

Translation

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May 30, 2024

To whom it may concern:



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Representative: President and Executive Officer Hiroshi Tominaga
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(Correction)
**Partial Correction to the “Summary of Consolidated Financial Results for
the Fiscal Year Ended March 31, 2024 (Based on Japanese GAAP)”**

CRESCO LTD. (hereinafter the “Company”) hereby announces that there have been corrections made to the above-mentioned disclosure material released on May 15, 2024.

1. Reason for the Correction

We found errors in the contents of the consolidated statements of cash flows. Therefore, we have been corrected.

2. Details of the Correction

The corrected portions are underlined.

[Page 14 of the attached material]

3. Consolidated financial statements and significant notes thereto

(4) Consolidated statements of cash flows

(Before correction)

	(Thousands of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,944,493	5,700,308
Depreciation	278,742	311,271
Amortization of goodwill	209,580	210,697
Impairment losses	–	296,694
Increase (decrease) in provision for bonuses	(68,632)	195,320
Increase (decrease) in provision for bonuses for directors (and other officers)	(14,236)	(16,391)
Increase (decrease) in provision for loss on orders received	45,037	48,146
Increase (decrease) in retirement benefit liability	(1,324,682)	90,513
Decrease (increase) in retirement benefit asset	–	(30,483)
Interest and dividend income	(315,763)	(316,411)
Interest expenses	3,722	2,687
Loss (gain) on sale of securities	(15,965)	(20,942)
Loss (gain) on valuation of derivatives	226,523	(273,440)
Share of loss (profit) of entities accounted for using equity method	(54,058)	(52,107)
Loss on retirement of non-current assets	21,354	10,809
Loss (gain) on valuation of investment securities	170,368	<u>(322,574)</u>
Loss (gain) on sale of investment securities	(2,788)	<u>5,807</u>
Loss (gain) on redemption of investment securities	(142,187)	(108,001)
Decrease (increase) in trade receivables	(685,729)	(1,365,967)
Decrease (increase) in inventories	20,271	(182,002)
Decrease (increase) in contract assets	(116,706)	(112,363)
Increase (decrease) in trade payables	86,257	147,070
Increase (decrease) in accounts payable - other	(98,082)	302,297
Increase (decrease) in long-term accounts payable - other	220	(84)
Increase (decrease) in accrued consumption taxes	(89,784)	100,400
Other, net	(14,175)	80,214
Subtotal	<u>3,063,779</u>	<u>4,701,470</u>
Interest and dividends received	312,741	317,703
Interest paid	(3,391)	(5,082)
Income taxes paid	(1,693,540)	(1,800,227)
Net cash provided by (used in) operating activities	<u>1,679,590</u>	<u>3,213,864</u>

(After correction)

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
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