



Financial Report

For the financial year ended March 31, 2019

PI Japan Co., Ltd.

The To-han Bldg., 4th Floor
2-11-4 Uchi-Kanda Chiyoda-ku, Tokyo, Japan 101-0047

Balance Sheet

As of March 31, 2019

Assets		Liabilities	
Account Title	Amount	Account Title	Amount
	JPY		JPY
【 Current Assets 】	【 28,983,356 】	【 Current Liabilities 】	【 7,452,280 】
Cash on hand and in banks	11,525,394	Accounts Payable	1,750,308
Accounts Receivable	15,500,079	Accrued Expenses	4,579,854
Prepaid Expenses	360,000	Withholding Tax	402,859
Sundry Receivable	72,163	Social Insurance	263,659
Advances Paid	64,100	Income Taxes Payable	455,600
Consumption Tax Receivable	1,461,620	Total Liabilities	7,452,280
【 Fixed Assets 】	【 5,635,212 】	Shareholders' Equity	
(Tangible Fixed Assets)	(2,981,372)	【 Shareholders' Equity 】	【 27,166,288 】
Leasehold Improvements	1,061,587	(Share Capital)	(5,000,000)
Equipment	1,919,785	Share Capital	5,000,000
(Investments and the Other Assets)	(2,653,840)	(Retained Earnings)	(22,166,288)
Lease Deposits	2,653,840	Retained Earnings Brought Forward	22,166,288
		Total Shareholders' Equity	27,166,288
Total Assets	34,618,568	Total Liabilities and Shareholders' Equity	34,618,568

PI Japan Co., Ltd.

Certified Public Tax Accountant

Director

Profit and Loss Statement

For the financial year ended March 31, 2019

Account Title		Amount	
			JPY
【	Net Sales	】	
	Sales		87,084,564
		87,084,564	
	Gross Profit		(87,084,564)
【	SG & A	】	
			82,937,683
	Operating Profit		(4,146,881)
【	Other Income	】	
	Interest Income		83
	Miscellaneous Income		6,204
			6,287
【	Other Expenses	】	
			0
	Ordinary Profit		(4,153,168)
【	Special Profit	】	
			0
【	Special Loss	】	
	Loss on Disposal of Fixed Assets		86,374
			86,374
	Profit Before Tax Deduction		(4,066,794)
	Income Taxes		920,412
	Net Profit		(3,146,382)

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Selling, General and Administrative Expenses

For the financial year ended March 31, 2019

Account Title	Amount	
		JPY
Director's Remuneration	11,833,334	
Director's Bonus	2,000,000	
Salary	10,375,000	
Depreciation	1,056,729	
Legal Welfare	2,402,441	
Welfare	183,516	
Advertising		
Rental	483,306	
Repair, Maintenance	152,380	
Supplies	1,162,063	
Electricity and Water	288,182	
Charge	166,252	
Taxes and Dues	36,735	
Entertainment	2,909,557	
Communication	2,296,456	
Seminar, Membership	975,040	
Books, Papers	436,676	
Office Rent	4,000,008	
Conference	474,019	
Transportation (travel within 200km)	1,366,380	
Domestic Travelling (travel over 200km)	1,004,608	
International Travelling	2,805,831	
Commutation	1,748,490	
Consultant Fee	34,099,420	
Market Research	458,889	
Miscellaneous	222,371	
Total SG&A		(82,937,683)

Statement of Changes in Equity

For the financial year ended March 31, 2019

			JPY
Shareholders' Equity			
Share Capital	Beginning Balance		5,000,000
	Changes of items during the period		
	Ending Balance		<u>5,000,000</u>
Capital Surplus	Beginning Balance		0
Capital Reserve	Changes of items during the period		
	Ending Balance		<u>0</u>
Total capital surplus	Beginning Balance		0
	Changes of items during the period		
	Ending Balance		<u>0</u>
Retained Earnings			
Other Retained Earnings			
Retained Earnings Brought Forward	Beginning Balance		19,019,906
	Changes of items during the period	Net Profit	3,146,382
	Ending Balance		<u>22,166,288</u>
Total retained earnings	Beginning Balance		19,019,906
	Changes of items during the period		3,146,382
	Ending Balance		<u>22,166,288</u>
Shareholders' equity	Beginning Balance		24,019,906
	Changes of items during the period		3,146,382
	Ending Balance		<u>27,166,288</u>
Total shareholders' equity	Beginning Balance		24,019,906
	Changes of items during the period		3,146,382
	Ending Balance		<u>27,166,288</u>

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Notes to the Financial Statements

For the financial year ended March 31, 2019

I. Significant Accounting Policies

The financial statements have been prepared in accordance with Accounting Standards for Small and Medium Enterprises in Japan.

1. Depreciation method for fixed assets

- (a) Leasehold improvements — Straight line method
- (b) Equipments (over 200,000 yen) — Declining balance method
- (c) Equipments (100,000 yen - 200,000 yen) — Straight-line method

2. Accounting for consumption taxes and regional consumption taxes

Consumption taxes and regional consumption taxes are excluded from all figures.

II. Notes about balance sheet

Monetary assets and liabilities to parent company

Accounts Receivable 15,500,079 yen

III. Notes about profit and loss statement

Transaction with parent company

Operating transaction

Sales 87,084,564 yen

IV. Notes about statement of changes in equity

Information about issued share capital

Sort	31/03/2018	Increase	Decrease	31/03/2019
Common shares	100 shares			100 shares

Shareholding: 100% PI Industries Ltd. (India)

V. Information about related party

Attribute	Name	Voting right	Relations		Detail of business	Amount	Account title	Ending balance
			The additional post of director	Actual relations				
Parent company	PI industries Ltd.	100%	0	Service	Market research	87,084,564 yen	Accounts receivable	15,500,079 yen

VI. Information about per share

Book value per share 271,662 yen

Net profit per share 31,463 yen

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