KAO Denmark A/S

Lyngbyvej 2, 2100 København Ø

Company reg. no. 19 73 30 33

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 29 June 2022.

____

Anders Andreassen
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of KAO Denmark A/S for the financial year 1 January - 31 December 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 14 June 2022

Managing Director

Anders Andreassen
Chief Executive Officer

Board of directors

Heiko Michael Maile Chairman	Dominic Martin Pratt	Anders Andreassen

Independent auditor's report

To the Shareholder of KAO Denmark A/S

Opinion

We have audited the financial statements of KAO Denmark A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

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

Basis for Opinion

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

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

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

Independent auditor's report

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

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 14 June 2022

Deloitte
State Authorised Public Accountant
Company reg. no. 33 96 35 56

Jan Larsen
State Authorised Public Accountant
mne16541

Company information

The company	KAO Denmark A/S Lyngbyvej 2 2100 København Ø	
	Company reg. no.	19 73 30 33
	Established:	19 December 1996
	Domicile:	Copenhagen
	Financial year:	1 January 2021 - 31 December 2021
Board of directors	Heiko Michael Maile, Chairman Dominic Martin Pratt Anders Andreassen	
Managing Director	Anders Andreassen, Chief Executive Officer	
Auditors	Deloitte, State Authorised Public Accountant	

Management´s review

The principal activities of the company

The main object of the Entity is to sell and distribute hair and skin products, accessories and appliances of any kind to hairdressers as well as any related business.

Development in activities and financial matters

The gross profit for the year totals DKK 16.009.303 against DKK 16.234.993 last year. Income or loss from ordinary activities after tax totals DKK 651.940 against DKK 692.763 last year. Management considers the net profit or loss for the year satisfactory.

Events subsequent to the financial year

No events subsequent to the financial year to this date, which would influence the evaluation of this annual report.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2021	2020
	Gross profit	**16.009.303**	**16.234.993**
1	Staff costs	-14.066.296	-14.711.655
2	Depreciation and impairment of property, land, and equipment	-634.454	-748.736
	Other operating expenses	-646.232	0
	Operating profit	**662.321**	**774.602**
	Other financial income	241.690	213.725
3	Other financial costs	-68.071	-97.522
	Pre-tax net profit or loss	**835.940**	**890.805**
4	Tax on net profit or loss for the year	-184.000	-198.042
	Net profit or loss for the year	**651.940**	**692.763**
	Proposed appropriation of net profit:		
	Dividend for the financial year	1.100.000	0
	Transferred to retained earnings	0	692.763
	Allocated from retained earnings	-448.060	0
	Total allocations and transfers	**651.940**	**692.763**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2021	2020
	Non-current assets		
6	Other fixtures and fittings, tools and equipment	476.163	769.790
7	Leasehold improvements	132.471	1.059.818
	Total property, plant, and equipment	608.634	1.829.608
8	Deposits	604.841	913.591
	Total investments	604.841	913.591
	Total non-current assets	**1.213.475**	**2.743.199**
	Current assets		
	Trade receivables	2.021.698	1.797.649
	Receivables from group enterprises	5.713.455	3.496.233
	Deferred tax assets	102.000	88.000
	Prepayments and accrued income	63.161	351.176
	Total receivables	7.900.314	5.733.058
	Cash on hand and demand deposits	7.731.045	17.740.497
	Total current assets	**15.631.359**	**23.473.555**
	Total assets	**16.844.834**	**26.216.754**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2021	2020
	Equity		
9	Contributed capital	5.000.000	5.000.000
	Retained earnings	5.263.796	5.711.856
	Proposed dividend for the financial year	1.100.000	0
	Total equity	**11.363.796**	**10.711.856**
	Liabilities other than provisions		
	Trade payables	678.813	1.045.921
	Payables to group enterprises	1.594.648	9.735.994
	Income tax payable	168.000	171.977
	Other payables	3.039.577	4.551.006
	Total short term liabilities other than provisions	5.481.038	15.504.898
	Total liabilities other than provisions	**5.481.038**	**15.504.898**
	Total equity and liabilities	**16.844.834**	**26.216.754**

10 Contingencies

11 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2020	5.000.000	5.019.093	0	10.019.093
Retained earnings for the year	0	692.763	0	692.763
Equity 1 January 2021	5.000.000	5.711.856	0	10.711.856
Retained earnings for the year	0	-448.060	1.100.000	651.940
	5.000.000	**5.263.796**	**1.100.000**	**11.363.796**

Notes

All amounts in DKK.

		2021	2020
1.	**Staff costs**		
	Salaries and wages	12.598.845	13.392.203
	Pension costs	1.187.836	1.203.159
	Other costs for social security	279.615	116.293
		14.066.296	**14.711.655**
	Average number of employees	24	26
2.	**Depreciation and impairment of property, land, and equipment**		
	Depreciation of leasehold improvements	287.027	397.426
	Depreciation of other fixtures and fittings, tools and equipment	347.427	351.310
		634.454	**748.736**
3.	**Other financial costs**		
	Financial costs, group enterprises	2.380	11.743
	Other financial costs	65.691	85.779
		68.071	**97.522**
4.	**Tax on net profit or loss for the year**		
	Tax on net profit or loss for the year	198.000	251.042
	Adjustment of deferred tax for the year	-14.000	-53.000
		184.000	**198.042**

Notes

All amounts in DKK.

		31/12 2021	31/12 2020
5.	**Goodwill**		
	Cost 1 January 2021	4.696.329	4.696.329
	Cost 31 December 2021	**4.696.329**	**4.696.329**
	Amortisation and writedown 1 January 2021	-4.696.329	-4.696.329
	Amortisation and writedown 31 December 2021	**-4.696.329**	**-4.696.329**
	Carrying amount, 31 December 2021	**0**	**0**

6.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2021	2.130.323	1.854.174
	Additions during the year	59.712	276.149
	Disposals during the year	-8.652	0
	Cost 31 December 2021	**2.181.383**	**2.130.323**
	Amortisation and writedown 1 January 2021	-1.360.533	-1.009.223
	Amortisation and depreciation for the year	-347.427	-351.310
	Reversal of depreciation, amortisation and impairment loss, assets disposed of	2.740	0
	Amortisation and writedown 31 December 2021	**-1.705.220**	**-1.360.533**
	Carrying amount, 31 December 2021	**476.163**	**769.790**

7.	**Leasehold improvements**		
	Cost 1 January 2021	1.987.138	1.987.138
	Disposals during the year	-1.324.800	0
	Cost 31 December 2021	**662.338**	**1.987.138**
	Depreciation and writedown 1 January 2021	-927.320	-529.894
	Amortisation and depreciation for the year	-287.027	-397.426
	Reversal of depreciation, amortisation and impairment loss, assets disposed of	684.480	0
	Depreciation and writedown 31 December 2021	**-529.867**	**-927.320**
	Carrying amount, 31 December 2021	**132.471**	**1.059.818**

Notes

All amounts in DKK.

		31/12 2021	31/12 2020
8.	**Deposits**		
	Cost 1 January 2021	913.591	913.591
	Disposals during the year	-308.750	0
	Cost 31 December 2021	**604.841**	**913.591**
	Carrying amount, 31 December 2021	**604.841**	**913.591**

9.	**Contributed capital**		
	Aktie a 1, nominal value	2.750.000	2.750.000
	Aktie a 1, nominal value	1.125.000	1.125.000
	Aktie a 1, nominal value	575.000	575.000
	Aktie a 1, nominal value	550.000	550.000
		5.000.000	**5.000.000**

The share capital consist of 4 shares. The shares have not been divided into classes. The share capital remained unchanged in the past five financial years.

10. Contingencies

Contingent liabilities

The Entity has entered into a 11-year office rental liabilities agreement in 2016. The rental commitment for the rest 6 years amounts to DKK 5.726 thousand.

The Entity’s operating lease commitments amounts to DKK 323 thousand.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

TheThe company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0 thousand.

All amounts in DKK.

10. Contingencies (continued)

Joint taxation (continued)

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Molton Brown Denmark, branch of Molton Brown Limited, England has withdrawn from joint taxation scheme as of 9. december 2021 and shall not be liable for any tax claims against the other jointly taxed companies from the time of withdrawal from the joint taxation scheme.

11. Related parties

Consolidated financial statements

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
- KAO Corporation, Japan

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
- KAO Germany GmbH, Germany

Accounting policies

The annual report for KAO Denmark A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Referring to special competitive considerations only gross profit or loss is shown in the income statement as an aggregation of revenue, cost of raw materials and consumables and other external expenses, see section 32 of the Danish financial Statements Act.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year.

Other operating income comprises accounting items of a secondary nature as regards the principal activities of the enterprise, including lease income from temporary production facilities leased out.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	5 years	0 %

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5 years.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

As administration company, KAO Denmark A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.