



2023 ANNUAL REPORT

EBM
OFFSHORE



4 FINANCIAL INFORMATION 2023

DERIVATIVE ASSETS AND LIABILITIES DESIGNATED AS CASH FLOW HEDGES

The following table indicates the period in which the cash flows associated with the cash-flow hedges are expected to occur and the carrying amounts of the related hedging instruments. The amounts disclosed in the table are the contractual undiscounted cash flows. The future interest cash flows for interest rate swaps are estimated using the forward rates as at the reporting date.

Cash flows

	Carrying amount	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
31 December 2023					
Interest rate swaps (USD SOFR 3 Months)	248	22	104	129	255
Forward currency contracts	68	48	14	-	62
Commodity contracts	(1)	(1)	-	-	(1)
31 December 2022					
Interest rate swaps (USD LIBOR 3 Months)	463	19	254	212	486
Forward currency contracts	(53)	(58)	(9)	-	(67)
Commodity contracts	(2)	(1)	(1)	-	(2)

The following table indicates the period in which the cash-flow hedges are expected to impact profit or loss and the carrying amounts of the related hedging instruments.

Expected profit or loss impact

	Carrying amount	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
31 December 2023					
Interest rate swaps (USD SOFR 3 Months)	248	22	104	129	255
Forward currency contracts	68	48	14	-	62
Commodity contracts	(1)	(1)	-	-	(1)
31 December 2022					
Interest rate swaps (USD LIBOR 3 Months)	463	19	254	212	486
Forward currency contracts	(53)	(58)	(9)	-	(67)
Commodity contracts	(2)	(1)	(1)	-	(2)

Interest rate swaps

Gains and losses recognized in the hedging reserve in equity on interest rate swap contracts will be continuously released to the income statement until the final repayment of the hedged items (please refer to note 4.3.22 Equity Attributable to Shareholders).

Forward currency contracts

Gains and losses recognized in the hedging reserve on forward currency contracts are recognized in the income statement in the period or periods during which the hedged transaction affects the income statement. This is mainly within twelve months from the statement of financial position date, unless the gain or loss is included in the initial amount recognized in the carrying amount of fixed assets, in which case recognition is over the lifetime of the asset. If the gain or loss is included in the initial amount recognized in the carrying amount of the cost incurred on construction contracts, the recognition is over time.

Commodities

Gains and losses recognized in the hedging reserve on commodity contracts are recognized in the income statement in the period or periods during which the hedged transaction affects the income statement. If the hedged transaction subsequently results in the recognition of non-financial assets (such as inventory, asset under construction) or non-financial liability, the gain or loss is included in the initial cost or other carrying amount of the asset. In such case, this amount is recognized in profit or loss at the same time as the hedged item affects profit or loss.