



December 12, 2023

To all concerned parties

Company name:	ROHM Co., Ltd.
Company representative	Isao Matsumoto, President & CEO (Code: 6963, TSE Prime Market)
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## Notice Regarding the Acquisition of Zero Coupon Convertible Bonds due 2024

ROHM Co., Ltd (hereinafter, the “Company”) hereby announces that the Company has made a decision to exercise the acquisition option under its Zero Coupon Convertible Bonds due 2024 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) (hereinafter, the “Bonds”) to acquire all of the outstanding Bonds. The acquisition of the Bonds will be made in exchange for a cash amount equal to par and a certain number of shares of common stock of the Company calculated as described below.

### 1. Reasons for Exercising the Acquisition Option

The Company has adopted its Medium-Term Management Plan “MOVING FORWARD to 2025” for the fiscal years 2021 to 2025, with a commitment to achieving its strategic vision of focusing on power and analog technologies to aid in its customers' efforts towards energy efficiency and miniaturization. Through this, the Company aims to address societal challenges.

Under this plan, the Company has set a number of financial targets for the concluding fiscal year: net sales of ¥600 billion or more, an operating profit ratio of 20% or more, and a return on equity (ROE) of 9% or more, with the objective to ensure sustained growth and improve corporate value over the medium to long term.

In addition, the Company has planned to make growth investments in a cumulative total of ¥600 billion over the next five years, marking a phase of active investment aimed at business growth and strengthening our future ability to generate cash. The Company intends to carefully balance these growth investments with shareholder returns, based on the progress of its future business growth.

At the time of issuance of the Bonds, the Company has carefully designed them to minimize dilution for the entire duration of the option exercise period by including an acquisition option, thereby safeguarding the interest of its existing shareholders. Even though recent share prices have been below the conversion price, the Company has decided to exercise the acquisition option in order to reduce the possibility of dilution.

## 2. Details of Acquisition

### (1) Bonds to be acquired

Zero Coupon Convertible Bonds due 2024 issued by ROHM Co., Ltd.

### (2) Amount to be acquired

All Bonds outstanding on the Acquisition Option Date (November 14, 2024)

\* As of December 12, 2023, ¥40,000 million in principal amount remain outstanding.

### (3) Date of notice to bondholders

December 12, 2023

### (4) Acquisition Option Date

November 14, 2024

### (5) Assets to be delivered in exchange for each Bond

- (i) a cash amount equal to 100% of the principal amount of such Bond; and
- (ii) such number of shares of common stock of the Company which is calculated by dividing (a) the amount by which the Acquisition Share Value (as defined below) exceeds the principal amount of each Bond by (b) the Average VWAP per Share (as defined below), provided that any resulting fractions of a share will be disregarded and no adjustment by means of cash payment will be made in respect thereof.

- “Acquisition Share Value” means the amount calculated in accordance with the following formula:

$$\frac{\text{Principal Amount of each Bond}}{\text{Last Day Conversion Price}} \times \text{Average VWAP per Share}$$

- “Last Day Conversion Price” means the Conversion Price in effect on the last day of the 20 consecutive Trading Days beginning on, and including, the 35th Trading Day prior to the Acquisition Option Date.
- “Trading Day” means a day on which the Tokyo Stock Exchange is open for business, but does not include a day on which no last selling price for the Company’s shares is reported.
- “Average VWAP per Share” means the average of the volume weighted average prices of the Shares reported by the Tokyo Stock Exchange on each of the Trading Days during the 20 consecutive Trading Days beginning on, and including, the 35th Trading Day prior to the Acquisition Option Date (i.e. from September 24, 2024 to October 22, 2024).

### <For Reference>

Zero Coupon Convertible Bonds due 2024

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|----------------------------|------------------|
| 1. Issue Date:             | December 5, 2019 |
| 2. Maturity Date:          | December 5, 2024 |
| 3. Aggregate Issue Amount: | ¥40,000 million  |
| 4. Conversion Price:       | ¥3,369.1         |

### 3. Impact on the Company's Financial Performance

The acquisition of the Bonds is not expected to have any material impact on the Company's financial performance.