

HITACHI HIGH-TECH IRELAND, LIMITED
FINANCIAL STATEMENTS
31 MARCH 2025

HITACHI HIGH-TECH IRELAND, LIMITED

FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

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HITACHI HIGH-TECH IRELAND, LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

FINANCIAL YEAR ENDED 31 MARCH 2025

Company number	305581
Directors	R. Shivan M. Ungaro B. Buckingham (resigned 31 March 2025) L. Ferry
Company Secretary	S. Harmon
Assistant Secretary	Wilton Secretarial Limited
Registered office	6 th Floor, 2 Grand Canal Square Dublin 2 D02 A342
Auditor	Grant Thornton Chartered Accountants & Statutory Audit Firm 13 – 18 City Quay Dublin 2 D02 ED70
Bankers	Bank of Ireland Stillorgan Road Dublin 4 A94 K803 JP Morgan Bank Luxembourg S.A. (Dublin Branch) 200 Capital Dock 79 Sir John Rogerson's Quay Dublin 2 D02 RK57
Solicitors	William Fry 2 Grand Canal Square Dublin 2 D02 A342

HITACHI HIGH-TECH IRELAND, LIMITED

DIRECTORS' REPORT

FINANCIAL YEAR ENDED 31 MARCH 2025

The directors present their report and the financial statements for the financial year ended 31 March 2025.

GENERAL INFORMATION AND PRINCIPAL ACTIVITIES

Hitachi High-Tech Ireland, Limited (the "Company") is incorporated and domiciled in the Republic of Ireland. The address of its registered office is 6th Floor, 2 Grand Canal Square, Dublin 2.

The principal activity of the Company during the year was the provision of support services, including the sale of spare parts, for equipment sold by its parent undertaking, Hitachi High-Tech America, Inc. ("HTA") to customers with operations in Ireland.

RESULTS, DIVIDENDS AND BUSINESS REVIEW

The profit for the financial year, after taxation, amounted to \$1,917,305 (2024: \$1,993,600).

The Company paid a dividend of \$4,200,000 in the financial year ended 31 March 2025 (\$160,000 in the financial year ended 31 March 2024).

The directors have monitored the performance of the Company by reference to certain financial and non-financial key performance indicators (KPIs). The financial indicators include profitability, revenues and cash generation. Non-financial KPIs include customer satisfaction and staff turnover. The results for the financial year are in line with the Directors' expectations.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that the following are the principal risk factors that could materially and adversely affect the Company's future operating profits or financial position:

- significant changes in the marketplace in which the business operates.

The Company has insurances, business policies and organisation structures to limit these risks and the Board of Directors and Management regularly review, reassess and proactively limit the associated risks.

The principal financial risks are disclosed in note 17 to the financial statements.

RESEARCH AND DEVELOPMENT

Research and development expenditure in the year amounted to \$Nil (2024: \$Nil).

HITACHI HIGH-TECH IRELAND, LIMITED

DIRECTORS' REPORT

FINANCIAL YEAR ENDED 31 MARCH 2025

THE DIRECTORS AND SECRETARIES AND THEIR INTERESTS

The directors and secretaries who held office during the year, of which none held any interest in the shares of the Company or group companies at 1 April 2024 to 31 March 2025, are as follows:

Directors	R. Shivnan M. Ungaro B. Buckingham (resigned 31 March 2025) L. Ferry
Secretary	S. Harmon
Assistant Secretary	Wilton Secretarial Limited

IMPORTANT EVENTS SINCE THE YEAR END

There have been no significant events affecting the Company since the financial year end.

FUTURE DEVELOPMENTS

The Company plans to continue its present activities.

BRANCHES OUTSIDE THE STATE

There are no branches outside the State.

POLITICAL CONTRIBUTIONS

The Company made no political contributions during the year (2024: \$Nil).

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union. Under company law, the directors must not approve the financial statements unless satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end, of the profit or loss of the Company for that financial year and otherwise comply with the Companies Act 2014.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and

HITACHI HIGH-TECH IRELAND, LIMITED

DIRECTORS' REPORT

FINANCIAL YEAR ENDED 31 MARCH 2025

- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACCOUNTING RECORDS

The directors believe that they have complied with the requirements of Sections 281 and 285 of the Companies Act 2014 with regard to books of account by employing a person with appropriate expertise and by providing adequate resources to the financial function. The books of account are held at Block 3, Harcourt Centre, Harcourt Road, Dublin 2.

STATEMENT ON RELEVANT AUDIT INFORMATION


Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITOR

The auditor, Grant Thornton, will continue in office in accordance with section 383(2) of the Companies Act 2014.

Signed on behalf of the directors on 25 June 2025.


R. Shivnan
Director


M. Ungaro
Director

Independent auditor's report to the members of Hitachi High-Tech Ireland, Limited

Opinion

We have audited the financial statements of Hitachi High-Tech Ireland, Limited (“the Company”), which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows for the financial year ended 31 March 2025, and the related notes to the financial statements, including the summary of material accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and International Financial Reporting Standards (‘IFRS’) as adopted by the European Union.

In our opinion, Hitachi High-Tech Ireland, Limited’s financial statements:

- give a true and fair view in accordance with IFRS as adopted by the European Union of the assets, liabilities and financial position of the Company as at 31 March 2025 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (‘ISAs (Ireland)’) and applicable law. Our responsibilities under those standards are further described in the ‘Responsibilities of the auditor for the audit of the financial statements’ section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accountancy Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors’ use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company’s ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Hitachi High-Tech Ireland, Limited

Other information

Other information comprises information included in the Annual Report, other than the financial statements and the auditor's report thereon, including the Directors' Report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion, the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014, excluding the requirements on sustainability reporting in Part 28.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the members of Hitachi High-Tech Ireland, Limited

Responsibilities of management and those charged with governance for the financial statements (cont.)

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

Independent auditor's report to the members of Hitachi High-Tech Ireland, Limited

Responsibilities of the auditor for the audit of the financial statements (cont.)

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Botha
For and on behalf of
GRANT THORNTON
Chartered Accountants &
Statutory Audit Firm
13-18 City Quay
Dublin 2

June 25, 2025

HITACHI HIGH-TECH IRELAND, LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025 \$	2024 \$
Revenue	3	21,257,868	21,192,611
Cost of sales		<u>(13,883,368)</u>	<u>(13,468,250)</u>
Gross profit		7,374,500	7,724,361
Administrative expenses		<u>(5,214,733)</u>	<u>(5,484,632)</u>
Operating profit	4	2,159,767	2,239,729
Finance income	7	194,654	181,239
Foreign exchange loss		<u>(131,893)</u>	<u>(107,910)</u>
Profit before taxation		2,222,528	2,313,058
Income tax expense	8	<u>(305,223)</u>	<u>(319,458)</u>
Profit for the financial year after taxation		<u>1,917,305</u>	<u>1,993,600</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>1,917,305</u>	<u>1,993,600</u>

All activities are derived from continuing operations.

The accounting policies and notes on pages 14 to 25 form part of these financial statements.

HITACHI HIGH-TECH IRELAND, LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

ASSETS	Note	2025 \$	2024 \$
Current assets			
Inventories	9	3,672,398	7,018,535
Trade and other receivables	10	5,879,328	6,084,955
Cash and cash equivalents	11	14,067,785	12,433,544
Total assets		23,619,511	25,537,034
EQUITY			
Capital and reserves			
Called up equity share capital	13	100,000	100,000
Retained earnings	14	15,976,803	18,259,498
Total equity		16,076,803	18,359,498
LIABILITIES			
Current liabilities			
Trade and other payables	12	7,542,708	7,177,536
Total current liabilities		7,542,708	7,177,536
Total equity and liabilities		23,619,511	25,537,034

The financial statements were approved by the directors and authorised for issue on the 25 June 2025 and are signed on their behalf by:



R. Shivnan
Director



M. Ungaro
Director

The accounting policies and notes on pages 14 to 25 form part of these financial statements.

HITACHI HIGH-TECH IRELAND, LIMITED

STATEMENT OF CHANGES IN EQUITY FINANCIAL YEAR ENDED 31 MARCH 2025

	Share capital	Retained earnings	Total equity
	\$	\$	\$
Balance at 1 April 2024	100,000	18,259,498	18,359,498
Total comprehensive income for the financial year			
Total comprehensive income	-	1,917,305	1,917,305
Transactions with owners			
Dividends paid	-	(4,200,000)	(4,200,000)
Balance at 31 March 2025	100,000	15,976,803	16,076,803
Balance at 1 April 2023	100,000	16,425,898	16,525,898
Total comprehensive income for the financial year			
Total comprehensive income	-	1,993,600	1,993,600
Transactions with owners			
Dividends paid	-	(160,000)	(160,000)
Balance at 31 March 2024	100,000	18,259,498	18,359,498

During the year ended 31 March 2025, the Company paid dividends of \$4,200,000 (2024: \$160,000) to its equity shareholders. This represents a payment of \$42.00 per share (2024: \$1.60 per share).

The accounting policies and notes on pages 14 to 25 form part of these financial statements.

HITACHI HIGH-TECH IRELAND, LIMITED

STATEMENT OF CASH FLOWS

FINANCIAL YEAR ENDED 31 MARCH 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Profit for the financial year		1,917,305	1,993,600
Tax expense	8	305,223	319,458
Finance income	7	(194,654)	(181,239)
Foreign exchange loss		131,893	107,910
Decrease in inventory		3,346,137	2,263,629
(Increase) decrease in trade and other receivables		205,627	(288,287)
Increase in trade and other payables		663,341	718,825
Taxation paid		(603,392)	(61,621)
Net cash inflow from operating activities		5,771,480	4,872,275
Cash flows from financing activities			
Foreign exchange loss		(131,893)	(107,910)
Finance income	7	194,654	181,239
Dividends paid	14	(4,200,000)	(160,000)
Net cash used in financing activities		(4,137,239)	(86,671)
Net change in cash and cash equivalents		1,634,241	4,785,604
Net cash and cash equivalents at 1 April		12,433,544	7,647,940
Net cash and cash equivalents at 31 March	11	14,067,785	12,433,544

The accounting policies and notes on pages 14 to 25 form part of these financial statements.

HITACHI HIGH-TECH IRELAND, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

1. General information and statement of compliance

Hitachi High-Tech Ireland, Limited (the “Company”) is a private limited liability company incorporated and domiciled in the Republic of Ireland with a registered number of 305581. The registered address of the Company is 6th Floor, 2 Grand Canal Square, Dublin 2.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and their interpretations approved by the International Accounting Standards Board (“IASB”) as adopted by the European Union and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS.

2. Summary of material accounting policies

The financial statements have been prepared using the material accounting policies and measurement bases summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared on an accrual basis and under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

2.2 Functional and presentation currency

The financial statements are presented in USD (\$), which is the Company’s functional and presentation currency.

2.3 Changes in accounting policies

The following accounting pronouncements, which have become effective from 1 April 2024 and have therefore been adopted, do not have a significant impact on the Company’s financial results or position:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Non-current Liabilities with Covenants (Amendments to IAS 1);
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); and
- Lack of Exchangeability (Amendments to IAS 21).

HITACHI HIGH-TECH IRELAND, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early

At the date of authorisation of these financial statements, several new, but not yet effective, standards, amendments to existing standards, and interpretations have been published by the IASB. None of these standards, amendments or interpretations have been adopted early by the Company and no material impact is expected:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7) (Effective annual periods beginning on or after 1 January 2026);
- IFRS 18 Presentation and Disclosure in Financial Statements (Effective annual periods beginning on or after 1 January 2027);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (Effective annual periods beginning on or after 1 January 2027).

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations neither adopted nor listed above have not been disclosed as they are not expected to have a material impact on the financial statements.

2.4 Revenue

Revenue is recognised at the fair value of the right to the consideration received or receivable for goods sold and services provided in the normal course of business during the year and is shown net of value added tax, returns, rebates and discounts.

The Company recognises revenue when the amount can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met, as described below:

To determine whether to recognise revenue, the Company follows a 5-step process, as required by IFRS:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership, generally when the customer has taken undisputed delivery of the goods.

Revenue from service contracts is deferred and recognized on a straight-line basis over the term of the contract.

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as part of trade and other payables in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or receivable in its statement of financial position, depending on whether something other than a passage of time is required before the consideration is due.

HITACHI HIGH-TECH IRELAND, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

2.5 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

2.6 Post-employment benefits and short-term employee benefits

Retirement benefit costs

The costs charged in the financial statements represent contributions payable by the Company during the period into publicly or privately administered defined contribution pension plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are included in current liabilities and measured at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

2.7 Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income. Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

2.8 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be able to be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

HITACHI HIGH-TECH IRELAND, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined based on the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

2.10 Financial instruments

Trade and other receivables/payables

Trade and other receivables and payables are stated at cost less impairment, which approximates fair value given the short-dated nature of these assets and liabilities.

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within agreed credit terms and failure to engage with the Company on alternative payment arrangement amongst other are considered indicators of no reasonable expectation of recovery.

2.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of this obligation. Where the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 Contingencies

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

HITACHI HIGH-TECH IRELAND, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.14 Equity, reserves and dividend payments

Share capital represents the nominal value of shares that have been issued. Retained profits includes all current and prior period retained profits.

During the year, the Company paid dividends of \$4,200,000 (2024: \$160,000) to its equity shareholders.

2.15 Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Allowances for expected credit losses (ECL) on trade receivables

The Company recognises an allowance for expected credit losses (ECL) on trade receivables using the simplified approach as permitted by IFRS 9. Under this approach, the allowance is measured at an amount equal to the lifetime expected credit losses for all trade receivables. The ECL is estimated using a provision matrix that considers historical credit loss experience, adjusted for forward-looking information such as current and forecast economic conditions. In addition, specific provisions are made for receivables where there is objective evidence of significant financial difficulty or default, indicating the customer is unlikely to settle the amount owed. Judgement is applied in assessing the credit risk and estimating expected losses, based on the best available information, including the customer's past payment history, length of the customer relationship and current financial position. As at 31 March 2025, the allowance for expected credit losses on trade receivables was \$Nil (2024: \$Nil).

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices. At 31 March 2025, the Company has recorded a provision of old, obsolete and slow-moving inventory on hand of \$4,654,044 (2024: \$3,940,375).

HITACHI HIGH-TECH IRELAND, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

3. Revenue

The entirety of the Company's revenue relates to service and support fees. All turnover arose in the Republic of Ireland.

Contract liability, related to services transferred over time, is disclosed in Note 12.

The Company's revenue disaggregated by pattern of revenue recognition is as follows:

	2025	2024
	\$	\$
Goods transferred at a point in time	9,299,128	9,561,187
Services transferred over time	11,958,740	11,631,424
	<u>21,257,868</u>	<u>21,192,611</u>

4. Operating profit

Operating profit is stated after charging the following:

	2025	2024
	\$	\$
Auditors remuneration – as auditor	32,597	32,374
Auditors remuneration – non audit fees	5,448	5,411
Other pension costs	273,576	248,044
	<u>273,576</u>	<u>248,044</u>

5. Employee remuneration

The average number of staff employed by the Company during the financial period amounted to:

	2025	2024
Number of service personnel	<u>36</u>	<u>34</u>

Employee benefits are recorded in administrative expenses in the statement of comprehensive income and include the following:

	2025	2024
	\$	\$
Wages and salaries	3,439,782	3,793,274
Social welfare costs	391,666	435,963
Other pension costs	273,576	248,044
Insurance	187,702	157,468
	<u>4,292,726</u>	<u>4,634,749</u>

Capitalised employee costs during the period amounted to \$Nil (2024: \$Nil).

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NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

6. Directors' remuneration

	2025	2024
	\$	\$
Emoluments in respect of qualifying services	323,980	299,552
Pension costs	24,697	22,664
	<u>348,677</u>	<u>322,216</u>

During the financial year, the Directors received benefits in kind with a value of \$5,284 (2024: \$4,741).

Other than the amounts disclosed above, any further required disclosures under section 305 and 306 of the Companies Act 2014 were \$Nil for both the current and preceding financial years.

The number of directors to whom retirement benefits are accruing in respect of qualifying services is \$Nil (2024: \$Nil).

7. Finance income

Finance income consists of the following:

	2025	2024
	\$	\$
Interest and other income	194,654	181,239
	<u>194,654</u>	<u>181,239</u>

8. Taxation on ordinary activities

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 12.5% (2024: 12.5%) and the reported tax expense in profit or loss are as follows:

	2025	2024
	\$	\$
Profit before tax	2,222,528	2,313,058
Domestic tax rate for the Company	12.5%	12.5%
Expected tax expense	277,816	289,132
Profits not chargeable	(36,143)	(18,612)
Non-deductible expenses	(1,121)	(1,281)
Income tax withheld	12,461	3,684
Additional tax arising on profits chargeable at 25%	47,205	45,168
Others	5,005	1,367
Actual tax expense	<u>305,223</u>	<u>319,458</u>

The Organisation for Economic Co-operation and Development (OECD) has introduced a global minimum tax framework (commonly referred to as Pillar Two), which is being implemented by various jurisdictions with effect from 1 January 2024.

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Although Pillar Two rules are now in force, based on the Hitachi Group's current structure and financial results, management does not expect the Group to be within the scope of the global minimum tax regime. The Group continues to monitor developments and evaluate potential future impacts.

There were no other factors that may affect future tax charges.

9. Inventories

	2025	2024
	\$	\$
Merchandise, net	3,672,398	6,985,982
Merchandise in transit	-	32,553
	<u>3,672,398</u>	<u>7,018,535</u>

The cost of inventories recognized as an expense and included in cost of sales amounted to \$8,982,545 (2024: \$8,634,993). The total inventory provision at the end of the financial year included in the net amount above was \$4,654,044 (2024: \$3,940,375). In the opinion of the directors, the replacement cost of the stock did not differ significantly from the figures shown.

10. Trade and other receivables

	2025	2024
	\$	\$
<i>Amounts falling due within one year</i>		
Amounts owed by group undertakings	1,668,614	1,303,643
Trade receivables	3,563,310	3,713,284
Unbilled contract revenue	537,721	1,012,914
Financial assets	<u>5,769,645</u>	<u>6,029,841</u>
Corporation tax repayable	54,363	-
Prepayments and accrued income	55,320	55,114
Non-financial assets	<u>109,683</u>	<u>55,114</u>
	<u>5,879,328</u>	<u>6,084,955</u>

The carrying value of trade and other receivables (based on amortised cost) are considered to be a reasonable approximation of fair value. All amounts are short-term.

Trade receivables and unbilled contract revenue are mainly due between 30 and 76 days following the date of the invoice. At 31 March, the aged analysis of net trade receivables for the Company was as follows:

	2025	2024
	\$	\$
March	3,253,158	1,110,705
February	1,306,780	1,222,724
January	671,986	2,392,769
Total	<u>5,231,924</u>	<u>4,726,198</u>

No provisions for impairment of expected credit losses for trade and other receivables have been required (2024: \$Nil).

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NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

11. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2025	2024
	\$	\$
Cash and cash equivalents per statement of cash flows	<u>14,067,785</u>	<u>12,433,544</u>

The carrying value of cash and cash equivalents are considered to be a reasonable approximation of fair value.

12. Trade and other payables

	2025	2024
	\$	\$
<i>Amounts falling due within one year</i>		
Amounts owed to group undertakings	2,785,198	2,079,950
Accruals	871,329	1,734,316
Trade payables	67,071	165,677
Financial liabilities	<u>3,723,598</u>	<u>3,979,943</u>
Corporation tax	-	257,945
PAYE and social welfare	157,682	209,687
Contract liability	3,661,428	2,729,961
Non-financial liabilities	<u>3,819,110</u>	<u>3,197,593</u>
	<u>7,542,708</u>	<u>7,177,536</u>

The carrying value of trade and other payables (based on amortised cost) are considered to be a reasonable approximation of fair value.

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

During the financial year, there were new warranty contracts from HTA amounting to \$3,250,166 (2024: \$2,005,108) inclusive of warranty labour credits of \$423,500 (2024: \$335,500). The Company recognized revenue from this during the year amounting to \$2,318,699 (2024: \$1,498,305).

	2025	2024
	\$	\$
At beginning of the period	2,729,961	2,223,158
Additions	3,250,166	2,005,108
Amortisation	(2,318,699)	(1,498,305)
At end of the period	<u>3,661,428</u>	<u>2,729,961</u>

HITACHI HIGH-TECH IRELAND, LIMITED

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13. Share capital

Called up and fully paid

	2025	2024
	\$	\$
100,000 Ordinary shares of \$1.00 each	<u>100,000</u>	<u>100,000</u>

Called-up share capital represents the nominal value of shares that have been issued.

14. Retained earnings

	2025	2024
	\$	\$
Opening balance	18,259,498	16,425,898
Profit for the financial year	1,917,305	1,993,600
Dividends paid	(4,200,000)	(160,000)
Closing balance	<u>15,976,803</u>	<u>18,259,498</u>

Retained earnings includes all current and prior period retained profits and losses.

15. Related party transactions

The Company, HTA and Hitachi High-Tech Israel, Ltd. (“HTA-SE”) are all subsidiary companies of the Hitachi Limited Group. During the financial year, the Company had the following transactions with related parties:

		2025	2024
		\$	\$
Income	- HTA (*)	5,872,454	5,807,004
	- HTA-SE	2,133	35,738
Spare parts and services purchase	- HTA	4,430,557	6,468,030
	- HTA-SE	17,700	
Inter-company receivables	- HTA	Trade	1,666,705
		Non-Trade	-
	- HTA-SE	Trade	1,909
		Non-Trade	-
Inter-company payables	- HTA	2,663,882	1,950,482
	- HTA-SE	121,317	96,914

(*) The Company expended a total of \$653,525 (2024: \$687,603) on discharging liabilities on behalf of its parent company and \$87,738 (2024: \$Nil) on behalf of its affiliate, Hitachi High-Tech Israel, Ltd, which were subsequently reimbursed. All transactions were in the ordinary course of business and conducted on an arm’s length basis.

HITACHI HIGH-TECH IRELAND, LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 MARCH 2025

16. Transactions with key management personnel

Key management personnel remuneration is as disclosed in note 6.

17. Financial instruments and financial risk management

The Company's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to provide financing for the Company's operations. The Company has various other financial assets and liabilities such as trade receivables and payables, which arise directly from its operations.

It is, and has been throughout 2025 and 2024, the Company's policy that no trading in derivatives be undertaken.

The main risks arising from the Company's financial instruments are foreign currency risk, credit risk, liquidity risk, interest rate risk and capital risk. The board reviews and agrees on policies for managing each of these risks which are summarised below.

Foreign currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has minimal exposure because sales and related purchases are in the functional currency of USD. The Company is exposed to local expense obligations which it manages carefully. If necessary, the Company will enter into forward exchange contracts to mitigate the risk.

At the years ended 31 March 2025 and 31 March 2024, the Company considers its exposure to currency risk minimal and any favourable and unfavourable movements of foreign currency exchange rates are absorbed by the Company, therefore no sensitivity analysis was provided.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation.

The Company's financial assets comprise trade and other receivables and cash and cash equivalents. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies. The Company's exposure to credit risk arise from default of its counterparty with a maximum exposure equal to the carrying amount of cash and cash equivalents and trade and other receivables in its statement of financial position.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are connected entities.

No provisions for impairment of trade and other receivables have been required (2024: \$Nil).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Company. The Company has no borrowing facilities at 31 March 2025 (2024: \$Nil).

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The Company's financial liabilities as at 31 March 2025 and 31 March 2024 are payable within 3 months. The expected maturity of the Company's financial assets as of 31 March 2025 and 31 March 2024 was between 30-76 days. The Company expects to meet its other obligations from operating cash flows. The Company had no derivative financial instruments as at 31 March 2025 and 31 March 2024.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's holdings of cash and cash equivalents.

It is the Company's policy as part of its disciplined management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned. The Company considers its exposure to currency risk minimal therefore no sensitivity analysis was provided.

Capital risk management

The Company's principal objectives in managing capital are to ensure that it will continue to operate as a going concern and to maintain a strong capital base so as to maintain client, investor, creditor and market confidence. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Company may adjust or issue new shares or raise debt. No changes were made in the objective, policies or processes during the years ended 31 March 2025 and 31 March 2024. The capital structure of the Company consists of equity attributable to equity holders of the parents, comprising issued capital, reserves and retained profits as disclosed in the statement of changes in equity.

18. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to \$273,576 (2024: \$248,044). Contributions totalling \$Nil (2024: \$Nil) were payable to the fund at the financial year-end.


19. Ultimate controlling party

The Company's immediate parent undertaking is HTA. The Company's ultimate parent company is Hitachi Limited, a company registered in Japan.

The smallest group in which the results of the Company are consolidated is that headed by HTA. The largest group in which the results of the Company are consolidated is that headed by Hitachi Limited. The consolidated financial statements of HTA are not available to the public. The consolidated financial statements of Hitachi Limited are available to the public and may be obtained from Hitachi, Ltd, 6-6 Marunouchi 1-Chome, Chiyoda Ku, Tokyo, Japan 100-8280.

20. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2025 (including comparatives) were approved by the board of directors on 25 June 2025.


R. Shivnan
Director


M. Ungaro
Director