

## BALANCE SHEETS

	March 31, 2024	March 31, 2023
	JPY	
	Unaudited	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	93,099,720	205,639,021
Short-term bank deposits		
Marketable Securities		
Trade accounts receivable	226,014,329	429,603,789
Other receivables and prepaid expenses:		
Prepaid expenses	22,938,783	17,393,916
Government authorities	38,704,277	(7,136,476)
Advances to suppliers	4,305,858	2,289,575
Derivative instruments		
Intercompany balances	314,679,196	255,025,085
Other		
TOTAL Other receivables and prepaid expenses	380,628,114	267,572,100
Inventories	164,551,101	138,260,218
TOTAL CURRENT ASSETS	864,293,264	1,041,075,128
Long Term Receivables and Other Assets	10,000,000	10,000,000
Long Term Marketable Securities		
	10,000,000	10,000,000
ROU Assets, net		-
FIXED ASSETS:		
Cost	12,535,000	12,535,000
Less - accumulated depreciation	(11,901,249)	(11,514,250)
	633,751	1,020,750
INTANGIBLE ASSETS AND DEFERRED COSTS, NET		
DEFERRED INCOME TAXES	108,731,901	88,584,090
TOTAL ASSETS	\$ 983,658,916	\$ 1,140,679,968

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	March 31, 2024	March 31, 2023
	JPY	
	Unaudited	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term bank credit		
Current maturities of long-term debt		
Accounts payable:		
Trade payables	(49,844,124)	(114,630,508)
Other current liabilities:		
Returns reserve	(10,830,614)	(22,579,758)
Payable to Government Authorities		
Due to customers		(6,095,379)
Lease Liability		
Employees and payroll accruals	(8,636,858)	(13,379,319)
Deferred revenue		
Accrued income taxes	(140,000)	(1,093,527)
Legal and audit fees		
Settlements and loss contingencies		
Accrued expenses	(49,875,742)	(55,920,499)
Derivative instruments		
Suppliers of property, plant and equipment		
Payable on Purchase of treasury stock		
Payable on Purchase of Marketable Securities		
Other		
TOTAL Other current liabilities	<u>(69,483,214)</u>	<u>(99,068,482)</u>
TOTAL CURRENT LIABILITIES	<u>(119,327,338)</u>	<u>(213,698,990)</u>
LONG-TERM LIABILITIES:		
Long-term debt, net of current maturities		
Deferred income taxes		
Derivative instruments		
Other long-term liabilities		
	<u>-</u>	<u>-</u>
SHAREHOLDERS' EQUITY	<u>(864,331,578)</u>	<u>(926,980,978)</u>
	<u>\$ (983,658,916)</u>	<u>\$ (1,140,679,968)</u>

Date of approval of the  
financial statements

William Coote  
VP, Chief Financial Officer

## STATEMENTS OF INCOME

	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
	JPY	
	Unaudited	
Sales	\$ 2,396,880,128	\$ 2,781,289,625
Cost of sales	1,218,001,414	1,576,312,078
Gross profit	1,178,878,714	1,204,977,547
Research and development	-	-
Selling and marketing expenses	327,288,167	135,261,783
Settlements and loss contingencies	-	-
General and administrative expenses	51,325,682	2,396,386,339
Operating income	800,264,865	(1,326,670,575)
Financing income, net	(19,532,654)	738,105
Other expenses	(903,114,859)	1,476,321,119
Income before taxes on income	(83,317,340)	148,912,439
Taxes on income	(20,667,940)	864,298
Discontinued operation		
Net income for the period before subsidiaries and dividend	(62,649,400)	148,048,141
Dividend income, net		
Subsidiaries		
Net income for the period	\$ (62,649,400)	\$ 148,048,141

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Changes in Shareholders' Equity

	Share Capital	Additional paid in capital	Accumulated other comprehensive loss	Treasury stock	Dividend	Retained Earnings	Total Shareholders' Equity
	<b>JPY</b>						
	<b>Un-audited</b>						
<b>Balance at March 31, 2023</b>	-	(3,750,000)		-	-	(923,230,978)	(926,980,978)
Foreign Currency translation adjustments							-
Unrealized losses on available for sale marketble securities							-
Treasury stock							-
Accumulated Earnings							-
Net income						62,649,400	62,649,400
<b>Balance at March 31, 2024</b>	-	(3,750,000)	-	-	-	(860,581,578)	(864,331,578)