



May 12, 2025

To: Whom it may concern

Company name	CRE, Inc.
Representative name	Tadahide Kameyama
	Representative director, president
	(Code No.3458, TSE Prime Market)
Contact	Nobuhide Goto
	Director, managing executive officer
	(Tel.: +81-3-5572-6600)

Notice Regarding Resolutions to Approve Share Consolidation, and Abolition of Provisions on Share Units and Partial Amendment to Articles of Incorporation

As announced in the "Notice Regarding Share Consolidation, and Abolition of Provisions on Share Units and Partial Amendment to Articles of Incorporation" dated April 16, 2025 (including the matters amended by the "(Amendment) Notice Regarding Partial Amendment to 'Notice Regarding Share Consolidation, Abolition of the Provision Regarding the Number of Shares Constituting One Unit of Stock, and Partial Amendment to the Articles of Incorporation'" dated May 1, 2025; "Press Release dated April 16, 2025"), the Company hereby announces that it submitted to the extraordinary general meeting of shareholders to be held today ("Extraordinary Shareholders' Meeting") a proposal for share consolidation and a proposal for the abolition of the provision regarding the number of shares constituting one unit of stock and a partial amendment to the articles of incorporation was approved and adopted as originally proposed.

As a result, the Company's common stock (the "Company's Stock") will fall under the delisting standards set forth in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"). As a result, the Company's Stock will be designated as securities to be delisted from today to May 28, 2025 and will be delisted as of May 29, 2025. Please note that after delisting, the Company's Stock will no longer be traded on the Tokyo Stock Exchange Prime Market.

I. Proposal 1 (Share consolidation)

The following share consolidation ("Share Consolidation") was approved by the shareholders at the Extraordinary Shareholders' Meeting. The details of the Share Consolidation are as described in the Press Release dated April 16, 2025.

- (1) Class of share to be consolidated
Common Stock
- (2) Consolidation ratio
5,876,988 shares of the Company's Stock will be consolidated into one share.
- (3) Total number of issued shares to be reduced
29,384,939 shares
- (4) Total number of issued shares before the consolidation takes effect
29,384,944 shares

(Note) At the board of directors meeting held on April 16, 2025, the Company resolved to cancel 15,756 treasury shares as of May 30, 2025. The "Total number of issued shares before the consolidation takes effect" therefore indicates the total number of issued shares after such cancellation. The cancellation of the treasury shares is subject to the approval of the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting as originally proposed.

(5) Total number of issued shares after the consolidation takes effect
5 shares

(6) Total number of authorized shares as of the effective date
20 shares

(7) Treatment of fractions of less than one share and the amount of money expected to be delivered to shareholders as a result of such treatment

(a) Whether the treatment under Article 235, Paragraph 1 of the Companies Act or the treatment under Article 234, Paragraph 2 of the said Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said Act is planned, and the reasons therefor

As a result of the Share Consolidation, the number of shares of the Company's Stock held by the Company's shareholders other than the SMFL MIRAI Partners Company, Limited ("Tender Offeror") and Kyobashi Kousan, Inc ("Kyobashi Kousan") will be a fractional share of less than one share. With regard to the fractional shares that will arise as a result of the Share Consolidation, the Company will sell its shares in the amount equivalent to the aggregate of such fractional shares (any fractional shares less than one share in the aggregate will be rounded off; hereinafter the same) and pay the proceeds from the sale to shareholders in proportion to the fractional shares held by each shareholder. With regard to such sale, the Company intends to sell its shares to the Tender Offeror with the permission of the court, in accordance with the provisions of Article 234, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the same shall apply hereinafter), as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said Act, in consideration of the fact that the Share Consolidation is being conducted as part of a series of transactions for the purpose of making the Tender Offeror and Kyobashi Kousan the only shareholders of the Company and that, since the Company's Stock is scheduled to be delisted as of May 29, 2025 and will thereby become shares with no market price, it is unlikely that a purchaser will appear through an auction.

If court approval is obtained as scheduled, the sale price will be set at a price that will ensure delivery of an amount equivalent to the amount obtained by multiplying the number of shares of the Company's Stock held by shareholders in the Company's shareholders register as of the close of business on June 1, 2025, which is the day before the effective date of the Share Consolidation, by 1,700 yen, which is equivalent to the price for purchases under the tender offer for the Company's Stock which the Tender Offeror conducted by setting the period of 30 business days from January 29, 2025 to March 13, 2025 as the period for purchases under the tender offer. However, in cases where permission from the court cannot be obtained or where it is necessary to make adjustment of fractions in the calculation, the actual amount to be delivered may differ from the above amount.

(b) Name of person expected to purchase shares subject to sale
SMFL MIRAI Partners Company, Limited

(c) Method by which the person expected to purchase shares subject to sale secures funds to pay the sale price, and the reasonableness of the method

According to the Tender Offeror, the Tender Offeror plans to use its own funds to cover the cost of acquiring the shares of the Company's Stock equivalent to the total number of fractional shares resulting from the Share Consolidation. In addition, according to the Tender Offeror, there have been no events that may affect the payment of the sale price of the shares of the Company's Stock equivalent to the total number of fractional shares of less than one share resulting from the Share Consolidation, and the Tender Offeror is not aware of any possibility of such events occurring in the future.

Based on the above, the Company has determined that the Tender Offeror's method for securing funds

to pay the sale price of the shares of the Company's Stock equivalent to the total number of fractional shares of less than one share is reasonable.

(d) Expected timing of sale and expected timing of payment of sales proceeds to shareholders

The Company plans to file a petition with the court in early June 2025 pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act, as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said Act, to sell to the Tender Offeror the shares of the Company's Stock equivalent to the total number of fractional shares of less than one share resulting from the Share Consolidation. The timing of obtaining the permission for such sale may vary depending on matters such as the situation of the court, but the Company plans to sell the relevant shares by having the Tender Offeror purchase them with such permission of the court around late June to early July 2025, and then, after making the necessary preparations to pay the proceeds from the sale to shareholders, the Company plans to pay the sales proceeds to shareholders around early September to early October 2025.

Taking into account the time required from the effective date of the Share Consolidation to the completion of the series of procedures related to such sale, the Company has determined that the sale of the Company's shares equivalent to the total number of fractional shares of less than one share resulting from the Share Consolidation and the payment of the sales proceeds to the shareholders will be conducted at the respective times as described above.

II. Proposal 2 (Partial Amendment to Articles of Incorporation)

The following partial amendment to the articles of incorporation was approved by the shareholders at the Extraordinary Shareholders' Meeting. The details of such amendment are as described in the Press Release dated April 16, 2025.

The partial amendment to the articles of incorporation is scheduled to take effect on June 2, 2025, subject to the Share Consolidation taking effect.

- (1) If the Share Consolidation takes effect, the total number of authorized shares of the Company's Stock will decrease to 20 shares, pursuant to Article 182, Paragraph 2 of the Companies Act. To clarify this, Article 6 (Total number of authorized shares) of the articles of incorporation will be amended subject to the Share Consolidation taking effect.
- (2) If the Share Consolidation takes effect, the total number of outstanding shares of the Company will be 5 shares and it will become unnecessary to set a share unit number. Accordingly, subject to the Share Consolidation taking effect, Article 7 (Share unit number) and Article 8 (Right of fractional shares) of the articles of incorporation will be deleted in their entirety to abolish the provisions of the share unit number of the Company's Stock, under which 100 shares constitute one unit at present, and the article numbers will be adjusted in accordance with the amendment.
- (3) If the Share Consolidation takes effect, the Company's Stock will be delisted and the Tender Offeror and Kyobashi Kousan will be the only holders of one or more shares of the Company's Stock, therefore the provisions on the system for electronic provision of materials for shareholders meeting will become unnecessary. Accordingly, subject to the Share Consolidation taking effect, Article 14 (Measures for electronic provision, etc.) of the articles of incorporation will be deleted in its entirety and the article numbers will be adjusted in accordance with the amendment.

III. Schedule of share consolidation

(I) Date of Extraordinary Shareholders' Meeting	May 12, 2025 (Mon.)
(II) Date of designation as securities to be	May 12, 2025 (Mon.)

delisted	
(III) Last trading date of Company Shares	May 28, 2025 (Wed.) (scheduled)
(IV) Date of delisting of Company Shares	May 29, 2025 (Thu.) (scheduled)
(V) Effective date of Share Consolidation	June 2, 2025 (Mon.) (scheduled)

(end)