

BALANCE SHEETS

	March 31, 2025	March 31, 2024
	JPY	
	Unaudited	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	65,087,771	93,099,720
Short-term bank deposits		
Marketable Securities		
Trade accounts receivable	187,234,690	226,014,329
Other receivables and prepaid expenses:		
Prepaid expenses	14,931,810	22,938,783
Government authorities	(675,388)	38,704,277
Advances to suppliers	4,480,983	4,305,858
Derivative instruments		
Intercompany balances	420,809,242	314,679,196
Other		
TOTAL Other receivables and prepaid expenses	439,546,647	380,628,114
Inventories	173,489,128	164,551,101
TOTAL CURRENT ASSETS	865,358,236	864,293,264
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	(12,272,332)	(11,901,249)
	262,668	633,751
INTANGIBLE ASSETS AND DEFERRED COSTS, NET		
DEFERRED INCOME TAXES	93,877,945	108,731,901
TOTAL ASSETS	\$ 969,498,849	\$ 983,658,916

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	March 31, 2025	March 31, 2024
	JPY	
	Unaudited	
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term bank credit		
Current maturities of long-term debt		
Accounts payable:		
Trade payables	(27,080,402)	(49,844,124)
Other current liabilities:		
Returns reserve	(6,175,141)	(10,830,614)
Payable to Government Authorities		
Due to customers		
Lease Liability		
Employees and payroll accruals	(6,241,702)	(8,636,858)
Deferred revenue		
Accrued income taxes	(16,454,700)	(140,000)
Legal and audit fees		
Settlements and loss contingencies		
Accrued expenses	(36,946,118)	(49,875,742)
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	(65,817,661)	(69,483,214)
TOTAL CURRENT LIABILITIES	(92,898,063)	(119,327,338)
LONG-TERM LIABILITIES:		
Long-term debt, net of current maturities		
Deferred income taxes		
Derivative instruments		
Other long-term liabilities		
SHAREHOLDERS' EQUITY	(876,600,786)	(864,331,578)
	<u>\$ (969,498,849)</u>	<u>\$ (983,658,916)</u>

Date of approval of the
financial statements

Zvi Albert
VP, Finance and Chief Financial Officer

STATEMENTS OF INCOME

	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
	JPY	
	Unaudited	
Sales	\$ 2,064,739,871	\$ 2,396,880,128
Cost of sales	1,152,382,649	1,218,001,414
Gross profit	912,357,222	1,178,878,714
Research and development	-	-
Selling and marketing expenses	302,471,506	327,288,167
Settlements and loss contingencies	-	-
General and administrative expenses	87,665,422	51,325,682
Operating income	522,220,294	800,264,865
Financing income, net	(4,321,438)	(19,532,654)
Other expenses	(482,953,447)	(903,114,859)
Income before taxes on income	43,588,285	(83,317,340)
Taxes on income	31,319,077	(20,667,940)
Discontinued operation		
Net income for the period before subsidiaries and dividend income	12,269,208	(62,649,400)
Dividend income, net		
Subsidiaries		
Net income for the period	\$ 12,269,208	\$ (62,649,400)

Changes in Shareholders' Equity

	Share Capital	Additional paid in capital	Accumulated other comprehensive loss	Treasury stock	Dividend	Retained Earnings	Total Shareholders' Equity
	JPY						
	Un-audited						
Balance at March 31, 2024	-	(3,750,000)	-	-	-	(860,581,578)	(864,331,578)
Foreign Currency translation adjustments							-
Unrealized losses on available for sale marketable securities							-
Treasury stock							-
Accumulated Earnings							-
Net income						(12,269,208)	(12,269,208)
Balance at March 31, 2025	-	(3,750,000)	-	-	-	(872,850,786)	(876,600,786)