



(Translation)

December 23, 2023

Name of Company: Shiseido Company, Limited
Name of Representative: Masahiko Uotani
Chairman and CEO
(Representative Director)
(Code No. 4911; Tokyo Stock Exchange, Prime Market)
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Shiseido to Acquire DDG Skincare Holdings LLC
~Strategic Transaction Adds Dermatologist-led Prestige Skincare Brand
to Shiseido's Global Portfolio~

Shiseido Company, Limited (“Shiseido”) today announced that a resolution was adopted by the Board of Directors on December 20, 2023, upon discretionary approval of the Representative Director for the terms and conditions, to acquire DDG Skincare Holdings LLC (“DDG,” headquartered in New York, USA). DDG is a leading company offering dermatologist-led, science-based prestige skincare. To complete this transaction, Shiseido Americas Corporation (headquartered in Delaware, USA), a consolidated subsidiary of Shiseido has signed a definitive agreement to acquire DDG on December 22, 2023 (JST December 23, 2023).

1. *About Dr. Dennis Gross Skincare*

Launched in New York City in 2000, *Dr. Dennis Gross Skincare* is a skincare brand founded by former skin cancer researcher and practicing dermatologist Dr. Dennis Gross along with his wife Carrie Gross. Their mission is "To make the difference in the lives of all people everywhere by helping them have healthier skin." Together, they disrupted the beauty industry by asking people to peel daily with their now-iconic Alpha Beta® Daily Peels. With innovative formulas incorporating simple, straightforward instructions, clients became instant believers. Dr. Gross continues to bring innovations and expertise from the dermatology practice to retail consumers around the globe in the form of easy-to-use at home products designed to work together in customizable regimens to treat multiple concerns.

2. *Significance of the Acquisition*

This acquisition will provide the following benefits to Shiseido to drive further growth.

(i) Adding a highly complementary brand to our existing portfolio

We expect to see a growing interest in health and beauty as consumers increase their awareness of

“skin health.” As a derma cosmetics, doctor-led brand *Dr. Dennis Gross Skincare* strengthens our position in a rapidly growing skincare segment. By tapping the great potential of the growing market in the U.S. with its unique positioning coupled with a complementary fit with our prestige portfolio, this will be a strategic addition to Shiseido along with our prestige beauty brands *SHISEIDO* and *Clé de Peau Beauté*.

(ii) Driving growth and profitability in a critical market in the Americas business

The acquisition of a high-growth, profit accretive skincare brand will contribute to the ongoing expansion of the Americas business, a strategically important region for Shiseido. This will enable us to diversify our geographical footprint while resolving the imbalances in our revenue streams.

(iii) Creating synergistic effects with Shiseido’s strengths, bolstering innovation and driving global business growth

With a philosophy rooted in research, dermatology and technology, the brand is well aligned with Shiseido’s rich heritage in skincare, global platforms, and R&D capabilities. This will in turn support *Dr. Dennis Gross Skincare* to accelerate its next phase of growth. Together, we will be well positioned to capture opportunities in the rapidly growing doctor-led skincare market around the world.

3. Overview of the acquiree

(1)	Name	DDG Skincare Holdings LLC		
(2)	Address	444 Madison Avenue, Suite 500, New York, New York 10022 USA		
(3)	Title and name of representative	Carrie Gross, CEO and Co-Founder Dennis Gross, Co-Founder		
(4)	Business	Marketing and distribution of skincare products and related devices		
(5)	Date of establishment	April 8, 1999		
(6)	Major equity holders and their equity holding ratio	The corporations and individuals described in (1) of “4. Overview of other parties regarding the acquisition of equity” have 100% in total		
(7)	Relationship between listed company and subject company	Capital relationship	N/A	
		Personnel relationship	N/A	
		Trade relationship	N/A	
(8)	Consolidated financials for the acquiree of the recent three fiscal years			
	Fiscal Period	Year Ended in Dec. 2021	Year Ended in Dec. 2022	Year Ending in Dec. 2023 (Estimate)
	Consolidated sales (Millions of US dollars)	71	80	94
	Consolidated total assets (Millions of US dollars)	37	47	-

4. Overview of other parties regarding the acquisition of equity

(1) Name	Founders	49.24%
	Main Post Growth Capital related entities	48.08%
	Other	2.68%
(2) Address	Founders: State of New York, USA Among the parties, all corporations: State of Delaware, USA	
(3) Relationship between listed company and the acquiree	Capital relationship	N/A
	Personnel relationship	N/A
	Trade relationship	N/A
	Related party or not	N/A

5. Information on the ratio of acquired equity interests, acquisition price and equity-interests-holding before and after acquisition

(1) Ratio of equity interests owned before transfer	-
(2) Ratio of acquired equities	100%
(3) Acquisition price	450 million US dollars (approximate)
(4) Ratio of equity interests owned after transfer	100%

6. Schedule

(1) Date of resolution by the Board of Directors	December 20, 2023
(2) Date of conclusion of agreement	December 22, 2023 (EST)
(3) Execution date of equity transfer	First quarter of 2024 (planned)

7. Expected impact on earnings

This acquisition will have no significant impact on the consolidated financial results of the Shiseido Group for the fiscal period ending December 2023. The impact on our financial results in 2024 and onwards will be disclosed at an appropriate timing.

-End of News Release-