



April 4, 2024

Company name: ROHTO Pharmaceutical Co., Ltd.
Representative: Masashi Sugimoto, President and COO
(Code: 4527 TSE Prime)
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Acquisition of shares in (Sub-subsidiary company) and tender offer for Eu Yan Sang International Ltd, a Singapore health and wellness manufacturing and sales company

Rohto Pharmaceutical Co., Ltd. (Head office: Ikuno-ku, Osaka, President: Masashi Sugimoto, hereinafter referred to as "**Rohto Pharmaceutical**" or the "**Company**"), along with Mitsui & Co., Ltd. (Head office: Chiyoda-ku, Tokyo, President: Kenichi Hori, hereinafter referred to as "**Mitsui & Co.**") hereby announce that we have resolved to jointly acquire approximately 86% of the issued ordinary shares of Eu Yan Sang International Ltd (Headquarters: Singapore, hereinafter referred to as "**EYS**"), a Singapore manufacturer and distributor of Chinese herbal medicines, from Righteous Crane Holding Pte. Ltd. (Headquarters: Singapore, hereinafter referred to as "**RCH**"), and have signed a conditional sale and purchase agreement as of today (hereinafter referred to as the "**Share Acquisition**"). Upon the fulfillment of the condition to the Share Acquisition, we will conduct a mandatory general offer for the remaining 14% of the issued ordinary shares of EYS (hereinafter referred to as the "**Tender Offer**").

1. Method and reason for the Share Acquisition

The Share Acquisition will be carried out by a special purpose company (hereinafter referred to as "**SPC**") established in Singapore and will be jointly owned by Rohto Pharmaceutical (including its group companies) and Mitsui & Co. (including its group companies). Upon the fulfillment of the condition to the Share Acquisition, we will conduct a mandatory general offer for the remaining 14% of the EYS shares. The value attribute to 100% of the shares of EYS is approximately 800 million Singapore dollars (SGD) (approximately 88 billion yen, converted at 1SGD=110 yen). If the SPC is able to acquire 100% of the EYS shares under the Share Acquisition and the Tender Offer, Mitsui & Co. is expected to hold approximately 30% effective interest in EYS, with Rohto Pharmaceutical holding approximately 60%, and the founding family reinvesting in the SPC as part of management retention arrangements and holding approximately 10%.

Founded in 1879, Eu Yan Sang is Southeast Asia's largest Chinese herbal medicine manufacturing and sales company, operating over 170 stores and 30 Chinese herbal medicine clinics mainly in Singapore, Hong Kong, and Malaysia. EYS adopts a scientific approach in developing and selling a wide range of Chinese herbal

Rohto Pharmaceutical Co., Ltd.

medicine products, ranging from pharmaceuticals to food, and has been expanding its business from traditional Chinese medicine to the “Natural Health & Wellness” sector.

Rohto Pharmaceutical operates its business with the aim of leading all individuals and society surrounding it to "well-being" by delivering "health" to people around the world through its products and services. Its Business Domain Vision 2030 aims to further expand and strengthen its core businesses of over-the-counter drugs, skin care, and food items. While the Skin Care segment currently accounts for approximately 65% of total sales, it is essential to further strengthen sales of over-the-counter drugs and food in order to provide solutions in all aspects of health. The Asia region, which accounts for 30% of total sales, is expected to grow further. By combining EYS' strong product portfolio and brand reputation in Asia with Rohto Pharmaceutical's research, technology development and sales capabilities, Rohto Pharmaceutical aims to be a leading innovative health business.

In its medium-term business plan leading up to 2026, Mitsui & Co. has set Wellness Ecosystem Creation as one of its core strategies, and aims to improve the quality of life for consumers with diverse lifestyles through the provision of healthcare, disease prevention, and healthy food. Since its 2018 investment in Thorne HealthTech Inc., a high-performance supplement manufacturer and distributor in the United States, Mitsui & Co. has been developing a “science-based disease prevention solutions business.” In November 2022, Mitsui & Co. invested in EYS through a fund, contributing to the expansion of EYS' business by improving EYS' brand value and supporting its overseas expansion. Upon the Share Acquisition, the fund will be liquidated, and Mitsui & Co. will re-invest in EYS through the SPC. Through this transaction, Mitsui & Co. and Rohto Pharmaceutical will jointly accelerate their efforts in the wellness sector, with a strategic focus on Asia.

2. Overview of the subsidiary (SPC) that will carry out the Share Acquisition

- (1) Name: Soar R2M Pte. Ltd.
- (2) Location: Midpoint Orchard, Singapore
- (3) Representative: Sin Kai Chung, Michael (Director)
- (4) Business details: Holding company
- (5) Share capital: 1 SGD (as of April 4, 2024)
- (6) Date of establishment: March 29, 2024
- (7) Major shareholder and shareholding ratio: Rohto Pharmaceutical 100% (as of April 4, 2024)

3. Overview of the company (EYS) to be acquired

- (1) Name: Eu Yan Sang International Ltd
- (2) Location: Tai Seng Drive, Singapore
- (3) Representative: Wong Ho Kang, Dominic (CEO)

(4) Business content: Manufacture and sale of herbal medicines, food, etc.

(5) Share capital: Approximately 39.2 million SGD (as of June 2023)

(6) Year of establishment: 1993 (founded in 1879)

(7) Major shareholders and shareholding ratio (as of December 2023)

Righteous Crane Holding Pte. Ltd. (RCH) 85.9%

HCC 9.1%

Others 5.0%

(8) Relationship with our company

Capital relationship: Not applicable

Human relations: Not applicable

Business relationship: Not applicable

Applicability to related parties: Not applicable

(9) Consolidated operating results and consolidated financial position of the company for the past three years

<Rounded according to local financial statements>

Fiscal year	Ending June 2023	Ending June 2022	Ending June 2021
Net assets (million SGD)	149.9	146.4	134.5
Total assets (million SGD)	268.1	250.8	237.9
Net assets per share (SGD)	0.34	0.33	0.30
Sales (million SGD)	297.3	256.9	227.3
Ordinary profit* (million SGD)	23.9	18.7	16.9
Net income (million SGD)	18.7	14.9	14.1
Net income per share (SGD)	0.04	0.03	0.03
Dividend per share (SGD)	0.025	0.010	0.000
Core EBITDA** (million SGD)	42.2	33.1	28.2

*: as "Profit before income tax"

**: Number that includes ordinary profit, depreciation expenses, and adjusting for non-recurring/non-core expenses, growth-related investments, etc.

(10) Website URL: https://www.euyansang.com/en_US/about-us/eyscorporate1.html

4. Overview of the counterparty to this Share Acquisition (RCH)

(1) Name: Righteous Crane Holding Pte. Ltd.

(2) Location: Republic Plaza, Singapore

(3) Representatives: Koh Thong Meng, Danny; Chua Siang Hwee, Jeffrey; Eu Yee Ming Richard (Directors)

(4) Business details: Holding company

(5) Share capital*: Approximately 232.5 million SGD

(6) Date of establishment: April 8, 2015

(7) Net assets*: Approximately 236.9 million SGD

(8) Total assets*: Approximately 365.6 million SGD

(9) Major shareholder shareholding ratio

Tower Capital TCM Holdings L.P. (Tower Capital Asia) 42%

Blanca Investments Pte. Ltd. (Temasek Holdings) 30%

Certain members of founding Eu Family (and entities held by them) 28%

(10) Relationship with our company

Capital relationship: Not applicable

Human relations: Not applicable

Business relationship: Not applicable

Applicability to related parties: Not applicable

*: On a consolidated, group basis, as of June 2023.

5. Number of shares to be acquired through this Share Acquisition, estimated acquisition price, and status of owned shares before and after Share Acquisition

(1) Number of EYS issued shares: 444,545,960 shares (Number of voting rights: 444,545,960)

(2) Number of EYS shares owned before stock acquisition: 0 shares (Number of voting rights: 0) (Voting rights ownership ratio: 0%)

(3) Number of EYS shares acquired through this Share Acquisition: 381,922,612 shares (Number of voting rights: 381,922,612)

(4) Estimated acquisition price for the Share Acquisition: 687 million Singapore dollars (approximately 75.6 billion yen, converted at 1SGD=110 yen)

(5) Number of EYS shares owned after the Share Acquisition and before the Tender Offer: 381,922,612 shares (number of voting rights: 381,922,612) (percentage of voting rights held: 86%)

6. Indicative Schedule

(1) Board of Directors resolution date: April 4, 2024

(2) Date of conditional sale and purchase agreement: April 4, 2024

(3) Stock transfer completion date: June 30, 2024 (targeted)

7. Future outlook

The results of the Tender Offer will be announced as soon as practicable. In addition, it is expected that acquisition goodwill will be recognized once the Share Acquisition and the Tender Offer are completed. However, the amount of goodwill and its impact on the Company's consolidated financial position is currently under review. We will provide further details after the completion of the Share Acquisition and the Tender Offer.

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