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# ***Ricoh Danmark A/S***

Delta Park 37, DK-2665 Vallensbæk

## **Annual Report for 1 April 2023 - 31 March 2024**

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CVR No 56 47 04 17

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
7/10- 2024

Daisy Andersen  
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 Ricoh Danmark A/S for the financial year 1 April 2023 - 31 March 2024.

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 2024 of the Company and of the results of the Company operations for 1 April 2023 - 31 March 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Vallensbæk, 7 October 2024

## Executive Board

Søren Krogh-Nielsen  
CEO

## Board of Directors

Nicola Clare Downing

Søren Krogh-Nielsen

Timothy Ian Stuart

Torben Lønnqvist Frederiksen

# Independent Auditor's Report

To the Shareholder of Ricoh Danmark A/S

## Opinion

We have audited the Financial Statements of Ricoh Danmark A/S for the financial year 1 April 2023 - 31 March 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are 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 of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024 in accordance with the Danish Financial Statements Act.

## 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.

## **Independent Auditor's Report**

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 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.

### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

# Independent Auditor's Report

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required by relevant law and regulations.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement in Management's Review.

Copenhagen, 7 October 2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 96 35 56*

Ulrik Winkler Jakobsen

statsautoriseret revisor

*State Authorised Public Accountant*

mne47242

## **Company Information**

### **The Company**

Ricoh Danmark A/S  
Delta Park 37  
DK-2665 Vallensbæk

CVR No: 56 47 04 17  
Financial period: 1 April 2023 - 31 March 2024  
Municipality of reg. office: Vallensbæk

### **Board of Directors**

Nicola Clare Downing, Chairman  
Søren Krogh-Nielsen  
Timothy Ian Stuart  
Torben Lønnqvist Frederiksen

### **Executive Board**

Søren Krogh-Nielsen

### **Auditors**

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
DK-2300 København S

## Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	<u>2023/24</u> TDKK	<u>2022/23</u> TDKK	<u>2021/22</u> TDKK	<u>2020/21</u> TDKK	<u>2019/20</u> TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	354.345	320.999	277.634	226.626	272.220
Operating profit/loss	8.650	5.316	3.770	-4.071	-549
Net financials	-782	-874	-1.418	-1.061	157
Net profit/loss for the year	5.700	2.208	2.130	-4.024	-379
<b>Balance sheet</b>					
Balance sheet total	179.745	164.255	168.497	178.874	166.595
Equity	88.719	83.018	103.120	100.990	114.872
Investment in property, plant and equipment	5.914	3.962	3.468	5.377	634
Number of employees	123	121	108	106	115
<b>Ratios</b>					
Profit margin	2,4%	1,7%	1,4%	-1,8%	-0,2%
Return on assets	4,8%	3,2%	2,2%	-2,3%	-0,3%
Solvency ratio	49,4%	50,5%	61,2%	56,5%	69,0%
Return on equity	6,4%	2,4%	2,1%	-3,7%	-0,3%

In connection with changes to accounting policies, the comparative figures back from 2019/20 to 2022/23 have not been restated.

# Management's Review

## Key activities

The principal activities of Ricoh Danmark A/S are to provide services, technology and work smarter solutions to large and small businesses that will transform their business transactions and document management processes. The Company does this through its core capabilities in Managed Document, Services, Production Printing, Office Solutions, AV and IT Services. The Group has continued the strive for introduction of innovative and environmentally responsible products to the overall gain of the customers and societies. The activity services mentioned can be offered to the customers via finance leasing contracts in the subsidiary (Rico Capital Danmark A/S).

In Denmark, Ricoh's head office is located in Vallensbæk Strand, there are offices in Horsens and Brøndby, as well as we are represented throughout Denmark via partners and distributors. We have a strong nationwide service organization with highly and specialized service engineers.

Ricoh clients, partners and employees can stay up-to-date with the latest views from Ricoh at:

- Facebook: [www.facebook.com/ricoheurope](http://www.facebook.com/ricoheurope)
- Twitter: [www.twitter.com/ricoheurope](http://www.twitter.com/ricoheurope)
- YouTube: [www.voutube.coin/ricoheurope](http://www.voutube.coin/ricoheurope)
- Home page: [www.ricoh.com](http://www.ricoh.com)

Ricoh Danmark A/S is part of Ricoh Europe in London, which is part of the ultimate global Ricoh parent company in Tokyo.

## Development in the year

The financial year 2023/24 was a solid year for Ricoh Danmark A/S. The company further strengthened its competitive position. The high growth activity areas are respectively within Office work smarter Solutions and Services, followed by Production Printing including Quadient Products and Services, then a stable development within its core Office Printing capabilities.

Ricoh Danmark A/S made a net positive result for the financial year 2023/24 of DKK 5,700 thousand (2022/23 DKK 2.208 thousand) that has been transferred to reserves, and at 31 March 2024 the balance sheet of the Company shows an equity of DKK 88,719 thousand (31 March 2023 DKK 83.018 thousand).

Management considers the results to be satisfactory.

# Management's Review

## Expectation and outlook

A strong foundation for the development of Ricoh Danmark has been created. Management expects to further increase development efforts and investment initiatives.

The Group's objective is to profitably grow sales by offering first class, high quality products and services for the business environment, clearly differentiating and pre-empting the competition with total document solutions- and smart office offerings, while making customers' businesses more productive, efficient and ultimately more profitable.

The key strategies employed by the Company is to support this objective including:

- To become a relations-based group, seen as a partner of customers, offering tailored hardware and software solutions to add value to their Business. Management's Review
- To have the right people, with the right skills to sell, service and support the Group's products.
- To draw on support from the Group's internal partners within the Ricoh Group in areas of research and development, manufacturing, supply chain management and central service support to help achieve the objective.
- To strengthen the corporate brand and position of the Group to support the introduction of new products to new market segments.

The Company expects to continue to develop relationships with significant customers, maintain and enhance its competitive product range, leverage strategic relationships with other business partners and develop revenue and profit opportunities.

Based on the latest Budget and Forecast, Management expects that the development will continue with positive net result in the financial year 2024/25 of approx. DKK 2 million.

# Management's Review

## Risks and uncertainties

The key risks and uncertainties facing the Company are:

Competitor risk: Failure to compete with competitors on areas including price, product range, quality and service could have an adverse effect on the Group's financial results.

People risk: Failure to attract, retain and motivate the best people with the right capabilities at all levels of the operation would be detrimental to the success of the Group.

Global delivery shortages within electronic industry: some key electronic components have longer lead time than usual but for the moment stabilized.

## Climate and Environment

### *Group policies*

In line with the Group's commitment to the environment and climate, it has established an Environmental Policy, which sees it making constant efforts to reduce the climate and environmental impact of the Group's operations. The Group continually seeks out and investigates alternative methods of performing its services. When more environmentally sound methods are identified, we will move promptly, when economic circumstances allow, adopting these practices.

The Group meets and exceeds key current European regulations and guidance standards, which complement our long-term objectives for:

- Energy Conservation and the Prevention of Global Warming - (Energy Star, Blue Angel, EuP directive)
- Resource Conservation and Recycling (WEEE regulations, Battery Directive)
- Pollution Prevention (RoHS, REACH, Hazardous waste regulations)

On our national website <http://www.ricoh.dk> it is possible to view details on our environmental policy, read about our ISO14001 international environmental certification and our implementation of WEEE / RoHS regulations on the environment recycling area.

### *Local group policies*

Based on the overall Ricoh Group policies, the Danish entities has since 2015/16 initiated various activities to reduce CO<sub>2</sub> emission. Visual Communication to reduce travel cost, default eco power saving mode on all sold units, and company cars are continuously being exchanged to diesel engines that are more efficient when leasing car contracts are renewed. These activities have resulted in being on track with the overall goal to reduce our CO<sub>2</sub> emissions and impact on climate.

Use of paper has also dropped in general, and we expect that this improvement will continue due to our New Ways of Working (NWOW) concept.

## **Management's Review**

Ricoh Danmark A/S are committed to follow UN Global Compact rules <https://www.unglobalcompact.org> and the overall CSR's commitments by Ricoh Group, as per above.

As such, we are aspired to conduct all our business activities in a sustainable matter, by creating value to society, employees and being a reliable partner to our customer. We enhance our corporate value by ensuring that societal and environmental considerations are integrated in our core business strategies.

### **Subsequent events**

No major events have occurred after the reporting date that may significantly affect the annual report.

## Income Statement 1 April - 31 March

	<u>Note</u>	<u>2023/24</u> DKK	<u>2022/23</u> DKK
<b>Revenue</b>		<b>354.345.451</b>	<b>320.998.984</b>
Other operating income		5.334.616	4.516.777
Cost of Sales		-197.385.043	-182.796.873
Other external expenses		<u>-50.142.627</u>	<u>-41.936.757</u>
<b>Gross profit/loss</b>		<b>112.152.397</b>	<b>100.782.131</b>
Staff expenses	1	-98.290.326	-90.984.860
Depreciation		<u>-5.211.869</u>	<u>-4.481.339</u>
<b>Profit/loss before financial income and expenses</b>		<b>8.650.202</b>	<b>5.315.932</b>
Financial income		413.559	3.464
Financial expenses		<u>-1.195.928</u>	<u>-877.674</u>
<b>Profit/loss before tax</b>		<b>7.867.833</b>	<b>4.441.722</b>
Tax on profit/loss for the year	2	<u>-2.167.559</u>	<u>-2.234.164</u>
<b>Net profit/loss for the year</b>		<b><u>5.700.274</u></b>	<b><u>2.207.559</u></b>

# Balance Sheet 31 March

## Assets

	<u>Note</u>	<u>2023/24</u> DKK	<u>2022/23</u> DKK
Acquired intangible assets		<u>191.760</u>	<u>958.800</u>
<b>Intangible assets</b>	<b>3</b>	<b><u>191.760</u></b>	<b><u>958.800</u></b>
Land and buildings		366.641	341.407
Other fixtures and fittings, tools and equipment		5.547.587	4.857.660
Leasehold improvements		<u>0</u>	<u>0</u>
<b>Property, plant and equipment</b>	<b>4</b>	<b><u>5.914.228</u></b>	<b><u>5.199.067</u></b>
Investments in subsidiaries	5	15.468.000	15.468.000
Deposits	6	<u>722.410</u>	<u>722.410</u>
<b>Fixed asset investments</b>		<b><u>16.190.410</u></b>	<b><u>16.190.410</u></b>
<b>Fixed assets</b>		<b><u>22.296.398</u></b>	<b><u>22.348.277</u></b>
Manufactured goods and goods for resale		<u>12.454.357</u>	<u>17.256.489</u>
<b>Inventories</b>		<b><u>12.454.357</u></b>	<b><u>17.256.489</u></b>
Trade receivables		85.415.754	64.639.558
Receivables from group enterprises		30.050.131	30.584.178
Finance lease receivables		4.331.034	8.268.185
Other receivables		0	1.487.285
Corporation tax		2.472.251	1.816.102
Prepayments	7	<u>22.725.445</u>	<u>14.168.803</u>
<b>Receivables</b>		<b><u>144.994.615</u></b>	<b><u>120.964.111</u></b>
<b>Cash and cash equivalents</b>		<b><u>0</u></b>	<b><u>3.686.418</u></b>
<b>Currents assets</b>		<b><u>157.448.972</u></b>	<b><u>141.907.018</u></b>
<b>Assets</b>		<b><u>179.745.368</u></b>	<b><u>164.255.295</u></b>

# Balance Sheet 31 March

## Liabilities and equity

	<u>Note</u>	<u>2023/24</u> DKK	<u>2022/23</u> DKK
Share capital		23.501.000	23.501.000
Retained earnings		<u>65.217.676</u>	<u>59.517.402</u>
<b>Equity</b>		<b><u>88.718.676</u></b>	<b><u>83.018.402</u></b>
Provision for deferred tax	9	867.299	374.573
Provisions for other obligations		<u>4.030.000</u>	<u>7.642.000</u>
<b>Provisions</b>		<b><u>4.897.299</u></b>	<b><u>8.016.573</u></b>
Lease obligations		<u>2.965.250</u>	<u>2.519.410</u>
<b>Long-term debt</b>	10	<b><u>2.965.250</u></b>	<b><u>2.519.410</u></b>
Credit institutions		4.827.966	3.353.949
Lease obligations	10	2.297.660	2.128.353
Trade payables		21.463.802	18.762.729
Payables to group enterprises		31.569.643	19.219.233
Other payables		14.626.142	19.009.586
Deferred income	11	<u>8.378.931</u>	<u>8.227.060</u>
<b>Short-term debt</b>		<b><u>83.164.144</u></b>	<b><u>70.700.910</u></b>
<b>Debt</b>		<b><u>86.129.394</u></b>	<b><u>73.220.320</u></b>
<b>Liabilities and equity</b>		<b><u>179.745.368</u></b>	<b><u>164.255.295</u></b>
Distribution of profit	8		
Contingent assets, liabilities and other financial obligations	12		
Related parties	13		
Accounting Policies	14		

## Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Proposed extraordinary dividend</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 April	23.501.000	0	59.517.402	83.018.402
Net profit/loss for the year			<u>5.700.274</u>	<u>5.700.274</u>
<b>Equity at 31 March</b>	<b><u>23.501.000</u></b>	<b><u>0</u></b>	<b><u>65.217.676</u></b>	<b><u>88.718.676</u></b>

## Notes to the Financial Statements

	<u>2023/24</u> DKK	<u>2022/23</u> DKK
<b>1 Staff expenses</b>		
Salaries and remuneration	86.924.406	82.030.375
Defined contribution plans	8.028.531	6.325.443
Other staff costs	2.198.342	1.190.381
Other staff expenses	<u>1.139.047</u>	<u>1.438.661</u>
	<b><u>98.290.326</u></b>	<b><u>90.984.860</u></b>
<b>Average number of employees</b>	<b><u>123</u></b>	<b><u>121</u></b>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

### **2 Tax on profit/loss for the year**

Current tax for the year	1.139.281	892.222
Deferred tax for the year	278.593	178.709
Adjustment of tax concerning previous years	<u>749.685</u>	<u>1.163.233</u>
	<b><u>2.167.559</u></b>	<b><u>2.234.164</u></b>

## Notes to the Financial Statements

### 3 Intangible assets

	<u>Aquired intangible assets</u> DKK
Cost at 1 April	1.534.080
Additions for the year	<u>                    </u>
Cost at 31 March	<u>1.534.080</u>
Impairment losses and depreciation at 1 April	575.280
Depreciation for the year	<u>767.040</u>
Impairment losses and depreciation at 31 March	<u>1.342.320</u>
<b>Carrying amount at 31 March</b>	<b><u>191.760</u></b>

### 4 Property, plant and equipment

	<u>Land and buildings</u> DKK	<u>Other fixtures and fittings, tools and equipment</u> DKK	<u>Leasehold improvements</u> DKK	<u>Total</u> DKK
Cost at 1 April	1.709.196	11.472.755	828.063	14.010.014
Correction of cost beginning of year	-343.568	0	0	-343.568
Additions for the year	1.563.414	4.283.906	0	5.847.320
Disposals for the year	<u>-1.444.605</u>	<u>-3.087.436</u>	<u>0</u>	<u>-4.532.041</u>
Cost at 31 March	<u>1.484.437</u>	<u>12.669.225</u>	<u>828.063</u>	<u>14.981.724</u>
Impairment losses and depreciation at 1 April	1.367.788	6.615.095	828.063	8.810.946
Correction of depreciation beginning of year	-343.568	0	0	-343.568
Depreciation for the year	1.459.204	2.901.439	0	4.360.642
Impairment and depreciation of sold assets for the year	<u>-1.365.628</u>	<u>-2.394.896</u>	<u>0</u>	<u>-3.760.524</u>
Impairment losses and depreciation at 31 March	<u>1.117.796</u>	<u>7.121.638</u>	<u>828.063</u>	<u>9.067.496</u>
<b>Carrying amount at 31 March</b>	<b><u>366.641</u></b>	<b><u>5.547.587</u></b>	<b><u>0</u></b>	<b><u>5.914.228</u></b>

## Notes to the Financial Statements

Financial leasing assets amounts to DKK 5,184 thousand (2022/23 4,600 thousand).

	<u>2023/24</u> DKK	<u>2022/23</u> DKK
<b>5 Investments in subsidiaries</b>		
Cost at 1 April	15.468.000	500.000
Additions for the year	0	14.968.000
Disposal for the year	<u>0</u>	<u>0</u>
Cost at 31 March	<u>15.468.000</u>	<u>15.468.000</u>
<b>Carrying amount at 31 March</b>	<b><u>15.468.000</u></b>	<b><u>15.468.000</u></b>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Place of registered office</u>	<u>Share capital</u>	<u>Votes and ownership</u>	<u>Equity</u>	<u>Net profit/loss for the year</u>
Ricoh Capital Denmark A/S	Vallensbæk	500.000	100%	29.351.433	3.635.821
Ricoh I AVC A/S	Horsens	500.000	100%	420.287	-708.813

## Notes to the Financial Statements

### 6 Deposits

	<u>Deposits</u> DKK
Cost at 1 April	722.410
Cost at 31 March	<u>722.410</u>
<b>Carrying amount at 31 March</b>	<b><u>722.410</u></b>

### 7 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest etc.

	<u>2023/24</u> DKK	<u>2022/23</u> DKK
<b>8 Distribution of profit</b>		
Extraordinary dividend distributed in the financial year	0	22.309.500
Retained earnings	<u>5.700.274</u>	<u>-20.101.941</u>
	<b><u>5.700.274</u></b>	<b><u>2.207.559</u></b>

### 9 Provision for deferred tax

Provision for deferred tax at 1 April	374.573	195.864
Adjustment for previous year	214.133	195.864
Amounts recognised in the income statement for the year	<u>278.593</u>	<u>178.709</u>
<b>Provision for deferred tax at 31 March</b>	<b><u>867.299</u></b>	<b><u>374.573</u></b>

### 10 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:

#### Lease obligations

Between 1 and 5 years	<u>2.965.250</u>	<u>2.519.410</u>
Long-term part	2.965.250	2.519.410
Within 1 year	<u>2.297.660</u>	<u>2.128.353</u>
	<b><u>5.262.910</u></b>	<b><u>4.647.763</u></b>

# Notes to the Financial Statements

## 11 Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

## 12 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The Company is jointly registered for VAT with Ricoh Capital Danmark A/S and severally liable for the payment thereof, amounting to DKK 4,967 thousand at 31 March 2024 (31 March 2023: DKK 5,965 thousand).

The Company is jointly taxed with other Danish companies in the Ricoh Group. As the administrative company, together with the other companies included in the joint taxation, the Company has joint and several unlimited liabilities for Danish corporation taxes and withholding taxes on dividends and interest.

In connection with an adjustment to the tax return and related tax computations in prior year, the Danish tax authorities have followed up and put forward questions regarding the company's Transfer Pricing policy. These questions have been answered in full and supported by underlying documentation. The Danish tax authorities have done their preliminary conclusion in which the company disagree with. Therefore, Ricoh Management and tax consultants has filed a complaint to the Tax Tribunal awaiting MAP - due to the quickest possible avenue for resolvment. It is still Ricoh assessment that there is a potential low risk. The raised tax claim amounts to DKK 2,9 Mio excluding interest and minor charges.

## 13 Related parties

### Basis

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#### Controlling interest

Ricoh Europe Holdings PLC, London, UK  
Rico Company Ltd, Japan

Immediate Parent Company  
Ultimate Parent Company

#### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

#### Consolidated Financial Statements

The Company is included in the consolidated financial statements for the Immediate Parent Company.

## Notes to the Financial Statements

### 13 Related parties (continued)

<u>Name</u>	<u>Place of registered office</u>
Ricoh Europe Holdings PLC	London, United Kingdom

The Group Annual Report of Ricoh Europe Holdings PLC may be obtained at the following address:

20, Triton Street, London NW1 3Bf, UK

The Company is included in the consolidated financial statements of Ricoh Europe Holdings PLC, UK, and ultimately in the consolidated financial statements of the ultimate parent company Ricoh Company Ltd., Japan.

The consolidated financial statements of the ultimate parent company are available at

<https://www.ricoh.com/>

[/Media/Ricoh/Sites/com/IR/financial\\_data/securities\\_report/pdf/AnnualSecuritiesReport\\_124th.pdf#page=102](https://www.ricoh.com/Media/Ricoh/Sites/com/IR/financial_data/securities_report/pdf/AnnualSecuritiesReport_124th.pdf#page=102)

# Notes to the Financial Statements

## 14 Accounting Policies

The Annual Report of Ricoh Danmark A/S for 1 April 2023 - 31 March 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C. The accounting policies applied to these financial statements are consistent with those applied last year.

The Financial Statements for 2023/24 are presented in DKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Ricoh Company Ltd, the Company has not prepared consolidated financial statements.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Ricoh Company Ltd, the Company has not prepared a cash flow statement.

### 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.

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### 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.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

Revenue is recognised in accordance with the following standards:

- IFRS 15 "Revenue from contracts with customers"

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.

Revenues comprise rental from lease contracts and lease services. The rental cover interest income related to the entered lease agreements, document fees etc. and any gains related to entered agreements

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

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### Cost of Sales

Cost of Sales comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

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

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### **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 property, plant and equipment and intangible assets.

### **Financial income and expenses**

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

### **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.

The Company is jointly taxed with other Danish Ricoh companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### Balance Sheet

#### Intangible assets

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Useful lives of the assets: 2 years

#### 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	3-7 years
Other buildings	2-5 years
Leasehold improvements	5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there are any indication of impairment other than that expressed by amortization and depreciation. If so, the asset is written down to its lower recoverable amount.

Leases are recognized in accordance with the following standards:

IFRS 16 "Leases"

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### Inventories

Inventories are measured at the lower of cost under the FIFO method 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 equals landed cost.

### 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.

### Cash

Cash comprises bank deposits.

# Notes to the Financial Statements

## 14 Accounting Policies (continued)

### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest. Prepayments are measured a cost.

### Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Provisions comprise of a provision for a restructuring initiative. Both provisions are recognized with the expected amounts needed to settle the obligation.

### Lease obligations

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

### 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.

## **Notes to the Financial Statements**

### **14 Accounting Policies (continued)**

#### **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years.

## Notes to the Financial Statements

### 14 Accounting Policies (continued)

#### Financial Highlights

##### Explanation of financial ratios

Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$