

Translation

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May 10, 2023

To whom it may concern:



Company name: CRESCO LTD.
Representative: President and Executive Officer Hiroshi Tominaga
(Stock code: 4674 Tokyo Stock Exchange, Prime Market)
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Notice Concerning Decision on Matters Relating to Own-Share Repurchase and Cancellation of Treasury Shares

(Own-Share Repurchase in Accordance With Provisions of the Articles of Incorporation Pursuant to Article 459, paragraph (1) of the Companies Act and Cancellation of Treasury Shares in Accordance With Article 178 of the Companies Act)

CRESCO LTD. (head office: Minato-ku, Tokyo; President and Executive Officer: Hiroshi Tominaga; hereinafter, "the Company") hereby announces the decision made at the Board of Directors meeting held today concerning matters related to an own-share repurchase to be implemented in accordance with the provisions of the Company's Articles of Incorporation pursuant to Article 459, paragraph (1) of the Companies Act, as well as the cancellation of treasury shares in accordance with the provisions of Article 178 of the Companies Act. The details are set forth below.

1. Reasons for the own-share repurchase and cancellation of treasury shares

The Company considers the return of its profits to shareholders as an important managerial issue. The Company's basic dividend policy is to maintain payouts that are appropriate in light of its financial results, while increasing shareholders' equity and keeping long-term and stable earning power. Moreover, taking into account the impact on the share price trend and management, the Company considers own-share repurchases to be one of the key strategies for returning profit to shareholders.

By taking these measures, i.e., implementing an own-share repurchase in line with our policy outlined above and conducting a cancellation of treasury shares, either acquired through this resolution or already held, the Company aims to improve its capital efficiency.

2. Details of the own-share repurchase

- | | |
|---------------------------------------------|---------------------------------------------------------------------------|
| (1) Type of shares to be purchased: | Common shares of the Company |
| (2) Total number of shares to be purchased: | 500,000 shares (maximum) |
| | Ratio to the number of issued shares (excluding treasury shares):
2.4% |
| (3) Aggregate purchase amount of shares: | 1,000,000,000 yen (maximum) |
| (4) Purchase period: | From May 11, 2023 to November 30, 2023 |
| (5) Purchase method: | Open-market purchase on the Tokyo Stock Exchange |

(Reference) Status of treasury shares held as of March 31, 2023

- | | |
|----------------------------------------------------------|-------------------|
| (1) Number of issued shares (excluding treasury shares): | 21,070,066 shares |
| (2) Number of treasury shares: | 1,929,934 shares |

3. Details of the cancellation of treasury shares

- | | |
|--------------------------------------|-----------------------------------------------------------------------------------------|
| (1) Type of shares to be canceled: | Common shares of the Company |
| (2) Number of shares to be canceled: | 1,000,000 shares |
| (3) Scheduled date of cancellation: | Once the own-share repurchase is complete, the Company will again make an announcement. |