

September 12, 2024

To whom it may concern

Company Name: KIRIN HOLDINGS COMPANY, LIMITED

Name and Title of Representative: Takeshi Minakata, President & COO

Code Number: 2503 (Tokyo Stock Exchange, Prime Market)

Name and Title of Contact Person:

Naomi Sasaki, General Manager of Corporate
Communications Department

Telephone Number: +81-3-6837-7028

**Notice Regarding Results of Tender Offer for Shares, Etc. of
FANCL Corporation (Securities Code:4921) and Change in Subsidiary**

Kirin Holdings Company, Limited (the “Tender Offeror”) determined, by the resolution of its Board of Directors as of June 14, 2024, to acquire shares of the common stock and the Stock Acquisition Rights (the “Stock Acquisition Rights” and the name of each of the Stock Acquisition Rights are as defined in “I. Results of the Tender Offer,” “1. Overview of the Tender Offer,” “(3) Class of Shares to be Purchased” below.) of FANCL Corporation (which is listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the “TSE”), code number: 4921; the “Target Company”) through a tender offer (the “Tender Offer”) and commenced the Tender Offer as of June 17, 2024. Since the Tender Offer was completed on September 11, 2024, the Tender Offeror hereby announces the results thereof as follows.

The Tender Offeror also hereby announces that, as a result of the Tender Offer, the Target Company will become a consolidated subsidiary of the Tender Offeror as of September 19, 2024 (the commencement date of settlement for the Tender Offer).

I. Results of the Tender Offer

1. Overview of the Tender Offer

(1) Name and Address of the Tender Offeror

Kirin Holdings Company, Limited
10-2, Nakano 4-chome, Nakano-ku, Tokyo

(2) Name of the Target Company

FANCL Corporation

(3) Class of Shares to be Purchased

- a. Common stock
- b. Stock acquisition rights
 - (a) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 12, 2007 (the “Fifth Series Stock Acquisition Rights”) (The exercise period is from December 4, 2007 to December 3, 2037.)
 - (b) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 14, 2008 (the “Sixth Series Stock Acquisition Rights”) (The exercise period is from December 2, 2008 to December 1, 2038.)
 - (c) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 12, 2009 (the “Seventh Series Stock Acquisition Rights”) (The exercise period is from December 2, 2009 to December 1, 2039.)
 - (d) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 15, 2010 (the “Eighth Series Stock Acquisition Rights”) (The exercise period is from December 2, 2010 to December 1, 2040.)
 - (e) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 14, 2011 (the “Tenth Series Stock Acquisition Rights”) (The exercise period is from December 2, 2011 to December 1, 2041.)
 - (f) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 12, 2012 (the “Twelfth Series Stock Acquisition Rights”) (The exercise period is from December 4, 2012 to December 3, 2042.)
 - (g) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 14, 2013 (the “Thirteenth Series

Stock Acquisition Rights”) (The exercise period is from December 3, 2013 to December 2, 2043.)

- (h) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on October 30, 2014 (the “Fifteenth Series Stock Acquisition Rights”) (The exercise period is from December 2, 2014 to December 1, 2044.)
- (i) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on October 29, 2015 (the “Sixteenth Series Stock Acquisition Rights”) (The exercise period is from December 2, 2015 to December 1, 2045.)
- (j) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on October 28, 2016 (the “Seventeenth Series Stock Acquisition Rights”) (The exercise period is from December 2, 2016 to December 1, 2046.)
- (k) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on October 30, 2017 (the “Eighteenth Series Stock Acquisition Rights”) (The exercise period is from December 2, 2017 to December 1, 2047.)
- (l) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on October 30, 2018 (the “Nineteenth Series Stock Acquisition Rights”) (The exercise period is from December 4, 2018 to December 3, 2048.)
- (m) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on October 30, 2019 (the “Twentieth Series Stock Acquisition Rights”) (The exercise period is from December 3, 2019 to December 2, 2049.)
- (n) Stock acquisition rights that were issued pursuant to the resolution of the Board of Directors of the Target Company held on November 4, 2020 (the “Twenty-First Series Stock Acquisition Rights”) (The exercise period is from December 2, 2020 to December 1, 2050.) (each of the stock acquisition rights listed above is collectively referred to as the “Stock Acquisition Rights”)

(4) Number of Shares, Etc. to be Purchased in the Tender Offer

Number of shares, etc. to be purchased	Minimum number of shares, etc. to be purchased	Maximum number of shares, etc. to be purchased
82,051,400 shares	41,117,700 shares	– shares

- (Note 1) The Tender Offeror will not purchase any of the shares, etc., tendered in the Tender Offer (the “the Tendered Shares, Etc.”) if the aggregate number of the Tendered Shares, Etc. is less than the minimum number of shares to be purchased (i.e., 41,117,700 shares). If the aggregate number of the Tendered Shares, Etc. is equal to or greater than the minimum number of shares to be purchased, the Tender Offeror will purchase all of the Tendered Shares, Etc.
- (Note 2) Shares constituting less than one unit is also subject to purchase through the Tender Offer. The Target Company may purchase its own shares in accordance with legal procedures during the tender offer period of the Tender Offer (the “Tender Offer Period”) from any shareholder who exercises the right under the Companies Act (Act No. 86 of 2005, as amended) to require the Target Company to purchase shares constituting less than a whole unit.
- (Note 3) There is no plan to purchase the treasury shares held by the Target Company through the Tender Offer.
- (Note 4) The Stock Acquisition Rights may be exercised by the end of the Tender Offer Period, and the Target Company Shares to be issued or transferred upon such exercise are also subject to the Tender Offer.
- (Note 5) As a maximum number of shares to be purchased through the Tender Offer is not established, the number of shares to be purchased that is described in the relevant column is the maximum number of the Target Company Shares the Tender Offeror may possibly acquire through the Tender Offer (82,051,400 shares). Such maximum number of shares (82,051,400 shares) is calculated by deducting (i) the number of the Target Company Shares held by the Tender Offeror as of June 14, 2024 (39,540,400 shares) from (ii) the number of shares (i.e., 121,591,800 shares; the “Total Number of Shares After Accounting Diluted Shares”) that is calculated by the following formula: (a) the total issued shares as of March 31, 2024 (i.e., 130,353,200 shares), as set forth in the Annual Securities Report for the 44th Business Period filed by the Target Company on June 24, 2024 (the “Target Company’s Annual Securities

Report”), plus (b) the total number of the Target Company Shares (i.e., 432,400 shares) subject to the Stock Acquisition Rights (i.e., 2,475 units), as set forth in the Target Company’s Annual Securities Report and as existing as of March 31, 2024, minus (c) the number of treasury shares held by the Target Company as of March 31, 2024, as set forth in the Target Company’s Annual Securities Report (excluding the Target Company Shares (206,039 shares) held by the Board Incentive Plan Trust as of the same date) (i.e., 9,193,800 shares) .

(5) Tender Offer Period

a. Tender Offer Period

From Monday, June 17, 2024, through Wednesday, September 11, 2024 (61 business days in Japan)

b. Possible Extension of the Tender Offer Period Based on the Target Company’s Request

Not applicable

(6) Tender Offer Price

a. 2,800 yen per share of common stock

b. Stock Acquisition Rights

1 yen per unit of Fifth Series Stock Acquisition Rights

1 yen per unit of Sixth Series Stock Acquisition Rights

1 yen per unit of Seventh Series Stock Acquisition Rights

1 yen per unit of Eighth Series Stock Acquisition Rights

1 yen per unit of Tenth Series Stock Acquisition Rights

1 yen per unit of Twelfth Series Stock Acquisition Rights

1 yen per unit of Thirteenth Series Stock Acquisition Rights

1 yen per unit of Fifteenth Series Stock Acquisition Rights

1 yen per unit of Sixteenth Series Stock Acquisition Rights

1 yen per unit of Seventeenth Series Stock Acquisition Rights

1 yen per unit of Eighteenth Series Stock Acquisition Rights

1 yen per unit of Nineteenth Series Stock Acquisition Rights

1 yen per unit of Twentieth Series Stock Acquisition Rights

1 yen per unit of Twenty-First Series Stock Acquisition Rights

2. Results of Purchase, Etc.

(1) Outcome of Tender Offer

The Tender Offer was subject to the condition that the Tender Offeror will not purchase any of the Tendered Shares, Etc. if the aggregate number of the Tendered Shares, Etc. is less than the minimum number of shares to be purchased (i.e., 41,117,700 shares). However, as the aggregate number of the Tendered Shares, Etc. (51,946,863 shares) was not less than the minimum number of shares to be purchased (i.e., 41,117,700 shares), the Tender Offeror will purchase all of the Tendered Shares, Etc., as set forth in the public notice of commencement of the Tender Offer (including certain matters changed by the Public Notice of Changes to Terms and Conditions of Tender Offer for Shares, Etc. submitted thereafter, hereafter the same) and in the Tender Offer Registration Statement (including certain matters amended by the Amendment to Tender Offer Registration Statement submitted thereafter, hereafter the same).

(2) Date of Public Notice of Results of the Tender Offer, and Name of Newspaper for Public Notice

Pursuant to the provision of Article 27-13, Paragraph 1 of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”), on September 12, 2024, at the Tokyo Stock Exchange, the Tender Offeror announced the results of the Tender Offer to news media, by the method prescribed in Article 9-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended) and Article 30-2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Ministry of Finance Order No. 38 of 1990, as amended; the “TOB Order”).

(3) Number of Purchased Shares, Etc.

Classes of Shares, Etc.	(a) Number of Tendered Shares, Etc. After Conversion	(b) Number of Purchased Shares, Etc. After Conversion
Shares	51,946,863 shares	51,946,863 shares

Stock Acquisition Rights	0 shares	0 shares
Bond Certificates with Stock Acquisition Rights	—	—
Trust Beneficiary Certificate for Share, Etc. ()	—	—
Depository Receipts for Share, Etc. ()	—	—
Total	51,946,863 shares	51,946,863 shares
(Total Number of Dilutive Share, Etc.)	(0 shares)	(0 shares)

(4) Ownership Percentage of Shares, Etc. After Purchase, Etc.

Number of Voting Rights Represented by Shares, Etc. Held by Tender Offeror prior to Purchase, Etc.	395,404 units	(Ownership Percentage of Shares, Etc. prior to Purchase, Etc.: 32.52%)
Number of Voting Rights Represented by Shares, Etc. Held by Specially Related Parties prior to Purchase, Etc.	1,654 units	(Ownership Percentage of Shares, Etc. prior to Purchase, Etc.: 0.14%)
Number of Voting Rights Represented by Shares, Etc. Held by Tender Offeror after Purchase, Etc.	914,872 units	(Ownership Percentage of Shares, Etc. after Purchase, Etc.: 75.24 %)
Number of Voting Rights Represented by Shares, Etc. Held by Specially Related Parties after Purchase, Etc.	1,481 units	(Ownership Percentage of Shares, Etc. after Purchase, Etc.: 0.12 %)
Total Number of Voting Rights of Shareholders and Other Parties of the Target Company	1,210,314 units	

(Note 1) Each of the “Number of Voting Rights Represented by Shares, Etc. Held by Specially Related Parties prior to the Purchase, Etc.” and the “Number of Voting Rights Represented by Shares, Etc. Held by Specially Related Parties after Purchase, Etc.” is the total number of the voting rights represented by the Shares, Etc. held by each of the Specially Related Parties (however, among the Specially Related Parties, the parties who are excluded from the Specially Related Parties, pursuant to Article 3, Paragraph 2, Item 1 of the TOB Order, in the calculation of the ownership ratio

of shares pursuant to each Item of Article 27-2, Paragraph 1 of the Act, are excluded).

(Note 2) The “Total Number of Voting Rights of Shareholders and Other Parties of the Target Company” represents the total number of voting rights of shareholders and other parties of the Target Company as of March 31, 2024, as described in the Target Company’s Annual Securities Report (described on the basis that one (1) unit is 100 shares). However, since the shares constituting less than one unit and the Stock Acquisition Rights was also subject to the Tender Offer, in the calculation of the “Percentage of Voting Rights Represented by Shares, Etc. prior to the Purchase, Etc.” and “Ownership Percentage of Shares, Etc. after Purchase, Etc.,” the number of voting rights (1,215,918 units) represented by the Total Number of Shares After Accounting Diluted Shares (121,591,800 units) is used as the denominator.

(Note 3) The “Percentage of Voting Rights Represented by Shares, Etc. prior to the Purchase, Etc.” and the “Ownership Percentage of Shares, Etc. After Purchase, Etc.” are rounded to the second decimal places.

(5) Calculation in the Case Where Purchase, Etc. will be Conducted by the Proportional Distribution Method

Not applicable

(6) Method of Settlement

- a. Name and Address of the Head Office of the Financial Instrument Firm in Charge of Settlement

Nomura Securities Co., Ltd.
13-1, Nihonbashi 1-chome, Chuo-ku, Tokyo

- b. Settlement Commencement Date

Thursday, September 19, 2024

- c. Method of Settlement

A notice of purchase will be mailed to the address of each of the shareholders who tendered their shares in the Tender Offer (the “Tendering Shareholders”) (or the standing proxy in the case of the shareholders who reside outside Japan and do not hold an account

with the Tender Offer Agent (including corporate shareholders)) without delay after the end of the Tender Offer Period.

Payment of the purchase price will be made in cash. The Tendering Shareholders may receive the payment of the purchase price of the Tender Offer by the method instructed by the Tendering Shareholders, such as remittance, without delay after the commencement date of settlement (Remittance fees may apply.).

3. Policy, Etc. after the Tender Offer and Future Outlook

The policy, etc. after the Tender Offer has not changed from those described in the public notice of commencement of the Tender Offer and the Tender Offer Registration Statement concerning the Tender Offer.

The Target Company Shares are presently listed on the Prime Market of the TSE as of the date hereof; however, the Tender Offeror intends to implement a series of procedures (including a resolution regarding the share consolidation at the extraordinary general meeting of shareholders of the Target Company) to acquire all of the Target Company Shares (including the Target Company Shares to be delivered upon exercise of the Stock Acquisition Rights, and excluding the Target Company Shares held by the Tender Offeror and the treasury shares held by the Target Company) and the Stock Acquisition Rights. If the Tender Offeror implements such procedures, the Target Company Shares will be delisted through prescribed procedures in accordance with the delisting criteria of the TSE. The specific procedures to be taken will be promptly disclosed by the Target Company once they have been determined.

4. Location at Which Copy of Tender Offer Report Is Available to Public

Kirin Holdings Company, Limited
(10-2, Nakano 4-chome, Nakano-ku, Tokyo)
Tokyo Stock Exchange, Inc.
(2-1, Nihonbashi, Kabuto-cho, Chuo-ku, Tokyo)

II. Change in Subsidiary

1. Reason for the Change

As a result of the Tender Offer, the Target Company will become a consolidated subsidiary of the Tender Offeror as of September 19, 2024 (the commencement date of settlement for the Tender Offer).

2. Outline of the Subsidiary to Be Changed (the Target Company)

(1) Name	FANCL Corporation
(2) Location	89-1 Yamashita-cho, Naka-ku, Yokohama-shi, Kanagawa Prefecture
(3) Name and Title of Representative	Kazuyuki Shimada, President & CEO, Representative Director
(4) Contents of Business	R&D, manufacturing and sale of cosmetics and health food
(5) Capital	10,795 million yen (as of March 31, 2024)
(6) Date of Incorporation	August 18, 1981
(7) Ratios (as of March 31, 2024) (Note 1)	Kirin Holdings Company 32.64%
	The Master Trust Bank of Japan, Ltd. (Trust account) 11.20%
	Custody Bank of Japan, Ltd. (Trust account) 3.72%
	BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (Standing proxy: MUFG Bank, Ltd.) 2.23%
	MLI FOR CLIENT GENERAL OMNI NON COLLATERAL NON TREATY-PB 1.62%
	MSIP CLIENT SECURITIES (Standing proxy: Morgan Stanley MUFG Securities Co., Ltd.) 1.50%
	CLEARSTREAM BANKING S.A. 1.38%
	(Standing proxy: The Hongkong & Shanghai Banking Corporation Limited, Tokyo Branch)
	JPMorgan Securities Japan Co., Ltd. 1.33%
	Nomura Securities Co., Ltd. 1.11%
(8) Relationship between the Listed Company and the Target Company	FANCL Employee Stock Ownership Plan 1.10%
Capital Relationship	The Tender Offeror holds 39,540,400 shares of the Target Company Shares (ownership ratio (Note 2): 32.52%) as of the date hereof, and the Target Company is an affiliate of the Tender Offeror that is accounted for by the equity method.
Personnel	Of 9 Directors of the Target Company, 1 Director also

Relationship	currently serves as a Director of the Tender Offeror and 1 Director once served as an Executive Officer of the Tender Offeror, and of 5 Board of Company Auditors members of the Target Company, 1 Director once served as an Executive Officer of the Tender Offeror. In addition to the above, as of April 1, 2024, 12 employees of the Tender Offeror have been seconded to the Target Company, and 4 employees of the Target Company have been seconded to the Tender Offeror.
Business Relationship	The Tender Offeror and the Target Company have an alliance under a capital and business alliance agreement. There is also a business relationship between the Tender Offeror and the Target Company in terms of sale and purchase of raw materials and products.
Status as Related Party	Since the Target Company is an affiliate of the Tender Offeror that is accounted for by the equity method, the Target Company is a related party of the Tender Offeror.

(9)	Target Company’s Consolidated Results of Operations and Financial Position over the Last 3 Years (millions of yen; excluding the items separately specified below)			
Fiscal Year End	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	
Consolidated Total Net Assets	74,073	75,662	80,533	
Consolidated Total Assets	100,121	103,944	110,728	
Consolidated Net Assets per Share (yen)	608.51	620.72	661.38	
Consolidated Net Sales	103,992	103,595	110,881	
Consolidated Operating Income	9,771	7,843	12,570	
Consolidated Ordinary Income	10,401	8,557	12,940	
Consolidated Net Income Attributable	7,421	4,970	8,833	

to Parent Company			
Consolidated Net Income per Share (yen)	61.50	41.11	73.04
Dividend per Share (yen)	34.00	34.00	34.00

(Note 1) “(7) Major Shareholders and Shareholding Ratios (as of March 31, 2024)” is cited from the “Status of Major Shareholders” in the Target Company’s Annual Securities Report.

(Note 2) “Ownership ratio” means the percentage obtained by dividing the number of the Target Company Shares by the Total Number of Shares After Accounting for Diluted Shares. (121,591,800 shares) (rounded to the second decimal place).

3. Number of Shares Acquired, Acquisition Price and Shares Owned Prior to and After the Change

(1) Shares Owned Prior to Change	Common stock: 39,540,400 shares (Number of voting rights: 395,404) (Ownership percentage of voting rights: 32.52 %)
(2) Shares Acquired	Common stock: 51,946,863 shares (Number of voting rights: 519,468 units) (Ownership percentage of voting rights: 42.72%)
(3) Acquisition Cost	Common stock: 145,451,216,400 yen
(4) Shares Owned After Change	Common stock: 91,487,263 shares (Number of voting rights: 914,872 units) (Ownership percentage of voting rights: 75.24%)

(Note 1) To calculate the “Ownership percentage of voting rights,” 1,215,918 units, the number of voting rights represented by the Total Number of Shares After Accounting Diluted Shares (121,591,800 shares), was used as the denominator.

(Note 2) The “Ownership percentage of voting rights” is rounded to the second decimal place.

(Note 3) The “Acquisition Cost” does not include any advisory fees.

4. Schedule of the Change

September 19, 2024 (Thursday) (the commencement date of settlement for the Tender Offer).

5. Future Outlook

The impact of the Tender Offer on the Tender Offeror's consolidated results for the current fiscal year, which will be caused by the change in the subsidiary, is currently under review. The Tender Offeror will promptly make announcements as necessary if certain facts arise for which announcements should be made.

(End of Document)

[Soliciting Regulations]

This press release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanation Statement concerning the Tender Offer and make an offer to sell their shares at their own discretion. This Press Release shall neither be, nor constitute a part of, an offer or solicitation to sell, or solicitation of an offer to purchase, any securities, and neither this Press Release (or any part of this Press Release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this Press Release may not be relied upon at the time of entering into any such agreement.

[Forward-Looking Statements]

This information may contain expressions concerning future prospects for business of the Tender Offeror and other companies, including “expect,” “anticipate,” “intend,” “plan,” “strongly believe,” and “project.” These expressions are based on the business prospects of the Tender Offeror at present, and are subject to change depending on the future circumstances. In respect of this information, the Tender Offeror assures no obligation to update these expressions concerning future prospects to reflect actual performance and other circumstances, and changes in the terms.

[Other Countries]

The announcement, issuance, or distribution of this Press Release may be legally restricted in some countries or territories. In such case, shareholders should be aware of and comply with such restriction. The announcement, issuance, or distribution of this Press Release shall not be interpreted as an offer to purchase or solicitation of an offer to sell share certificates concerning the Tender Offer, but shall be interpreted simply as a distribution of information.