

## PRESS RELEASE

22 May 2024  
For Immediate Release

# SOAR R2M PTE. LTD., A BID VEHICLE OF ROHTO PHARMACEUTICAL CO., LTD. AND MITSUI & CO., LTD., ANNOUNCES MANDATORY UNCONDITIONAL OFFER FOR EU YAN SANG INTERNATIONAL LTD

*All capitalised terms which are used in this press release but not otherwise defined herein shall have the meanings ascribed to them in the Offer Announcement dated 22 May 2024. This press release should be read in conjunction with the full text of the Offer Announcement, copies of which are available on <https://www.euyansang.com.sg/en/newsroom/eyscorporate27.html>.*

- Pre-condition to the making of the Offer has been satisfied as of 22 May 2024.
- Offer Price of S\$1.8184 per Share in cash, represents:
  - an attractive premium of 203.1 per cent. to the offer price of S\$0.60 for the delisting of Eu Yan Sang International Ltd in October 2016; and
  - a significant premium of 439.4 per cent. to the latest audited net asset value per Share of S\$0.3371 as of 30 June 2023.
- The Offer provides an exit for Shareholders in an unlisted company.

**Singapore, 22 May 2024** –Approvals from the competition authorities in the People’s Republic of China and the Republic of Korea have been obtained pursuant to the conditional sale and purchase agreement (“SPA”) for the acquisition by Soar R2M Pte. Ltd. (the “**Offeror**”) of approximately 85.9% of all the shares in Eu Yan Sang International Ltd (the “**Company**”, and such shares, the “**Shares**”) from Righteous Crane Holding Pte Ltd. (“**RCH**”). Accordingly, DBS wishes to announce, for and on behalf of the Offeror, that the Pre-Condition, as stated in the Pre-Conditional Offer Announcement released on 4 April 2024, has been satisfied in accordance with the SPA as of today, 22 May 2024 (the “**Offer Announcement Date**”).

As such, DBS wishes to announce, for and on behalf of the Offeror, the Offeror’s firm intention to make the Offer for all of the Shares, other than those already owned, controlled or agreed to be acquired by the Offeror and any person acting in concert with it (the “**Offer Shares**”).

## **The Offer**

Offer Price for each Offer Share is S\$1.8184 in cash<sup>1</sup>, which represents:

- an attractive premium<sup>2</sup> of 203.1 per cent. to the offer price of S\$0.60 for the Company's delisting in October 2016; and
- a significant premium<sup>3</sup> of 439.4 per cent. to the latest audited net asset value per Share of S\$0.3371 as of 30 June 2023.

The Offer Price is based on the aggregate consideration to be paid by the Offeror to RCH for the purchase of the Sale Shares under the SPA divided by the total number of Sale Shares (rounded to the nearest 4 decimal places)<sup>4</sup>.

The aggregate Offer Price to be paid to each shareholder of the Company ("**Shareholder**") who validly accepts the Offer shall be rounded down to the nearest S\$0.01.

## **Rationale for the Acquisition**

Rohto Pharmaceutical Co., Ltd. ("**Rohto**") 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. By combining the Company's strong product portfolio and brand reputation in Asia with Rohto's research, technology development and sales capabilities, Rohto aims to be a leading innovative health business.

In its medium-term business plan leading up to 2026, Mitsui & Co., Ltd. ("**Mitsui**") 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. Upon SPA Completion, Mitsui's existing interest in the Company through its fund holdings will cease as a result of sale of the Sale Shares by RCH, and it will invest in the Company through the Offeror. Mitsui aims to create an innovative new business by leveraging the competitiveness of the Eu Yan Sang brand and products in Asia and Rohto's R&D and marketing capabilities.

Through this transaction, Mitsui and Rohto will jointly accelerate their efforts in the wellness sector, with a strategic focus on Asia.

## **Rationale for the Offer**

**The Offer Provides an Exit for Shareholders in an Unlisted Company.** Following the Company's delisting in October 2016, it has become difficult for the Shareholders to realise their investment in the

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<sup>1</sup> On the basis that the SPA Completion will take place on 3 June 2024.

<sup>2</sup> Rounded to the nearest 1 decimal place.

<sup>3</sup> Figure derived based on the audited net asset value of the Company as of 30 June 2023 of S\$149.9 million divided by 444,545,960 Shares, rounded to the nearest 4 decimal places.

<sup>4</sup> Refer to the Offer Announcement for the calculation of the consideration and Offer Price.

Shares given the lack of a public market for the Shares. With the Offer, the Shareholders will have an opportunity to realise the value of their Shares in cash at an attractive price.

**Compliance with the Code.** In accordance with Rule 14 of the Code, the Offeror is required, upon satisfaction of the Pre-Condition, to make the Offer for all Shares other than the Sale Shares.

### **Retention Arrangements**

As set out in the Pre-Conditional Offer Announcement, the Offeror, Rohto and Mitsui had entered into a reinvestment agreement (the “**Reinvestment Agreement**”) with each of Mr. Richard Eu Yee Ming (“**Richard Eu**”), who is the chairman of the Company’s board of directors, and Mr. Richard Eu Zai Qi (“**Richie Eu**”), who is the managing director for mergers and acquisitions of the Company, to reinvest a specified amount of the net proceeds from the Sale Shares due to each of them following SPA Completion, by subscribing for new issued ordinary shares in the capital of the Offeror (the “**Reinvestment**”, and such shares, the “**Offeror Shares**”).

Following the completion of the Reinvestment, Richard Eu and Richie Eu will have an aggregate effective interest in the Company of approximately 10 per cent. (through their shareholdings in the Offeror).

### **Offer Document and Timeline**

Further information on the Offer will be set out in the Offer Document. The Offer Document, which will contain the terms and conditions of the Offer and enclose the relevant form of acceptance of the Offer, will be despatched to the holders of the Offer Shares not earlier than 14 days and not later than 21 days from the Offer Announcement Date. The Offer will remain open for acceptances by shareholders of the Company for a period of at least 28 days from the date of posting of the Offer Document.

### **Information on the Offeror and Investors**

**The Offeror** is a special purpose vehicle incorporated in Singapore, which has been established for the purpose of the Acquisition and the Offer.

As at the Offer Announcement Date, the Offeror has an issued and fully paid-up share capital of S\$1 consisting of one ordinary share, which is held by Rohto. Following satisfaction of the Pre-Condition, both Rohto and Mitsui will subscribe for new Offeror Shares such that Mitsui will own one-third, and Rohto will own the remaining two-thirds, of the share capital of the Offeror immediately following such subscription.

**Rohto** was incorporated in Japan and is listed on the Tokyo Stock Exchange. Rohto is one of the leading wellness companies in Japan and operates its business with the aim of leading all individuals and society surrounding us to “well-being” by delivering “health” to people around the world through products and services. Rohto’s Business Domain Vision 2030 aims to further expand and strengthen its core businesses of over-the-counter drugs, skin care, and functional foods.

**Mitsui** was incorporated in Japan and is listed on the stock exchanges of Tokyo, Nagoya, Sapporo and Fukuoka. Mitsui is one of the leading trading/investment conglomerate companies in Japan, with a strong capability to bring technology, product, service, knowledge by using its wide-ranged global network. Mitsui positions the healthcare and nutrition field as one of its priority areas, and is working to create a company-wide group called Wellness Ecosystem. Mitsui invested in IHH Healthcare, one of the largest hospital

groups in Asia, in 2011, and through additional several investments to nutritional & medical fields, Mitsui has been expanding the healthcare business from prevention to treatment, and is focusing on innovative & comprehensive wellness care in Asia.

### **Financial Adviser**

DBS Bank Ltd. is the financial adviser to the Offeror in respect of the Offer.

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### **Responsibility Statements**

**Offeror.** The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted from this press release, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this press release.

**Rohto.** The directors of Rohto (including any who may have delegated detailed supervision of the preparation of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted from this press release, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company), the sole responsibility of the directors of Rohto has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this press release.

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### **Forward-looking Statements**

*All statements other than statements of historical facts included in this press release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and other investors of the Company should not place undue reliance on such forward-looking statements. The Offeror does not guarantee any future performance or event or undertake any obligation to update publicly or revise any forward-looking statements.*

Any enquiries relating to this press release or the Offer should be directed during office hours to:

**DBS Bank Ltd.**

Strategic Advisory

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