

## Translation

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February 25, 2020

To whom it may concern:

Company name: CRESCO LTD.  
Representative: President, Executive Officer                      Hiroyuki Nemoto  
(Stock code: 4674 Tokyo Stock Exchange, First Section)  
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## Notice Concerning Acquisition of Shares of Enisias Co., Ltd. (for Conversion into a Subsidiary)

CRESCO LTD. (the “Company”) hereby announces the decision made at the Board of Directors meeting held on February 25, 2020 to make Enisias Co., Ltd. its subsidiary by acquiring all of the outstanding shares of Enisias Co., Ltd. Details are set forth below.

### 1. Reasons for the share acquisition

The CRESCO Group has grown into an IT conglomerate currently with 11 subsidiaries and three entities accounted for using equity method under their parent company, CRESCO LTD. Leveraging the organic interconnections linking each of the companies together, we develop and provide services that meet a broad range of needs including consultation for corporate IT strategy planning, development, and operation and maintenance.

Enisias Co., Ltd. is a system integrator specializing in application development, as well as cloud systems, servers, and networks, including construction of and development support for Google Cloud, development support for Salesforce, and construction of virtualized environments.

We believe this share acquisition will contribute to further increase in the CRESCO Group’s corporate value by incorporating cloud-related business, where further demand is anticipated in the future.

We remain committed to maximizing sales channels and technologies of each group company, delivering more value-added solution services that support our customers’ core businesses, and further expanding our business while demonstrating our strength of integrated capabilities.

### 2. Outline of Enisias Co., Ltd.

(1)	Name	Enisias Co., Ltd.
(2)	Location of headquarters	Kamino Shoji Dai 2 Building 3F, 1-20-7 Higashigotanda, Shinagawa-ku, Tokyo
(3)	Title and name of representative	Keisuke Tamaki Chief Executive Officer and President
(4)	Major lines of business	- System engineering service - System integration
(5)	Capital	20,000,000 yen
(6)	Date of establishment	May 1, 2014
(7)	Major shareholder and shareholding ratio	BRYCEN Co., Ltd. 100%

(8)	Relationship between the listed company and the relevant company	Capital Relationship	There are no particularly notable capital relationships between the Company and the relevant company. There are also no particularly notable capital relationships between the related persons and affiliates of the Company and the related persons and affiliates of the relevant company.	
		Personnel Relationship	There are no particularly notable personnel relationships between the Company and the relevant company. There are also no particularly notable personnel relationships between the related persons and affiliates of the Company and the related persons and affiliates of the relevant company.	
		Business Relationship	The Company and its affiliates have had transactions with the relevant company related to software development. There are no particularly notable business relationships between the related persons of the Company and the related persons and affiliates of the relevant company.	
		Related Party Status	The relevant company is not a related party of the Company. Moreover, the related persons and affiliates of the relevant company are not related parties of the Company.	
(9)	Operating results and financial position of the relevant company for the last three years			
Fiscal year-end	Fiscal year ended October 31, 2017	Fiscal year ended October 31, 2018	Fiscal year ended October 31, 2019	
Net assets	74 million yen	65 million yen	58 million yen	
Total assets	232 million yen	281 million yen	234 million yen	
Net assets per share	3,743 yen	3,253 yen	2,920 yen	
Net sales	718 million yen	772 million yen	884 million yen	
Operating profit	44 million yen	9 million yen	(3) million yen	
Ordinary profit	43 million yen	8 million yen	(3) million yen	
Profit	30 million yen	5 million yen	(3) million yen	
Earnings per share	1,535 yen	276 yen	(194) yen	
Dividend per share	767 yen	138 yen	-	

### 3. Outline of the counterparty for the share acquisition

(1)	Name	BRYCEN Co., Ltd.		
(2)	Location of headquarters	St Luke's Tower 30th Floor, 8-1 Akashi-cho, Chuo-ku, Tokyo		
(3)	Title and name of representative	Masaru Fujiki Chief Executive Officer and President		
(4)	Major lines of business	<ul style="list-style-type: none"> <li>- Development, licensing, and sales of image adjustment software</li> <li>- Embedded systems development, business-related systems development, development and sale of WMS, image recognition, and automatic recognition systems</li> </ul>		
(5)	Capital	263,000,000 yen		
(6)	Relationship between the listed company and the relevant individual	Capital Relationship	There are no particularly notable capital relationships between the Company and the relevant company. There are also no particularly notable capital relationships between the related persons and affiliates of the Company and the related persons and affiliates of the relevant company.	
		Personnel Relationship	There are no particularly notable personnel relationships between the Company and the relevant company. There are also no particularly notable personnel relationships between the related persons and affiliates of the Company and the related persons and affiliates of the relevant company.	
		Business Relationship	There are no particularly notable business relationships between the Company and the relevant company. There are also no particularly notable business relationships between the related persons and affiliates of the Company and the related persons and affiliates of the relevant company.	
		Related Party Status	The relevant company is not a related party of the Company. Moreover, the related persons and affiliates of the relevant company are not related parties of the Company.	

**4. Number of shares to be acquired and shares held before and after change**

(1)	Number of shares held before change	Common shares 0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)
(2)	Number of shares acquired	Common shares 20,000 shares (Number of voting rights: 20,000)
(3)	Aggregate purchase amount	280,000,000 yen
(4)	Number of shares held after change	Common shares 20,000 shares (Number of voting rights: 20,000) (Percentage of voting rights held: 100%)

**5. Schedule**

(1)	Board of Directors Meeting	Tuesday, February 25, 2020
(2)	Date of Share Transfer Agreement	Tuesday, February 25, 2020
(3)	Date of Share Transfer	Wednesday, April 1, 2020

**6. Future outlook**

This acquisition of shares is expected to have only a minimal effect on the business performance of the Company for the fiscal year ending March 2020. If an event which is required to be disclosed arises, the Company will promptly announce such event.