Registration number: 02203086

OKI Europe Limited

Annual report and Financial statements

31 March 2025

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Company information

Directors
T Egawa
T Hagiwara
T Katagiri
M Mizukami
K Saito

Registration number
02203086

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Strategic report
for the year ended 31 March 2025

The directors present their Strategic report for the year ended 31 March 2025.

OKI Europe Limited (OEL) including its subsidiaries and branches for which the consolidated accounts are prepared, will be referred to as the Group. OEL together with its branches will be referred to as the Company and OKI Electric Industry Co., Ltd (OKI-J) will be referred to as the ultimate parent.

Principal activities

OEL serves the professional printing and imaging markets with a strong focus on the business-to-business sector, where it is a major vendor in the information technology market for printing devices. OEL's portfolio includes toner-based single and multifunction printers, professional 5-colour printers (including white toner), and label roll-to-roll printers, along with related consumable supplies and software utilities such as drivers and configuration tools.

OKI-J owns and develops most of the technology associated with its LED printing heads and their supplies. Crystal Film Bonding (CFB) technology has been integrated and proven effective over more than seventeen years of experience in the printer's market. This technology has now expanded into new realms.

Significant transactions in the year ended 31 March 2025

Mono printers and their consumables, targeting public administration applications, continue to offer significant tender opportunities, with profitability secured by contracts lasting three to five years.

Poland's state-owned security printer—responsible for banknotes, passports, ID cards, and the IT behind border control and cash circulation—has awarded OEL a multi-year contract for 6,000 B432 units amounting to €1.92M.

The MC8 series, a compact yet powerful A3 colour multifunction printer offering excellent print quality and copy functionality, is ideal for small workgroups. Easy to use with a customisable interface, it combines low total cost of ownership with features typically found in higher-priced devices.

Slovakia's national education authority selected OEL for a multi-year contract to supply more than 1,600 MC8 multifunction devices amounting to €1.68M. This rollout supports the government's initiative to modernise school administration and secure document workflows across the country's educational institutions.

OEL plays a significant role in the high-speed colour LED/Laser product segment, targeting the most profitable niches through unique printing applications beyond mono printing in the public sector. These industrial applications range from car number plates and premium food and drink labels to high-definition medical images.

Efforts are also focused on professional 5-colour printers (including white/clear toner) and label printing segments, targeting end customers through direct engagement and collaboration with Print Service Providers (PSPs).

OEL delivered nearly 100 Pro9431 graphic arts-level printers to one of the Nordic region's largest grocery chains, enabling every store in its network to produce shelf-edge labels, price tickets, and promotional signage on demand. The rollout centralises production of brand-consistent, full-colour retail signage while providing supermarkets agility to update prices and promotions on the same day.

OEL won a major OEM agreement to supply over 250 colour label printers to a leading European specialist in digital label systems. The units will be re-branded and integrated into the partner's portfolio, enhancing capabilities for short-run, full-colour label production for food, cosmetics, and industrial applications.

Review of the business

The market opportunity for printing hardware in the LED/laser segment in Western Europe, CEE, and MEA regions for the year ended March 31, 2025 (FY2024), was approximately 9.2 million units, up from 8.62 million units in FY2023 and 9.7 million units in FY2022, according to IDC data. This reflects a 6.8% increase year-on-year, following a previous decline of 11.1%. The market comprises printers and multifunction devices, alongside a diminishing base of stand-alone copiers whose functionality continues to be absorbed by multifunction solutions.

In 2023, the EMEA consumables market, including toner, experienced a significant contraction in market size. This decline was a direct consequence of the substantial drop in Hardcopy Peripherals (HCP) shipments throughout the year. This downturn was influenced by factors such as a declining installed base, wider adoption of continuous supply ink system devices, and lower demand from the consumer segment.

Looking into 2024, the EMEA consumables market showed signs of stabilisation and a potential modest rebound in market value, particularly in the latter half. While Q1 2024 still recorded declines in HCP shipments, Q4 2024 data indicates a notable return to growth in Western Europe and MEA HCP

However, the market continues to evolve with a strong emphasis on sustainability, which influences demand for recycled and efficient consumables, the ongoing impact of hybrid work models (shift towards digital workflows) and circulation of counterfeit cartridges impacting market growth.

Strategic report
for the year ended 31 March 2025 (continued)

Review of the business (continued)

Launch of the OKI PLAVI ES9542R Roll-to-Roll Label Press

OEL is actively expanding into the professional and industrial printer markets, with a particular focus on packaging and labels —an area demonstrating robust growth potential. According to the International Data Corporation (IDC) report for 2024, the printer industry observed an overall 1% decline in global industrial printer shipments, certain segments in the printer industry were notably outperformed. Specifically, the label and packaging printer segment experienced a significant increase in the industry, with shipments rising by 19.4% compared to the previous year.

In the final quarter of FY2024, OEL significantly broadened its industrial print portfolio with the launch of the PLAVI ES9542R Roll-to-Roll Label Press. Positioned strategically between tabletop OKI Pro10 series and high-end digital or flexo equipment, the PLAVI ES9542R enables converters and brand owners to bring short- and mid-run opaque-white label production in-house—an area experiencing double-digit growth. Early European demonstrations have generated strong channel demand, validating the press's alignment with OKI's objective to accelerate growth in industrial and packaging applications.

Launch of the OKI Pro9 series direct-to-pouch printer

In the EMEA region, the flexible pouch segment is among the fastest-growing in the flexible packaging market, with an expected growth rate of around 4% during 2024–2029. This growth is fuelled by increasing consumer preference for convenient, lightweight packaging solutions and the segment's versatility in accommodating various product types.

OKI's strategic introduction of direct-to-pouch printing solutions, such as the Pro9 Series, positions the company to capitalise on these market trends. This approach aligns with the growing demand for customisation and rapid turnaround in packaging, particularly among small to medium-sized enterprises seeking to differentiate their products in the market.

Furthermore, as sustainability becomes a critical factor in packaging decisions, OKI's technology supports eco-friendly initiatives by reducing waste associated with traditional labelling and allowing for the use of recyclable and biodegradable pouch materials. This not only meets regulatory requirements but also appeals to environmentally conscious consumers.

In summary, OKI's direct-to-pouch printers address key drivers in the pouch packaging market—convenience, customisation, and sustainability—thereby enhancing the company's competitiveness and opening new revenue streams in a rapidly expanding sector.

Achievements review

OEL achieved significant revenue growth compared to the previous year, with sales increasing by 158% for A3 colour printers, 134% for the A3 colour workgroup multifunction devices (MC8 series), and 113% for the Pro9 series professional white toner devices.

OKI's colour A3 (20ppm - 40ppm) devices have a market share of over 19.8% across EMEA* IDC data, demonstrating the company's successful focus on higher-value products, professional printing, and business customers. This supports our strategy of not participating in the low-end toner market.

OKI's OEM strategy has proven successful by securing major partnerships that extend our market reach and drive new revenue streams.

- A notable OEM agreement supplying colour label printers to a leading European digital label systems specialist underscores our ability to meet specialised, industry-specific needs, enhancing capabilities for short-run, and full-colour label production for food, cosmetics, and industrial applications.
- Additionally, the Hybrid OEM collaboration for photographic colour kiosks—leveraging the OKI C8 series across more than 1,800 kiosks under a five-year contract—highlights OKI's strength in developing customised printer solutions for high-volume deployments, enhancing our presence in growth segments such as cardstock printing and photobook production.

OKI-J strategically focuses on specialised printing solutions tailored for industrial sectors, including Print Service Providers, packaging, and label manufacturers. Supporting the growing demand for digital short-run printing and customised outputs, OKI-J recently introduced the PLAVI ES9542R Roll-to-Roll Label Press bundle (OKI printer + DPR winder). This advanced device combines OKI's proprietary 5-colour LED toner technology with an integrated conveyor system from industry leader DPR, ensuring seamless, efficient, and high-quality label production.

For OEL, the year ending March 31, 2025, marked continued progress in shifting its business towards higher-value products for professional and industrial markets, such as packaging and label production—fully aligned with OKI-J's broader strategic direction.

The directors use the key financial and performance indicators of the group to be Turnover & Operating Profit before exceptional items. As at 31 March 2025 the company's net sales were €121,650K which declined by 7% compared to the previous year. Operating profit margin is 2.6% in the year ending 31st March 2025 compared to -3.0% in the year ending 31st March 2024. Net operating expenses (SG&A) were €41,493K in the current fiscal year (€44,476K in the previous fiscal year) due to close monitoring and management of Operating (Selling and General Administrative) expenses.

Key performance indicators

The disclosure with regard to the key performance indicators has been provided in the Directors' report on page 9.

Strategic report
for the year ended 31 March 2025 (continued)

Principal risks and uncertainties

The principal risks facing the group are broadly grouped as competitive, legislative, and financial risk management.

Market conditions

Levels of business activity will vary for each of the markets in which the OEL group operates, but ultimately this is dependent on factors such as economic cycles, consumer confidence and growth of the economy. A weak economy could affect the level of customer spending on the group's services.

Competitive pressures

The group operates in a number of highly competitive markets with differing characteristics. Market share could be affected by the emergence of new competitors, product distribution issues, quality, and reputation.

Customers

The group must maintain its ability to continue to provide an innovative service to its customer base and develop in a profitable way in an increasingly price (and margin) sensitive market.

Price risk

The Group has no exposure to equity securities price risk, as it holds no listed or other traded equity investments. The majority of the goods and services sold by the Group are provided from its own resources or are bought in from related parties.

Financial risk management

The Group's principal financial instruments comprise of cash and short-term deposits, the main purpose of which is to provide finance for its normal operations and to reduce the impact of currency exchange rate movements on trading results.

The Group has various other financial instruments such as trade debtors and creditors that arise directly from its trading operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk and liquidity risk. The Group has clear policies for managing each of these risks, as summarized below.

Interest rate risk

The Group holds cash balances on floating rate short-term deposit and maintains borrowings, where this is considered to be commercially appropriate. The Group's policy is to monitor the level of these balances to ensure that funds are available as required, recognizing that interest earnings will be subject to interest rate fluctuations.

Foreign currency risk

The Group buys and sells goods denominated in currencies other than euro. The Group manages receipts and payments through the operation of other denominated currency bank accounts. As a result of the value of the Group's non-euro revenues, purchases, financial assets and liabilities, cash flows can be affected by movements in exchange rates.

The Group seeks to mitigate its exposure to currency movements by matching assets and liabilities and by leading and lagging payments and receipts.

Liquidity risk

The Group aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets.

Creditor payment policy and practice

It is the Group policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Group and its suppliers, providing that all trading terms and conditions have been complied with.

Impact of Middle east conflict

The management has been constantly monitoring the geopolitical situation in the middle east and concludes that the financial impact of these situations over the operations of the Company is minimal.

Strategic report
for the year ended 31 March 2025 (continued)

Governance

The Group complies with the governance guidelines set by OKI-J, the ultimate parent undertaking of OEL. The internal audit function at OEL carries out audits in conjunction with the guidelines issued by the internal audit division of the parent company.

Section 172 statement

The following disclosure describes how the directors had regard to the matters set out in section 172(1) (a) to (f) and forms the directors' statement required under the Companies Act 2006.

Long-term decision-making

The Board has put in place a structured governance model, with scheduled Board meetings and clear documentation and authority levels to control its decision-making process. Our governance model supports the Group in ensuring that decisions are considered, documented and reported. Detailed budgets and forecasts are prepared to enable the Board to track performance and ensure that it is as expected, or that mitigation steps are taken to deliver performance in line with, or close to, expectations. The Board and individual directors operate within this structure, with the aim of promoting the success of the Company.

High standards of business conduct

We have a Code of Conduct setting out the behaviours and values expected of all of our colleagues, which we communicate to all colleagues and third parties. We have processes to update our Board and management on the operation of our code and an independent whistleblowing service to enable employees and third parties to anonymously raise concerns. Through its oversight and monitoring role, the Board requires all of our people to work to the highest standards of business conduct. This is supported through ongoing communication and awareness of, and training in, acceptable company conduct. Any reports of inappropriate behaviour are independently investigated, and action taken where necessary.

Customers

The Group works closely with customers to understand their evolving needs in order to improve and adapt to meet them. The digital transformation in which everything is connected continues to rapidly expand and OKI-J can only achieve sustainable growth by helping solve problems through cooperation with customers.

The Board receives regular updates regarding customer relationships, development and engagement, including customer feedback and complaints data. Investment and innovation to meet customer expectations and further strengthening the relationships is a key consideration of the Group's strategy. The Group remains committed to improving customer experience by setting targets for priority issues and incorporating sustainable goals into corporate management to tackle global social issues.

Suppliers

The Group's suppliers are fundamental to ensuring that the Group meets the high standards of conduct which are expected by key stakeholders. The Group's main supplier is its parent company which is based in Japan.

There is active supplier management including contingency planning. The Group uses OKI-J Procurement Policies which sets out the standards to which suppliers engaging with OEL must apply.

The Board receives updates regarding material developments in key supplier relationships, including updates through internal audit and risk management.

Employees

The Group's long-term success is based on the commitment of the workforce to the Group's purpose and demonstrating OEL values on a daily basis. To maintain a competitive advantage and meet the demands of the commercial environment, employees are adaptive and have a constantly evolving skill base.

Engagement with employees is essential to ensure the Group fosters an environment that the workforce is motivated to work in and that best supports their wellbeing. Colleagues have opportunities for personal development and career progression, a culture of inclusion and diversity, compensation and benefits, and the ability to make a difference within the Group. The employees have a crucial role in delivering the Group's strategy and creating value.

The "Employee involvement" section of the Directors' report on page 7 explains how the Group engages with employees. Employees are provided information that is of concern to them, including business and financial performance updates which are provided by senior management. Colleagues are encouraged to share their views on all matters with senior management.

Strategic report
for the year ended 31 March 2025 (continued)

Shareholder

The Board is committed to openly engage with our shareholder, as we recognize the importance of continuing effective dialogue.

The senior management participates in regular engagement with OKI-J management where the Group's operational and financial performance, strategic plans, risks and opportunities are reviewed. Challenges are raised and addressed by the management ahead of approval.

Senior management provides regular operational and financial performance communications such as monthly trading results to OKI-J.

Community and Environment

The Group's vision is to create positive change for people and communities with which we interact. Sustainability is crucial, and communities expect the Group to provide means to minimize waste and reduce carbon emission. OKI-J have a Mid to long term Environmental targets and vision for 2030/2050.

I. **Prevention of Global Warming**

FY2030: 42% CO2 emissions reduction at OKI-J sites and 25% CO2 emissions reduction at suppliers and from the use of products (compared to FY2020). FY2050: Net zero CO2 emissions at OKI-J site and the entire value chain, Net zero power consumption by new products. These are as per the targets set by OKI-J.

Measures for OKI-J sites

Promote the following measures to achieve zero CO2 emissions at sites (Zero Energy Building (ZEB), etc.)

Ensuring energy conservation: Increasing the efficiency of production facilities and facilities at each site, increasing the efficiency of all operations.

Introducing renewable energy: Installing renewable energy facilities at each site, contracting for electricity derived from renewable energy, etc.

Measures for suppliers

- Strengthening communication with suppliers, procuring components from manufacturers with low CO2 emissions.

Measures Taken When Using Products

- Power saving in hardware products, technology development, selection of power-saving parts, and reduction in the number of parts.

II. Contribution to achieve Sustainable Development Goals (SDG's)

FY2030: Through (a) and (b) below, contribute to achieving the targeted reductions in environmental impact set out by the 2030 SDGs.

a) Generate innovative products and services and provide solutions conducive to resolving a wide range of environmental issues. Environmental Contribution Product Net Sales Ratio of 50% or more.

b) Realize innovative technologies for manufacturing and creating things in the value chain, including workplaces.

FY2050: In addition to preventing global warming and adapting to climate change, we will promote innovation in products and services that contribute to solving environmental issues and support social infrastructure by promoting development and provision.

On behalf of the board:

DocuSigned by:

T. Katagiri

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T Katagiri
Director

Date: 31 July 2025

Directors' report
for the year ended 31 March 2025

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

Directors

The directors who held office during the year and up to the date of signature of the financial statements, unless otherwise indicated, were as follows:

T Katagiri
T Hagiwara
T Egawa (appointed on 1 April 2025)
M Mizukami (appointed on 1 April 2025)
K Saito (appointed on 1 April 2025)
H Fukushima (resigned on 1 April 2025)
J Kimoto (resigned on 1 April 2025)
S Miyasaka (resigned on 1 April 2025)

Going concern

The Group's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, and its exposure to liquidity and cash flow risk are described in the business review within the Strategic report.

The Group recorded a net profit of €2,347k (2024 net loss: €5,620k) for the year and shows closing shareholders' funds of €25,650k (2024: €23,410K) at 31 March 2025.

Management has reviewed the cash flow projections for the next twelve months as part of the going concern review and has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future.

The Group has received confirmation from OKI-J that it will continue to provide financial support as long as required and at least for a period of twelve months from the date of signing the financial statements.

Based on the information above, the Group's forecasts and the continued availability of financial support from its parent undertaking, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and for a period of at least twelve months from the date of signing the financial statements. Accordingly, the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

Directors' indemnity

The Company maintains liability insurance for its directors and officers. This is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006. The insurance cover was in force during the year and is still in force at the date of approving the financial statements.

Disabled employees

It is the Group's policy to give full consideration to suitable applications for employment from disabled persons. Disabled employees are eligible to participate in all career development opportunities available to staff. Opportunities also exist for employees of the Group who become disabled to continue their employment or be trained for other positions in the Group.

Employee involvement

The Group is committed to involving all employees in the performance and development of the Group. Employees are encouraged to discuss with management the matters of interest to the employee and subjects affecting day to day operations of the Group. Employees participate in regular Town Hall meetings where they receive updates and have the opportunity to provide feedback to senior management. Where appropriate, such meetings involve financial and economic factors affecting the performance of the Company. OEL's goal is to create health and safety practices and work environments which promote employee health and well-being.

The Group believes that a diverse workforce reflects the demographics of the market in which the Group operates and encourages creativity and innovation, creates a corporate culture in which its personnel are encouraged to engage challenges facing the Group with courage and determination.

Directors' report
for the year ended 31 March 2025 (continued)

Stakeholder engagement

The directors' principal decisions taken during the financial year, along with their commitment to fostering the Group's business relationships with stakeholders, are summarised in Section 172 statement in the Strategic report.

Charitable contributions

The Group made charitable donations during the year of €nil (2024: €nil).

Exceptional items

During the year, the exceptional expense incurred as part of the write off of the net assets of subsidiary to be sold was €140k (2024: €nil).

Streamlined energy and Carbon reporting

To comply with SECR, the Company has reported on all of the emission sources required under "The Companies (Directors' report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018". The primary sources of emissions relate to electricity consumption and staff leased vehicles.

OEL energy usage for the year ended 31 March 2025	2025	2024*
Energy consumption used to calculate emissions/kWh	153,970	154,002
Emission from combustion of fuel for transport purposes tCO2e (Scope 1)	26.35	26.68
Emission in metric tons CO2e- Purchased electricity (Scope 2)	31.88	31.89
Intensity measurement ratio - TCO2e/sales revenue	0.00048	0.00045
Intensity metric: Sales revenue €'000	121,650	130,675

* Comparative have been restated to account for the actual units of electricity consumed rather than billed amount which was disclosed in the prior year.

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2024 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tons CO2e per total € thousand sales revenue.

Reducing our impact: Minimizing our carbon energy footprint:

The management will consider the environmental impact of renewing its assets (leased vehicles and IT equipment) when they are due for renewal.

Result and dividends

The results for the year are set out on page 15. No ordinary dividends were paid (2024: €nil).

Financial risk management

In accordance with the Companies Act 2006, information on the financial risk management objectives and policies of the Company and exposure of the Company to risk in relation to the use of financial instruments which would otherwise be required to be contained in the Directors' report has been included in the Company's Strategic report on page 4.

Directors' report
for the year ended 31 March 2025 (continued)

Branches outside the UK

The Company has branches outside the United Kingdom in the following countries:

1. Germany
2. Switzerland
3. Italy
4. France
5. Poland
6. Czech Republic
7. United Arab Emirates
8. Portugal
9. Denmark
10. Sweden
11. Ukraine (Representative office) – Under liquidation

Key performance indicators

The Group's key performance indicators are as follows:

	2025 €'000	2024 €'000	Change %
Turnover	121,650	130,675	(7)%
Operating profit/(loss) before exceptional items	3,172	(3,919)	181%

Future developments

OKI-J's participation in the ETRIA joint venture—alongside Ricoh and Toshiba Tec—marks a strategic advancement in its multifunction printer (MFP) business. By contributing its proprietary LED head technology, OKI-J aims to develop more compact, energy-efficient, and resource-conscious MFPs. This collaboration facilitates cost efficiencies through the standardization of key components and materials, optimizing production processes. Additionally, the synergy between ETRIA's Auto-ID solutions and OKI's LED colour label printer business is poised to drive future innovation. Integrating OKI-J's production facility in Thailand further enhances supply chain flexibility and manufacturing resilience. Collectively, these initiatives position OKI-J to deliver advanced, sustainable printing solutions, reinforcing its competitiveness in the evolving global MFP market. There shall be no expected impact on OEL for a foreseeable future.

OKI-J's Exponential Technologies Towards the Future (beyond printing)

OKI-J is committed to leveraging technological innovation to address societal challenges and enhance operational efficiency. OKI-J has released its 242nd technical journal, highlighting advanced technologies and their potential to solve critical social issues.

Edge Platform Concept:

Technologies:

QST® x CFB for GaN Devices: Enhances the efficiency and performance of vertical gallium nitride devices, crucial for power electronics.

Zero-Energy IoT for Infrastructure Monitoring: Implements energy-harvesting IoT sensors for continuous infrastructure health monitoring without external power sources.

Digital Twin for Traffic Flow Optimization: Uses digital twin technology to simulate and optimize real-time traffic management and reduce congestion.

Advanced Sensing Technologies: Utilizes optical fibres and metal cables for precise environmental sensing, enabling real-time data collection in harsh conditions.

Strategic initiatives

Business Transformation: Enhancing productivity and competitiveness, creating new solutions.

Social Impact: Addressing infrastructure safety, environmental conservation, job satisfaction, and productivity.

Core Competency: High-quality, reliable technologies, robust AI, sensor solutions, and zero-energy IoT.

Directors' report
for the year ended 31 March 2025 (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared The Group and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

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

Events after balance sheet date

Subsequent to the reporting date, OEL Group undertook a reorganisation of certain branch operations as part of a broader strategic restructuring initiative. This was announced post year-end and considered as a non-adjusting event.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment has been proposed at the Annual General Meeting.

DocuSigned by:

T. Katagiri

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On behalf of the Board:

T Katagiri

Director
31 July 2025

Independent auditors' report to the members of OKI Europe Limited

Report on the audit of the financial statements

Opinion

In our opinion, OKI Europe Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2025 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Group Statement of Financial Position and the Company Statement of Financial Position as at 31 March 2025; the Group Income Statement, the Group Statement of Comprehensive Income, the Group Statement of Cash Flows, the Group Statement of Changes in Equity and the Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are responsible for assessing the group's and 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 the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 and relevant tax regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and potential management bias in the selection and application of significant accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, including performing additional procedures where applicable;
- Reviewing legal expenses and legal correspondence to identify non-compliance instances around the group, and performing external confirmation procedures to the lawyers involved in identified non-compliance risks;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Reviewing correspondence with UK tax authorities, if applicable, to identify instances of non compliance;
- Reviewing all of the available board of directors meeting minutes;
- Incorporating elements of unpredictability in the selection of audit procedures;
- Identifying and testing the validity of journal entries, in particular journal entries posted with unusual account combinations and by unusual users; and
- Challenging assumptions made by management in the selection and application of significant accounting judgements and estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

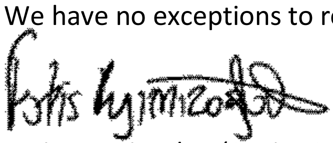
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Fotis Kyrmizoglou (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
31 July 2025

Group income statement

for the year ended 31 March 2025

	Note	2025 €000	2024 €000
Turnover	3	121,650	130,675
Cost of sales		(76,985)	(90,118)
Gross profit		44,665	40,557
Distribution costs		(21,597)	(24,251)
Administrative expenses		(19,248)	(20,238)
Other operating (expenses)/income		(648)	13
Operating profit/(loss) before exceptional items	4	3,172	(3,919)
Exceptional expense	5	(140)	-
Operating profit/(loss)		3,032	(3,919)
Interest receivable and similar income	9	362	467
Interest payable and similar expenses	10	(281)	(247)
Profit/(loss) before taxation		3,113	(3,699)
Tax on profit/(loss)	11	(766)	(1,921)
Profit/(loss) for the financial year		2,347	(5,620)

All amounts are derived from continuing operations.

Profit/(loss) for the financial year and the previous financial year is all attributable to the owners of the parent company.

The notes on pages 22 to 51 form an integral part of the financial statements.

Group statement of comprehensive income
for the year ended 31 March 2025

	Note	2025 €000	2024 €000
Profit/(loss) for the financial year		2,347	(5,620)
Other comprehensive (expense)/income:			
Actuarial loss on defined benefit pension schemes	22	(518)	(1,975)
Currency translation differences		481	(341)
Other comprehensive expense for the year		(37)	(2,316)
Total comprehensive income/(expense) for the year		2,310	(7,936)

Total comprehensive income/(expense) for the year is all attributable to the owners of the parent company.

The notes on pages 22 to 51 form an integral part of the financial statements.

Group statement of financial position

As at 31 March 2025

Registration number: 02203086

	Note		2025		2024
		€000	€000	€000	€000
Fixed assets					
Intangible assets	13		3		6
Tangible assets	14		842		973
Right of use assets	15		3,124		-
Investments	16		-		-
			3,969		979
Current assets					
Stocks	17	20,679		19,632	
Debtors	18	13,332		13,095	
Defined benefit pension asset	22	11,401		11,262	
Cash and cash equivalents		8,967		10,456	
		54,379		54,445	
Creditors: amounts falling due within one year	19	(23,435)		(24,199)	
Net current assets			30,944		30,246
Total assets less current liabilities			34,913		31,225
Lease liabilities	20		(2,344)		-
Provisions for liabilities	21		(6,919)		(7,815)
Net assets			25,650		23,410
Capital and reserves					
Called up share capital	23		141,366		141,366
Share premium account			25,816		25,816
Other reserves	24		224,632		224,632
Profit and loss account	24		(366,164)		(368,404)
Total equity			25,650		23,410

The financial statements on pages 15 to 51 were approved by the Board of directors and authorised for issue on 31 July 2025 and are signed on its behalf by:

DocuSigned by:

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T Katagiri
Director

The notes on pages 22 to 51 form an integral part of the financial statements.

Company statement of financial position
As at 31 March 2025
Registration number: 02203086

	Note	€000	2025 €000	€000	2024 €000
Fixed assets					
Intangible assets	13		3		6
Tangible assets	14		839		972
Right of use assets	15		3,078		-
Investments	16		5,527		5,527
			9,447		6,505
Current assets					
Stocks	17	20,613		19,507	
Debtors	18	13,113		12,972	
Defined benefit pension asset	22	11,401		11,262	
Cash and cash equivalents		8,399		9,580	
		53,526		53,321	
Creditors: amounts falling due within one year	19	(32,197)		(32,686)	
Net current assets			21,329		20,635
Total assets less current liabilities			30,776		27,140
Lease liabilities	20		(2,344)		-
Provisions for liabilities	21		(6,919)		(7,815)
Net assets			21,513		19,325
Capital and reserves					
Called up share capital	23		141,366		141,366
Share premium account			25,816		25,816
Other reserves	24		231,496		231,496
Profit and loss account	24		(377,165)		(379,353)
Total equity			21,513		19,325

The Company's profit for the year ended 31 March 2025 was €2,619k (2024: loss of €6,029k).

The financial statements on pages 15 to 51 were approved by the Board of Directors and authorised for issue on 31 July 2025 and are signed on its behalf by:

DocuSigned by:

T. Katagiri

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T Katagiri

Director

The notes on pages 22 to 51 form an integral part of the financial statements.

Group statement of changes in equity
for the year ended 31 March 2025

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	€000	€000	€000	€000	€000
Balance at 1 April 2023	141,366	25,816	224,632	(360,468)	31,346
For the year ended 31 March 2024					
Loss for the financial year	-	-	-	(5,620)	(5,620)
Other comprehensive expense:					
Actuarial loss on defined benefit plans (refer note 22)	-	-	-	(1,975)	(1,975)
Currency translation differences on overseas subsidiaries & branches	-	-	-	(341)	(341)
Total comprehensive expense for the year	-	-	-	(7,936)	(7,936)
Balance at 31 March 2024	141,366	25,816	224,632	(368,404)	23,410
Effect of adoption of Section 20 leases (note 26)	-	-	-	(205)	(205)
Balance at 1 April 2024*	141,366	25,816	224,632	(368,609)	23,205
Profit for the financial year	-	-	-	2,347	2,347
Other comprehensive expense:					
Actuarial loss on defined benefit plans (refer note 22)	-	-	-	(518)	(518)
Currency translation differences on overseas subsidiaries & branches	-	-	-	481	481
Total comprehensive income for the year	-	-	-	2,310	2,310
Currency translation adjustment to retained earnings	-	-	-	135	135
Balance at 31 March 2025	141,366	25,816	224,632	(366,164)	25,650

* The Company applied FRS 102 Section 20 Leases at 1 April 2024, using the modified retrospective approach. Under this approach, comparative information is not restated.

The notes on pages 22 to 51 form an integral part of the financial statements.

Company statement of changes in equity
for the year ended 31 March 2025

	Called up share capital	Share premium account	Other reserves	Other reserve - Merger reserve	Profit and loss account	Total equity
	€000	€000	€000	€000	€000	€000
Balance at 1 April 2023	141,366	25,816	224,632	6,864	(371,072)	27,606
For the year ended 31 March 2024						
Loss for the financial year	-	-	-	-	(6,029)	(6,029)
Other comprehensive expense:						
Actuarial loss on defined benefit plans (refer note 22)	-	-	-	-	(1,975)	(1,975)
Currency translation differences on overseas subsidiaries & branches	-	-	-	-	(277)	(277)
Total comprehensive expense for the year	-	-	-	-	(8,281)	(8,281)
Balance at 31 March 2024	141,366	25,816	224,632	6,864	(379,353)	19,325
Effect of adoption of Section 20 leases (note 26)	-	-	-	-	(205)	(205)
Balance at 1 April 2024*	141,366	25,816	224,632	6,864	(379,558)	19,120
Profit for the financial year	-	-	-	-	2,619	2,619
Other comprehensive expense:						
Actuarial loss on defined benefit plans (refer note 22)	-	-	-	-	(518)	(518)
Currency translation differences on overseas subsidiaries & branches	-	-	-	-	157	157
Total comprehensive income for the year	-	-	-	-	2,258	2,258
Currency translation adjustment to retained earnings	-	-	-	-	135	135
Balance at 31 March 2025	141,366	25,816	224,632	6,864	(377,165)	21,513

* The Company applied FRS 102 Section 20 Leases at 1 April 2024, using the modified retrospective approach. Under this approach, comparative information is not restated.

The notes on pages 22 to 51 form an integral part of the financial statements.

Group statement of cash flows
for the year ended 31 March 2025

	Note	€000	2025 €000	€000	Restated* 2024 €000
Cash flows from operating activities					
Net cash from operating activities	27		(4,331)		(10,399)
Interest paid			(157)		(247)
Interest received			39		93
Income taxes paid			(598)		(2,884)
Net cash used in operating activities			(5,047)		(13,437)
Investing activities					
Purchase of fixed assets					
Purchase of intangible assets		(226)		(239)	
Proceeds on disposal of fixed assets		-		(8)	
		-		16	
Net cash used in investing activities			(226)		(231)
Financing activities					
Repayment of principle portion of lease liabilities		(1,404)		-	
Proceeds from intercompany loan		5,000		-	
Net cash from financing activities			3,596		-
Net decrease in cash and cash equivalents			(1,677)		(13,668)
Cash and cash equivalents at beginning of year			10,456		24,316
Exchange gain/(loss) from cash and cash equivalents			188		(192)
Cash and cash equivalents at end of year			8,967		10,456

* During the preparation of the financial statements for the current year, it was identified that a misinterpretation of the cash flow exemption available in FRS 102 led to the omission of the cash flow statement from the previous year's financial statements. This omission did not affect any of the Company's key performance indicators (KPIs). The cash flow statement has now been included in the current year's financial statements, along with the comparatives thereon.

Notes to the financial statements
for the year ended 31 March 2025

1. Material accounting policy information

Company information

OEL ("the Company") is a limited company domiciled and incorporated in England, United Kingdom. The Company is a private company limited by shares. The registered office is Blays House, Wick Road, Englefield Green, Egham, Surrey, TW20 0HJ.

The Group consists of OEL and all of its subsidiaries (refer to note 16).

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statement are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are prepared in Euros, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest thousand euros (€000).

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below. The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The Company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' - Presentation of a company statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments'
- Section 33 'Related Party Disclosures' - Compensation for key management personnel and transactions with wholly owned group companies.

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the year was €2,619k (2024: loss of €6,029k).

1.2 Adoption of new and revised standards

Section 20 Leases

In the current year, OEL has early-adopted the 2024 FRC “periodic review” amendments to FRS 102 Section 20 Leases, effective for periods commencing on or after 1 January 2026. Under the revised section 20, significant changes to the lease accounting is introduced by removing the distinction between operating and finance lease requirements and by requiring the recognition of a right-of-use asset and a lease liability measured at the present value of future lease payments, discounted using the entity’s incremental borrowing rate. There are optional exemptions available for the lessees in case of short-term leases and leases of low value assets. The impact of adoption of amendments to section 20 on the Group's and Company's Financial statements is described below.

OEL has applied the amendments using the modified retrospective approach, with no restatement of comparative information. OEL has elected to apply the practical expedient to grandfather the definition of a lease on transition, and thereby applying amendments to section 20 to all contracts entered into before 1 April 2024 and identified as leases in accordance with IAS 17 and IFRIC 4. The cumulative effect of adopting amendments to section 20 is recognized as an adjustment to the opening balance of retained earnings at 1 April 2024. With the application of revised section 20, the nature of expenses related to operating leases will now change because the Group will recognize a depreciation charge for right of use assets and interest expense on lease liabilities. Previously, the Group recognized operating lease expense on a straight-line basis over the term of the lease. The impact of the adoption of amendments to section 20 on the Financial Statements as on 1 April 2024 is detailed in note 26. This assessment value includes all lease arrangements other than for short-term leases and low-value leases which will continue to be recognized on a straight line basis.

The Group and Company apply recognition exemptions for short-term leases (12 months or less) and low-value assets, considering whether the asset can be used independently and is not highly interrelated with other assets. Lease payments for these leases are recognised on a straight-line basis over the lease term. The transition to FRS 102 Section 20 Leases has not materially affected the Group's and Company's income statement for the year ended 31 March 2025.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

1. Material accounting policy information (continued)

1.2 Adoption of new and revised standards (continued)

Section 23 Revenue from Contract with Customers

In the current year, the OEL has adopted Section 23, "Revenue from Contracts with Customers", which provides a comprehensive five-step model for revenue recognition for all contracts with customers, based on identifying the distinct goods or services promised to the customer and the amount of consideration to which the entity will be entitled in exchange. The Company have adopted the modified retrospective approach, with no restatement of the comparatives. The cumulative effect of applying the amendments as an adjustment to the opening balance of retained earnings at the date of initial application is £nil. There is no material impact to revenue recognition for the year ended 31 March 2025 and 31 March 2024, respectively.

No other new standards, amendments or interpretations, effective as a result of early implementation of 2024 FRC "periodic review" amendments had a material impact in the financial statements.

1.3 Basis of consolidation

The consolidated financial statements incorporate those of OEL and all of its subsidiaries (i.e. entities that The Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2025. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Intra-group cross border mergers were accounted for using hybrid merger accounting principles prospectively from the date on which the Company takes control of the underlying trade and assets with the subsequent dissolution of the subsidiaries. The difference between the value of the net assets acquired and the previous cost of investment in the subsidiary undertaking is taken to 'merger reserves' and is shown as part of equity in the Company's financial statements.

1.4 Going concern

The Group's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, and its exposure to liquidity and cash flow risk are described in the business review within the Strategic report.

The Group recorded a net profit of €2,347k (2024 net loss: €5,620k) for the year and shows closing shareholders' funds of €25,650k (2024: €23,410K) at 31 March 2025.

Management has reviewed the cash flow projections for the next twelve months as part of the going concern review and has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future.

The Group has received confirmation from OKI-J that it will continue to provide financial support as long as required and at least for a period of twelve months from the date of signing the financial statements.

Based on the information above, the Group's forecasts and the continued availability of financial support from its parent undertaking, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and for a period of at least twelve months from the date of signing the financial statements. Accordingly, the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

1.5 Turnover

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied or services rendered, stated net of discounts, returns and value added taxes. The company recognizes revenue when performance obligations have been satisfied and this is when the goods or services have been transferred to the customer and the customer has control of these. The company's activities are described in detail below.

Notes to the financial statements for the year ended 31 March 2025 (continued)

1. Material accounting policy information (continued)

1.5 Turnover (continued)

Sales of goods

Sales are recognised at point in time when control of the products has been transferred, being when the products are delivered to distributors, the distributors have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the distributor's acceptance of the products. Delivery occurs when the products have been shipped or delivered as per the terms of the agreement, the risks of inventory has been transferred, and either the distributor has accepted the products in accordance with the sales contract, the acceptance provision have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied. The sales are made with a credit term of 30 days, which is consistent with market practice. Revenue is recognised net of discount and only recognised to the extent that it is highly probable that a significant reversal will not occur. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rendering of services

Revenue from service contracts, is recognised over the period of the contract. Revenue is recognised in the accounting period in which the services are rendered following the output method. Where invoices are raised in advance, the revenue is deferred as a liability and recognised as revenue over the period it relates to. Where the invoice is raised in arrears, revenue from services provided but not yet invoiced are recognised on an accrued basis.

1.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

1.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

1.8 Tangible assets

Tangible assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Assets are not depreciated until commissioned.
Depreciation is recognised to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method on the following bases:

Leasehold improvements	Over 3 to 10 years
Plant and equipment	Over 3 to 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the income statement.

The carrying values of tangible fixed assets are reviewed for impairments when events or changes in the circumstances Indicate the carrying value may not be recoverable.

1.9 Leases

The Group has lease contracts for various items of buildings, vehicles and other equipment used in the operations. Leases of these items generally have lease terms between 2 to 8 years.

The Group has certain leases with lease terms of 12 months or less, the Group applies the 'short term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Right-of-use assets

The Group recognises a right-of-use asset at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, which comprises:

(a) the initial amount of the lease liability,

(b) any lease payments made at or before the commencement date less any lease incentives received,

(c) any initial direct costs incurred, and

(d) an estimate of costs to dismantle or restore the asset or site (where applicable).

Notes to the financial statements
for the year ended 31 March 2025 (continued)

1. Material accounting policy information (continued)

1.9 Lease (continued)

Right-of-use assets (continued)

Right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and are adjusted for any remeasurement of the related lease liability. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the asset's useful life. Impairment reviews are conducted where indicators of impairment exist.

Lease liabilities

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's obtainable or incremental borrowing rate.

Lease payments include:

(a) fixed payments (including in-substance fixed payments) less any lease incentives receivable;
(b) variable lease payments that depend on an index or rate;
(c) amounts expected to be paid under residual value guarantees;
(d) the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
(e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease liabilities are subsequently increased by interest charges and reduced by lease payments made. Reassessments and remeasurements are performed when relevant lease terms or estimates change.

Recognition exemptions

The Group applies the recognition exemptions allowed under FRS 102 for:

- Short-term leases (with a lease term of 12 months or less and no purchase option), applied by class of underlying asset; and
- Leases of low-value assets, assessed on a lease-by-lease basis, where the asset is not highly dependent on or interrelated with other assets and can be used independently or with readily available resources.

For these leases, the Group recognises lease payments as an expense on a straight-line basis over the lease term.

Lease modification

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

1. Material accounting policy information (continued)

1.10 Intangible assets (continued)

Intangible assets are stated at cost less accumulated amortisation and accumulated Impairment losses. Amortisation is calculated using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software	Over 3 to 5 years

Amortisation is included in 'administrative expenses' in the profit and loss account. Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new Circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired. Costs associated with maintaining computer software are recognised as an expense as incurred.

The cloud-based software is a service contract and the services are obtained as a part of the contract. Whilst FRS 102 does not have explicit guidance on cloud-based service contracts like IFRS, FRS 102 does permit companies to refine their accounting policies and adopt the principles outlined in the IFRS agenda decisions if the resulting accounting policy is consistent with FRS 102.

1.11 Stocks

Cost is determined on the standard cost method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.13 Financial instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

1. Material accounting policy information (continued)

1.13 Financial instruments (continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

1.14 Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Group.

1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

1. Material accounting policy information (continued)

1.16 Provision

Provisions are recognised when The Group has a legal or constructive present obligation as a result of a past event, it is probable that The Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, considering the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision in measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the year it arises.

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the year in which the employee's services are received.

Termination benefits are recognised Immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

Defined benefit pension schemes

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increase in the present value of the liabilities of The Group's defined benefit pension schemes expected to arise from employee service in the year is charged to operating profit.

The expected return on the schemes' assets and the increase during the year in the present value of the schemes' liabilities arising from the passage of time are included in interest payable. Actuarial gains and losses are recognised in the Group statement of comprehensive income. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised on the Statement of financial position.

Defined contribution pension schemes

Amounts charged to profits represent the contribution payable to the schemes in the year.

1.19 Foreign exchange

Transactions in currencies other than Euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the year.

The financial statements of overseas subsidiary undertakings are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the retranslation of opening net assets is taken directly to reserves.

1.20 Exceptional items

The Group has adopted an accounting policy and income statement format that seeks to highlight significant items of income and expense within Group results for the year. The directors believe that this presentation provides a more helpful analysis as it highlights one-off items. Such items may include significant restructuring costs, profits or losses on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, significant impairment of assets and unforeseen gains/ losses arising on derivative instruments. The directors in assessing the particular items, which by virtue of their scale and nature are disclosed in the income statement and related notes as exceptional items, use judgement.

1.21 Investments in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

2. Critical accounting judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following estimates (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating. with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality. The mortality rate is based on publicly available mortality tables for the specific country and updated to reflect mortality investigations where deemed necessary. Future salary increases and pension increases are based on expected future inflation rates for the respective country. Further details are given in note 22.

3. Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the Company's principal activity, which is continuing and stated net of value added tax.

The Group operates within three geographical markets, the United Kingdom, the rest of European Community and Non-European Community countries.

Turnover analyzed by geographical market

	2025	2024
	€000	€000
United Kingdom	5,342	14,582
European Community	108,152	104,407
Non-European Community	8,156	11,686
	121,650	130,675

Turnover analyzed by class of business

	2025	2024
	€000	€000
Sale of goods	119,644	125,964
Rendering of services	2,006	4,711
	121,650	130,675

Notes to the financial statements
for the year ended 31 March 2025 (continued)

4. Operating profit/(loss) before exceptional items

Operating profit/(loss) before exceptional items for the year is stated after charging/(crediting):

	2025 €000	2024 €000
Loss/(gain) on disposal of fixed assets	7	(6)
Exchange losses	661	266
Depreciation and amortisation of owned fixed assets	353	337
Recharge depreciation cost	(12)	-
Depreciation of right of use assets	1,326	-
Cost of stocks recognised as an expense	76,985	90,118
Stock impairment	(195)	614
Stock valuation adjustment	440	(3,391)
Staff costs	17,505	20,348
Operating lease charges	576	2,112

5. Exceptional expense

	2025 €000	2024 €000
Write off of net assets of subsidiary to be sold	140	-
	140	-

6. Auditors' remuneration

Fees payable to the Company's auditors and associates	2025 €000	2024 €000
For audit services		
Audit of the financial statements of the Group and Company	762	756
Audit of the Company's subsidiaries & branches	13	12
	775	768
For other services		
Audit related assurance services	29	29
	29	29

The directors have agreed with the Company's auditors that the auditor's liability to damages for breach of duty in relation to the audit of the Company's financial statements for the year to 31 March 2025 and the financial statements of its UK subsidiaries whose statutory audits are governed by the same agreement with the auditor (the ‘subsidiaries’) will be limited to the greater of £5 million or 5 times the auditor's fees for the statutory audits, and that, in any event, the auditor's liability for damages will be limited to that part of any loss suffered by the Company and the subsidiaries as is just and equitable having regard to the extent to which the auditor, the Company, the subsidiaries and any third parties are responsible for the loss in question. The shareholders of the Company waived the need for approval of this liability limitation agreement, as required by the Companies Act 2006, by a resolution dated 2 December 2024.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

7. Employees

The average monthly number of persons (including directors) employed by the Group during the year was:

	Group		Company	
	2025	2024	2025	2024
	Number	Number	Number	Number
Administration	62	72	60	70
Sales and marketing	64	87	64	87
Warehouse and distribution	6	8	3	4
Service	20	21	17	17
	152	188	144	178

Their aggregate remuneration comprised:

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Wages and salaries	14,611	17,051	14,171	16,549
Social security costs	1,979	2,328	1,922	2,271
Other pension costs	915	969	804	910
	17,505	20,348	16,897	19,730

The amount of wages and salaries include redundancy cost of €1,835k (2024: €1,286k) in respect of the Group and €1,120k (2024: €1,286k) in respect of the Company.

8. Directors' remuneration

	2025	2024
	€000	€000
Remuneration for qualifying services*	754	781
Company pension contributions	8	8
	762	789

*Includes remuneration of €79,032 (2024: €70,214) which was paid by OKI-J to the directors.

There were three (2024: three) directors to whom the pensions contributions was made by OKI-J.

Remuneration disclosed below includes the following amounts paid to the highest paid director:

	2025	2024
	€000	€000
Remuneration for qualifying services*	262	257
Company pension contributions	2	3
	264	260

* Includes remuneration of €30,341 (2024: €24,111) which was paid by OKI-J to the directors.

9. Interest receivable and similar income

	2025 €000	2024 €000
Interest income		
Interest on bank deposits	19	32
Other interest income	20	61
Net return on retirement benefit (refer note 22)	323	374
	362	467

This disclosure relate to OEL Retirement Benefit Scheme in the United Kingdom and Italy.

10. Interest payable and similar expenses

	2025 €000	2024 €000
Interest on financial liabilities measured at amortised cost		
Interest on bank overdrafts and loans	-	2
Interest on intercompany loan	123	-
Interest on lease liabilities (Note 20)	123	-
	246	2
Other finance costs		
Other interest	35	245
Total finance costs	281	247

11. Tax on profit/(loss)

a. Tax on profit/(loss)

Tax expense included in profit or loss:

	2025 €000	2024 €000
Current tax		
UK corporation tax on profit/(loss) of the year	-	-
UK tax (over)/under provided in previous years	(7)	29
Foreign tax	529	344
Foreign tax under provided in previous years	68	1,401
Total current tax	590	1,774

Notes to the financial statements
for the year ended 31 March 2025 (continued)

11. Tax on profit/(loss) (continued)

Deferred tax	**2025** **€000**	**2024** **€000**
Origination and reversal of timing differences	104	147
Derecognition of overseas deferred tax assets	72	-
Total deferred tax	176	147
Total tax charge	766	1,921

b. Factors affecting the total tax charge:

Tax assessed for the year is lower (2024: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2025 of 25% (2024: 25%). The differences are explained below:

	2025 **€000**	**2024** **€000**
Profit/(loss) before tax	3,113	(3,699)
Profit/(loss) before tax multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%)	778	(925)
Effects of:		
Expenses not deductible for tax purposes	18	-
Income not taxable	-	(84)
Prior year adjustments	61	1,430
Unrelieved foreign tax	583	352
Unrecognized deferred tax	(674)	1,148
Tax on profit/(loss)	766	1,921

c. Tax included in group statement of total other comprehensive income

The tax credit is made up as follows	**2025** **€000**	**2024** **€000**
Deferred tax	(171)	(661)

OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted in the UK, the jurisdiction where the entity is incorporated, and is effective in 2024.

Under this legislation, the Group is liable to pay a top-up tax in the UK for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate. Additionally, top-up taxes are payable locally where qualifying domestic minimum top-up taxes have been legislated and are in effect.

Management has evaluated the Group's potential exposure to Pillar Two top-up tax for 2025. Based on this evaluation, the Group concluded no exposure to Pillar Two top-up tax, as the UK jurisdiction shows zero GloBE Income due to the use of carried-forward losses from previous years, and transitional safe harbour relief is applicable to all jurisdictions outside the UK where the Group operates.

Notes to the financial statements for the year ended 31 March 2025 (continued)

12. Deferred taxation

Group

The deferred tax included in the Group statement of financial position is as follows:

	2025 €000	2024 €000
Included in provisions for liabilities (note 21)	(2,851)	(2,816)

Total deferred tax assets and liabilities are as follows:

	Recognised		Unrecognised	
Group	**2025 €000**	**2024 €000**	**2025 €000**	**2024 €000**
Tax losses	-	-	2,454	3,132
Fixed asset timing differences	-	-	-	-
Pension	(2,851)	(2,816)	-	-
Other timing differences	-	-	1,409	1,789
	(2,851)	(2,816)	3,863	4,921

The management continued not to recognise all deferred tax asset balances across the Group. Deferred tax assets of €3,863k (2024: €4,921k), consisting of tax losses and other timing differences, have not been recognised as there is insufficient evidence as to their recoverability in the foreseeable future. This decision is based upon the impact on the Group's business operations of the current uncertain economic environment across the EMEA region. Management believes that at this stage, there is insufficient evidence to suggest it is 'probable' that there will be future taxable profits available to utilise the deferred tax assets.

The €2,454k (2024: €3,132k) unrecognised deferred tax asset on tax losses as at 31 March 2025 has no expiry date.

	Group	
	2025	**2024**
Movements in the year:	**€000**	**€000**
At 1 April	(2,816)	(3,232)
Deferred tax charge in group profit and loss account	(176)	(147)
Credit to other comprehensive income (note 22)	171	661
Foreign exchange differences	(30)	(98)
Liability as at 31 March	(2,851)	(2,816)

Company

The deferred tax included in the Company statement of financial position is as follows:

	2025 €000	2024 €000
Included in provision for liabilities (note 21)	(2,851)	(2,816)

Notes to the financial statements
for the year ended 31 March 2025 (continued)

12. Deferred taxation (continued)

	Recognised		Unrecognised	
	2025	**2024**	**2025**	**2024**
Company	**€000**	**€000**	**€000**	**€000**
Tax losses	-	-	2,454	3,132
Pension	(2,851)	(2,816)	-	-
Other timing differences	-	-	1,198	1,789
	(2,851)	(2,816)	3,652	4,921

Factors that may affect future tax charges

Deferred tax assets of €3,652k (2024: €4,921k), consisting of tax losses and other timing differences, have not been recognised as there is insufficient evidence as to their recoverability in the foreseeable future. The assets should be recoverable against future trading profits. The €2,454k (2024: €3,132k) unrecognised deferred tax asset on tax losses as at 31 March 2025 has no expiry date.

The Finance Act 2021 received royal assent on 10 June 2021 and included an increase to the UK's main corporation tax rate to 25% from 1 April 2023. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized, based on the tax rate enacted at the reporting date. Consequently, deferred tax liabilities at 31 March 2025 are calculated using the 25% enacted tax rate (2024: 25%).

13. Intangible assets

Group and Company

	Software
Cost	**€000**
At 1 April 2024	4,239
Disposals	(90)
At 31 March 2025	4,149
Accumulated amortisation	
At 1 April 2024	4,233
Amortisation charge for the year	3
Elimination on disposals	(90)
At 31 March 2025	4,146
Carrying amount	
At 31 March 2025	3
At 31 March 2024	6

Notes to the financial statements for the year ended 31 March 2025 (continued)

13. Intangible assets (continued)

Group and Company

	Software
Cost	**€000**
At 1 April 2023	4,697
Additions	8
Disposals	(470)
Exchange	4
At 31 March 2024	4,239
Accumulated amortisation	
At 1 April 2023	4,657
Amortisation charge for the year	43
Elimination on disposals	(470)
Exchange	3
At 31 March 2024	4,233
Carrying amount	
At 31 March 2024	6
At 31 March 2023	40

Notes to the financial statements
for the year ended 31 March 2025 (continued)

14. Tangible assets

Group	**Leasehold improvements**	**Plant and equipment**	**Total**
	€000	**€000**	**€000**
Cost			
At 1 April 2024	1,119	2,835	3,954
Additions	-	226	226
Disposals	(7)	(377)	(384)
Exchange adjustments	2	4	6
At 31 March 2025	1,114	2,688	3,802
Accumulated depreciation			
At 1 April 2024	588	2,393	2,981
Depreciation charged in the year	162	188	350
Disposals	(7)	(370)	(377)
Exchange adjustments	2	4	6
At 31 March 2025	745	2,215	2,960
Carrying amount			
At 31 March 2025	369	473	842
At 31 March 2024	531	442	973

Notes to the financial statements
for the year ended 31 March 2025 (continued)

14. Tangible assets (continued)

Company	**Leasehold improvements**	**Plant and equipment**	**Total**
	€000	**€000**	**€000**
Cost			
At 1 April 2024	1,103	2,785	3,888
Additions	-	225	225
Disposals	(7)	(377)	(384)
Exchange adjustments	1	(2)	(1)
At 31 March 2025	1,097	2,631	3,728
Accumulated depreciation			
At 1 April 2024	572	2,344	2,916
Depreciation charged in the year	162	187	349
Eliminated in respect of disposals	(7)	(370)	(377)
Exchange adjustments	2	(1)	1
At 31 March 2025	729	2,160	2,889
Carrying amount			
At 31 March 2025	368	471	839
At 31 March 2024	531	441	972

Notes to the financial statements
for the year ended 31 March 2025 (continued)

15. Right of use assets

Group

	Buildings	**Motor vehicles**	**Office equipment**	**Total**
	€000	**€000**	**€000**	**€000**
Cost				
At 1 April 2024*	**3,148**	**659**	**26**	**3,833**
Additions	232	371	6	609
Exchange	8	6	-	14
As at 31 March 2025	**3,388**	**1,036**	**32**	**4,456**
Accumulated depreciation				
At 1 April 2024*	**-**	**-**	**-**	**-**
Depreciation charged in the year	931	381	14	1,326
Exchange adjustments	6	-	-	6
At 31 March 2025	**937**	**381**	**14**	**1,332**
Carrying amount				
At 31 March 2025	2,451	655	18	3,124
At 31 March 2024	-	-	-	-

* The Company applied FRS 102 Section 20 Leases at 1 April 2024, using the modified retrospective approach. Under this approach, comparative information is not restated.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

15. Right of use assets (continued)

Company

	Buildings	Motor vehicles	Office equipment	Total
	€000	€000	€000	€000
Cost				
At 1 April 2024*	**3,148**	**635**	**26**	**3,809**
Additions	163	370	6	539
Exchange	8	7	-	15
As at 31 March 2025	**3,319**	**1,012**	**32**	**4,363**
Accumulated depreciation				
At 1 April 2024*	**-**	**-**	**-**	**-**
Depreciation charged in the year	896	367	14	1,277
Exchange adjustments	7	1	-	8
At 31 March 2025	**903**	**368**	**14**	**1,285**
Carrying amount				
At 31 March 2025	2,416	644	18	3,078
At 31 March 2024	-	-	-	-

* The Company applied FRS 102 Section 20 Leases at 1 April 2024, using the modified retrospective approach. Under this approach, comparative information is not restated.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

16. Investments

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Subsidiary undertakings	-	-	5,527	5,527
	-	-	5,527	5,527

Movements in investments

Group

	Other
Cost	**€000**
At 1 April 2024 and 31 March 2025	100
Accumulated impairment	
At 1 April 2024 and 31 March 2025	100
Carrying amount	
At 31 March 2025	-
At 31 March 2024	-

Movements in investments

Company	**Subsidiary undertakings**	**Other**	**Total**
Cost	**€000**	**€000**	**€000**
At 1 April 2024 and 31 March 2025	32,203	100	32,303
Accumulated impairment			
At 1 April 2024 and 31 March 2025	26,676	100	26,776
Net book value			
At 31 March 2025	5,527	-	5,527
At 31 March 2024	5,527	-	5,527

Notes to the financial statements
for the year ended 31 March 2025 (continued)

16. Investments (continued)

Details of the investments in which the Group or Company holds more than 20% of the nominal value of any class of share capital are as follows:

Name of undertaking	Country of registration (or incorporation) and operation	Registered office address	Nature of business	Proportion of ordinary shares held
OKI Systems Holdings Co Limited	United Kingdom	Blays House Wick Road, Englefield Green, Egham, Surrey, TW20 OHJ	Holding entity	100%
LLC "OKI Systems Rus"	Russia	Svetogor Business Center, Letnikovskaya str, 10/4 115114, Moscow, Russia	Warranty and servicing of ATM products	100%(a)
OKI Data Europe B.V.	Netherlands	De Riemsdijk 1 , 4004 LC Tiel, Netherlands	Import and export of printers, consumables, accessories and other related activities	100%

All the above holdings are of ordinary shares and are held directly by OEL except for those noted below:

(a) OEL holds 99% and OKI Systems Holdings Co Limited holds 1 % of LLC "OKI Systems Rus".

The directors believe that the carrying value of the above investments are supported by the value of their underlying net assets and hence no impairment has been necessary for this financial year.

17. Stocks

	Group		Company	
	2025	2024	2025	2024
	€000	€000	€000	€000
Finished goods and goods for resale	20,679	19,632	20,613	19,507
	20,679	19,632	20,613	19,507

Stocks recognised as an expense during the year were net of €76,985k (2024: €90,118k). The Group stock impairment provision for the year was €3,197k (2024: €3,700k).

Notes to the financial statements
for the year ended 31 March 2025 (continued)

18. Debtors

	Group 2025 €000	Group 2024 €000	Company 2025 €000	Company 2024 €000
Trade debtors	7,950	7,287	7,950	6,936
Amounts owed by group undertakings	50	77	50	569
Other debtors	3,855	4,040	3,643	3,786
Prepayments and accrued income	1,477	1,691	1,470	1,681
	13,332	13,095	13,113	12,972

Trade debtors are stated after provisions for impairment of €11,863k (2024: €19,266k).

Included in other debtors totaling €3,855k (2024: €4,040k) is €706k (2024: €734k) in respect of long-term deposits and €1,790k (2024: €2,169k) in respect of VAT receivable.

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

19. Creditors: amounts falling due within one year

	Group 2025 €000	Group 2024 €000	Company 2025 €000	Company 2024 €000
Trade creditors	1,963	2,301	2,064	2,127
Amounts owed to group undertakings*	10,330	12,026	19,724	20,823
Other creditors	2,771	1,894	2,612	1,870
Taxation and social security	2,085	2,157	2,107	2,142
Accruals and deferred income	5,236	5,821	4,688	5,724
Lease liabilities (see note 20)	1,050	-	1,002	-
	23,435	24,199	32,197	32,686

Included in other creditors totaling €2,771k (2024: €1,894k) is €73k (2024: €31k) in respect of VAT payable.

*The amount owed to group undertakings includes €5M (2024: €nil) loan from group undertakings. The interest on loan ranges between 4.086% to 5.241%. The loan has been fully repaid in June 2025. The rest of the balance of the amounts owed to group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

20. Lease liabilities

Group

	2025	2024
	€'000	€'000
As at 1 April*	4,340	-
Additions	609	-
Accretion of interest	123	-
Payments/Cancellations	(1,706)	-
Exchange differences	28	-
As at 31 March	**3,394**	**-**

Company

	2025	2024
	€'000	€'000
As at 1 April*	4,317	-
Additions	539	-
Accretion of interest	120	-
Payments/Cancellations	(1,662)	-
Exchange differences	32	-
As at 31 March	**3,346**	**-**

	Group		Company	
Lease liability	**2025**	**2024**	**2025**	**2024**
	€000	**€000**	**€000**	**€000**
Current	1,050	-	1,002	-
Non-current	2,344	-	2,344	-

* The Company applied FRS 102 Section 20 Leases at 1 April 2024, using the modified retrospective approach. Under this approach, comparative information is not restated.

The maturity of lease liabilities for the year are as follows:

	Within 1 year	Between 1-5 years	Over 5 years	Total
	€000	€000	€000	€000
31 March 2025				
Lease liabilities	1,050	1,540	804	3,394

Refer to Note 25 for maturity analysis of short term and low value leases.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

21. Provisions for liabilities

	Group		Company	
	2025	**2024**	**2025**	**2024**
	€000	**€000**	**€000**	**€000**
Warranty provision	2,442	2,406	2,442	2,406
Provision for severance costs	1,011	1,301	1,011	1,301
Others	615	1,292	615	1,292
	4,068	4,999	4,068	4,999
Deferred tax liabilities	2,851	2,816	2,851	2,816
	6,919	7,815	6,919	7,815

	Warranty provision	Provision for severance costs	Provision for restructuring	Others	Total
Group and Company	**€000**	**€000**	**€000**	**€000**	**€000**
At 1 April 2024	2,406	1,301	-	1,292	4,999
Additional provisions in the year	2,031	111	-	-	2,142
Utilisation of provision	(1,995)	(403)	-	(677)	(3,075)
Exchange difference	-	2	-	-	2
At 31 March 2025	2,442	1,011	-	615	4,068

	Warranty provision	Provision for severance costs	Provision for restructuring	Others	Total
Group and Company	**€000**	**€000**	**€000**	**€000**	**€000**
At 1 April 2023	2,196	1,471	43	1,565	5,275
Additional provisions in the year	2,388	151	-	-	2,539
Utilisation of provision	(2,178)	(323)	(43)	(274)	(2,818)
Exchange difference	-	2	-	1	3
At 31 March 2024	2,406	1,301	-	1,292	4,999

Notes to the financial statements
for the year ended 31 March 2025 (continued)

21. Provisions for liabilities (continued)

Provision for warranty costs

A provision is recognised for the estimated cost of manufacturer's warranty based on sales and product. Warranty period is between one to two years for standard warranty and three years for extended warranty and will be utilised within these periods.

Provision for severance costs

A provision is recognised for the estimated costs of severance indemnities and other employee benefits. Any settlement of the provisions will be dependent upon when the employee leaves the organization.

Provision for restructuring

A provision is recognised for the restructuring costs relating to the reorganisation of the business.

Others

Other provision represents provisions for litigation claims which will be utilised when the legal proceedings are concluded.

22. Retirement benefit schemes

Defined benefit schemes

During the year ended 31 March 2008, the UK scheme was closed to future accrual on existing members. An actuarial valuation was carried out at 5 April 2022 by Mr Gordon Batchelor FIA, a fellow of the Institute of Actuaries, on behalf of Messrs Mercer.

The Group operates a defined benefit pension scheme, the OKI Pension Scheme, which provides retirement benefits to eligible UK employees. The scheme is funded, with assets held in a separately administered trust, which is legally independent of the Group. It is administered by an independent board of trustees, who are responsible for managing the scheme's assets and ensuring that it is adequately funded to meet both current and future benefit obligations. Benefits are provided on the basis of members' final pensionable salary, and the scheme is closed to future accrual on existing members.

The Group's funding policy is to ensure that sufficient and appropriate assets are maintained to cover the technical provisions of the scheme, in accordance with Section 222 of the Pensions Act 2004. Contributions are made in line with the schedule of contributions agreed with the trustees. The Group expects to contribute approximately £200,000 to the scheme during the next financial year.

Key assumptions	**UK**	
	2025	**2024**
	%	%
Discount rate	5.88	5.08
Expected rate of increase of pensions payment	2.65	2.66
Inflation assumption RPI	3.10	3.15
Rate of deferred pension increase (based on CPI)	2.84	2.83

Notes to the financial statements
for the year ended 31 March 2025 (continued)

22. Retirement benefit schemes (continued)

Mortality assumptions	**2025**	**2024**
	Years	**Years**
Males:		
Retiring today	20.4	21.2
Retiring in 20 years	21.7	22.5
Females:		
Retiring today	22.5	22.9
Retiring in 20 years	23.9	24.7

Amounts recognised in income statement:

Group	**2025**	**2024**
	€000	**€000**
Current service cost	238	231
Interest on defined benefit liability	2,931	2,768
Interest income on Scheme assets	(3,513)	(3,404)
Total income	(344)	(405)

Amounts taken to other comprehensive expense/(income):

Group	**2025**	**2024**
	€000	**€000**
Actuarial return on scheme assets	8,200	4,438
Actuarial changes related to obligations	(7,518)	(1,793)
Other gains and losses	7	(9)
Deferred tax	(171)	(661)
Total expense	518	1,975

The amounts included in the Statement of financial position arising from obligations in respect of defined benefit plans are as follows.

Movements in the present value of defined benefit obligations/assets:

Group and company

	2025	**2024**
	€000	**€000**
Fair value of liabilities as at beginning of the year	(57,719)	(57,041)
Benefits paid	2,564	1,903
Interest cost	(2,931)	(2,768)
Exchange differences	(1,214)	(1,606)
Actuarial gain	7,518	1,793
At end of the year	(51,782)	(57,719)

Notes to the financial statements
for the year ended 31 March 2025 (continued)

22. Retirement benefit schemes (continued)

Movements in the present value of defined benefit obligations/assets:

Group and company

	2025	2024
	€000	€000
Fair value of assets as at beginning of the year	68,981	69,944
Administration expense incurred for the period	(238)	(231)
Benefits paid	(2,564)	(1,903)
Employer contributions	240	234
Interest income	3,513	3,404
Return on plan assets excluding interest income	(8,200)	(4,438)
Effect of changes in foreign exchange rates	1,451	1,971
At end of the year	63,183	68,981

Group and company

	2025	2024
	€000	€000
	Schemes in surplus	Schemes in surplus
Equity instruments	6,274	8,114
Debt instruments	39,173	37,799
LDI	17,015	22,552
Cash	721	516
Actuarial value of assets	63,183	68,981
Actuarial value of liabilities	(51,782)	(57,719)
Net value of schemes in surplus	11,401	11,262

This disclosure relates to OEL Retirement Benefit Scheme. The Group pension scheme comprises schemes operating in United Kingdom (Aggregate surplus €11,401k) (2024: €11,262k). The Group has no deficit in pension scheme.

The plan assets do not include any of the Group's financial instruments, nor is any property occupied by any group entity.

The Group provides a defined contribution schemes for its employees. The amount recognised as an expense for the defined contribution scheme was €915k (2024: €969k).

Contributions totaling €5k (2024: €27k) were payable to the scheme at the end of the year.

A High court legal ruling in June 2023, as confirmed by the Court of Appeal in June 2024, (Virgin Media Limited v NTL Pension Trustees II Limited) decided that certain rule amendments were invalid if they were not accompanied by the correct actuarial confirmation (Section 37 certification). In June 2025 the UK Government announced that it will introduce legislation to allow schemes to retrospectively obtain actuarial confirmation of historical benefit changes, if necessary. The UK Government announcement is very helpful because it reduces the risk of increased liabilities due to this ability to obtain the required certificates retrospectively.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

23. Called up share capital

Ordinary share capital	**Group and Company**	
Issued and fully paid	**No.**	**€000**
At 1 April 2024 and 31 March 2025		
'A' Ordinary shares of £1 each	33,000,000	51,366
'B' Ordinary shares of €1 each	90,000,000	90,000
		141,366

All the different classes of ordinary shares carry equal rights. There are no restrictions on the distribution of dividends and the repayment of capital.

'A' Ordinary shares of £1 each were translated into Euro at the exchange rate of £1 = €1.5565.

24. Other reserves

Capital contribution reserve

Capital contribution reserve consists of a loan of €214,174k due to the parent company which was converted into reserves in FY 2016. €10,458k is the result of a Flexible Appointment Arrangement whereby OEL took on the pension related assets and liabilities of OKI (UK) Limited and OKI Systems (UK) Limited.

Merger reserve

The merger reserve of €6,864k arose on conversion of 16 subsidiaries into branches following a cross border merger in 2018. The amount represents the difference in the value of net assets received and the investment. The transfer was for no consideration.

Profit or loss account

The profit or loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

25. Operating lease commitments

Lessee

At 31 March, the Group and Company had commitments under non-cancellable operating leases. The table below presents the future minimum lease payments in respect of short-term leases and leases of low-value assets:

	Group		**Company**	
	2025	**2024**	**2025**	**2024**
	€000	**€000**	**€000**	**€000**
Not later than one year	71	1,493	71	1,445
Later than one year and not later than five years	-	2,391	-	2,345
Later than five years	-	1,083	-	1,083
	71	4,967	71	4,873

Notes to the financial statements
for the year ended 31 March 2025 (continued)

26. Effect of adoption of Section 20 leases

The effect of adoption of Section 20 leases as at 1 April 2024 (increase/(decrease)) is, as follows:

	Group	Company
Assets	**€'000**	**€'000**
Buildings	3,148	3,148
Vehicles	659	635
Office Equipments	26	26
	3,833	**3,809**
Liabilities	**€'000**	**€'000**
Lease liabilities	4,340	4,317
Accruals	(302)	(303)
	4,038	**4,014**
Total adjustment to Equity		
Retained Earnings	**(205)**	**(205)**

27. Cash generated from operations

	2025	*Restated 2024
	€000	**€000**
Profit/(loss) for the financial year	2,347	(5,620)
Adjustments for:		
Taxation	766	1,921
Interest payable and similar expenses	281	247
Interest receivable and similar income	(362)	(467)
Loss/ (gain) on disposal of fixed assets	7	(6)
Depreciation and amortisation of owned fixed assets	353	337
Depreciation on ROU assets	1,326	-
Exceptional item (non-cash)	140	-
Movement in provisions	(1,102)	(937)
Movements in working capital:		
(Increase)/decrease in stocks	(1,047)	5,147
Increase in debtors	(237)	(367)
Decrease in creditors	(6,803)	(10,654)
Net cash generated from operations	**(4,331)**	**(10,399)**

* During the preparation of the financial statements for the current year, it was identified that a misinterpretation of the cash flow exemption available in FRS 102 led to the omission of the cash flow statement from the previous year's financial statements. This omission did not affect any of the Company's key performance indicators (KPIs). The cash flow statement has now been included in the current year's financial statements, along with the comparatives thereon.

Notes to the financial statements
for the year ended 31 March 2025 (continued)

27. Cash generated from operations (continued)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	€000	**€000**	**€000**	**€000**
Cash at bank and in hand	8,882	10,386	8,315	9,510
Short-term deposits	85	70	84	70
Cash and cash equivalents	8,967	10,456	8,399	9,580

28. Controlling parties

The ultimate parent and immediate parent undertaking of OEL is OKI-J incorporated in Japan.

The registered address of OKI-J is 1-7-12 Toranomon Minato-Ku, Tokyo 105-8460 Japan.

The smallest and largest group understanding in which the financial position and results of the Company are consolidated is OKI Electric Co.

This is the only Company to include the financial results of OEL within its consolidated financial statements.

The financial statements of OKI-J are available on the Company's official website www.oki.com/en/ir/ or from 1-7-12 Toranomon, Minato-ku, Tokyo, 105-8460, Japan.

29. Related party transactions

There were no related party transactions between the Group and any entity which was not wholly owned by the OKI-J during the year.

30. Events after balance sheet date

Subsequent to the reporting date, OEL Group undertook a reorganisation of certain branch operations as part of a broader strategic restructuring initiative. This was announced post year-end and considered as a non-adjusting event.

31. Cash and cash equivalent

At the year-end date, the Company had €556k (2024: €826k) cash held in Russia, which is restricted as a result of the ongoing invasion and sanctions imposed by the government in Russia.