
Sharp Business Systems Danmark A/S

Marielundvej 46C, DK-2730 Herlev

Annual Report for 1 April 2021 - 31 March 2022

CVR No 36 53 85 89

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
29/9 2022

Klas Jonas Forsell
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Sharp Business Systems Danmark A/S for the financial year 1 April 2021 - 31 March 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 March 2022 of the Company and of the results of the Company operations for 2021/22.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herlev, 29 September 2022

Executive Board

Thomas Gert Lyck Holm Jensen
CEO

Board of Directors

Carl Gösta Henrik Flink
Chairman

Klas Jonas Forsell

Thomas Gert Lyck Holm
Jensen

Independent Auditor's Report

To the Shareholder of Sharp Business Systems Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 - 31 March 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Sharp Business Systems Danmark A/S for the financial year 1 April 2021 - 31 March 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives 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 and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the

Independent Auditor's Report

audit. We 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 our 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 in preparing the Financial Statements 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate 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 we identify during our audit.

Hellerup, 29 September 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen
State Authorised Public Accountant
mne28703

Anders Røjleskov
State Authorised Public Accountant
mne28699

Company Information

The Company

Sharp Business Systems Danmark A/S
Marielundvej 46C
DK-2730 Herlev

CVR No: 36 53 85 89
Financial period: 1 April - 31 March
Municipality of reg. office: Herlev

Board of Directors

Carl Gösta Henrik Flink, Chairman
Klas Jonas Forsell
Thomas Gert Lyck Holm Jensen

Executive Board

Thomas Gert Lyck Holm Jensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Lawyers

WTC advokaterne
Slotsgade 36B
DK-3400 Hillerød

Bankers

Handelsbanken
Gustavslundsvägen 22
16715 Bromma

Income Statement 1 April - 31 March

	Note	2021/22 DKK	2020/21 DKK
Gross profit/loss		22,345,198	21,278,567
Staff expenses	2	-20,882,397	-20,619,935
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-604,112	-664,484
Profit/loss before financial income and expenses	3	858,689	-5,852
Financial income		13,990	10,080
Financial expenses	4	-92,185	-205,150
Profit/loss before tax		780,494	-200,922
Tax on profit/loss for the year	5	-156,112	7,849
Net profit/loss for the year		624,382	-193,073

Distribution of profit

Proposed distribution of profit

Retained earnings		624,382	-193,073
		624,382	-193,073

Balance Sheet 31 March

Assets

	Note	2021/22 DKK	2020/21 DKK
Other fixtures and fittings, tools and equipment		1,073,748	1,340,210
Property, plant and equipment	6	1,073,748	1,340,210
Fixed assets		1,073,748	1,340,210
Inventories		10,711,662	11,513,459
Trade receivables		9,444,487	10,750,433
Receivables from group enterprises		112,037	1,065,517
Other receivables		507,750	377,691
Deferred tax asset		19,008	39,829
Prepayments		731,909	579,483
Receivables		10,815,191	12,812,953
Cash at bank and in hand		2,950,588	1,037,013
Currents assets		24,477,441	25,363,425
Assets		25,551,189	26,703,635

Balance Sheet 31 March

Liabilities and equity

	Note	2021/22 DKK	2020/21 DKK
Share capital		510,000	510,000
Retained earnings		4,568,246	3,943,864
Equity		5,078,246	4,453,864
Other payables		0	1,839,444
Long-term debt	7	0	1,839,444
Trade payables		3,289,397	3,793,632
Payables to group enterprises		12,876,217	12,513,596
Corporation tax		122,502	256,928
Other payables	7	4,184,827	3,846,171
Short-term debt		20,472,943	20,410,327
Debt		20,472,943	22,249,771
Liabilities and equity		25,551,189	26,703,635
Key activities	1		
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 April	510,000	3,943,864	4,453,864
Net profit/loss for the year	0	624,382	624,382
Equity at 31 March	510,000	4,568,246	5,078,246

Notes to the Financial Statements

1 Key activities

The Company's main activity is to handle electronic appliance sales for the SHARP Group, mainly copying and printing machines.

	<u>2021/22</u> DKK	<u>2020/21</u> DKK
2 Staff expenses		
Wages and salaries	18,979,690	18,695,680
Pensions	968,943	1,039,443
Other social security expenses	111,612	78,954
Other staff expenses	<u>822,152</u>	<u>805,858</u>
	<u>20,882,397</u>	<u>20,619,935</u>
Average number of employees	<u>33</u>	<u>34</u>
3 Special items		
Received salary compensation, Covid-19 (included in Gross profit as other operating income)	0	468,587
Profit on sale of fixed assets (included in Gross profit as other operating income)	260,335	76,336
Termination of employees (included in Staff expenses)	<u>-900,767</u>	<u>0</u>
	<u>-640,432</u>	<u>544,923</u>
4 Financial expenses		
Interest paid to group enterprises	47,919	142,026
Other financial expenses	19,440	37,763
Exchange loss	<u>24,826</u>	<u>25,361</u>
	<u>92,185</u>	<u>205,150</u>

Notes to the Financial Statements

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
5 Tax on profit/loss for the year		
Current tax for the year	175,120	0
Deferred tax for the year	-19,008	-41,109
Adjustment of tax concerning previous years	0	33,260
	<u>156,112</u>	<u>-7,849</u>
 6 Property, plant and equipment		
		Other fixtures and fittings, tools and equipment
		<u>DKK</u>
Cost at 1 April		3,239,566
Additions for the year		808,234
Disposals for the year		<u>-891,859</u>
Cost at 31 March		<u>3,155,941</u>
Impairment losses and depreciation at 1 April		1,899,356
Depreciation for the year		604,112
Impairment and depreciation of sold assets for the year		<u>-421,275</u>
Impairment losses and depreciation at 31 March		<u>2,082,193</u>
 Carrying amount at 31 March		<u>1,073,748</u>

Notes to the Financial Statements

7 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2021/22</u> DKK	<u>2020/21</u> DKK
Other payables		
Between 1 and 5 years	0	1,839,444
Long-term part	0	1,839,444
Other short-term payables	4,184,827	3,846,171
	<u>4,184,827</u>	<u>5,685,615</u>

8 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Company has entered operational lease agreements totalling DKK 2.5 million (2020/21: DKK 2.6 million)

9 Related parties

The consolidated financial statements of Sharp Electronics Europe GmbH, which is ultimately owned by Sharp Corporation, Japan, can be obtained at the following address: Sharp Electronics Europe GmbH, Nagelsweg 33-35, Hamburg, Germany.

10 Subsequent events

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of Sharp Business Systems Danmark A/S for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021/22 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Notes to the Financial Statements

11 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue from sale of goods where intallation is a condition for major risk being considered transferred to the buyer is recognised as revenue when installation has been completed.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

11 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5	years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale and consumables equals landed cost.

Notes to the Financial Statements

11 Accounting Policies (continued)

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions etc.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.