrating and analyzing real-world data such as plant equipment, processes, logistics, and inventory in a digital space, we are working to improve productivity and stabilize quality, as well as create an environment where frontline workers can focus on more creative tasks.
In addition, CPS is evolving from optimization of the entire plant to optimization of the entire supply chain, including supply and demand, logistics, and production planning. AI agents support rapid, data-driven decision-making and promote the creation of a flexible supply chain that is resilient to change.

Establishment of a joint research center with Institute of Science Tokyo
We will promote the realization of next-generation smart factories through the sophistication of CPS.

Optimization of supply and demand, logistics, and productions planning with a multi-agent AI system
We will support data-driven decision-making and promote optimization of the entire supply chain.

CPS 1 (since 2018)	CPS 2 (since 2022)	CPS 3 (since 2025)
Visualization	Optimization	Decision-making support and autonomy
“Visualization and foundation building”	“Shift to smart factories”	“Optimization of the entire supply chain”
• Visualization of manufacturing site data	• Plant-wide optimization	• Establishment of joint research center
• Development of digital infrastructure	• Automated transport and inventory optimization	• Multi-agent AI system

TOPICS

Sophistication of Quality Assurance through AI-powered Quality Inspections



Each base autonomously promotes kaisen activities (improvements and findings) and DX starting from the frontline. Mentholatum (China) Pharmaceuticals Co., Ltd. is using AI-powered quality assurance to ensure high quality, stable supply, and the creation of an environment where people can focus on value creation.

- Examples: AI-based foreign matter inspection for eye drops; AI-based visual inspection for acne patches
- Effects: Inspection speed approximately 10 times faster; Improved inspection accuracy; Reduction in quality risks

Moving the Heart
ROHTO
ROHTO Group’s Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Digital Strategy

Message from the CDO



Chief Digital Officer (CDO)
Munekazu Haranaga

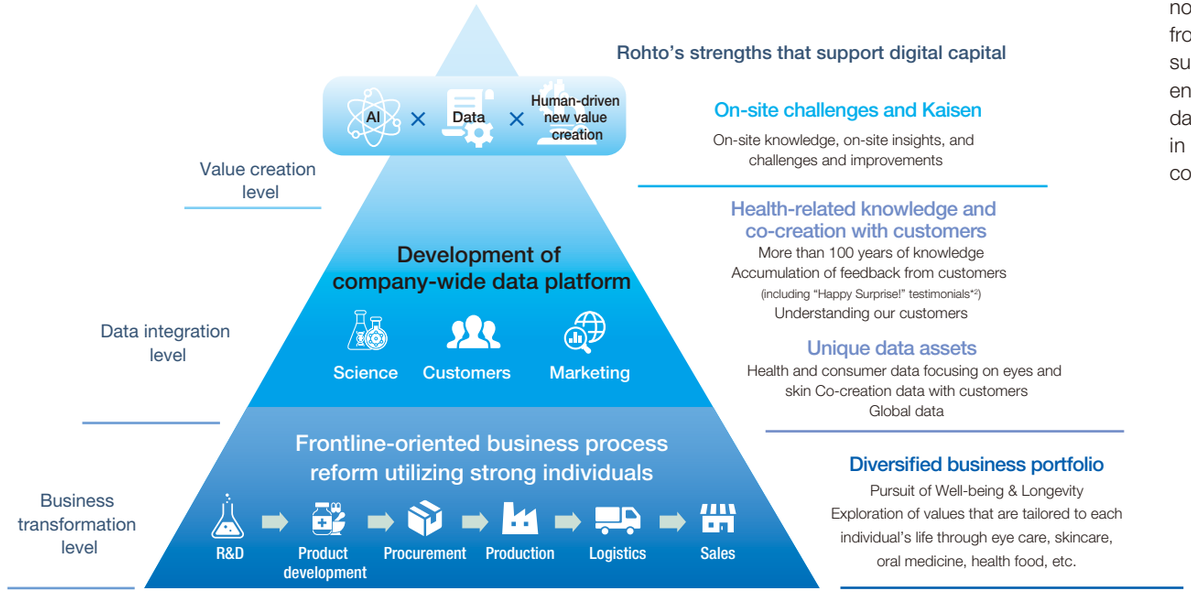
The Group views AI, data, and digital infrastructure not merely as a means of improving operational efficiency, but as digital capital that expands human creativity, insight, and empathy, and generates new value. The source of this lies in our knowledge of health cultivated over more than a century, the challenges and Kaisen*1 accumulated by each individual on the frontlines, and our history of continuously listening to customer feedback across generations.

We use AI and digital infrastructure to refine these assets and increase the value of each capital, while accelerating the evolution of R&D, production and supply networks, points of contact with customers, and the creation of new value. People are at the heart of that value creation. While cultivating human resources who co-create with AI, we will take on the challenge of creating value in the form of Well-being & Longevity that is tailored to each individual.

DX that Supports Connect for Well-being & Longevity

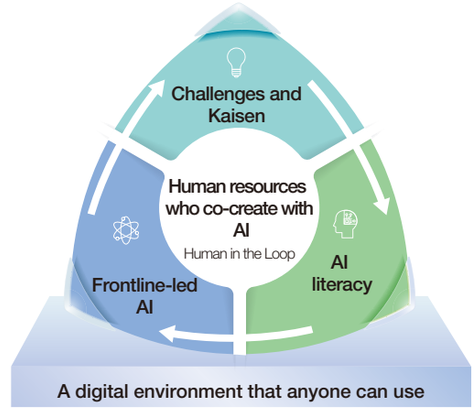
Rohto's Vision

Company-wide data integration × Optimized operations × Creating value with AI and data



AI and DX Promotion Driven by the Frontlines

We view AI not as a replacement for humans, but as a partner that enhances human creativity, insight, and empathy. The use of DX and AI is not limited to specific specialized departments. It is an initiative in which frontline staff take the lead and all employees proactively participate. We support on-site insights and a culture of Kaisen, while also creating an environment where everyone can use AI and digital technologies on a daily basis. While emphasizing human-led final decision-making (Human in the Loop), we are enhancing organizational strength that fosters co-creation between humans and AI, leading to the creation of new value.

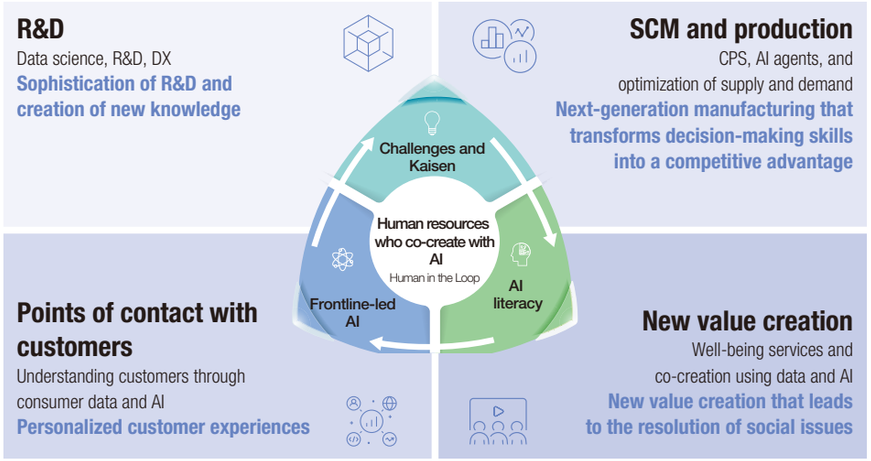


*1 Rohto Pharmaceutical's unique approach that involves continuously improving things without relying on the methods of the past
*2 Appreciation and positive opinions from customers

Implementation and Results of Digital Capital

Areas where AI and Data Accelerate Value Creation

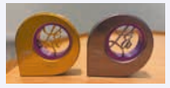
We are building a unique healthcare data platform based on health and consumer data obtained from various contact points with consumers and customers. By leveraging AI and data science, and expanding their applications across a wide range of areas from R&D to customer contact points, production, and new value creation, we are accelerating the creation of value for society.



External Evaluation

JDMC Data Management Award 2026 Data Utilization Award
Health and consumer data/data asset utilization/data-driven management

Google AI Max for Search (Hong Kong) MARKies Awards 2026 (Gold/Bronze Award Winner)
The Loyalty & Engagement Awards 2026 (Gold/Bronze Award Winner)



TOPICS

Taking on the challenge of new collaboration between humans and robots (Ueno Techno Center)

Aiming to improve the well-being of workers and achieve next-generation manufacturing, we are working on demonstrations of the use of humanoid robots.



[R&D]

AI as an R&D platform that expands researchers' creativity

By combining our long-cultivated research knowledge with data science, we are promoting the sophistication of R&D. We are promoting the development of "ReaLab AI," an R&D AI, and creating an environment that provides end-to-end support from healthcare data analysis technology and prescription design to experimentation. By positioning AI not as a replacement for researchers, but as a partner that expands creativity and insight, we aim to accelerate the creation of new knowledge and value.

[SCM and Production]

Next-generation manufacturing supported by AI agents

We are promoting the use of AI to link real world information such as people, goods, facilities, and logistics, to support decision-making and operations. We enhance data-based decision-making and optimize the entire supply chain that supports high-mix low-volume production. By allowing people to focus on higher value-added tasks, we will realize a stable supply, reduced environmental impact, and work style reforms, and contribute to the sustainable development of the entire manufacturing industry and the resolution of social issues.

[Points of Contact with Customers]

Customer experiences created through co-creation with customers

Through events and a variety of other contact points with customers, including "Happy Surprise!" testimonials and "Communication Call," we accumulate feedback from customers as assets. We are using generative AI and AI agents to deepen our understanding of customers and enhance product development and service improvements. In Hong Kong, the use of Google AI Max for Search has increased sales by 114% and conversions by 57%, creating customer experiences that are tailored to each individual.

[New Value Creation]

New well-being experiences created by digital technology

We are promoting initiatives that encourage improved health awareness and behavioral change among consumers through experiences such as our "Eye Care Station" at the Osaka Expo. We aim to improve the well-being of each and every individual by creating new experience value through the use of digital technology.



©Expo 2025

Moving the Heart
ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Intellectual Property Strategy

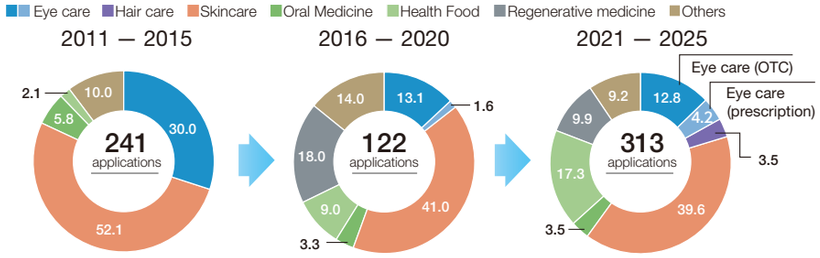
The Group positions intellectual property as an important management asset that supports the realization of our business strategy and the sustainable enhancement of corporate value. We accumulate unique technologies and knowledge cultivated through R&D as a technological foundation that serves as the source of our competitive advantage. We protect and utilize the results thereof through patents and other means, while also building an intellectual property foundation that protects brand value through trademarks, etc. By linking these two foundations, we support the enhancement of brand value and global expansion, which lead to value creation for consumers, society, and business.

Intellectual Property Foundation that Supports our Competitive Advantage

Building an intellectual property portfolio aligned with our business strategy

Based on our Medium- to Long-Term Growth Strategy, we are building an intellectual property portfolio that supports the strengthening of the competitiveness of our core businesses and the creation of new growth areas. In the self-care field, which is a core business, we are continuously strengthening our intellectual property, primarily in the areas of eye care and skincare, while also promoting intellectual property investments to support growth in the areas of hair care and oral medicine/health food. By optimizing our intellectual property portfolio based on the growth potential and marketability of each business, and by responding flexibly to changes in the business strategy, we are contributing to the improvement of corporate value over the medium to long term.

Number of Patent Applications (%) * From January to December

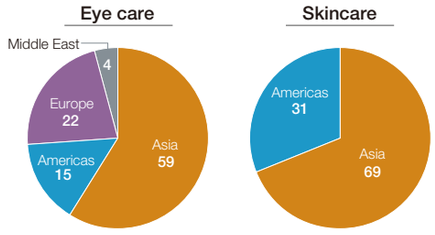


Strengthening intellectual property protection in the global market

In order to leverage our unique technologies and expertise cultivated in Japan in the global market, we are optimizing our intellectual property strategy for each key region. In addition to Asia, we are also pursuing patent applications and securing rights in key markets such as Europe, with a view to expanding our business there, and are strengthening intellectual property protection tailored to regional characteristics. Through these initiatives, we are building an intellectual property foundation that supports our global competitive advantage.

Patent Registrations by Region

(%)* Patents valid as of June 2026

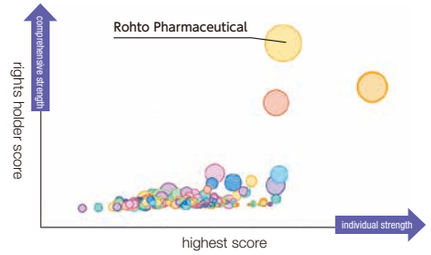


Technological foundation that supports our competitive advantage

By pioneering efforts in R&D ahead of other companies, we have refined our unique technologies and built a technological foundation that serves as the source of our competitive advantage. By continuously investing in intellectual property based on our long-cultivated core technologies, including those in the ophthalmology area, as well as vitamin C and hyaluronic acid, and by obtaining patents across a wide range of technologies, from core technologies to product technologies, we maintain our technological advantage and support the creation of new value.

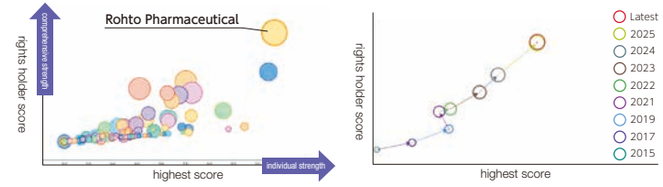
Ophthalmological Medicine Patents

Size of circle: number of valid patents



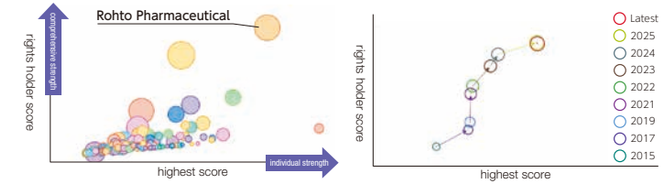
Cosmetics x Ascorbic Acid (Vitamin C) Patents Held

Size of circle: number of valid patents



Cosmetics x Hyaluronic Acid Patents Held

Size of circle: number of valid patents



*Created by the Company using Patent Result Co., Ltd.'s patent analysis tool "BizCruncher." The size of the circle indicates the number of valid patents in the relevant field, the horizontal axis shows the score of the single patent with the highest value among the patent group of each rights holder, and the vertical axis shows the sum of the scores of each rights holder's patents. (as of June 2026)

Intellectual Property that Protects and Nurtures Brand Value

Trademark and design strategies to enhance brand value

The Group maintains the core values and identity of each brand while localizing them to suit the culture, lifestyles, and market characteristics of each country and region, thereby expanding its brands globally. In order to protect and actively foster the brand value we promise to our customers, we strategically acquire and protect major trademarks and designs, thereby strengthening our competitiveness in each market. These initiatives make up an important intellectual property strategy that supports the maintenance and enhancement of brand value and competitiveness.



TOPICS

Acquisition of Obagi-related Trademarks (Japan)

In November 2025, we acquired the rights in Japan to the Obagi-related trademarks owned by OBAGI COSMECEUTICALS LLC (United States), as well as perpetual licensing and distribution rights in all sales channels in Japan.

This will allow us to strengthen our existing sales channels, accelerate our expansion into new markets such as clinics, and establish a system in which we own the trademark rights that support the Obagi brand, which we have cultivated over many years. In addition, we are promoting the protection of technologies through patents for R&D results that support our brands, and through the integrated use of trademarks and patents, we are enhancing both brand value and technological value, thereby strengthening our competitive advantage.

Initiatives to Transform Intellectual Property into Value

The Group views intellectual property not only as “something to protect,” but also as a “management asset that creates and nurtures value.” We do not simply hold intellectual property rights; we utilize them to strengthen our business competitiveness, enhance brand value, and ultimately provide value that leads to the safety and security of consumers.

Patents that support product value

In addition to ingredients and formulation technologies, we are actively seeking to acquire patents for technologies that enhance usability from the customer’s perspective, such as ease of drinking, comfort of application, and ease of use of the container. These kinds of intellectual properties are important business assets that support improvements in product quality and customer experiences, and they help translate R&D results into value for customers.

Promotion of measures against counterfeit products

As the Company’s brands expand globally, measures against counterfeit products have becomes a crucial issue not only for protecting brand value but also for ensuring the safety and security of consumers. Counterfeit products whose quality and safety cannot be guaranteed may lead to health hazards. We leverage our intellectual property rights to ensure that customers can purchase and use our products with peace of mind. We are committed to eliminating counterfeit products through measures such as issuing warnings, responding to e-commerce platforms, collaborating with public institutions, and enforcing our rights. In addition, we are working in cooperation with industry associations and related organizations to maintain a sound market environment.

Implementation of patent marking

In the United States, the Company introduced patent marking on eye drop products. By disclosing information on patents related to products on our website, we aim to enhance understanding of and trust in our unique technologies, while also communicating the value of our research results. In addition, we promote the protection and utilization of intellectual property by clearly indicating patent protection, which also serves to deter counterfeiting.

Promotion of open innovation

We do not keep the technologies we have developed to date solely within the Company, but utilize them in various fields, and this leads to the resolution of social issues and the creation of new value. We promote innovation by licensing our patented technologies and co-creating with external partners, and this contributes to the resolution of social issues and the creation of new value.

Moving the Heart
ROHTO
ROHTO Group’s Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Co-creation Strategy

For the Group, “co-creation” means linking relationships with diverse stakeholders to the creation of new value that supports sustainable growth. As a public institution of society, the Group has collaborated with diverse individuals and organizations to address social issues, bringing together each other’s knowledge and strengths to create new value.
This approach to co-creation is the very embodiment of our Comprehensive Management Vision, “Connect for Well-being & Longevity.” The Company’s approach to value creation is unique: we connect internal and external colleagues and organizations to co-create value that would be difficult for a single company to produce, and this leads to the achievement of both the resolution of social issues and business growth.

Four Values through Co-creation

We understand social capital not merely as connections, but as a growth foundation that generates business growth, R&D, solutions to social issues, and future co-creation opportunities. We define the value created through dialogue, collaboration, and co-creation with stakeholders in terms of four types of value: business value, research value, social value, and trust value.

Business Value ····· ● Main stakeholders involved: **Consumers and future generations, countries and local communities**

Through new points of contact that arise from connections with society, we are promoting health awareness and behavioral change, and expanding opportunities to support the health of consumers. From these points of contact, we are creating new solutions, business models, and market opportunities.



©Expo 2025

Held “ROHTO Healthcare DAY” at Osaka Expo

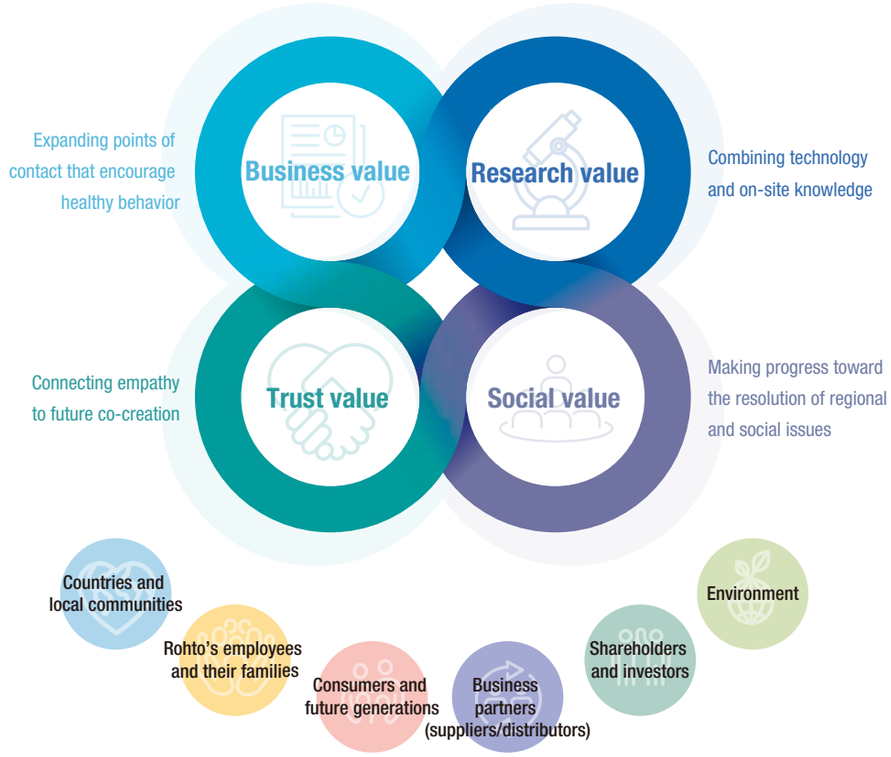
At “ROHTO Healthcare DAY,” held at the Osaka Expo, we collaborated with diverse partners to communicate the importance of extending healthy life expectancy and taking preventative actions. The consumer insights obtained will be utilized for future development and awareness-raising initiatives.



Launch of co-creation initiatives to raise awareness of eye care

By combining the digital technology of Fujitsu Limited with the Company’s knowledge of eye care, we developed “POCOME” in collaboration with students from a high school for the hearing impaired, and created an opportunity for them to consider eye health as something that concerns them personally.

Four Values Created by Social Capital



Research Value ····· Main stakeholders involved: business partners (suppliers/distributors), countries and local communities

We create new technologies and discoveries by combining external expertise with our own research and technology foundation and practical knowledge gained from consumer interactions. We practice co-creation that connects research and consumers while incorporating diverse perspectives.

Collaboration with a venture possessing stem cell protection and regeneration technologies

Through this investment, we will collaborate with EADERM CO., LTD.'s unique drug discovery technology, which is based on the protection and regeneration of stem cells, and demonstrate synergies with our existing businesses, particularly in the areas of skin, hair, ophthalmology, and anti-aging.

ReaLab AI received award at CEATEC AWARD 2025 in the Next Generation Category

Through joint development with Hutzper Inc., we have implemented an R&D AI, "ReaLab AI," that supports experimental design, data analysis, and autonomous experiments. It enhances the creativity and efficiency of research, and expands the possibilities for knowledge generation and technology implementation.

Trust Value ····· Main stakeholders involved: Consumers and future generations, business partners (suppliers/distributors), shareholders and investors

Through dialogue and collaboration with diverse stakeholders, we are building a foundation for relationships that foster trust and empathy, and create future value.



COCO ROHTO Festival

This is an in-person event hosted by the online customer community "COCO ROHTO PARK," where developers and planners can directly interact with consumers. By deepening relationships of trust with consumers, we are working toward the conception and improvement of future developments as well as new co-creation opportunities.

COCO ROHTO PARK (Japanese only)

Women's Health Lab

In order to support the health of future generations, the Company has been continuously holding a study group since 2018 for people to learn, think and act together, beyond the boundaries of suppliers and manufacturers. Continuous dialogue and collaboration are fostering relationships of trust and building a foundation for future co-creation.

Social Value ····· Main stakeholders involved: Countries and local communities, consumers and future generations, the environment

We address issues faced by local communities and society, and contribute to improving the well-being of consumers and future generations. We promote collaboration that leads to the resolution of social issues through our business activities.



Initiatives to raise awareness about preventing myopia in children

We recognize children's eye health as an important social issue, and through cooperation with local communities and industry-academia collaboration, we are continuously working to understand the current state of myopia and promote prevention and awareness. We are sharing our knowledge gained in local communities with society at large to create a healthy visual environment for children and protect their future eye health.

Eye care Initiatives

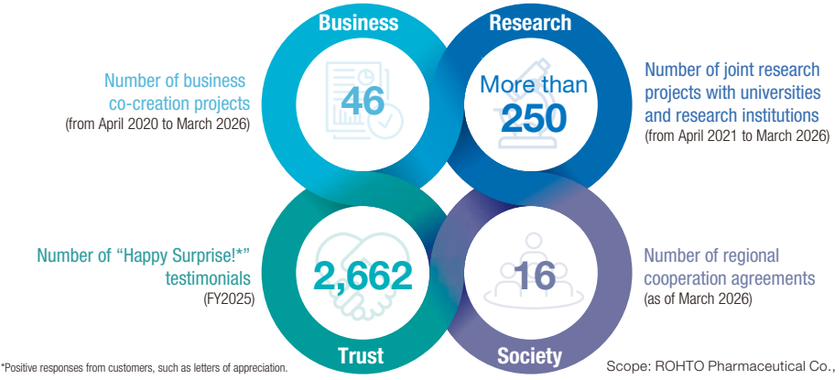


Enhanced logistics efficiency and reduced environmental impact through joint delivery

Through joint delivery with Milbon Co., Ltd. and Haleon Japan K.K., we are working to enhance logistics efficiency and reduce environmental impact. We are working to realize sustainable logistics through collaboration that transcends company boundaries.

Enhanced Logistics Efficiency through Joint Delivery P.48
Building a Sustainable Supply Chain P.57

Rohto's Connections that Support Growth



*Positive responses from customers, such as letters of appreciation.

Scope: ROHTO Pharmaceutical Co., Ltd.

Moving the Heart ROHTO

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
ROHTO Group Comprehensive Management Vision
Medium- to Long-Term Growth Strategy 2025-2035
At a Glance
Regional Strategy
Growth Strategy
Eye Care Business
Skincare Business
Oral Medicine/Health Food Business
Medical Business
Financial Strategy/Message from the CFO
Human Capital Strategy/Message from the CHRO
Manufacturing Strategy
Digital Strategy/Message from the CDO
Intellectual Property Strategy
Co-creation Strategy
Sustainability
Special Dialogue
Corporate Governance
Data Section

Sustainability

Sustainability Numbers

Steady Promotion of
Climate Change Countermeasures

Down 41%

Reduction in CO_2 emissions
(Compared to FY2013)

Trust-Building
Responsible Procurement

90%
Coverage rate
*Based on purchase amount in FY2024

100%
Response rate

Supplier CSR Assessment

Thorough
Customer Perspective

2,662 cases
Happy Surprise! Testimonials
(FY2025)

Deep-Rooted
Social Contribution Culture

Approx. 80%
Participation rate
in Karugamo fund

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Sustainability System

The Group positions sustainability at the core of its management. Solving various health-related social issues through our business also leads to the corporate growth of the Group. We aim to contribute to the well-being of all people and realize a sustainable society through a wide range of business domains.

Sustainable Policy

Based on its Corporate Philosophy, Code of Values and Conduct (ROHTO's Seven Pledges), and various policies, the Group will work together with all stakeholders, including consumers, business partners, employees, shareholders and investors, local communities, and the global environment, to fulfill its social responsibility toward the realization of a society with well-being and to enhance its corporate value.

Sustainability Action Guidelines

Sustainability Promotion System

Our group is promoting responses to sustainability issues, primarily through the Sustainability Committee, an advisory body to the Board of Directors. The Committee deliberates policies and action plans based on materiality, and monitors the progress of measures. The Committee meets twice a year to deliberate and make decisions on matters delegated to it by the Board of Directors, and to submit important matters to the Board of Directors. In addition, in March 2026, we established the Environmental Management Promotion Committee under the Sustainability Committee to further strengthen our response to environmental issues. Under the Sustainability Committee, we will promote measures to address priority issues in cooperation with related divisions in Japan and overseas and global bases. Chaired by the Chief Scientific Officer (CScO), the Environmental Management Promotion Committee promotes highly effective environmental management that draws on our understanding of scientific findings and businesses, and contributes to improving medium- to long-term corporate value and realizing a sustainable society.



Materiality Identification

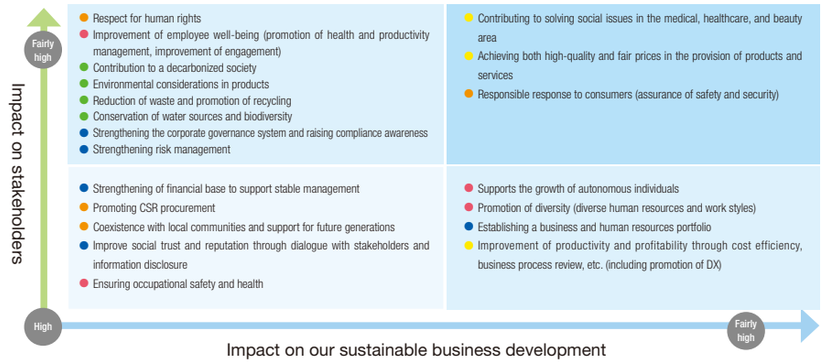
In order to promote efforts to resolve priority issues in sustainability, the Group has identified five materiality issues from the perspective of ESG/SDGs that it should prioritize through business activities. We will promote initiatives for each materiality issue to enhance corporate value and achieve sustainable growth.

Materiality Identification Process

Step.1 Identification of social issues
The Sustainability Committee analyzes global social issues and ESG trends with reference to various guidelines and norms such as SDGs and GRI standards, and identifies issues.

Step.2 Narrowing down key issues
Discussions are held among senior management, including outside officers, on the issues identified, and materiality issues are selected.

Rohto Group's Materiality Matrix



Step.3 Assessment of validity and identification of materiality
Materiality issues selected in step 2 are finalized by the Sustainability Committee and approved by the Board of Directors.

Five materiality issues
1 Realization of Well-being through business
2 Maximizing human capital to enhance corporate value
3 Contributing to a sustainable global environment
4 Coexistence with society
5 Further strengthening of business foundations

Sustainability Targets 2030

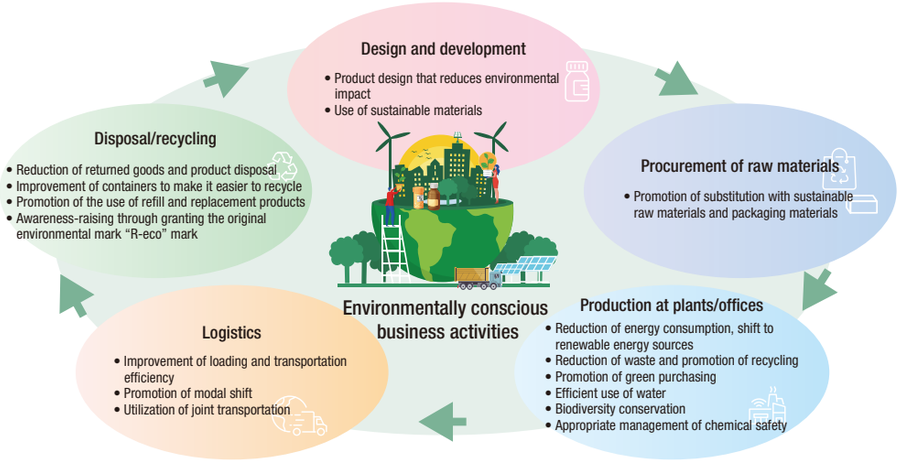
Materiality	Main issues	Metrics	FY2025 results	Targets for 2030
Realization of well-being through business Strengthen development capabilities and competitiveness of businesses and well-being products and services to contribute to the realization of a society with well-being	○ Contributing to solving social issues in the medical, healthcare, and beauty area ○ Achieving both high-quality and fair prices in the provision of products and services ○ Improvement of productivity and profitability	Number of new products contributing to well-being	42 items	—
		Number of renewed products with improved quality, environmental performance, and convenience	93 items	—
		Number of long-selling brands	28 brands	—
		Number of countries where eye drops are marketed	48 countries	—
Maximizing human capital to enhance corporate value Promoting co-growth between the Company and members	○ Supports the growth of autonomous individuals ○ Improvement of employee well-being (promotion of health and productivity management, improvement of engagement) ○ Promotion of diversity (diverse human resources and work styles) ○ Ensuring occupational safety and health	Score on a questionnaire on "Well-being" status (Measuring members' engagement)	Average of 5 items: 6.99 points	Full score for all items
		Certified as a Health & Productivity Management Outstanding Organization (White 500)	Continue to maintain certification	Maintain certification
		Certified as a Sports Yell Company	Continue to maintain certification	Maintain certification
		Consultation rate for health checkups	100%	100%
		Consultation rate for stress checks	99.8%	100%
		Male parental leave uptake rate	92.3%	100%
		Employment rate of persons with disabilities	3.0%	3.0% or more
		Provision of career training for employees aged 50 and over	Provided	Provide annually
		Learning implementation rate	61.2%	100%
		Overtime work (hours/month)	11.7hours	0 hours
		Installation of gender-free toilets at self-owned offices	Already installed	install
		Utilization rate of paid leave	80.5%	80% or more
		Utilization rate of paid leave for 5 or more consecutive days	37.8%	80% or more
		Number of serious work-related accidents	0	0
Contributing to a sustainable global environment Prevention of global warming and harmony with the natural environment	○ Contribution to a decarbonized society ○ Environmental considerations in products ○ Reduction of waste and promotion of recycling ○ Protection of water sources and biodiversity	Reduction of total GHG emissions (Scope1 & 2 of ROHTO)	41%(compared to FY2013)	46% or more (compared to FY2013)
		Purchase rate of Co_2-free electricity at major offices	84.1%	100%
		Reduction of plastic use in containers and packaging (Adoption rate of recycled and biomass plastics*) *Applies to products representing the top 80% of total resin weight.	35.1%(FY2024)	70% or more
		Usage rate of eco-friendly papers for paper containers and packages	82.8%	90% or more
		Purchase rate of "green" (eco-friendly) office supplies in domestic offices	51.8%	90% or more
		Purchase rate of "green" (eco-friendly) printing papers in domestic offices	100%	Continue 100%
		"R-eco" mark certification rate	58.9%	100%
		Shifting to sustainable palm oil	68.4%	100%
Coexistence with society Building trust with stakeholders to become needed and trusted by society	○ Responsible response to consumers (assurance of safety and security) ○ Respect for human rights ○ Promoting CSR procurement ○ Coexistence with local communities ○ Support for future generations	Number of PL accidents and major quality incidents	0	Maintain 0
		Provision of education and training about human rights and harassment to all members (officers and employees)	Provided Attendance rate 100%	Continue annually
		Implementation of a Self-Assessment Survey on CSR Procurement for ROHTO's Suppliers	Implemented for 70 companies (covering 90% of procurement spending)	Expand implementation to domestic and overseas Group companies
Further strengthening of business foundations Strengthening financial and organizational foundations to support sustainable growth	○ Strengthening the corporate governance system ○ Raising compliance awareness ○ Strengthening risk management ○ Establishing a business and human resources portfolio from a long-term perspective ○ Strengthening of financial base to support stable management ○ Improve social trust and reputation through dialogue with stakeholders and information disclosure	No scandal and material legal violation by further enhancement of compliance awareness	0	Maintain 0
		Provision of compliance education (including an e-learning course) to all employees	Provided	Continue annually
		Setting up a consultation desk to receive whistleblowing from business partners (including suppliers)	Establishment of Domestic and International Contact Points	—

*Applicable to: Rohto Pharmaceutical Co., Ltd.

Moving the Heart
ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
▶Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Sustainable Global Environment

It is our duty to pass on the global environment to future generations. The Group views climate change, resource circulation, coexistence with nature, water resources, promotion of chemical safety, and other issues as management issues for the entire value chain. Based on the ROHTO Group Environment Basic Policy, the Group aims to achieve both the reduction of environmental impacts and business growth. We will sincerely comply with the environmental principles of the United Nations Global Compact and contribute to the realization of a sustainable global environment in cooperation with our partners in Japan and overseas.



Basic Environmental Policy

In March 2025, we revised the Environmental Policy established in 2005 as the ROHTO Group Environment Basic Policy, with the aim of realizing the important themes set out in Sustainability Targets 2030. We will promote initiatives to address environmental issues as a common guideline for the Group.

ROHTO Group Environment Basic Policy

Addressing Climate Change —Toward a Decarbonized Society—

Climate change—including natural disasters caused by global warming, fluctuations in raw material and energy prices, and impacts on logistics networks—is a management issue that significantly affects the Group's business activities. The Group continues to disclose climate-related information based on the Task Force on Climate-related Financial Disclosure (TCFD) Recommendations. Going forward, we will work to further enhance the content of disclosure based on the sustainability disclosure standards announced by the Sustainability Standards Board of Japan (SSBJ).

Governance: Supervisory Structure from Both Management and Financial Aspects

The Group regards sustainability issues, including climate change, as key management priorities. The Sustainability Committee, chaired by the Executive Vice President and CFO, discusses risks and opportunities and determines policies. The Board of Directors receives reports and supervises the status of implementation, including disclosure and dialogue, and capital expenditure plans.

Strategy: Evaluation Based on Scenario Analysis

The Group evaluates the impact of risks and opportunities related to climate change on our business, focusing primarily from the financial perspective. Referring to scenarios announced by the Intergovernmental Panel on Climate Change (IPCC), etc., we examined the comprehensive impact of both the 1.5°C or 2°C and 4°C scenarios on our major operation bases: Japan, China, Vietnam, and the U.S.

Address to Climate Change

Risk Management: Cross-Departmental Risk Response

In accordance with the TCFD framework, the Sustainability Committee identifies and evaluates the risks posed by climate change, based on changes in the external environment, the Group's resources, and the services provided. The identified risks are managed by the Committee, and specific measures are implemented in coordination with relevant departments. Risks associated with business continuity are discussed with the Risk and Compliance Committee, and are linked to the formulation of BCP.

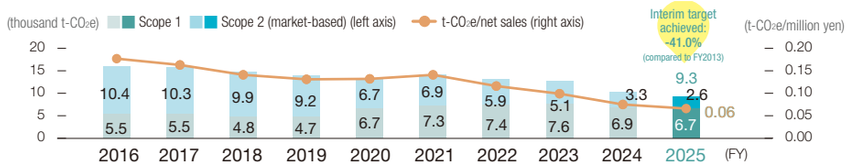
Metrics and Targets: Reduction Targets and Progress Management

By fiscal 2030, the Company aims to reduce CO_2 emissions in Scope 1 and 2 by 46% from the fiscal 2013 level and achieve carbon neutrality by 2050. We promoted energy conservation, switching to CO_2-free electric power, and solar power generation and geothermal heat utilization, and achieved the interim target of 30% in fiscal 2025, a reduction of 41%.

Decarbonized Society

Progress in Reducing CO_2 Emissions from Scope 1 and 2 Business Activities

As a result of promoting energy conservation and switching to renewable energy such as switching to CO_2-free power and introducing solar power generation, the Company's non-consolidated CO_2 emissions in fiscal 2025 (Scope 1 and 2) were reduced by 41.0% from fiscal 2013, achieving the interim target of a 30.0% reduction. We will continue to reduce CO_2 emissions from business activities toward our next target of a 46.0% reduction from the fiscal 2013 level by fiscal 2030. In fiscal 2025, we began calculating CO_2 emissions (Scope 1 and 2) for the entire Group, and emissions in fiscal 2025 were 66,413 t-CO_2. Going forward, the Group will work as one to manage and reduce emissions.



*Scope: ROHTO Pharmaceutical Co., Ltd.

Switching to Renewable Energy and Promoting Energy Conservation

The Group is working to reduce energy consumption and switch to electricity derived from renewable energy to achieve reduction of CO_2 emissions in Scope 1 and 2. With the aim of reducing energy consumption by 1% or more per year by fiscal 2030, the Company is promoting the replacement of high-efficiency equipment, improvements in maintenance and operations, utilization of waste heat, energy conversion, review of air conditioning operation hours, and other measures. At Head Office Plant, Ueno Techno Center, and Research Village Kyoto, which are the main business sites of the Company, we are switching to a CO_2-free electricity menu, and the purchase ratio at the main business sites was 84.1% in fiscal 2025.

In addition to installing solar power generation systems at our own facilities, we are promoting the utilization of on-site PPA* systems. We plan to gradually introduce off-site PPAs from fiscal 2026. We are also promoting the use of solar power generation across the Group companies, both in Japan and overseas. We will continue to work toward achieving our CO_2 reduction target for fiscal 2030 by combining energy conservation, renewable energy utilization, and energy conversion.

*A system to purchase electricity generated from renewable energy facilities installed by a third party on the Company's premises

Utilization of geothermal heat pumps

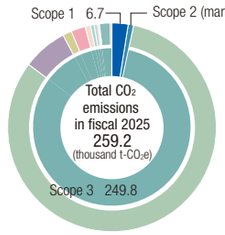
The Ueno Plant has introduced a geothermal heat pump system that is not easily affected by sunlight hours or weather conditions. By utilizing stable underground temperatures, we can use non-fossil energy for air conditioning to maintain production processes, thereby reducing CO_2 emissions.



Geothermal heat pump system

Scope 3: Reduction of Environmental Impact of the Entire Value Chain

We are calculating and identifying CO_2 emissions throughout the value chain (Scope 3)—from raw material procurement to manufacturing, transportation, marketing, and post-use disposal. In fiscal 2025, we began calculating Scope 3 for the entire Group, and ascertained that Category 1 "Purchased products and services" accounted for the largest proportion in terms of business characteristics. In the future, while striving to improve the accuracy of calculations toward disclosure, we will position Category 1 as a priority area, promote reviews of raw materials, containers, and packaging, the use of low-carbon materials, and the reduction of the amount of plastic used, and work together with suppliers to address CO_2 emissions reduction throughout the entire value chain.



Purchased goods and services	211.9	Employee commuting	1.5
Capital goods	18.2	Upstream leased assets	1.4
Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	3.7	Downstream transportation and distribution	0.6
Upstream transportation and distribution	5.3	End-of-life treatment of sold products	4.5
Waste generated in operations	0.2	Downstream leased assets	0.1
Business travel	2.5		

*Scope: ROHTO Pharmaceutical Co., Ltd.

Promotion of Reduction of Environmental Impact Through Enhanced Logistics Efficiency

In terms of transportation, we are working to reduce environmental impacts associated with Scope 3 Category 4 "Upstream transportation and distribution" by improving loading efficiency, promoting collaborative transportation with other companies, and promoting modal shift. By optimizing routes and transportation volume, in addition to reducing CO_2 emissions associated with logistics, we are also addressing logistics issues such as driver shortages.

We will continue to work on CO_2 emissions reduction across the entire value chain by further improving transportation efficiencies across the entire supply chain.

Enhanced logistics efficiency through joint delivery

In August 2025, the four companies of the Company, Milbon Co., Ltd., Haleon Japan K. K., and Toyo Logistics Co., Ltd., collaborated to start "Relay-Type-Connected Joint Transportation." In recognition of its efforts to improve loading efficiency, reduce CO_2 emissions, and improve the sustainability of logistics, the Company was awarded the "Logistics Structure Reform Award," a departmental award, at the 2025 Logistics Partnership Excellent Business Awards.

Building a Sustainable Supply Chain P.57



[Loading completed]
Upper layer: Rohto's Products,
Lower layer: Milbon's Products

Moving the Heart
ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Initiatives for Resource Circulation —Improving Resource Efficiency Through Product Life Cycle—

Manufacturing That Achieves Both Environmental Considerations and Product Value

The Group is working to reduce environmental impacts while ensuring quality, safety, and usability of our products. As a company that handles pharmaceuticals, cosmetics, and oral medicines and health foods, etc., quality preservation, hygiene, and convenience are required for containers, packaging, and materials. Therefore, in addition to reducing the amount used, the Company strives to balance environmental considerations with product value assurance according to product characteristics. In addition to promoting reductions in the amount of resources used and waste generated throughout the product life cycle, from development to manufacturing, distribution, and disposal, we will broaden the understanding and practice of resource circulation by providing easy-to-understand information to consumers.

Four Important Perspectives of Product Design



Resource Circulating in Product Life Cycle

Towards the realization of a circular economy, we value limited resources and promote the 4Rs (Reduce, Reuse, Recycle, and Renewable) for containers, packaging, and materials by reducing plastic and waste. In recent years, refill products have expanded from initiatives that symbolize environmental consideration to everyday choices consumers make. Resource circulating does not end within the Company. It is important to work with diverse stakeholders, including suppliers of raw materials and containers and packaging, distributors and retailers who deliver products, as well as consumers who select and use products, to reduce the amount of resources used and the generation of wastes, and to promote resource circulation. The Group will expand initiatives to effectively utilize resources throughout the entire value chain.



Moving the Heart ROHTO
ROHTO Group’s Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Resource Circulation Action with Stakeholders

Environmental mark that conveys environmental information: Original Environmental Mark “R-eco”

Since 2019, the Company has been displaying its original environmental mark, the “R-eco” mark, to provide customers with easy-to-understand information. This mark is applied to products for which environmental considerations have been conducted in accordance with the Company’s standards, including reducing the weight of containers and packaging, refilling and replacement, and the use of eco-friendly paper. In fiscal 2025, the “R-eco” application rate was 58.9%*. We aim to achieve a 100% product application rate by fiscal 2030, and will continue to switch to environmentally conscious products and provide easy-to-understand information to customers while paying attention to quality and safety.

*Ratio of total shipment volume in FY2025



Environmental Conservation Activities

Expanding Use of Recycled/Biomass Plastic

The Company is working to expand the use of recycled and biomass plastics in its products toward the realization of circular manufacturing. By fiscal 2030, the Company aims to increase the adoption rate* to 70% (from 35.1% in fiscal 2024). In fiscal 2025, the Company expanded the use of biomass materials in HADALABO large-volume bottles and in Gokujyun Skin Conditioners, and is steadily expanding the range of products. Going forward, we will continue to promote material conversion while paying attention to quality, safety, and ease of use.

*Scope: Products that account for the top 80% of the total weight of resins

Waste material recycling in partnership with suppliers

High quality medical-grade plastic is used in eye drop containers to protect the quality of the contents. In cooperation with suppliers, the Company promotes the effective use of scraps and substandard products generated during container manufacturing. In fiscal 2025, in cooperation with Fuji Seal International, Inc., we reused scraps generated in the manufacturing process of eye drop containers to seal labels on eye drop bottles. We began with four C Cube Premium products, and will continue to expand their use.



Reduction of Returned Goods and Waste in Collaboration With Distribution and Retail

The Company is promoting the “Mottai-nai Project” mainly in the sales section, in order to reduce returns and disposal of non-defective products. By collaborating with retailers and distributors to optimize shipments and inventories according to demand, the domestic shipment return rate for fiscal 2025 was 1.6%, down 5.8 percentage points from fiscal 2013. In addition, since July 2020, the Group has participated in “Go Ethical,” an initiative of “LOHACO by ASKUL,” which is operated by ASKUL Corporation, and is working to reduce waste loss by selling products that have no quality issues, such as returned unopened obsolete products, in the outlet category.

Initiatives to reduce waste from sales promotion materials

In-store advertising materials are important to support sales activities, but they may be disposed of due to product improvement, discontinuation, or excess inventory. The Company is working to improve the accuracy of production, distribution, and inventory management according to the required amount by identifying the status of use and disposal records. In fiscal 2025, we had reduced the waste rate by 30.2 percentage points (in monetary terms) from the 2020 baseline. We will continue to focus on this as a theme for improving resource efficiency.

Working with Customers to Reduce Container Waste

In order to promote resource circulation, it is important to reduce the amount of waste containers and packaging generated not only during the product manufacturing stage but also during the period when customers continue to use the products. The Company is promoting the expansion of refill and replacement products while paying attention to quality, safety, and ease of use. As for the product refill ratio*, the Company aimed to maintain an appropriate level of 50%, taking into consideration ensuring opportunities for use by new customers and quality aspects, and the rate was 57.2% in fiscal 2025.

*Refill ratio: Ratio of sales volume of refill products to the total sales volume of refillable products (main products + refill products)

Reduction of plastic use by replacing containers

In the prestige skincare brand Episteme, some items in the Stem Science series were switched to refillable containers. Lotion containers, in particular, have achieved an 80% reduction in the amount of plastic waste after use, reducing waste while maintaining high design quality.



Circular Society

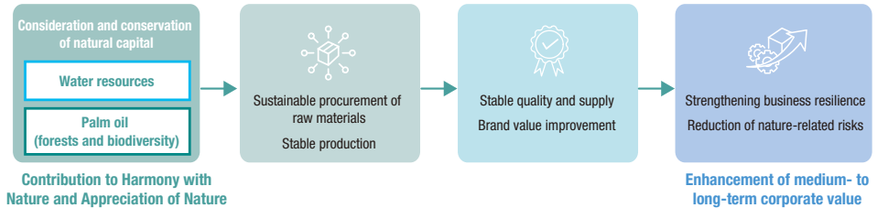
Moving the Heart
ROHTO
ROHTO Group’s Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Co-existence with Nature —Initiatives for Biodiversity and Water Resources—

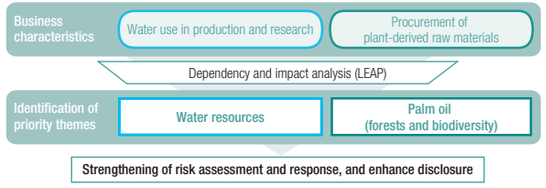
The Group's business is supported by natural capital such as plant-derived raw materials and water resources. We position natural capital as an important management platform that supports sustainable business growth. By promoting its conservation and responsible and sustainable use, we aim to support stable procurement and stable production, realize a society in harmony with nature, and improve corporate value over the medium to long term.

Response Based on the Taskforce on Nature-Related Financial Disclosures (TNFD)

We utilize the LEAP approach of TNFD to analyze dependence on and impact on natural capital. As a result, the Group has identified "water resources" and "palm oil (forests and biodiversity)" as priority themes and is implementing focused measures, taking into consideration the impact on businesses and nature-related risks. Currently, in water resources, we are identifying the actual situation mainly in medium-risk sites and regions, and conducting interviews and dialogues with on-site personnel. In palm oil, we are engaging with suppliers and improving traceability in light of high-risk regions.



Analysis using the TNFD LEAP approach



Water resources
27 production sites evaluated, no high-risk sites
Focused assessment on medium-risk sites and the Ueno Plant

Palm oil
High dependence on Malaysia and Indonesia for procurement
Seven out of eight major production regions are at high risk

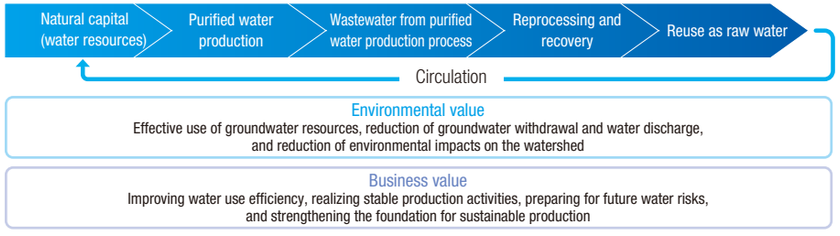
Water Resources

Strengthening of Business Resilience Through Water Risk Management

The Group's production sites promote water risk management, water recycling and reuse, and water environment conservation in an integrated manner. Through water stress assessments, site-specific monitoring, groundwater recycling and reuse, wastewater management, and regional partnerships, we are working to improve sustainable water resources use and business resilience.

Creating Environmental and Business Value Through the Cyclic Use of Water

At the Ueno Techno Center, wastewater generated in the production process of purified water is reprocessed and reused, achieving effective use of groundwater resources and reducing wastewater volume.



Palm Oil (Forests and Biodiversity)

Conservation of Forests and Biodiversity Through Sustainable Procurement

The Group is promoting procurement of sustainable palm oil. In addition to participating in international initiatives, expanding the use of sustainable palm oil, and managing supply chains by engaging with suppliers and improving traceability, the Group is also promoting forest and biodiversity conservation activities through co-creation with NGOs and NPOs.

TOPICS

Conservation of forests and biodiversity through co-creation with stakeholders

- The Company promotes forest conservation activities in cooperation with Borneo Conservation Trust Japan (BCTJ), a certified non-profit organization. By supporting the "Green Corridor" project on Borneo Island, we will connect tropical rainforests and contribute to the protection and conservation of forests and wildlife in Borneo.
- First report of the Annual Report of Roundtable on Sustainable Palm Oil (RSPO)
- Joined Japan Sustainable Palm Oil Network (JaSPON)

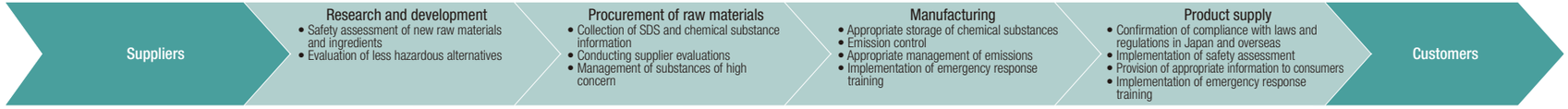


The tropical rainforest along the Kinabatangan River, flowing through northeastern Borneo
Photo courtesy of BCTJ

Promotion of Chemical Substances Management —Protecting Human Health and the Environment—

The Company's basic policy is to appropriately manage chemical substances throughout its entire product life cycle, from research and development to procurement of materials, manufacturing, provision of products, use by customers, and disposal. Accordingly, the Company strives to ensure the safety and quality of its products, comply with laws and regulations, and reduce environmental impacts, in an effort to provide safe and highly reliable products.

Chemical Substances Management Throughout the Product Life Cycle



In R&D and design, in addition to complying with laws and regulations and industry guidelines, we carefully select raw materials and ingredients by evaluating their effectiveness, safety, and quality based on scientific evidence. In addition to functionality, we also promote product design that takes into consideration the environmental and social impact of raw material procurement and the environmental impact of the entire product life cycle, including post-use. Furthermore, with regard to chemical substances that may have an impact on the environment or humans, we are working to reduce the use of such substances and switching to safer alternatives.

At each stage of the product life cycle, we collect and confirm information on raw materials, conduct safety assessments, appropriately manage the manufacturing process, and provide information on chemical substances contained in products. We also work with suppliers to appropriately understand and manage information on chemical substances and improve traceability. In addition, the Company continuously monitors trends in laws and regulations in Japan and overseas, and strives to maintain and strengthen its management system.

In the future, we will continue to promote chemical safety appropriately, while at the same time reducing environmental impacts and ensuring the safety and quality of our products, thereby contributing to the realization of a sustainable society and the improvement of corporate value.

Addressing Procurement Risks

Addressing Tighter Regulations As chemical substance regulations are strengthened in Japan and overseas, we monitor laws and regulations and continuously check the conformity of products and raw materials.

Supply Chain Management Through cooperation with suppliers, we collect information on raw materials, identify the chemical substances contained, and conduct risk assessments.

Occupational Health and Safety We are working to ensure the safety of our employees through risk assessment, work environment measurement, and training.

Reducing environmental impact through ingredient selection

We manage chemical substances appropriately and take safety and environmental impact into consideration from the ingredient selection stage. In addition to complying with laws and regulations, we evaluate ingredients based on our own standards and promote product design that focuses on the entire product life cycle. We disclose information on ingredients and environmental consideration in an effort to provide information with high transparency.

Promotion of Chemical Safety

Action on microplastic beads

Regarding microplastic beads, which raise concerns about the marine environment, we have switched to alternative raw materials for all rinse-off cleansers.

We aim to reduce the environmental impact of our products while maintaining their functionality and usability, and incorporate sustainability considerations from the raw materials selection stage onward.

Eco-Friendly Initiatives in Products

Safety assessment based on scientific evidence

For chemical substances used in product development, safety assessments are conducted based on existing information such as literature and various experimental data, in accordance with regulations issued by government agencies. In particular, in the development of cosmetics, including medicated cosmetics, we have a policy of not conducting experiments on animals. Based on this policy, we are continuing activities that actively incorporate alternative technologies for animal testing, such as experiments using cultured cells, physicochemical experiments, and predictive safety evaluations using AI (machine learning). Through these efforts, we aim to improve the accuracy of safety assessments and the sophistication of product development, leading to the development of safe, high-quality products.

Initiatives on Animal Testing and Alternative Methods

Initiatives for Developing Animal-Free Alternatives to Eye Irritation Testing Using Machine Learning

Moving the Heart ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Coexistence with Society

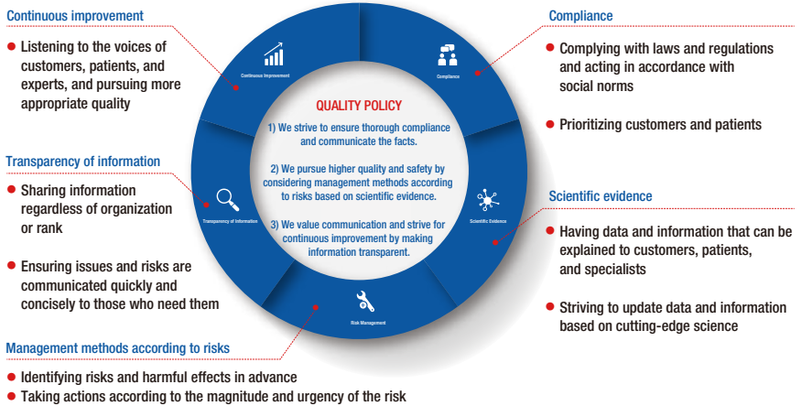
Quality and Safety Assurance —Supporting Healthy Lifestyles Through Quality and Safety—

Quality and safety are the most important foundations that support customer trust and lead to improved corporate value. The Company fosters a “quality culture” in which each person considers and acts on quality in his or her daily work, and pursues high quality and safety through a quality management system and continuous improvement. We place the highest priority on quality in all manufacturing processes and are committed to manufacturing products that customers can use with confidence.

Quality Policy

The Quality Policy is the basic philosophy for continuing to provide safe and reliable products to customers, and the criteria for all quality activities. The Quality Policy has been distributed to all employees as a booklet and is shared as action guidelines for daily operations and decision-making. In addition, in order to translate the Quality Policy into concrete actions, the Company has formulated the “Five Pillars of the Quality Policy and Their Definitions,” and has put in place a framework that can be implemented in daily operations. The President and Representative Director and other members of the management team take the initiative in fostering a quality culture, and by working to disseminate the Quality Policy through ongoing dialogue and on-site practice, we are fostering a corporate culture in which quality is a responsibility not only of specific departments but also of all employees.

Quality Policy **Providing Happiness and Peace of Mind to All People**



Power to Transform Quality into Action and Culture

Quality Culture Driven by Management

In order to establish a quality culture throughout the Company, the President and Representative Director and other members of the management team take the initiative in engaging in quality activities. In addition to continuously sending messages for quality, efforts are underway to foster quality awareness through dialogue with frontline employees. In addition, management places importance on psychological safety so that anyone can speak up with peace of mind when they notice a problem or experience discomfort, and promotes a corporate culture where risks can be detected and reported at an early stage.

Company-Wide Quality Awareness

The Company believes that all employees are responsible for quality. We conduct quality compliance training annually for all employees, and the attendance rate continues to be 100%. In addition, we also regularly hold quality exchange meetings that include departments outside the manufacturing department, such as sales and planning, to share quality issues and examples of improvements. Through dialogue across departments, we foster a culture in which each and every employee considers quality as his or her own, and acts accordingly.

Improvement Cycle Based on Customer Feedback

Customer feedback received through telephone calls, postcards, and e-mails is summarized as Customer Feedback and shared with all employees every week. For more than 70 years, we have valued dialogue with customers, which began with a questionnaire enclosed with our eye drops in 1952, and have been using customers’ voices as a starting point for quality and operational improvements. We continuously review manufacturing processes and business processes under the leadership of frontline, and utilize customer feedback as a starting point for quality and business improvements, thereby establishing a culture of accumulating improvements.



User’s Voice, received at the beginning of the survey

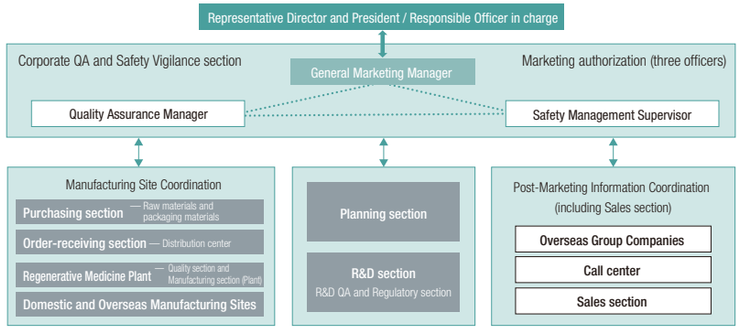
Improving Quality Standards Through Global Group Collaboration

We share quality issues and advanced case studies between sites in Japan and overseas through the Rohto Mentholatum Quality Conference (RMQC) to achieve improvements. In Japan, we have organized a “Marketing Authorization Holder (MAH) Collaboration Meeting,” comprising five Group companies, and are strengthening the Group-wide quality base through regular exchanges of opinions and joint audits.

Moving the Heart ROHTO
ROHTO Group’s Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Quality Assurance System

We have a system in which the three officers of the manufacturing authorization work together to guarantee the quality and safety of all our products. Under the leadership of the management team, we promote quality improvement not only in the manufacturing and quality sections, but throughout the entire Company. The Group companies are also developing high-level quality assurance systems based on the common quality policy.



Quality Risk Management

We implement risk management based on ICH Q9 for pharmaceuticals, and ISO 13485*1 and ISO 14971*2 for medical devices. We manage risks throughout the entire product life cycle and coordinate these efforts with deviation management, change management, CAPA (Corrective and Preventive Action) activities, etc., striving to ensure product quality and stable supply.

Production and Quality Bases That Support Quality

We have built a quality assurance platform that supports the entire process from research and development to manufacturing, quality control, and supply, and have realized a stable supply of high-quality products. Based on the quality assurance system cultivated in pharmaceutical manufacturing over many years, we are working to achieve both high quality and manufacturing productivity through automated production lines, advanced aseptic and foreign material control technology, and centralized control of test data using a Laboratory Information Management System (LIMS). In addition, quality management systems such as ISO 13485*1 and ISO 9001*3 have been introduced and implemented at the Company's major production bases in Japan and overseas, depending on the characteristics of each business. Ueno Techno Center, the mother plant of the Group, manages quality information in compliance with FDA Part 11*4, and also responds to quality requirements required in the global market, such as compliance with CE marking*5.

By building a production and quality platform that can flexibly respond to regulations and market demands in each country and region while maintaining quality standards throughout the Group, we consistently deliver safe and secure products to customers worldwide.

*1. ISO 13485: An international standard on quality assurance specifically for medical devices
*2. ISO 14971: An international standard for risk management of medical devices
*3. ISO 9001: An international standard that forms the basis of quality management
*4. FDA Part 11: Standards for electronic records management stipulated by the U.S. Food and Drug Administration
*5. CE marking: Used to indicate a product has passed European safety testing

Ensuring Safety

As a company that provides a wide range of products, including OTC pharmaceuticals, cosmetics, and foods, the Company considers it an important responsibility to ensure safety throughout its product life cycle. In addition to complying with laws and regulations applicable to each product category, such as the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices, the GVP Ministerial Ordinance*, and the Food Sanitation Act, the Company also conducts ongoing post-marketing safety assessments.

In addition to information received from customers, patients, medical institutions, and pharmacies, etc., safety information from academic societies and overseas is continuously collected and evaluated to confirm the safety of the Company's products and to verify whether there are any issues related to proper use. As necessary, we review and enhance the content of labeling and safety information, and are striving to provide appropriate information. In addition, in order to identify safety-related issues at an early stage and respond promptly, we are strengthening our safety management system by incorporating the knowledge of medical specialists. Furthermore, in the field of pharmaceuticals, we actively participate in safety improvement activities of industry associations and contribute to enhancing safety across the entire industry. We will continue to strengthen our safety initiatives.

*Good Vigilance Practice (GVP) Ministerial Ordinance: A law to ensure that companies properly implement safety measures.



Compliance with Legal Guidelines

There has been a series of cases of misconduct in the pharmaceutical industry. Based on the legal compliance guidelines issued by the Ministry of Health, Labour and Welfare, we have prepared a document titled "Rohto Legal Compliance System" and made it known to all members. In addition, we provide all members with training using e-learning to deepen their understanding of the importance of legal compliance and our system, thereby strengthening the company-wide system.

Moving the Heart ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Respect for Human Rights –Risk Management and Value Creation Through Respect for Human Rights–

Basic Approach

The Group positions respect for human rights as the foundation of all its business activities toward the realization of a well-being society. Through human rights due diligence (HRDD), the Group works to prevent and mitigate adverse human rights impacts, and aims to create sustainable value.

Advances in the Human Rights Due Diligence Process

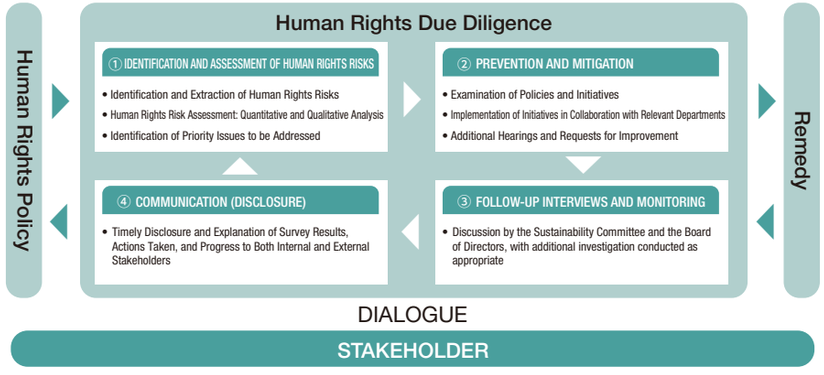
We continuously conduct human rights due diligence to prevent and mitigate adverse human rights impacts. In fiscal 2025, in addition to Rohto Pharmaceutical Co., Ltd. and Group companies in Japan, the scope of assessment was expanded to include the business activities and value chains of Group companies overseas, and human rights risks were identified and assessed.

1. Implementation of Group-wide HRDD
Covering domestic and overseas sites and value chains

2. Identification of seven priority issues

3. Operational design to enhance effectiveness
Examine improvement measures and monitoring system

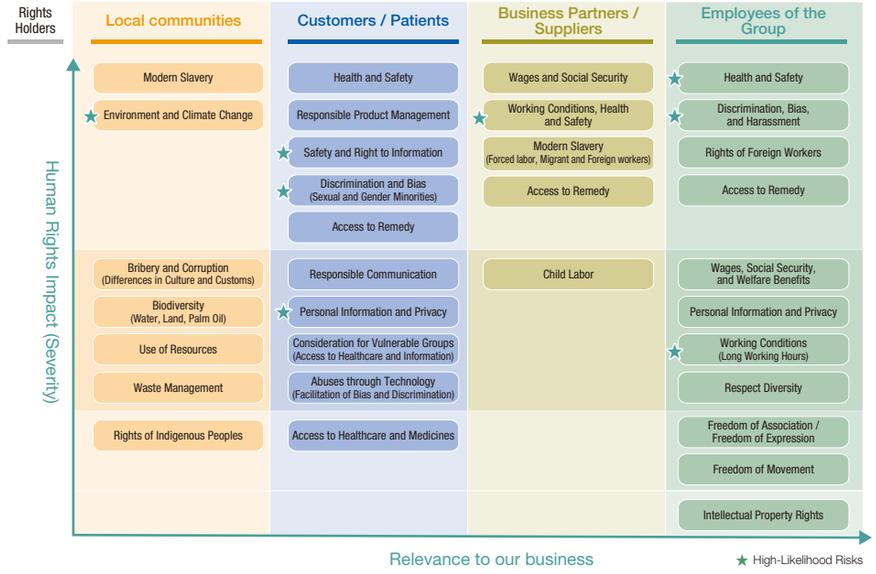
The Process of Human Rights Due Diligence



Human Rights Impact Assessment Results and Priority Issues

As a result of the human rights impact assessment conducted to enhance the effectiveness of our efforts to respect human rights, no new significant risks were identified. We also identified human rights issues that should be managed as a priority across the entire Group.

Key Human Rights Issues Map



Scope of assessment	(Total entities covered) 99% of net sales and 90% or more of employees
Assessment results	No new significant risks were identified, and seven priority issues were identified.
Future challenges	Addressing disparities in maturity levels among Group companies

Future Initiatives

We will work to raise the overall standard across the Group and enhance the effectiveness of human rights due diligence through education, dialogue, and monitoring, in response to the disparities in maturity levels identified among Group companies.

Moving the Heart ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Addressing Priority Human Rights Issues and Enhancing Effectiveness

We are promoting Group-wide improvement measures for priority issues identified through human rights impact assessments. We are working to enhance the effectiveness of our efforts to respect human rights by addressing human rights issues affecting diverse stakeholders such as employees, suppliers, customers, and patients.

Priority human rights issues	Key rights holders	Key response and management measures
Health and safety	Customers and patients	Pursuing quality and safety
Discrimination, bias, and sexual and gender minorities	Customers and patients Business partners and suppliers Employees of the Group	Promotion of DE&I (Diversity, Equity, and Inclusion) and prevention of harassment
Prevention of modern slavery and forced labor	Local communities Business partners and suppliers	Responsible procurement and consideration for foreign workers
Personal information and privacy	Customers and patients	Information protection and information security
Environment and climate change (impacts on human rights)	Local communities	Reducing environmental impact and addressing climate change
Working conditions, health, and safety	Employees of the Group Business partners and suppliers	Health and productivity management, occupational health and safety
Access to remedies/ Grievance mechanisms	All rights holders	Operation of the consultation and grievance mechanisms

Customers and patients

To ensure that customers and patients can use our products and services with peace of mind, we are committed to maintaining the safety and quality. We are also working to create an environment in which everyone can access the information they need and disseminate appropriate information.

Major Initiatives

- Responsible Advertising and Marketing

Compliance training for staff in charge of advertising creation

We conduct compliance training for all staff involved in the creation of advertising and promotional materials. Training completion records are maintained, and responsible advertising and marketing practices, and appropriate information dissemination are thoroughly implemented.

Target: All persons in charge of creating advertising and sales promotion materials

Mandatory training

Management of Training Completion Records

- Communication Call (customer service center)

We use customer feedback to improve products and services, enhance quality, and provide appropriate information.

Business Partners and Suppliers

Together with all of our business partners and suppliers, we aim to build a sustainable value chain that respects human rights.



Management meeting for suppliers

Major Initiatives

- ROHTO Group Statement on Modern Slavery
- Promoting CSR procurement
- Promoting Well-being in cooperation with business partners
- Dialogue and engagement with suppliers
- Expanding reporting channels for business partners

Building a Sustainable Supply Chain

Employees of the Group

We respect the dignity and diversity of each and every employee and promote an environment where employees can continue to work safely and in good health.

Major Initiatives

- Promoting health and productivity management, and occupational health and safety
- Promoting DE&I and preventing harassment
- Strengthening the whistleblowing system (enhancing anonymity and accessibility)
- Group-wide rollout of human rights initiatives
- Strengthening the Group-wide human rights management system

Health and Productivity Management, Occupational Health and Safety P.33
Compliance P.68
Human Resources and Labor Initiatives

Education and Training for Employees

In order to firmly establish respect for human rights as a corporate culture, we continuously implement training and awareness-raising activities for officers and employees. Furthermore, in light of priority issues identified through human rights due diligence, we are strengthening training tailored to groups depending on the risks involved, contributing to the prevention, early detection, and improvement of human rights risks.

Addressing Human Rights Issues in Response to Social Changes

In addition to addressing priority human rights issues, we are also addressing new human rights issues, including the protection of privacy and accessibility considerations in line with the increased use of AI and digital technologies.

Moving the Heart ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Sustainable Supply Chain

Building a Sustainable Supply Chain

Amid changes in the environment surrounding our supply chain, including climate change, pandemics, and geopolitical risks, the Group promotes the stabilization of raw materials procurement and the resilience of supply chains in order to reliably deliver high-quality products to customers. In addition to collaborating with diverse stakeholders across materials procurement, manufacturing, distribution, and sales, the Group is promoting the diversification of procurement sites, local procurement, and local production through our global network. Moreover, we promote responsible procurement that takes into consideration society, the environment, and human rights throughout the supply chain, based on the ROHTO Group CSR Procurement Guidelines.

Responsible Procurement

Moreover, in accordance with the ROHTO Group CSR Procurement Guidelines, the Group promotes responsible procurement that considers human rights, labor, health and safety, the environment, ethics, and other considerations throughout its supply chain. In particular, we are focusing on raw materials that have a significant impact on the environment and society. For palm oil, we are promoting initiatives under the RSPO membership, as well as acquiring Supply Chain Certification (SCC) in order to ensure traceability. We are also promoting the procurement of paper and pulp in consideration of sustainable forest resources.



CSR Procurement Assessment

The Company conducts regular Supplier CSR Assessments for its suppliers to build a sustainable supply chain. In fiscal 2024, we surveyed more than 70 suppliers, which account for 90% of the transaction value, and confirmed sustainability issues from the perspective of human rights, labor, the environment, and other issues. Based on the assessments, we held individual meetings with suppliers that had issues identified and worked with them to improve. For new business partners, we obtain their consent to the “CSR procurement Guidelines” and conduct a pre-engagement assessment/review before doing business with them. In addition, in fiscal 2026, in order to increase the effectiveness of sustainability risk management in the supply chain at the global level, we introduced Sedex, a platform that supports responsible procurement. We use self-assessment questionnaires (SAQs) and audit information to understand and evaluate the status of suppliers’ sustainability initiatives based on objective criteria, and link this to the strengthening of risk management.

Sedex Member

ROHTO Group CSR Procurement Guidelines

Dialogue and Collaboration with Suppliers

We position suppliers as important partners and promote building a sustainable supply chain through cooperation based on mutual understanding. In fiscal 2025, we held a management meeting for about 50 of our major suppliers. The participants deepened their understanding of the Company’s manufacturing through plant tours, development exhibits, and product experience, in addition to sharing management policies and business strategies.

Initiatives for Sustainable Logistics

In the distribution industry, there are issues such as driver shortages, soaring fuel prices, and measures to address CO_2 emissions reduction. The Company is working to realize sustainable logistics by promoting logistics efficiency and reducing environmental impacts through collaborative transportation, modal shift, and other measures. These efforts will also reduce the burden on those involved in logistics and contribute to the sustainable growth of society and companies.

Reducing Environmental Impact and Enhancing Logistics Efficiency Through Joint Delivery

We began joint delivery in August 2025, in cooperation with Milbon, Haleon Japan, and Toyo Logistics. By mixing products with common delivery routes into a single shipment and optimizing the transportation network, we have realized improvements in load factor and transportation efficiency. This contributes to reducing CO_2 emissions and driver workload, as well as to the realization of sustainable logistics. For this initiative, the four companies jointly received the Logistics Structure Reform Award at the 2025 Logistics Partnership Award for Excellent Businesses.

Promotion of Modal Shift

We are promoting modal shift from truck transportation to rail and marine transportation, which have a lower environmental impact, and are working to improve logistics efficiency and achieve stable transportation. We use ships (ferries) for transportation to the Kyushu region, and in January 2026, we began rail transportation on some routes between bases in the Kanto and Kansai regions. On routes where rail transportation has been introduced, CO_2 emissions have been reduced to approximately one-tenth of those of conventional truck transportation.

Initiatives in Logistics

Moving the Heart ROHTO
ROHTO Group’s Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

Social Contribution Activities —Supporting Society and Creating a Better World Together—

The Company was founded with the ambition of "vitalizing Japan," and now conducts business activities with the aim of delivering health to people around the world. Aiming to create a society where everyone can experience both physical and mental well-being, we position "coexistence with society" as one of the important materiality issues, and we are working on support for the next generation and coexistence with local communities.

Policy of Social Contribution
Social Contribution Activities

Developing Medicine, Improving Health Literacy, and Eliminating Disparities in Healthcare Access

Supporting Young Researchers Aiming to the Improvement and Development of Medicine

We continue to support young researchers in fields such as ophthalmology, dermatology, and obstetrics and gynecology. We support basic research that will lead to future diagnosis, treatment, and prevention, and we continue to provide long-term research support with a view to advancing medicine and returning it to society.

Science and technology	1977 —	Yamada Science Foundation	Established through donations from Kiro Yamada to subsidize and promote basic research in the natural sciences and with the aim to contribute to the enhancement of science and technology and the welfare of humankind.
Ophthalmology	1995 —	ROHTO AWARD	Contributes to the advancement of ophthalmology research (awarded to young researchers who have made outstanding achievements in basic and clinical research)
Dermatology	2007 —	Japanese Association of Geriatric Dermatology Research Fund: Rohto Prize	Encourages and aids research and study on age-related dermatology (jointly established with the Japanese Association of Geriatric Dermatology Research)
Dermatology	Since 2008	Dermatological Research Fund (Endowment by Rohto Pharmaceutical)	Supports and promotes basic research that contributes to the development of dermatological medicine (jointly operated with the Japanese Dermatological Association since 2017)
Women's Health	2009 —	Rohto Women's Health Research Award	With the aim of developing and enhancing obstetrics and gynecology research, this award is presented to researchers who have made significant contributions and young researchers who are expected to be play important roles in the future

Toward a Society that Supports Eye Health and Leads to Appropriate Care for Everyone

The Group is working to promote eye health knowledge and improve access to medical care. The "Joy of Seeing" project has expanded to 13 countries, mainly in Asia, and we are continuing activities that address regional issues such as children's eye health and myopia. We provide necessary information and support mainly through free eye check-ups, distribution of awareness-raising booklets, provision of free eyeglasses and intraocular lenses, and support for cataract surgery.

Eye care Initiatives

Contributing Communities: Creating a Future of Coexistence with Local Communities

Building Relationships with Local Communities through Employee Participation, Starting with Regional Cooperation Agreements





The Company promotes cooperation with local governments, universities, and regional partners, mainly in regions where it has business bases, and as of March 2026, the Company had concluded 16 regional cooperation agreements. These agreements have led to activities in which employees are proactively involved on site, and through the activities of "Iku-P" (Ikuno Project) in Ikuno Ward, Osaka City, and "Iga-Conne" (Iga Connect) in Iga City, Mie Prefecture, they continue to address regional issues and engage in co-creation.

Karugamo Fund: Connecting Employees' Aspirations to the Frontlines of Social Issues

This employee-driven donation program began in 2004. Volunteer employees are involved in the selection of donation recipients and the content of support, and provide continuous support in areas such as local communities, health, welfare, and next-generation support. (Employee participation ratio in FY2025: approximately 80% (Rohto Pharmaceutical Co., Ltd.))

Supporting the Next Generation: Empowering the Talents and Challenges to Shape the Future

"ROHTO Children's Dream Fund" (Established in April 2024): Supporting Children's Challenges Through Society

We are collaborating with the specified nonprofit organization, Peace Winds Japan, to support organizations working to address social issues affecting children. As of the third round of grants in April 2026, 23 organizations have been selected.

The "MICHINOKU Future Fund": Providing Support for the Education of Orphans of Earthquake Disasters (Established in October 2011)

This scholarship fund supports children who lost their parents in the Great East Japan Earthquake as they pursue higher education. It will support their education for approximately 25 years, until the youngest children who were in their mothers' wombs at the time of the disaster graduate from college or graduate school.

The "ROHTO Foundation for Children's Future" (established in October 2021): Supporting Inquiry and Fostering a Spirit of Challenge

These activities foster the individuality and inquiring minds of individuals, including children who find it difficult to excel in the current educational system. In fiscal 2025, we supported the inquiries of seven individuals in the fourth term.

"Kamiyama Marugoto College of Design, Engineering and Entrepreneurship": Supporting Learning to Pioneer the Future

As a "Scholarship Partner," supporting the initiative to make tuition free, we help develop the next generation of talent.

Support for Artists (Culture and Arts): HIMARI, Hayato Sumino



Violinist
HIMARI
© Naruyasu Nabeshima



Pianist
Hayato Sumino
© Daisuke Yamada

Moving the Heart ROHTO

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Sustainability System
Sustainable Global Environment
Addressing Climate Change
Initiatives for Resource Circulation
Co-existence with Nature
Promotion of Chemical Substances Management
Coexistence with Society
Quality and Safety Assurance
Respect for Human Rights
Sustainable Supply Chain
Social Contribution Activities
Special Dialogue
Corporate Governance
Data Section

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

Proactive Governance Leads Challenges to the Future

The power of continuous change has made Rohto what it is today

Iwata: In Japan, where the population is decreasing and the market is maturing, it is by no means easy for companies to continuously grow. It has been about one year since I assumed the position of Outside Director, and during that time, I have come to believe that the reason for Rohto Pharmaceutical's continuous growth is its organizational culture, which resembles a "melting pot." People with different positions and expertise frankly exchange opinions, and under a shared philosophy, their ideas blend together to create "passion." There aren't actually that many companies with this kind of organizational culture. I believe that it is this unwavering passion that drives new challenges and growth.

Yamada: When I first joined management, Rohto had a solid financial base, but in the OTC drug industry, it was just one company among many others. There was a sense of crisis that we would not survive unless we changed, so we had no choice but to take on the challenge. I think that the accumulation of our challenges has shaped Rohto into the company it is today; a company that ventures into various fields.

Iwata: The power to change isn't something that is handed to you from outside. For many companies, the biggest challenge is simply igniting the desire to change. But Rohto Pharmaceutical already has the "fire" to heat the "melting pot." I believe that the role of Outside Directors is not to weaken this momentum, but rather to leverage this energy to confirm the direction to be taken and clarify the challenges to be undertaken.

Yamada: We have always given top priority to delivering value to our customers. However, as a listed company, we have a responsibility to carefully communicate to all stakeholders what we are aiming for and why we are aiming for it. To ensure that our new initiatives are understood, we must articulate them not only from our own company's perspective but also in consideration of how they will be perceived from outside the company. I would like for Outside Directors to raise questions and issues that are difficult for us to notice on our own, and through these dialogues, I hope to further refine our management ideas.



Chairman and Representative Director
Kunio Yamada

Outside Director
Shoichiro Iwata

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

Governance to ensure we never stop taking on challenges

Iwata: The ability to move forward toward growth is essential for any company. However, if taken to extremes, this can lead to a sales-first mentality and potentially result in unethical practices. Mr. Tatsuo Uemura, a former Outside Director, used to say that "a fast car needs good brakes." As Outside Directors, we do not sit in the driver's seat ourselves. I believe our responsibility is to strike a balance between speed and safety, acting as the brakes when necessary, and other times acting as a mechanic to maximize the performance of the car.

Yamada: To borrow that analogy, I think of brakes not just as a way to stop, but also as a way to slow down and correct one's course to turn a corner, and then accelerate again from there. I believe that they create a turning point for that process. There is no single perfect answer in business management; some things yield immediate results, others create value over time, and some bear fruit in unexpected ways. For example, in new fields like regenerative medicine, decisions cannot be made using a simple dichotomy of "focus on it or withdraw." The realization of the "Longevity" advocated for by Rohto is a theme that will require a long-term approach. I would like for stakeholders all to look at the meaning of our decisions from a long-term perspective, rather than focusing on immediate results.

Iwata: Based on my own management experience, I agree with that. To grow a company over the medium to long term, it is necessary to make upfront investments that do not pursue immediate profits. However, precisely because this involves a long-term approach, it is crucial for the Board of Directors to discuss reviewing the investment process, conducting continuous monitoring, and performing regular evaluations, and this is something that we, as Outside Directors, place great importance on. On the other hand, generating the funds for such growth investments requires diligent efforts to eliminate waste from daily operations. It is important not to neglect investing in the future and improving efficiency in the present.



Yamada: To that end, I encourage all Outside Directors to visit our sites and listen to the voices of our employees directly. You already value interactions with employees, but I believe that frank exchanges of opinions based on the insights gained from such interactions will lead to better management decisions.



Making decisions in times of emergency without overlooking anomalies

Iwata: Challenges always come with risks, but the effectiveness of governance is reflected in how quickly one can identify the first signs of a problem. For example, before truly coming to light, quality issues and misconduct often begin with small anomalies somewhere on the frontlines. The problem is whether or not people are able to speak up about them. Even if systems have been formally established, they are meaningless in an organization where it is difficult to speak up.

Yamada: You're absolutely right; there is always smoke before a fire breaks out. Problems that arise in organizations usually have warning signs of some kind. What is key is that those who notice a problem are not afraid to speak up, and that management is quick to take that information into consideration. Reporting systems and internal audits can only fulfill their intended roles if there is a corporate culture that encourages employees to speak up, and if management takes those voices seriously. I believe that organically linking these mechanisms to enhance their effectiveness is a crucial point that we should continue to prioritize going forward.

Iwata: I myself have experienced many difficult situations as a manager. What's really tested during an emergency is what basis managers use to make their decisions, and to what extent they are willing to take responsibility.

Yamada: Of course, it is necessary to prepare for emergencies in times of peace. However, when an emergency actually occurs, it is not simply a matter of applying predetermined criteria. In that moment, you have to thoroughly consider what is best for customers and society, and then take responsibility for making the decision yourself. I believe that is the duty of a manager.

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Data Section

Iwata: Managers need both the sensitivity to spot signs of trouble during times of peace and the determination to make firm decisions during times of emergency. Going forward, I hope that the Chairman will continue to instill in himself, and throughout the organization, a stance of constantly questioning what we should do as individuals and as a company, without being bound by formalities.

Towards a company where the next generation takes initiative

Iwata: Outside Directors also need to be prepared to take on the responsibility of guiding the company in a better direction by putting their own experience and credibility on the line. Rohto Pharmaceutical's Outside Directors include individuals with extensive experience in various fields. Leveraging our experience, we foresee risks and pitfalls that are difficult to see in the course of taking on new challenges, communicate these to management to prevent major mistakes, and work together to make sound decisions. I believe that this is our responsibility. As part of these efforts, we have begun an initiative in which Outside Directors, separately from the Board of Directors, gather to continuously discuss Rohto's governance, taking into account shareholders' perspectives. We will carefully consider governance that is appropriate for Rohto by engaging in frank exchanges of opinions without setting any taboos, and we will also communicate this to the Board of Directors.

Yamada: Please do so. Looking ahead, one of my biggest challenges is how to nurture the next generation who will be responsible for the future management system. There are still times when I need to step on the accelerator, but ideally, I'd like to build an organization where the younger generation keeps coming up with one idea after another, and I am the one who has to step on the brakes. As for the kind of next-generation managers we are looking for, we regularly communicate our expectations to the next generation, including through our succession plan.

Iwata: I think it is very important for the Chairman himself to be aware of these issues and put them into words. While strong leadership can propel an organization forward, it can also make it difficult for people to express different opinions out of respect and reticence, and if left unchecked, it can result in a state where people blindly follow the leader. That is why I think it's so important to create a culture in which people can freely and openly say, "Mr. Yamada, that's wrong." I would also like for us to maintain a forum where we can frankly discuss current and future management from an external perspective.

Yamada: However, I always emphasize that establishing systems should not be an end in itself. The role of management is not only to protect existing systems, but also to reshape them in line with changes in the environment. Growing companies do not just follow the rules; they also create new rules and systems themselves. I would like for those who will take on responsibility in the future to embrace the risks that come along with change without fear, and stand on the side of creating new systems, with the awareness that "governance controls are in place to enable risk-taking." This is the direction of governance that Rohto aims for. Of course, not only the next generation but also the current management team itself must continue to learn, and the Board of Directors must strengthen the skills required in this era of rapid change.

Working together over the long term

Iwata: Listed companies are required to increase capital efficiency, visualize results using indicators, and provide explanations to stakeholders. Furthermore, since corporate value cannot be measured solely by short-term figures, we will examine the value brought to each of the stakeholders who support the Company, including shareholders, customers, employees, and society, and continue to grow over the long term. I believe that this is precisely what is necessary to earn their trust. As Outside Directors, we identify risks that cannot be overlooked from an independent standpoint, and we strive to make challenges more concrete.

Yamada: Although we come from different positions—one of us from within the Company and the other from outside—we share a common aspiration: to create a better tomorrow and pass it on to the next generation. We will continue to demonstrate value for the future so that all stakeholders can feel glad to be involved with Rohto Pharmaceutical. We would be grateful for your continued support.



Corporate Governance

Management with a Long-Term Perspective

to support sustainable growth

30-year average **7.7%**

Average annual growth rate of net sales

Increase in dividends for **22**

Consecutive fiscal years

Fostering Compliance Awareness

to prevent risks before they occur

100%

Quality compliance training attendance rate

Investor Engagement

to build long-term relationships of trust

800 times or more per year

Number of meetings with institutional investors

Governance Numbers

Moving the Heart ROHTO

ROHTO Group's Value Creation

Growth Strategies for Realizing Our Purpose

Sustainability

Special Dialogue

Corporate Governance

- Corporate Governance
- Risk Management
- Compliance
- Directors and Audit & Supervisory Board Members

Data Section

Corporate Governance

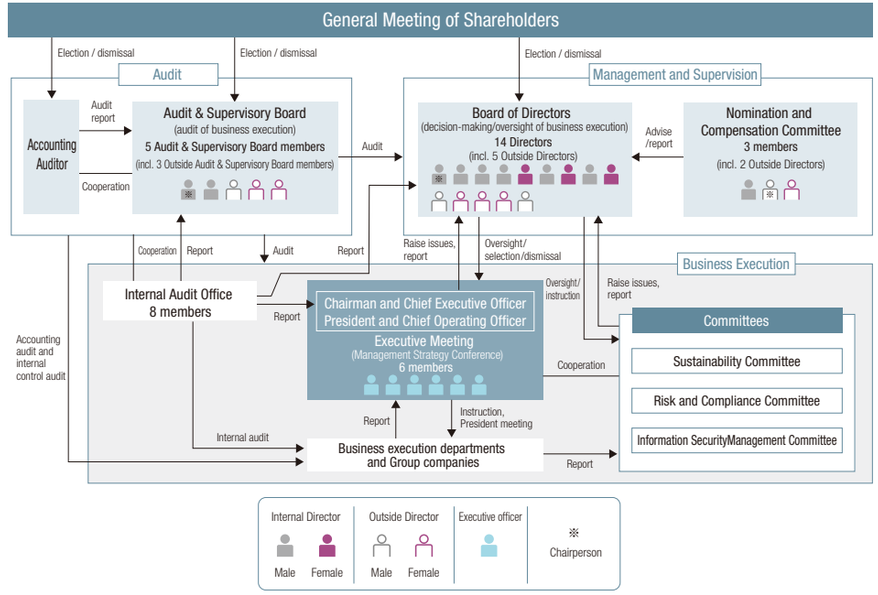
Basic Approach to Corporate Governance

At the same time as fulfilling our social responsibility, we are striving to earn the trust and meet the expectations of our shareholders, customer, business partners, employees, and all other stakeholders, and achieve coexistence and coprosperity. We recognize that enhancing and strengthening corporate governance to achieve this is an important management challenge. We will develop an organizational structure for management and implement the necessary measures for ensuring transparency and fairness in management and responding to changes in the management environment in a prompt and accurate manner.

An Overview of Corporate Governance System

Rohto has adopted the framework of a company with an audit and supervisory board. In principle, at least one-third of the Board of Directors and the majority of the Audit & Supervisory Board are composed of outside officers, with the aim of incorporating outside perspectives at the same time as strengthening management monitoring functions. We have also increased the transparency of management through the establishment of the optional Nomination and Compensation Committee, the majority of which are made up of outside officers. Furthermore, we have introduced an executive officer system to respond quickly and efficiently to changes in the business environment.

*The Nomination Committee and the Compensation Committee were abolished on June 24, 2026, and the Nomination and Compensation Committee was newly established.



Efforts to Strengthen Corporate Governance

We have been making ongoing efforts to enhance the corporate governance system with a view to a sustained increase in corporate value.

Major initiatives

- 2016: Nomination and Compensation Advisory Committee created
- 2017: Evaluation of the Board of Directors' effectiveness initiated
- 2018: A female (internal) Director elected
- 2019: Nomination Committee and Compensation Committee created
- 2020: Compliance Committee created
- 2021: Sustainability Committee created
- 2022: A female Outside Audit & Supervisory Board member elected
- 2024: Nomination and Compensation Committee created
- 2025: Increased the number of Outside Audit & Supervisory Board members to make up a majority
- 2026: Risk and Compliance Committee created
- 2014: A female Outside Director elected

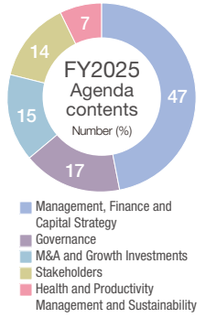
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
No. of Outside Directors/ Total no. of Directors	2/13 15.4%	2/12 16.7%	2/11 18.2%	3/11 27.3%	3/12 25.0%	▶	3/9 33.3%	▶	4/11 36.4%	▶	5/13 38.5%	5/14 35.7%	5/14 35.7%
No. of female Directors/ Total no. of Directors	1/13 7.7%	1/12 8.3%	1/11 9.1%	▶	2/12 16.7%	▶	2/9 22.2%	▶	3/11 27.3%	▶	4/13 30.8%	6/14 42.9%	6/14 42.9%
No. of Outside Audit & Supervisory Board members/ Total no. of Audit & Supervisory Board members	2/4 50%	▶	▶	▶	▶	▶	▶	▶	▶	▶	2/4 50%	3/5 60%	3/5 60%

Overview of Each Meeting Body

Management and Supervision

Board of Directors
Met 8 times (FY2025)/Ratio of Outside Directors: 35.7%/Ratio of Female Directors: 42.9% (FY2026)

The Board of Directors is composed of all Directors and operates with the attendance of Audit & Supervisory Board members who have an obligation to attend. Based on its fiduciary responsibility and accountability to shareholders, the Board of Directors aims to achieve sustainable growth and enhance its corporate value over the medium to long term for the common interest of all stakeholders. Toward that end, it makes decisions on important matters related to management and supervises the execution of business by each Director, in accordance with laws, regulations, and the Articles of Incorporation. In addition to the regular meetings of the Board of Directors, extraordinary meetings of the Board of Directors are held flexibly or resolutions are adopted in writing.



Nomination and Compensation Committee
Met 3 times of the Nomination Committee and 3 times of the Compensation Committee (FY2025)*/Ratio of Outside Directors: 66.7% (FY2026)

The Nomination and Compensation Committee operates as an advisory body to the Board of Directors and is composed of members resolved by the Board of Directors. The Committee is chaired by a member elected by and from among the Committee members, and since July 2026, an Outside Director has served as the chair. The Committee prepares drafts of the following proposals authorized by the Board of Directors and makes proposals to the Board of Directors.

Proposals regarding the nomination of Directors	Proposals for the selection and dismissal of Directors, proposals for the selection and dismissal of Representative Directors, and proposals concerning the positions of Directors
Proposals regarding compensation for Directors	Formulation of drafts for Directors' compensation policies, procedures, and structures; Proposals regarding Directors' remuneration that require approval at the General Meeting of Shareholders

In addition, as delegated by the Board of Directors, the Nomination and Compensation Committee determines the amount of remuneration for Directors by determining the amount of individual remuneration, etc. The total amount of remuneration for Directors determined, as well as the allocation of basic remuneration (fixed compensation) and performance-based remuneration (variable remuneration), is reported to the Board of Directors.

Auditing

Audit & Supervisory Board
Met 18 times (FY2025)/Ratio of Outside A&SB Members: 60.0%/Ratio of Female A&SB Members: 40.0% (FY2026)

Based on its fiduciary responsibility and accountability to shareholders, the Audit & Supervisory Board ensures the soundness of management with the aim of achieving sustainable growth and enhancement of the corporate value of the Group over the medium to long term, and acts in the common interests of the Group, its shareholders, and all other stakeholders.

Topics discussed in FY2025

- Formulation of an audit policy and audit plan, preparation of audit reports, refusal of reelection of the Accounting Auditor, audit of proposals to be submitted to the Ordinary General Meeting of Shareholders, etc.
- Full-time A&SB members: liaising with the Internal Audit Office, conducting onsite audits of subsidiaries, and attending Executive Meeting and other important internal meetings, etc.

Business Execution

Executive Meeting

We have introduced an executive officer system to enhance management agility by clarifying executive authority and responsibilities. Executive Meetings (management strategy conference) are held every other week and are attended by internal Directors, executive officers, and each chief officer (CxO). Through in-depth discussions, the meetings respond quickly to changes in the business environment. President meetings are also held every month to share information on important decisions made by each section and company-wide issues with all section heads.

Internal Audit Office

With the objective of ensuring the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with laws and regulations, and to safeguard assets, the Internal Audit Office, as an organization independent from sections that execute business, to conduct internal audits from a fair and objective standpoint, based on a mutually cooperative relationship with Audit & Supervisory Board members.

Moving the Heart
ROHTO
ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
▶Corporate Governance
Risk Management
Compliance
Directors and Audit & Supervisory Board Members
Data Section

Evaluation of the Effectiveness of the Board of Directors

Questionnaire for Evaluation of the Effectiveness of the Board of Directors

The Company conducts a self-evaluation (questionnaire) of all the Directors once a year in order to evaluate the effectiveness of the Board of Directors. We will continue to make improvements regarding the issues raised.

Evaluation Process

Subjects of evaluation	Evaluation method	Identification / raising of issues	Response to issues
All Directors ● Internal Directors (9 persons) ● Outside Directors (5 persons)	Self-evaluation (questionnaire) Questionnaire items (5-scale evaluation of each item) • Overall evaluation of the Board of Directors • Effectiveness of the Board of Directors • Evaluation of operation		Report and discuss issues at the Board of Directors meeting held under the new structure after the Ordinary General Meeting of Shareholders, and strive to achieve continuous improvement regarding issues raised through operation.

Status of Improvement in FY2025

Major initiatives implemented	• Deepening discussions on measures to strengthen governance • Deliberation and determination of the succession plan submitted by the Nomination Committee • Discussing approaches to engagement with stakeholders and expanding opportunities for dialogue, including the Management Strategy Briefing. • Enhancement of supplementary materials to promote understanding of the content of the proposals

Evaluation of the Board of Directors Conducted in 2026

All Directors, excluding newly appointed Directors, evaluated that the results were improved from the previous fiscal year. On the other hand, issues were raised such as the need to thoroughly examine the allocation of matters to be taken up by the Board of Directors and to further deepen discussions on the governance system and risk management related to overseas business.

Discussion among Independent Officers

In order to improve the effectiveness of the Board of Directors, Outside Directors and Outside Audit & Supervisory Board members hold an executive session after the conclusion of a Board of Directors meeting. Frank exchanges of opinions among outside officers are promoted, multifaceted discussions on topics such as the operation method of the Board of Directors and the quality of discussions are held, and, as necessary, hearings with executives and internal Directors are held and feedback on content is provided.



Election of Officers and Succession Plan

Approach to Selection and Nomination of Directors and Audit & Supervisory Board (A&SB) Members

The Company believes that it is important for the Board of Directors of the Company to consist of Directors from inside and outside the Company who have multimodal knowledge, experience, abilities, insights, values, etc., regardless of attributes such as gender, race, nationality, and age, and to ensure a highly transparent and objective governance system. Regarding the selection of Directors, the Nomination and Compensation Committee, a majority of which are Independent Outside Directors, deliberates on a list of candidates and proposes them to the Board of Directors. After deliberation and resolution by the Board of Directors, the proposal for the selection of Directors is submitted to the General Meeting of Shareholders.

For the election of A&SB members, individuals with appropriate experience, capabilities, and necessary knowledge of finance, accounting, and legal affairs are nominated as candidates, and it is considered desirable that at least one person with sufficient knowledge of finance and accounting is included. Candidates for A&SB members are deliberated and approved by the A&SB, and a proposal for the selection of A&SB members is then submitted to the General Meeting of Shareholders.

Skills Matrix of Directors and Audit & Supervisory Board Members

Succession Plan

The Company positions the development of successors to top management as an important issue. Under the supervision of the Board of Directors, the Nomination and Compensation Committee formulates a succession plan, which is continuously discussed. The efforts of the development are centered on the Human Resources Development Conference and do not follow a one-size-fits-all approach. Instead, the management team carefully promotes the development of human resources by providing necessary experience and growth opportunities, while closely following each individual's qualities, experience, and career aspirations.

Profile of the Next Generation of Management (Required Qualities and Abilities)

• Sensitivity to social issues and ability to develop medium- to long-term visions • Strategic planning and risk management capabilities • High awareness of governance • Leadership and organizational management capabilities to promote innovation • Personal magnetism and trustworthiness



Compensation of Officers

Basic Policy on Officer Compensation

The Company has established a compensation system (level of compensation and determination process) based on the following policies:

(1) To motivate contribution to the enhancement of the corporate value of the Company from a long-term perspective in order to achieve the philosophy specified in the Articles of Incorporation.

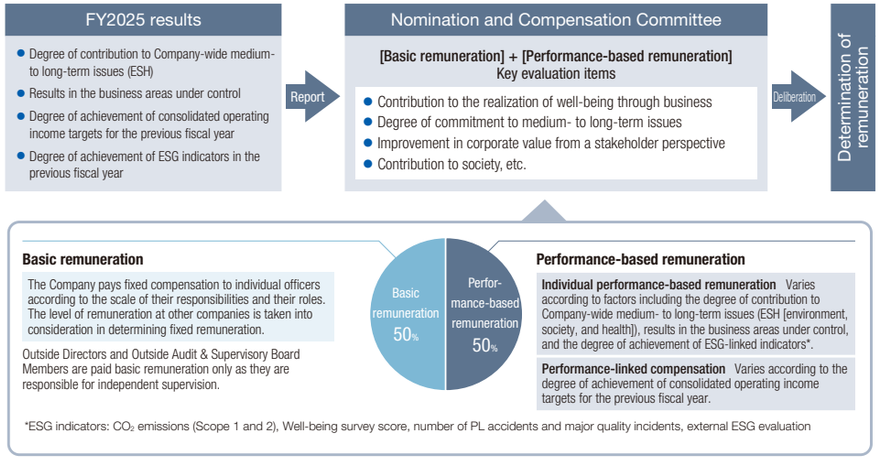
(2) To enable the philosophy to be put into practice and to be appropriate to the roles and responsibilities of each person.

(3) To ensure objectivity, transparency, and rationality that can be explained to all stakeholders.

Policy for Determining Compensation for Directors and Officers

Determination Process for Executive Remuneration

The remuneration for each Director is determined after sufficient deliberation by the Nomination and Compensation Committee, within the scope of the total amount of remuneration, etc., approved in advance by the General Meeting of Shareholders. Furthermore, all the Outside Directors are paid fixed basic compensation only as they are responsible for independent supervision. Remuneration for Audit & Supervisory Board members is decided by consultation among Audit & Supervisory Board members within the scope of the total amount of remuneration, etc., approved in advance by the General Meeting of Shareholders.



Dialogue with Shareholders and Investors

The Company positions the establishment of relationships of trust with shareholders and investors as a management priority, and strives to actively disclose information and enhance two-way communication.

In October 2025, we held the Management Strategy Briefing, which was attended by many institutional investors. Kunio Yamada, Chairman and Representative Director, Hidetoshi Segi, President and Representative Director, and Akie Iriyama, Outside Director, directly reported on how the Company will open up the future based on the “Medium- to Long-Term Growth Strategy” and “Management Policy for Achieving Long-Term Growth,” which were announced in May 2025.

In May 2026, the Company held ROHTO Science Policy Presentation, which was attended by many members of the media and institutional investors. Kunio Yamada, Chairman and Representative Director, Hidetoshi Segi, President and Representative Director, and Yoichi Honma, Director, introduced the Company’s evolution toward “a company that promotes and realizes Longevity.”

The Company also places importance on direct communication with individual shareholders and held a “Meeting with the President” again in 2025. Hidetoshi Segi, President and Representative Director of the Company, explained the Company’s business activities, research and development, and management foundation centered on human resources to the individual shareholders who attended the meeting, and gave them hands-on experience of the Company’s products.

IR Event Calendar



ROHTO Science Policy Presentation



Meeting with the President

Risk Management

Risk Management System

The Risk and Compliance Committee, which is under the direct control of the Board of Directors and is chaired by the President and Representative Director, comprehensively and holistically manages the risks of the entire Group.

The Risk and Compliance Committee compiles risk information, reports to the Board of Directors on a regular or timely basis, and raises issues as necessary. In addition, the Sustainability Committee is in charge of ESG-related risks, and the Information Security Management Committee is in charge of cyber risks and personal information leakage risks, etc., and they are managed and supervised in cooperation with the Risk and Compliance Committee as appropriate.

*The Company newly established the Risk and Compliance Committee on March 26, 2026, and the functions previously performed by the Compliance Committee were transferred to and integrated into the Risk and Compliance Committee.

Risk and Compliance Committee

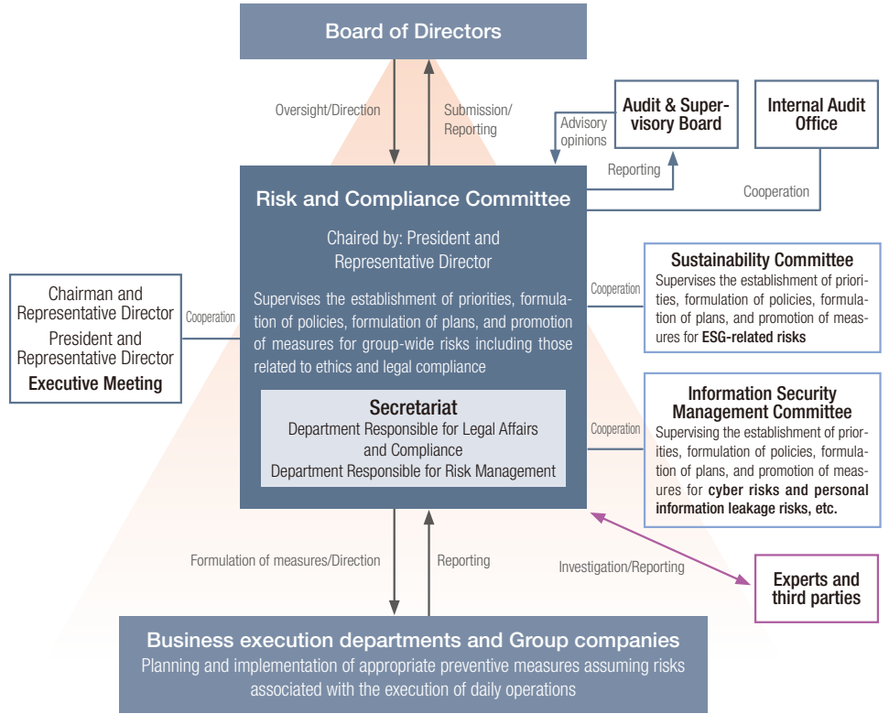
The Committee deliberates important matters related to Group-wide risk management and compliance of the Group, and supervises the identification of important risks, policies, systems and operations, education and awareness, reporting system, response to serious cases, and prevention of recurrence, etc. The Committee is chaired by the President and Representative Director, and consists of members who are appointed by the chair.

Sustainability Committee

The Committee discusses on ESG, SDGs, and other sustainability-related issues as well as relevant policies and measures. Based thereon, it decides how to address the issues identified, formulates action plans, and monitors and evaluates the progress. The Committee is chaired by the Executive Vice President (CFO and in charge of ESG) and composed of a Director appointed by the chair and one Outside Audit & Supervisory Board member who serves as an advisor.

Information Security Management Committee

The Information Security Management Committee is tasked with ensuring the proper management of all information held by the Company, which includes personal information of customers, shareholders, and employees; classified information of the Company; and classified information received from other companies. To that end, the Committee has created an information security system. The Committee appoints and is chaired by the Information Security Management Supervisor.



Risk Management Initiatives

As for preventive measures against the emergence of potential risks, each committee formulates and promotes plans within the area of responsibility for group-wide risks. At the same time, each department autonomously anticipates risks that may occur in the course of or in connection to the execution of daily operations and takes appropriate preventive measures against them. If a risk should occur, the risk is handled appropriately with the support of the relevant departments. We have a system in place where, if a major contingency occurs, the Risk and Compliance Committee takes the lead, promptly deals with the situation, and prevents losses from arising or escalating while listening to the opinions of legal counsel and other outside advisors.

Business Risks

The business performance, financial condition and cash flows of the Group are expected to be affected by a variety of risks described below. Given the potential for those business risks, the Group is striving to avoid and handle the risk when it occurs.

Potential risks

• Production, procurement, and supply chain • Product quality and safety • Overseas business expansion • Market environment and competition • Business investments • Legal restrictions and changes in systems • Compliance, intellectual property, and litigation • Environment and climate change • Information security and information management • Ensuring and utilizing human capital

Business Risks

Compliance

Basic Approach to Compliance

Over the years, the Group has earned the reputation of being trustworthy. We believe it is the trust placed in us that has helped us grow to what we are today.

To take the Group to the next level, we must meet the wants and expectations of customers and all other stakeholders as a public organ of society. To make it possible, we have established a clear code of conduct that guides each member toward responsible, legally compliant behavior.

Rohto Group Compliance Code of Conduct

Compliance Promotion System

Based on the recognition that the promotion of compliance is one of the most important management issues, we established a Compliance Committee chaired by the President and Representative Director. In addition, we set up a Compliance Division within the organization, thereby comprehensively promoting compliance with social norms and strengthening corporate ethics. Important compliance matters the Committee is involved are promptly reported to the Board of Directors.

Initiatives to Promote Compliance

We have compiled the “ROHTO Group Global Management Book” as the guidelines for all Group companies, domestic and overseas, to conduct company management complying with laws and regulations and related rules, which serves a framework for officers and employees to perform their duties appropriately.

Major items	Details of initiatives
Internal and external reporting systems	For the primary purpose of preventing compliance violations and detecting them at an early stage, we have established a system for receiving reports from inside and outside the Group, as well as from inside and outside Japan, and for investigating and responding to such reports.
Transparency of relationships with medical institutions, etc.	We agree to comply with the Clinical Research Law and with the guidelines stipulated by the Japanese OTC Drug Association. We have also formulated the “Guidelines for Transparency of Relations between ROHTO Pharmaceutical Co., Ltd. and Medical Institutions” based on a proper understanding and disclose information on corporate activities related to medical institutions, etc.
Proper performance of tax obligations	We have established the ROHTO Group Tax Policy. In compliance with the tax laws of the relevant countries and international tax rules, such as the “OECD Transfer Pricing Guideline,” the Group will make tax payments fairly and transparently to perform our tax obligations appropriately.
Anti-corruption	The Company has established the Rohto Group Anti-Corruption Policy and Anti-Bribery Regulations, respecting and complying with the United Nations Global Compact Principle 10, “Businesses should work against corruption in all its forms, including extortion and bribery.” Striving to realize the sustainability of society as a whole, we will also seek the consideration of our domestic and overseas suppliers.

To ensure thorough implementation of the Group compliance, the Compliance Division, which serves as the secretariat under the Risk and Compliance Committee, takes the lead in raising compliance awareness. We conduct an annual compliance awareness survey on all employees and Group companies in Japan to understand the current situation. The results are reflected in training for managers and employees, including compliance training, e-learning, and compliance quizzes in e-mail magazines.

In addition, as part of the Group’s internal audit, the Company conducts an audit of key subsidiaries once a year, and regularly checks the effectiveness of governance and compliance.

Governance

Moving the Heart
ROHTO
ROHTO Group’s Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Corporate Governance
Risk Management
Compliance
Directors and Audit & Supervisory Board Members
Data Section

Directors and Audit & Supervisory Board Members

Chairman and
Representative Director

Kunio Yamada



April	1980	Joined the Company
June	1991	Director
June	1992	Senior Managing Director
March	1995	General Manager of Healthcare Business Promotion Department
May	1995	Director of The Mentholatum Company
June	1996	Executive Vice President
July	1998	Chairman of The Mentholatum Company (current position)
June	1999	President of the Company
June	2009	Chairman and Chief Executive Officer (CEO)
August	2018	Chairman and President
June	2019	Chairman and Representative Director (current position)
March	2021	Outside Director of Bacchus Bio innovation Co., Ltd.

President and
Representative Director

Hidetoshi Segi



April	1985	Joined Nippon Vicks KK (currently P&G Japan G.K.)
June	1997	Joined the Company
June	2018	Director
March	2022	Chief Strategy Officer (CSO)
June	2022	Director
June	2023	Managing Director
June	2025	President and Representative Director (current position)

Executive Vice President
Chief Financial Officer (CFO)

Masaya Saito



April	1986	Joined the Company
May	1998	General Director of Rohto-Mentholatum (Vietnam) Co., Ltd.
April	2008	Deputy General Manager of Corporate Planning & Administration Department
June	2011	Director and General Manager of Corporate Planning Department
June	2017	Director of Headquarters for Promotion of Corporate Strategy
June	2018	Executive Vice President of the Company (current position), President and Director of The Mentholatum Company (current position), Chairman of Rohto-Mentholatum (Vietnam) Co., Ltd. (current position)
March	2022	Chief Financial Officer (CFO) (current position)

Executive Vice President
Chief Technical Officer (CTO)

Shinichi Kunisaki



April	1981	Joined Suntory Limited (currently Suntory Holdings Limited)
January	2007	Joined the Company
February	2007	General Manager of Research & Development Department
June	2010	Director
June	2017	Director of Headquarters for Promotion of Corporate Strategy
June	2018	President and Representative Director of Qualitech Pharma Co., Ltd.
June	2020	Managing Director
March	2022	Chief Technical Officer (CTO) (current position)
June	2023	Executive Vice President (current position)

Managing Director
Chief Medical Officer (CMO)

Yoko Fujimoto



April	1992	Physician, Department of Neurology, Tokyo Metropolitan Neurological Hospital, Tokyo Metropolitan Bokutoh Hospital, etc.
August	1997	Research Fellow, Department of Immunology, Duke University School of Medicine, U.S.A.
April	2001	Physician, Department of Neurology, University Hospital of Tokyo Medical and Dental University (currently Institute of Science Tokyo) etc.
July	2002	Joined Pharmacia Corporation (currently Pfizer Japan Inc.), Manager of Clinical Research Department, General Manager of Medical Affairs Department, etc.
September	2019	Director, Executive Officer, Vaccine BU Lead, Pfizer Japan Inc.
June	2025	Joined the Company, Managing Director (current position) and Chief Medical Officer (CMO) (current position)

Director
Chief Human Resources Officer
(CHRO)

Yasunori Kawasaki



April	1982	Joined Nippon Life Insurance Company
April	1986	Joined the Company
October	2011	Director, Michinoku Future Fund (current position)
July	2021	Executive Officer
March	2023	Responsible for HR Development & Training
June	2023	Director (current position) and Chief Human Resources Officer (CHRO) (current position)
June	2024	Unaffiliated Director of Morishita Jintan Co., Ltd. (current position)

Director
Chief Transformation Officer
(CXO)

Masae Yamanaka



April	1987	Joined IBM Japan, Ltd.
February	2009	Joined Microsoft Japan Co., Ltd.
July	2014	Joined LIXIL Corporation
July	2017	Joined Panasonic Corporation, Managing Officer of Connected Solutions Company (currently Panasonic Connect Co., Ltd.)
October	2017	Director, Executive Vice President, Member of the Board of Panasonic System Solutions Japan Co., Ltd. (currently Gemba Solutions Company)
June	2021	Outside Director of Sanrio Company, Ltd. (current position)
June	2022	Outside Director of JTB Corp.
May	2024	Joined the Company
June	2024	Director (current position) and Chief Transformation Officer (CXO) (current position)

Director
Chief Scientific Officer (CScO)

Yoichi Honma



April	1992	Joined the Company
May	2012	Deputy General Manager of Research & Development Department
June	2018	Director of Business Strategy Promotion Department
May	2019	Specially Appointed Division Manager for Promotion of R&D
July	2021	Executive Officer
June	2024	Director (current position) and Chief Scientific Officer (CScO) (current position)

Director
Chief Research Officer (CRO)

Noriko Suenobu



April	1991	Joined POLA CHEMICAL INDUSTRIES, INC.
January	2015	Corporate Officer in charge of R&D and Planning, POLA CHEMICAL INDUSTRIES, INC.
January	2018	Director and Corporate Officer in charge of R&D, POLA CHEMICAL INDUSTRIES, INC. Corporate Officer in charge of Group Research and Intellectual Property & Regulatory Affairs, POLA ORBIS HOLDINGS INC.
August	2023	Representative Director and President, POLA MEDICAL INC.
April	2025	Joined the Company, Executive Designer, Strategic Design Headquarters (current position)
June	2025	Director (current position) and Chief Research Officer (CRO) (current position)

Directors and Audit & Supervisory Board Members

Outside Director

Akie Iriyama



April	1998	Joined Mitsubishi Research Institute, Inc.
August	2003	Resigned from Mitsubishi Research Institute, Inc.
August	2008	Assistant Professor of School of Management, University at Buffalo, The State University of New York
August	2013	Associate Professor of Waseda Business School
April	2019	Professor of Waseda Business School (current position)
June	2019	Outside Director of the Company (current position)
June	2020	Outside Director of Sanoh Industrial Co., Ltd. (current position)
December	2020	Outside Director of SEPTENI HOLDINGS CO., LTD. (current position)
June	2021	External Director (Audit and Supervisory Committee Member) of SORACOM, INC. (current position)

Outside Director

Haruka Mera



July	2014	Founded READYFOR, Inc. Representative Director & CEO of READYFOR, Inc. (current position)
June	2020	Outside Director of the Company (current position)

Outside Director

Eriko Hayashi



October	2001	Registered as attorney at law, joined Oh-Ebashi Law Offices
June	2007	Registered as New York State Attorney
January	2010	Partner, Oh-Ebashi LPC & Partners
June	2010	Chief Representative of Shanghai Office, Oh-Ebashi LPC & Partners
March	2019	Outside Audit & Supervisory Board Member of Kaizen Platform, Inc. (current position)
November	2019	Established ERI LAW OFFICE and assumed office as Representative (current position)
December	2019	Outside Director of Change Inc. (currently CHANGE Holdings, Inc.)
August	2021	Representative Employee, ERIO G.K. (current position)
March	2022	Outside Audit & Supervisory Board Member of Mujin, Inc. (current position)
June	2022	Outside Director of the Company (current position)

Outside Director

Maiko Katadae



May	2005	Joined The University of Tokyo Edge Capital Co., Ltd. (currently The University of Tokyo Edge Capital Partners Co., Ltd.)
May	2023	Visiting Researcher, Institute for Future Initiatives, The University of Tokyo
July	2023	Advisor to UTokyo Innovation Platform Co., Ltd.
April	2024	President of Infinite CORE Inc. (currently Red Capital Inc.) (current position)
June	2024	Outside Director of the Company (current position)

Outside Director

Shoichiro Iwata



March	1973	Joined Lion Fat and Oil Co., Ltd. (currently Lion Corporation)
March	1986	Joined PLUS CORPORATION
March	1997	President, ASKUL Corporation
May	2000	President & Chief Executive Officer (CEO), ASKUL Corporation
June	2006	External Director, Shiseido Company, Limited
April	2008	Vice Chairman, KEIZAI DOYUKAI (Japan Association of Corporate Executives)
September	2019	Established FORCE marketing and management, inc. Representative Director and CEO (current position)
August	2020	Outside Director, Safie Inc. (current position)
June	2021	Outside Director, S.T. CORPORATION (current position)
September	2021	Outside Director, Arithmer Inc. (current position)
May	2022	Outside Director, Hacobu, Inc. (current position)
June	2025	Outside Director of the Company (current position)

Full-time Audit & Supervisory Board Member

Masanori Kimura



April	1982	Joined the Company
May	2000	Chief Manager of Corporate Service Department
May	2003	Executive Officer, Deputy General Manager of Corporate Planning & Administration Department, General Manager of General Affairs Division
July	2004	General Manager of Manufacturing Business Department
June	2005	Director
May	2008	General Manager of Corporate Planning & Administration Department
May	2009	General Manager of Healthcare Business Department
May	2013	General Manager of Agri-Farm Division
June	2016	Audit & Supervisory Board Member (current position)

Full-time Audit & Supervisory Board Member

Hideto Uemura



April	1982	Joined the Company
May	2003	Deputy General Manager of Business Development Department
April	2009	Deputy General Manager of Research & Development Department
May	2010	Executive Officer
May	2015	Senior Executive Officer, General Manager of Marketing Department
June	2017	Director of Headquarters for Promotion of Corporate Strategy
June	2018	Director and Head of Ueno Techno Center
June	2020	Audit & Supervisory Board Member (current position)

Outside Audit & Supervisory Board Member

Yasuhiro Tani



October	1981	Joined Asahi Accounting Co. (currently KPMG AZSA LLC)
April	1985	Registered as a certified public accountant
April	1986	Established Certified Public Accountant Tani Accounting Office and assumed office as Representative (current position)
May	2003	Registered as a tax accountant
April	2006	Professor, GLOBIS University Graduate School of Management (current position)
June	2020	Outside Audit & Supervisory Board Member of the Company (current position)
March	2021	Outside Director (Audit & Supervisory Committee Member) of Noritz Corporation
June	2024	Outside Director (Audit and Supervisory Committee Member) of FUJI OIL HOLDINGS INC. (currently FUJI OIL CO., LTD.) (current position)
July	2025	Lead Outside Director (Audit & Supervisory Committee Member) of Noritz Corporation (current position)

Outside Audit & Supervisory Board Member

Eri Sugiyama



October	2001	Registered as an Attorney, Joined Habataki Law Office
November	2008	Joined the Financial Services Agency (fixed-term staff), Financial Securities Inspector, Inspection Coordination Division, Inspection Bureau, Financial Services Agency
July	2013	Partner of Habataki Law Office (current position)
June	2018	Outside Audit & Supervisory Board Member of ShinMaywa Industries, Ltd.
April	2022	Professor, Legal Practice, Graduate School of Law, Kobe University
June	2023	Outside Executive Director of Linical Co., Ltd.
June	2024	Outside Audit & Supervisory Board Member of the Company (current position)
June	2025	Outside Director, Member of Audit & Supervisory Committee of ShinMaywa Industries, Ltd. (current position) Outside Executive Director, Audit and Supervisory Committee Member of Linical Co., Ltd. (current position) Outside Audit & Supervisory Board Member of ZENHOREN CO., LTD.
June	2026	Outside Director (Audit and Supervisory Committee Member) of ZENHOREN CO., LTD. (current position)

Outside Audit & Supervisory Board Member

Asuka Terada



October	2001	Registered as attorney at law, joined Kyowa-Sogo Law Office
April	2018	Established N&T Law Office Joint Representative Attorney (current position)
August	2019	Outside Audit & Supervisory Board Member, D&M COMPANY CO., LTD. (current position)
June	2021	Outside Director, Denkyosha Co., Ltd. (currently Denkyo Group Holdings Co., Ltd.) (current position)
April	2024	Visiting Professor, Graduate School of Law, Kyoto University (current position)
June	2025	Outside Audit & Supervisory Board Member of the Company (current position)

ROHTO Group's Value Creation
Growth Strategies for Realizing Our Purpose
Sustainability
Special Dialogue
Corporate Governance
Corporate Governance
Risk Management
Compliance
Directors and Audit & Supervisory Board Members
Data Section

Key Financial Data (11-Year Summary)

	(FY)		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business Performance	Net sales (million yen)		167,016	154,599	171,742	183,582	188,327	181,287	199,646	238,664	270,840	308,625	**343,725**
	Net sales by Region	Japan (million yen)	96,937	96,884	105,242	112,166	115,767	115,629	121,417	136,668	156,851	164,988	**169,326**
		Americas (million yen)	8,378	6,906	8,750	9,293	9,121	7,687	10,037	16,655	18,565	20,769	**21,553**
		Europe (million yen)	8,008	7,026	8,277	8,555	8,740	8,149	10,297	12,231	13,884	19,163	**23,889**
		Asia (million yen)	51,621	41,899	47,396	51,664	52,971	48,056	55,988	70,773	78,751	100,336	**125,327**
		Others (million yen)	2,071	1,882	2,076	1,903	1,726	1,764	1,906	2,337	2,786	3,366	**3,628**
	Gross profit (million yen)		99,226	91,344	101,049	109,624	114,240	106,726	116,170	137,421	157,285	174,393	**192,695**
	Share of net sales (%)		59.4	59.1	58.8	59.7	60.7	58.9	58.2	57.6	58.1	56.5	**56.1**
	Selling, general and administrative expenses (million yen)		83,543	75,893	81,962	88,812	91,154	83,736	87,154	103,461	117,237	136,158	**151,576**
	Share of net sales (%)		50.0	49.1	47.7	48.4	48.4	46.2	43.7	43.3	43.3	44.1	**44.1**
	Operating income (million yen)		15,683	15,451	19,087	20,812	23,085	22,990	29,015	33,959	40,048	38,234	**41,118**
	Share of net sales (%)		9.4	10.0	11.1	11.3	12.3	12.7	14.5	14.2	14.8	12.4	**12.0**
	Ordinary income (million yen)		15,339	15,964	18,849	18,970	22,735	23,910	28,750	35,568	42,434	39,725	**47,971**
	Share of net sales (%)		9.2	10.3	11.0	10.3	12.1	13.2	14.4	14.9	15.7	12.9	**14.0**
	Profit attributable to owners of parent (million yen)		9,098	10,011	9,289	9,799	15,410	16,743	21,127	26,377	30,936	30,841	**34,247**
	Share of net sales (%)		5.4	6.5	5.4	5.3	8.2	9.2	10.6	11.1	11.4	10.0	**10.0**
	R&D expenses (million yen)		5,836	6,146	6,578	6,908	7,082	7,944	8,781	11,115	13,461	14,995	**13,861**
	Depreciation (million yen)		6,044	5,552	5,593	6,159	6,058	6,376	7,232	7,418	8,251	12,096	**15,329**
	Profitability Indicators	Return on assets (ROA) (%)	8.6	8.8	10.0	9.5	10.9	10.8	11.5	12.2	12.9	10.1	**10.4**
		Return on equity (ROE) (%)	8.3	8.8	7.6	7.6	11.4	11.4	12.7	13.6	13.6	12.1	**12.1**
	Efficiency Indicators	Total asset turnover (times)	0.94	0.86	0.90	0.92	0.90	0.82	0.80	0.82	0.83	0.79	**0.74**
		Trade receivable turnover (times)	3.80	3.24	3.54	3.86	3.94	3.66	4.01	4.25	4.17	4.44	**4.69**
		Inventory turnover (times)	7.32	6.63	6.89	6.50	6.13	6.13	6.50	6.40	6.18	5.70	**5.40**
	Stability Indicators	Current ratio (%)	171.4	189.0	186.2	191.6	209.5	235.7	229.8	237.3	246.6	230.3	**203.9**
		Equity ratio (%)	61.4	64.7	64.2	65.1	64.4	68.8	64.8	67.6	71.0	60.2	**62.1**
		Interest coverage ratio (times)	80.6	138.8	165.2	184.6	197.7	194.7	149.5	148.4	216.6	49.5	**43.2**
		Debt-to-equity ratio (times)	0.07	0.07	0.07	0.06	0.08	0.07	0.14	0.08	0.07	0.25	**0.23**
Financial Position	Total assets (million yen)		179,573	181,543	198,166	200,953	215,644	226,149	274,876	309,677	346,175	437,039	**485,771**
	Net assets (million yen)		111,271	118,436	128,440	132,189	140,032	156,612	183,994	215,078	247,036	280,737	**320,174**
Cash Flows	Free cash flow* (million yen)		5,258	3,917	8,140	11,500	9,635	9,771	10,844	17,748	17,928	△52,252	**18,007**
	Cash and cash equivalents at end of period (million yen)		22,495	23,466	30,063	37,345	44,665	52,254	70,905	77,691	86,562	73,221	**82,851**
	Per Share Information	Net income per share (¥)	40.02	43.97	40.77	43.00	67.57	73.39	92.61	115.62	135.61	135.38	**151.56**
		Net assets per share (¥)	484.61	515.48	557.97	573.71	608.83	681.71	780.30	916.93	1,078.04	1,163.86	**1,334.04**
		Dividends per share (¥)	10.0	10.5	11.0	12.5	13.0	14.0	18.0	22.0	27.0	36.0	**46.0**
		Dividend payout ratio (%)	25.0	23.9	27.0	29.1	19.2	19.1	19.4	19.0	19.9	26.6	**30.4**
	Other Financial Information	Price-earnings ratio (times)	25.6	23.7	36.5	33.0	21.9	20.1	19.9	24.0	21.9	16.5	**15.9**
		Price-book value ratio (times)	2.1	2.0	2.7	2.5	2.4	2.2	2.4	3.0	2.8	1.9	**1.8**

*Cash flows from operating activities + Cash flows from investing activities

(Notes) 1. The provisional accounting treatment for business combinations has been finalized in fiscal 2020, 2021, 2022, and 2025. The figures for fiscal 2019, 2020, 2021, and 2024 have been restated accordingly.
2. The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and other standards from the beginning of fiscal 2021, and the figures for fiscal 2021 and beyond are after the application of the said accounting standard and other standards.
3. As of January 1, 2023, the Company conducted a two-for-one stock split of its common stock. Per share information was calculated on the assumption that the stock split was implemented at the beginning of fiscal 2015.

Non-Financial Data

Reporting scope: Non-consolidated = Rohto Pharmaceutical Co., Ltd.; Consolidated = companies included in the scope of consolidation
(Human capital data have been compiled on a consolidated basis for prior years; environmental data have been disclosed on a consolidated basis since FY2025.)

Human capital

		2021	2022	2023	2024	2025
Human Capital and Workstyles						
Employees (persons)	Consolidated	6,866	7,176	7,259	9,144	**9,292**
	Non-consolidated	1,599	1,628	1,687	1,753	**1,786**
Female employees (%)	Consolidated	57.9	57.6	57.1	59.7	**59.7**
Female managers (%)*1	Consolidated	35.5	36.0	36.7	39.1	**40.8**
Employment of people with disabilities (%)	Non-consolidated	2.4	2.3	2.5	2.6	**3.0**
Turnover rate (%)*2	Consolidated	13.2	12.6	12.4	12.2	**14.9**
	Non-consolidated	2.2	2.9	1.7	1.4	**2.1**
Uptake of parental leave among men (%)*3	Non-consolidated	22.2	26.5	46.4	97.5	**92.3**
Paid annual leave taken (%)	Non-consolidated	61.3	72.2	80.0	76.9	**80.5**
Growth, Challenge, and Well-being						
Training cost per person (yen)	Non-consolidated	81,410	83,350	100,959	110,201	**110,129**
Participants in internal double jobs (persons)*4	Non-consolidated	123	123	192	207	**233**
Participants in external challenge work (persons)*5	Non-consolidated	52	49	61	65	**76**
Well-being survey score (Well-being points)*6	Non-consolidated	—	6.84	6.89	6.98	**6.99**

Coexistence with society

		2021	2022	2023	2024	2025
Responsible Business Practices						
Serious work-related injuries and ill health (cases)*7	Non-consolidated	0	0	0	0	**0**
Work-related injuries resulting in four or more days of absence (cases)*8	Non-consolidated	3	9	4	1	**0**
Pleasantly surprised testimonials by customer (cases)*9	Non-consolidated	2,866	2,400	2,720	3,077	**2,662**
Kaisen Activities (suggestions for improvements and insights) (cases)*10	Non-consolidated	10,634	10,813	10,587	9,472	**15,430**
Coexistence with Local Communities						
Employee donors to the Karugamo Fund (persons)	Non-consolidated	968	1,213	1,304	1,423	**1,380**

Contributing to a sustainable global environment

	2021	2022	2023	2024	2025
Climate Change and Resource Use					
CO_2 (GHG) emissions					
Scope 1 (t-CO_2e/year)*11	7,342	7,388	7,613	6,900	**21,915 (6,697)**
Scope 2 (t-CO_2e/year)*11,*12	6,906	5,936	5,109	3,322	**44,498 (2,634)**
Scope1 and 2 (t-CO_2e/year) *11,*12	14,249	13,324	12,722	10,222	**66,413 (9,331)**
Per unit of net sales (t-CO_2e/million yen)*11,*12	0.14	0.12	0.10	0.07	**0.19 (0.07)**
Scope 3 (t-CO_2e/year)*13	168,720	193,616	227,516	229,563	**249,824**
Per unit of net sales (t-CO_2e/million yen)*13	1.67	1.68	1.76	1.68	**1.77**
Total energy consumption (GJ)*11	326,137	360,005	386,246	364,991	**777,252 (372,366)**
Electricity consumption (1,000 kWh/year)*11	26,055	28,645	30,878	32,222	**120,136 (32,904)**
Share of renewable electricity (%)*13	1.3	19.8	40.9	55.1	**60.9**
Water withdrawal (1,000 m³/year)*14	263.2	275.7	276.0	273.2	**897.3 (267.5)**
Per unit of net sales (m³/million yen)*14	2.6	2.4	2.1	2.0	**2.6 (1.9)**
Water discharge (1,000 m³/year)*14		273.0	266.6	245.0	**589.0 (232.6)**

Strengthening of business foundation

		2021	2022	2023	2024	2025
Corporate Governance						
Compliance-related scandals and major legal violations (cases)	Consolidated	0	0	0	1*15	**1***16

*1 "Management Position" covers from junior to senior Management Positions, excluding officers.
*2 Voluntary employee turnover rate; calculated excluding mandatory retirement, death, and employer-initiated separations; non-consolidated figures for previous fiscal years have been recalculated due to a revision of the definition.
*3 Rate of those eligible to take parental leave, etc. upon the birth of a partner
*4 A system in which employees voluntarily assume duties outside their assigned departments
*5 A System to engage in parallel careers outside the Company
*6 Average annual score of self-evaluation of Well-being of employees (out of 10 points for each item)
*7 Serious work-related injury or disease resulting in death or permanent disability
*8 Revised the scope and definition of calculation from fiscal 2025
*9 Positive responses such as letters of appreciation and positive feedback from customers
*10 Number of findings and proposals for improvement per year
*11 From fiscal 2021 to fiscal 2024: Rohto Pharmaceutical Co., Ltd.; Fiscal 2025: All business sites of the Group (Figures in parentheses indicate Rohto Pharmaceutical Co., Ltd.)
*12 Calculated using the market-based method
*13 Rohto Pharmaceutical Co., Ltd.
*14 From fiscal 2021 to fiscal 2024: Rohto Pharmaceutical Co., Ltd.; Fiscal 2025: All production sites of the Group (Figures in parentheses indicate Rohto Pharmaceutical Co., Ltd.)
*15 Corrective order for violation of the Act against Unjustifiable Premiums and Misleading Representations (Japan)
*16 Administrative measure due to discrepancy in cosmetics notification details (Vietnam)

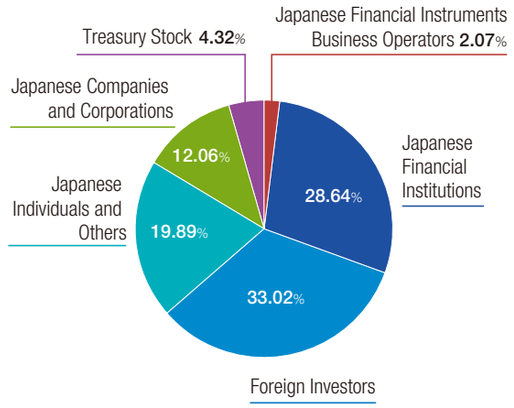
For detailed information on the environment, human capital (society), and governance, please refer to the Company's website, ESG Data.

Corporate Data (as of March 31, 2026)

Company Profile

Company Name	Rohto Pharmaceutical Co., Ltd
Founded	February 22, 1899
Incorporated	September 15, 1949
Capital	6,504 million yen
Number of Employees	9,292 (consolidated basis) 1,786 (non-consolidated basis)

Shareholdings by Shareholder Type



Major Shareholders (Top 10)

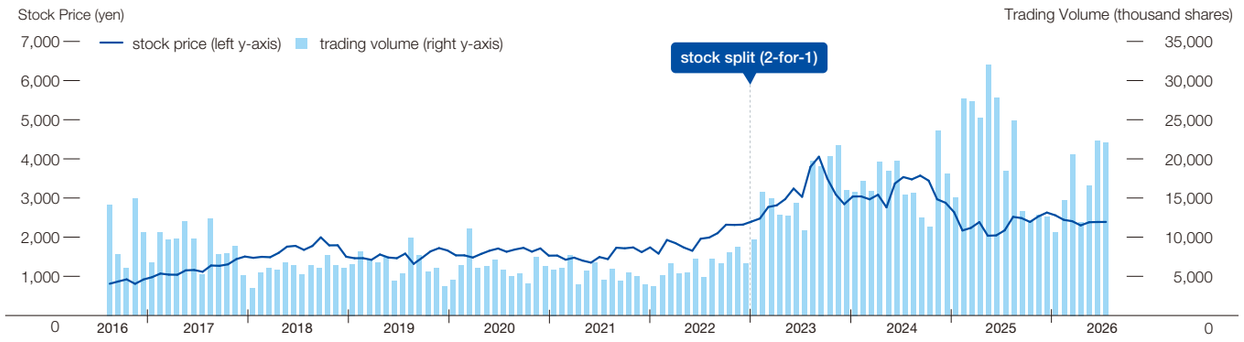
Shareholder	Number of Shares Held(thousands)	Percentage of Shareholding(%)
The Master Trust Bank of Japan, Ltd. (Trust account)	30,437	13.46
STATE STREET BANK AND TRUST COMPANY 505223	12,302	5.44
Custody Bank of Japan, Ltd. (Trust account)	11,139	4.92
Yamada Kosan Limited Private Company	8,415	3.72
MUFG Bank, Ltd.	7,601	3.36
Sansyo Kosan Co., Ltd.	5,046	2.23
Nippon Life Insurance Company	4,238	1.87
STATE STREET BANK AND TRUST COMPANY 505001	3,640	1.61
Kiyoko Yamada	3,623	1.60
Rohto Group Employee Stock Ownership Plan	3,062	1.35

(Note) The Holding Ratio has been calculated by deducting the treasury stock (10,214,018 stocks).

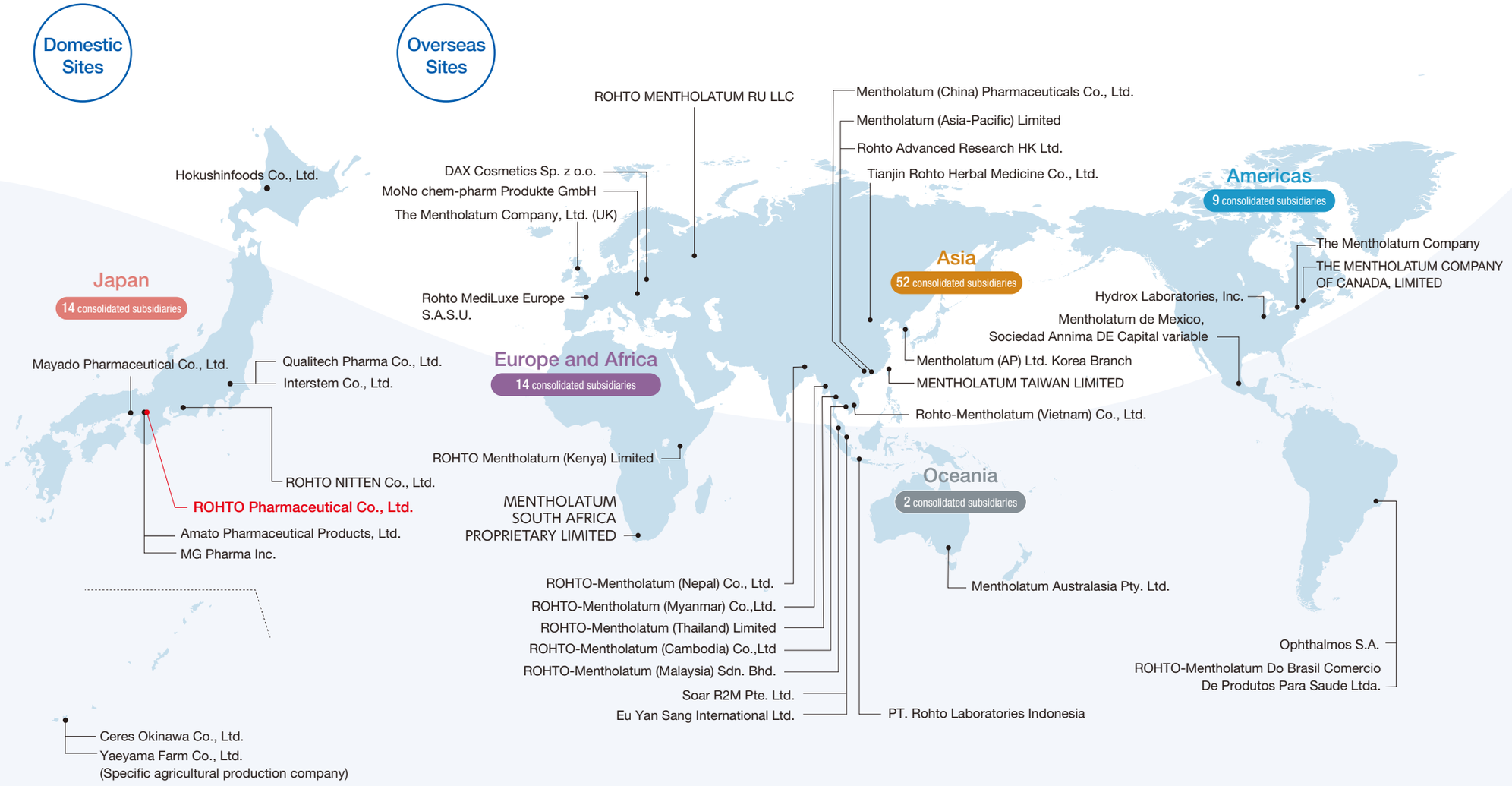
Shares

Number of Shares Authorized	798,792,000 shares
Number of Shares Issued	225,964,292 shares (excl. 10,214,018 treasury stocks)
Number of Shareholders	52,602

Changes in Stock Price and Trading Volume



Global Network (as of March 31, 2026)





Rohto Pharmaceutical Co., Ltd.
https://www.rohto.co.jp
1-8-1 Tatsumi-nishi, Ikuno-ku, Osaka, Japan 544-8666

Issued in October 2026
Printed in Japan