



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

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Covivio Hamburg 2 ApS

Store Kongensgade 68, 1264 København K

Company reg. no. 28 66 06 77

Annual report

1 January - 31 December 2020

The annual report has been submitted and approved by the general meeting on the 29 June 2021.

Daniel Frey
Chairman of the meeting

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 EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.



Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Financial highlights	6
Management commentary	7
Financial statements 1 January - 31 December 2020	
Income statement	8
Statement of financial position	9
Statement of changes in equity	11
Notes	12
Accounting policies	16



Management's report

Today, the executive board has presented the annual report of Covivio Hamburg 2 ApS for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Copenhagen, 29 June 2021

Executive board

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Arnaud Brément
Managing Director

A black ink signature with a large circular loop at the top and a vertical line extending downwards.

Myriam Despas

A blue ink signature with a large, sweeping loop at the top and a vertical line extending downwards.

Mette-Lise Vraa



Independent auditor's report

To the shareholders of Covivio Hamburg 2 ApS

Opinion

We have audited the financial statements of Covivio Hamburg 2 ApS for the financial year 1 January - 31 December 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.



Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 29 June 2021

Christensen Kjarulff

Statsautoriseret Revisionsaktieselskab
Company reg. no. 15 91 56 41

Iver Haugsted

State Authorised Public Accountant
mne10678



Company information

The company

Covivio Hamburg 2 ApS
Store Kongensgade 68
1264 København K

Company reg. no. 28 66 06 77
Established: 1 July 2006
Domicile: Copenhagen
Financial year: 1 January - 31 December
14th financial year

Executive board

Arnaud Brément, Managing Director
Myriam Despas
Mette-Lise Vraa

Auditors

Christensen Kjærulff
Statsautoriseret Revisionsaktieselskab
Store Kongensgade 68
1264 København K

Parent company

Covivio Hamburg Holding ApS



Financial highlights

EUR in thousands.

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Income statement:				
Gross profit	1.389	1.092	2.032	1.256
Profit from operating activities	12.555	17.378	10.710	14.058
Net financials	-696	-664	-721	-682
Net profit or loss for the year	9.977	14.068	8.407	11.337
Statement of financial position:				
Balance sheet total	123.036	111.567	96.363	87.150
Investments in property, plant and equipment	3	0	40	0
Equity	72.430	62.453	49.130	41.413
Key figures in %:				
Acid test ratio	31,7	26,7	59,3	158,3
Solvency ratio	58,9	56,0	51,0	47,5
Return on equity	14,8	25,2	18,6	54,8

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.



Management commentary

The principal activities of the company

The principal activities of the company consist of real estate investment property and rental properties in Germany.

Unusual circumstances

The company has not been affected by the Covid-19 pandemic in the same way as a large number of other companies. The financial position and the result in the financial year 2020 are not significantly affected by the consequences of the Covid-19 pandemic.

Uncertainties about recognition or measurement

Investment properties are measured at fair value. Investment properties are accounted for t.EUR 122.700 as of 31 December 2020. Fair values are measured individually for each property based on a number of assumptions including the budgeted cash flows and discount rate, according to accounting policies used. The discount rate is determined to reflect the current market required rate of return. In particular determination of the discount rate is subject to uncertainty.

Development in activities and financial matters

The gross profit for the year totals t.EUR 1.389 against t.EUR 1.092 last year. Income from ordinary activities after tax totals t.EUR 9.977 against t.EUR 14.068 last year. The result for 2020 are significantly affected by the value adjustment of investment property t.EUR 11.397. The value adjustment of investment property is mainly caused by a reduction in the capitalization rate. Management considers the net profit for the year satisfactory.

Expected developments

The management expects a positive result for 2021.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.



Income statement 1 January - 31 December

EUR thousand.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	1.389	1.092
Value adjustment of investment property	11.397	16.300
Other operating costs	<u>-231</u>	<u>-14</u>
Operating profit	12.555	17.378
1 Other financial costs	<u>-696</u>	<u>-664</u>
Pre-tax net profit or loss	11.859	16.714
Tax on net profit or loss for the year	<u>-1.882</u>	<u>-2.646</u>
2 Net profit or loss for the year	<u>9.977</u>	<u>14.068</u>



Statement of financial position at 31 December

EUR thousand.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
3	Investment property	122.700	111.300
	Total property, plant, and equipment	122.700	111.300
Total non-current assets		122.700	111.300
Current assets			
	Assets held for sale	156	156
	Total inventories	156	156
	Trade receivables	31	51
	Amounts owed by group enterprises	141	0
	Other receivables	1	34
4	Prepayments and accrued income	7	26
	Total receivables	180	111
Total current assets		336	267
Total assets		123.036	111.567



Statement of financial position at 31 December

EUR thousand.

Equity and liabilities			
<u>Note</u>		<u>2020</u>	<u>2019</u>
	Equity		
	Contributed capital	169	169
	Retained earnings	72.261	62.284
	Total equity	72.430	62.453
	Provisions		
5	Provisions for deferred tax	13.088	11.209
	Total provisions	13.088	11.209
	Liabilities other than provisions		
6	Mortgage loans	34.707	35.154
	Debt to group enterprises	1.750	1.750
	Total long term liabilities other than provisions	36.457	36.904
	Current portion of long term payables	444	196
	Prepayments received from customers	69	86
	Trade payables	350	364
	Payables to group enterprises	13	256
	Income tax payable	13	10
	Other payables	172	89
	Total short term liabilities other than provisions	1.061	1.001
	Total liabilities other than provisions	37.518	37.905
	Total equity and liabilities	123.036	111.567
7	Charges and security		
8	Contingencies		
9	Related parties		



Statement of changes in equity

EUR thousand.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
Equity 1 January 2019	169	48.216	745	49.130
Distributed dividend	0	0	-745	-745
Profit or loss for the year brought forward	0	14.068	0	14.068
Equity 1 January 2020	169	62.284	0	62.453
Profit or loss for the year brought forward	0	9.977	0	9.977
	169	72.261	0	72.430



Notes

EUR thousand.

	<u>2020</u>	<u>2019</u>
1. Other financial costs		
Financial costs, group enterprises	72	74
Other financial costs	<u>624</u>	<u>590</u>
	<u>696</u>	<u>664</u>
2. Proposed appropriation of net profit		
Transferred to retained earnings	<u>9.977</u>	<u>14.068</u>
Total allocations and transfers	<u>9.977</u>	<u>14.068</u>
	<u>31/12 2020</u>	<u>31/12 2019</u>
3. Investment property		
Cost 1 January 2020	47.541	47.541
Additions during the year	<u>3</u>	<u>0</u>
Cost 31 December 2020	<u>47.544</u>	<u>47.541</u>
Fair value adjustment 1 January 2020	63.759	47.459
Adjust of the year to fair value	<u>11.397</u>	<u>16.300</u>
Fair value adjustment 31 December 2020	<u>75.156</u>	<u>63.759</u>
Carrying amount, 31 December 2020	<u>122.700</u>	<u>111.300</u>

The company's investment properties consist of 543 residential properties and 31 commercial properties with a total of 33.846 m² in the area of Hamburg, Germany. Investment properties are according to the description in the accounting policies used measured at fair value based on a return-based cash flow model.

The average capitalization rate amounts to 3,38% (2019: 3,53%)

The following significant assumptions are used to measure the fair value:

An indexation on market rent residential of 1,75%

A fluctuation on residential of 6,00%

A structural vacancy on residential of 0,80%



Notes

EUR thousand.

3. Investment property (continued)

The investment properties are valued at an average value of 3.349 EUR/m²

An external assessor has assisted in assessing the investment properties at a total fair value of t.EUR 122.700 equivalent to 100% of the total fair value.

Compared to the previous financial year, the methods of measurement remain unchanged.

	<u>31/12 2020</u>	<u>31/12 2019</u>
4. Prepayments and accrued income		
Prepaid insurance	<u>7</u>	<u>26</u>
	<u>7</u>	<u>26</u>
5. Provisions for deferred tax		
Provisions for deferred tax 1 January 2020	11.209	8.563
Deferred tax of the results for the year	<u>1.879</u>	<u>2.646</u>
	<u>13.088</u>	<u>11.209</u>
The following items are subject to deferred tax:		
Property, plant, and equipment	13.654	11.755
Net capital loss balance	13	21
Losses carried forward from previous years	<u>-579</u>	<u>-567</u>
	<u>13.088</u>	<u>11.209</u>
6. Mortgage loans		
Total mortgage loans	35.151	35.350
Share of amount due within 1 year	<u>-444</u>	<u>-196</u>
	<u>34.707</u>	<u>35.154</u>
Share of liabilities due after 5 years	<u>0</u>	<u>33.718</u>



Notes

EUR thousand.

7. Charges and security

The company is liable for the total mortgage debt to ING Bank, t.EUR 146.081, incurred with the group companies Covivio Hamburg 1 ApS, Covivio Hamburg 3 ApS, Covivio Hamburg 4 ApS and Covivio Wohnen Service GmbH. As security for mortgage debts, t.EUR 146.081, mortgage has been granted on investment properties representing a book value of t.EUR 122.700 at 31 December 2020.

As security for SWAP arrangement in the group t.EUR 20.000, mortgage has been granted on investment properties representing a book value of t.EUR 122.700.

8. Contingencies

Joint taxation

With Covivio Dansk Holding ApS, company reg. no 30535723 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

As from 1 July 2012, the 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 jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

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

9. Related parties

Controlling interest

Covivio Hamburg Holding ApS
Store Kongensgade 68
1264 Copenhagen K
Denmark

Majority shareholder

Transactions

All transactions have taken place on arm's-lengths basis.



Notes

EUR thousand.

Consolidated financial statements

The company is included in the consolidated annual accounts of Covivio Immobilien SE, Essener Str. 66, D-46047 Oberhausen, Germany.



Accounting policies

The annual report for Covivio Hamburg 2 ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of Covivio Immobilien SE.

The consolidated annual accounts for Covivio Immobilien SE can be found on the following link:
<https://www.unternehmensregister.de/ureg/result.html>

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 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.



Accounting policies

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.

Derivatives

At their initial recognition, derivatives are recognised at cost in the statement of financial position. Hereafter, they measured at fair value. Positive and negative fair values of derivatives are recognised under other receivables and payables, respectively.

Changes in the fair value of derived financial instruments classified as and meeting the criteria for hedging the fair value of a recognised asset or a recognised liability are recognised in the income statement together with changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair value of derived financial instruments classified as hedging of future cash flows are recognised in other receivables or other payables, and in equity.

If the future transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or the liability, respectively. If the future transaction results in income or costs, amounts recognised in equity on a continuing basis are transferred to the income statement for the period in which the hedged item affected the income statement.

For derived financial statements that are no longer recognised as hedging instruments, changes in fair value are recognised in the income statement on a current basis.

Income statement

Gross profit

Gross profit comprises the lease income concerning investment properties, costs concerning investment properties, other operating income, and external costs.

Lease income comprises income from the lease of property and from overhead costs collected and is recognised in the income statement for the period relating to the lease payment. Income from the heating account is recognised in the statement of financial position as a balance with lessees.



Accounting policies

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for sales, administration, premises, and loss on receivables.

Costs concerning investment properties comprise operating costs, repair and maintenance costs, taxes, charges, and other costs. Costs concerning the heating accounts are recognised in the statement of financial position as a balance with lessees.

Value adjustment of investment property

Value adjustment of investment property comprises value adjustments of properties at fair value and profit or loss from the disposal of properties.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

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 current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses). Actual Danish tax rate is 22 %. Actual German tax rate is 15,8 %.

Statement of financial position

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.



Accounting policies

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.

Investment property

At the initial recognition, investment property is measured at cost, comprising the cost of the property and directly associated costs, if any.

Hereafter, investments are measured individually on the basis of a return-based cash flow model based on expected future net cash flows over a period of 10 years. The required rate of return is determined by an external assessor. Fair value measurement is made on the basis of estimated lease income and expected operating costs, including scheduled maintenance. Compared to the previous financial year, the method of measurement remains unchanged.

Costs adding new or improved qualities to an investment property compared to its condition at the time of acquisition, thereby improving the future return on the property, are added to the cost as an improvement. Costs which do not add new or improved qualities to an investment property are recognised in the income statement under the item "Costs concerning investment property".

Like other property, plant, and equipment except for land, investment property has a limited economic life. The impairment taking place concurrently with the ageing of the investment property is reflected in the continuing measurement of the investment property at fair value.

Value adjustments are recognised in the income statement under the item "Value adjustments of property".

Assets held for sale

Assets held for sale consists of fixed assets, which is going to be sold, assets intended for sale is measured at cost price.

Receivables

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



Accounting policies

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.

Income tax and deferred tax

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.

According to the rules of joint taxation, Covivio Hamburg 2 ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

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.



Accounting policies

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

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

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