

NEWS RELEASE

November 8, 2019

Lifestyle Cosmetics Brand of POLA ORBIS Group

THREE Expands Business into China in October 2019

Operations in Eight Countries and Regions with 63 Shops

ACRO INC. (Corporate headquarters: Shinagawa-ku, Tokyo; President: Akira Gogo), a company in the POLA ORBIS Group, started selling products in China from THREE, a lifestyle cosmetics brand, in October 2019. Its first shop is duty-free at the Beijing Daxing International Airport, which opened on September 25, 2019. Combined with the existing Beijing Capital International Airport, the Beijing Daxing International Airport is expecting a 50% increase in passengers, to approximately 150 million by 2025. Calculating by the number of airport passengers by city in 2018, it will be the world's second largest airport, surpassing New York and Tokyo.

After its launch in 2009, upholding the concept of the global brand originated in Japan, THREE has expanded its business, starting from Thailand in March 2013, then Taiwan, Indonesia, Malaysia, Hong Kong, South Korea, and Singapore. The brand has facilitated awareness in overseas bases, and annual overseas sales increased by around 80% year on year in fiscal 2018, which is approximately 20% of all sales of the brand. We will improve THREE's global presence through further growth of its existing business in Asia by looking at the market from a broad perspective, and expansion of business in other areas. With this new opening, there will be 63 overseas shops.



THREE

Beijing Daxing International Airport (interior)

About the Shop

Beijing Daxing International Airport

Skincare products, cosmetics and haircare products from THREE will be sold.

About THREE

ACRO INC. established the lifestyle cosmetics brand THREE in 2009, and the brand will celebrate its 10th anniversary this year. In addition to skincare products and cosmetics, body care products, haircare products, and supplements are available at department stores, directly managed shops (concept shops), cosmetic select shops, duty-free shops and official online shops. In skincare products, holistic care products that use natural ingredients carefully selected from around the world, mainly in Japan, and in cosmetics, products with a sense of style that suit the lifestyles of modern women are accepted by many women including celebrities. Receiving many of the top cosmetics awards from beauty magazines, THREE is one of the most visible brands in the POLA ORBIS Group.

Stores in Japan (As of Oct. 2019)

| | • |
|---|------------|
| Department store counters | 42 |
| Directly-operated stores (Pop-up store) | 13 |
| Specialty stores | 48 |
| Duty free stores | 13 |
| Total number of stores | 116 stores |

Stores overseas (As of Oct. 2019)

| Stores overseus (ris or oct. 2017) | | |
|------------------------------------|---------------------------|-----------|
| Thailand | Department store counters | 27 |
| | Pop-up store | 10 |
| Taiwan | Department store counters | 9 |
| Indonesia | Department store counters | 1 |
| Malaysia | Department store counters | 2 |
| | Concept shop | 2 |
| | Pop-up store | 1 |
| Hong Kong | Department store counters | 2 |
| | Duty free stores | 1 |
| Korea | Duty free stores | 4 |
| | Department store counters | 1 |
| Singapore | Department store counters | 1 |
| | Concept shop | 1 |
| China | Duty free stores | 1 |
| | Total number of stores | 63 stores |