

The Proactiv Company Corporation

BALANCE SHEETS

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| | U.S. Dollars | |
| | Unaudited | |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | 4,638 | - |
| Short-term bank deposits | | |
| Marketable Securities | | |
| Trade accounts receivable | 736,702 | 6,176,186 |
| Other receivables and prepaid expenses: | | |
| Prepaid expenses | 20,000 | 20,000 |
| Government authorities | - | |
| Advances to suppliers | 1,556 | 4,744 |
| Derivative instruments | | |
| Intercompany balances | 9,352,622 | 1,238,559 |
| Other | | |
| TOTAL Other receivables and prepaid expenses | 9,374,177 | 1,263,303 |
| Inventories | 1,305,438 | 1,957,693 |
| TOTAL CURRENT ASSETS | 11,420,956 | 9,397,183 |
| Long Term Receivables and Other Assets | | |
| Long Term Marketable Securities | - | - |
| ROU Assets, net | | |
| FIXED ASSETS: | | |
| Cost | | |
| Less - accumulated depreciation | - | - |
| INTANGIBLE ASSETS AND DEFERRED COSTS, NET | | |
| DEFERRED INCOME TAXES | | |
| TOTAL ASSETS | \$ 11,420,956 | \$ 9,397,183 |

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BALANCE SHEETS

| | <u>March 31, 2024</u> | <u>March 31, 2023</u> |
|--|------------------------|-----------------------|
| | <u>U.S. Dollars</u> | |
| | <u>Unaudited</u> | |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Short-term bank credit | \$ - | \$ (268,929) |
| Current maturities of long-term debt | | |
| Accounts payable: | | |
| Trade payables | - | - |
| Other current liabilities: | | |
| Returns reserve | (59,134) | (14,794) |
| Payable to Government Authorities | (157,089) | (185,019) |
| Due to customers | (656,413) | |
| Lease Liability | | |
| Employees and payroll accruals | | |
| Deferred revenue | | |
| Accrued income taxes | | |
| Legal and audit fees | | |
| Settlements and loss contingencies | | |
| Accrued expenses | (934,881) | (956,140) |
| 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>(1,807,518)</u> | <u>(1,155,954)</u> |
| TOTAL CURRENT LIABILITIES | <u>(1,807,518)</u> | <u>(1,424,883)</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>(9,613,438)</u> | <u>(7,972,300)</u> |
| | <u>\$ (11,420,956)</u> | <u>\$ (9,397,182)</u> |

Date of approval of the
financial statements

William Coote
VP, Chief Financial Officer

The Proactiv Company Corporation

STATEMENTS OF INCOME

| | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|--|--|--|
| | U.S. Dollars | |
| | Unaudited | |
| Sales | \$ 5,217,203 | \$ 4,536,646 |
| Cost of sales | <u>2,168,670</u> | <u>2,194,078</u> |
| Gross profit | 3,048,533 | 2,342,567 |
| Research and development | - | |
| Selling and marketing expenses | 1,988,055 | 2,985,090 |
| Settlements and loss contingencies | - | |
| General and administrative expenses | <u>769,396</u> | <u>258,147</u> |
| Operating income | 291,082 | (900,669) |
| Financing income, net | 35,066 | 164,866 |
| Other expenses | <u>1,385,122</u> | <u>1,923,160</u> |
| Income before taxes on income | 1,641,138 | 857,624 |
| Taxes on income | <u>-</u> | <u>323</u> |
| Discontinued operation | | |
| Net income for the period before subsidiaries and dividend | 1,641,138 | 857,301 |
| Dividend income, net | | |
| Subsidiaries | | |
| Net income for the period | <u><u>\$ 1,641,138</u></u> | <u><u>\$ 857,301</u></u> |

The Proactiv Company Corporation

Changes in Shareholders' Equity

| | Share Capital | Additional paid in capital | Accumulated other comprehensive loss | Treasury stock | Dividend | Retained Earnings | Total Shareholders' Equity |
|--|---------------------|-------------------------------|---|-------------------|----------|----------------------|-------------------------------|
| | U.S. Dollars | | | | | | |
| | Un-audited | | | | | | |
| Balance at March 31, 2023 | - | - | - | - | - | (7,972,300) | (7,972,300) |
| Foreign Currency translation adjustments | | | | | | | - |
| Unrealized losses on available for sale marketble securities | | | | | | | - |
| Treasury stock | | | | | | | - |
| Net income | | | | | | (1,641,138) | (1,641,138) |
| Balance at March 31, 2024 | - | - | - | - | - | (9,613,438) | (9,613,438) |