

Press release

Asset Value Investors Limited

## Asset Value Investors (AVI) Urges Rohto Pharmaceutical to Focus on Core Businesses and Engage More Constructively with Shareholders

London, 30 April 2026 – Asset Value Investors Limited (“AVI”) today announced an update to its public campaign regarding Rohto Pharmaceutical Co., Ltd. (TSE: 4527, “Rohto”), as a follow-up to its ongoing campaign, “*Awakening Rohto*”, launched last year and aimed at enhancing the company’s corporate value. AVI has published a detailed presentation on a dedicated website ([www.AwakeningRohto.com](http://www.AwakeningRohto.com)).

Since initiating its investment in June 2024, AVI has sought to engage in constructive dialogue with Rohto, including through letters and presentations, with the objective of supporting sustainable corporate value enhancement. In April 2025, AVI publicly launched its campaign and put forward a range of recommendations to improve Rohto’s corporate value. However, Rohto’s share price performance has remained underwhelming. This reflects Rohto’s continued investment in regenerative medicine without a clear path to profitability, as well as downward revisions to the performance of its Chinese medicine subsidiary, Eu Yan Sang, which was acquired at a significant premium in 2024.

AVI has also identified governance concerns. Chairman Kunio Yamada, a fourth-generation member of the founding family, continues to oversee the medical business under a dispersed portfolio management approach that does not sufficiently align with the Tokyo Stock Exchange’s guidance on management that is conscious of the cost of capital.

In light of these circumstances, AVI, as a shareholder committed to supporting sustainable corporate value enhancement, has decided to renew its public campaign following last year’s initiative. Furthermore, AVI intends to submit a shareholder proposal to dismiss Chairman Kunio Yamada at Annual General Meeting scheduled for June 2026.

Kaz Sakai, Head of Japan Research at AVI, commented:

*“While Rohto Pharmaceutical’s core businesses, including its cosmetics and over-the-counter eye care segments, possess significant underlying value, continued investment in the regenerative medicine business, driven by the founding family’s management philosophy, has again weighed on enterprise value this year.”*

*“By reviewing its business portfolio strategy and adopting a more focused management approach, together with enhancing capital discipline and shareholder communication in line with the Tokyo Stock Exchange’s guidance, we believe Rohto’s intrinsic value can be more fully realised.”*

-ENDS-

### **About Asset Value Investors Limited**

Asset Value Investors Limited (“AVI”) is an investment management firm founded in 1985 and headquartered in London. For over 40 years, AVI has invested in global equity markets, including Japan. AVI manages assets on behalf of investment funds including AVI Global Trust and AVI Japan Opportunity Trust. Of its approximately JPY 340 billion in assets under management, around JPY 190 billion is invested in the Japanese equity market. These funds are publicly listed companies on the Main Market of the London Stock Exchange.

AVI is a signatory to Japan’s Stewardship Code and is committed to constructive engagement with management teams and boards of its portfolio companies, with the aim of contributing to sustainable growth and enhanced enterprise value.

AVI’s holding in Rohto on behalf of all its funds is 2% making AVI the 6<sup>th</sup> largest shareholder. (as at 30 April 2026)

### **Media contacts:**

KL Communications    [AVI@kl-communications.com](mailto:AVI@kl-communications.com)  
+44 (0)20 3882 6644