



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 910 224 166
Organisasjonsform: Aksjeselskap
Foretaksnavn: IKEA HANDEL OG EIENDOM AS
Forretningsadresse: 1396 BILLINGSTAD

Regnskapsår

Årsregnskapets periode: 01.09.2021 - 31.08.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Inger-Helene Østby
Dato for fastsettelse av årsregnskapet: 08.11.2022

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 21.03.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	2	251 553	241 770
Sum kostnader		251 553	241 770
Driftsresultat		-251 553	-241 770
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap		333 377 081	306 813 631
Renteinntekt fra foretak i samme konsern		9 717 285	12 596 164
Annen renteinntekt		4 237	
Annen finansinntekt		6 652	
Sum finansinntekter		343 105 255	319 409 795
Rentekostnad til foretak i samme konsern		28 606 500	39 243 519
Annen finanskostnad		515	
Sum finanskostnader		28 607 015	39 243 519
Netto finans		314 498 239	280 166 276
Ordinært resultat før skattekostnad		314 246 686	279 924 506
Skattekostnad	7	22 159 381	17 583 392
Ordinært resultat etter skattekostnad		292 087 305	262 341 115
Årsresultat		292 087 305	262 341 115
Årsresultat etter minoritetsinteresser		292 087 305	262 341 115
Totalresultat		292 087 305	262 341 115
Overføringer og disponeringer			
Ordinært utbytte		300 000 000	250 000 000
Overføring fra(-) /til annen egenkapital	5	-7 912 695	12 341 115
Sum overføringer og disponeringer		292 087 305	262 341 115



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	3	4 297 190 303	4 697 190 303
Sum finansielle anleggsmidler		4 297 190 303	4 697 190 303
Sum anleggsmidler		4 297 190 303	4 697 190 303
Omløpsmidler			
Varer			
Fordringer			
Konsernfordringer	6	1 677 652 023	1 000 010 725
Sum fordringer		1 677 652 023	1 000 010 725
Bankinnskudd, kontanter og lignende			
Kasse, bankinnskudd			1 274 707
Sum bankinnskudd, kontanter og lignende			1 274 707
Sum omløpsmidler		1 677 652 023	1 001 285 431
SUM EIENDELER		5 974 842 326	5 698 475 734
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital (100 aksjer à kr 20.000)	4	2 000 000	2 000 000
Sum innskutt egenkapital		2 000 000	2 000 000
Opptjent egenkapital			
Annen egenkapital		2 963 950 117	2 971 862 812
Sum opptjent egenkapital		2 963 950 117	2 971 862 812



Balanse

Beløp i: NOK	Note	2022	2021
Sum egenkapital	5	2 965 950 117	2 973 862 812
Gjeld			
Langsiktig gjeld			
Utsatt skatt	7	12 362	15 452
Sum avsetninger for forpliktelser		12 362	15 452
Annen langsiktig gjeld			
Langsiktig konserngjeld	6	210 000 000	
Sum annen langsiktig gjeld		210 000 000	
Sum langsiktig gjeld		210 012 362	15 452
Kortsiktig gjeld			
Leverandørgjeld		5 000	
Betalbar skatt	7	25 137 361	20 562 144
Skyldige offentlige avgifter		155 210 580	175 289 084
Utbytte	5	300 000 000	250 000 000
Kortsiktig konserngjeld	6	2 318 511 870	2 278 731 730
Annen kortsiktig gjeld		15 035	14 512
Sum kortsiktig gjeld		2 798 879 847	2 724 597 470
Sum gjeld		3 008 892 209	2 724 612 922
SUM EGENKAPITAL OG GJELD		5 974 842 326	5 698 475 734



ANNUAL REPORT FOR FINANCIAL YEAR 2022

Ingka Holding B.V.

This report was adopted by the Shareholder
on November 23, 2022





TABLE OF CONTENTS

REPORT FROM THE BOARD OF MANAGING DIRECTORS2

Financial Statements

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST9
CONSOLIDATED INCOME STATEMENT10
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....10
CONSOLIDATED STATEMENT OF CASH FLOWS..... 11
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.....12
COMPANY BALANCE SHEET AS AT 31 AUGUST.....43
COMPANY INCOME STATEMENT..... 44
NOTES TO COMPANY FINANCIAL STATEMENTS45

Other information

NET INCOME APPROPRIATION52
INDEPENDENT AUDITOR'S REPORT52



ANNUAL REPORT FOR FINANCIAL YEAR 2022

Ingka Holding B.V.

Report from the Board of Managing Directors (in millions of EUR, unless otherwise indicated)

Introduction

1. Corporate information

Ingka Holding B.V. ('the Company') is the parent company of Ingka Group of companies ('Ingka Group') and is located at Bargelaan 20, 2333 CT in Leiden, the Netherlands. Ingka Group's financial year covering the 12-month period ending August 31, 2022, is referred to as '2022.' The comparable year is referred to as '2021.' For more corporate information, please refer to note 1 of the consolidated financial statements.

Ingka Group operates three businesses: IKEA Retail, Ingka Centres and Ingka Investments.

IKEA Retail is the core business that operates 379 IKEA stores including city stores, as well as 103 IKEA shops and IKEA planning studios in 31 countries. IKEA Retail operates under franchise agreements with Inter IKEA Systems B.V., the worldwide IKEA franchisor. Ingka Centres is a global developer and operator of retail-led destinations for the many people that we call "meeting places". Ingka Centres has 50 years of experience in shopping centres and today works with almost 3000 brands across its portfolio of 44 assets in 14 markets. Ingka Investments makes investments and acquisitions that secure Ingka Group's long-term financial strength and support our growth, business transformation, sustainability and societal commitments.

Key figures	2022	2021
Revenue (EUR million)	42,036	39,784
Number of employees	177,192	174,225
Number of IKEA stores:		
Blue box stores	371	384
City stores	8	8
Other formats	103	73
Countries with IKEA stores and other customer meeting points owned by the Company	31	32
Number of Meeting Places (shopping Centres)	44	47
Countries with meeting places owned by the Company	14	16

2. Vision, strategy and value creation

At Ingka Group, we are purpose driven and live for the **IKEA vision** to create a better everyday life for the many people. We are passionate about life at home and love bringing inspiring, affordable and sustainable home furnishing to people with big dreams and thin wallets.

To realise our vision, we are transforming to create a better IKEA: an IKEA that is affordable, accessible and positively impacts people and the planet. An IKEA that is even more omnichannel. Our value creation strategy means we seek to make balanced decisions and measure performance holistically.

The four value creation areas across Ingka Group are: Better homes for our customers, Better lives for the many people and our co-workers, a Better planet for all and a Better company now and for future generations.



3. Summary of financial year 2022; resilient in another challenging year

Financial year 2022 has been difficult for many people and for us too. Amid rising inflation and increasing cost of energy and raw material, we invested substantially, and continue to make every effort, to minimize price increases.

The pandemic had less impact than previous year, but still affected store closures in some countries, supply disruptions and stock availability.

As a consequence of the war in Ukraine, we scaled down our retail operations in Russia. The war in Ukraine is a human tragedy that continues to affect people and communities. We have provided our co-workers in Ukraine and Russia with income assistance and teamed up with partners like the UN Refugee Agency (UNHCR) and the Red Cross to respond to the humanitarian emergency in Ukraine and neighbouring countries. In addition, we supported local organisations with EUR 15 million in-kind donations, including furnishing temporary accommodation for people displaced by the war.

Financial year 2022 has also been an extraordinary year for our co-workers to join together to help and find solutions to mitigate the challenges.

We are proud of the way we have balanced a holistic performance around our four value creation areas. **All our business leaders are accountable for delivering value in all four areas in their respective units.**

In these tough times of high cost-of-living and low consumer confidence, life at home has never been more important. We are even more motivated to be affordable and accessible to the many people. Contributing to **Better homes**, we serve millions of customers around the world and make our vision a reality.

Making every customer happy is of highest focus. We have continued to invest in new and existing stores as well as our physical and digital customer journeys. This past year, we have invested in: developing our business, digital tools and services, customer support and self-serve tools; making our co-workers more available to our in-store customers; and securing availability and variety in the range.

At Ingka Group, sustainability is a core part of our business, culture, commitments and actions. Throughout the year, we have continued to act for a **Better planet**, determined to become climate positive and circular by 2030. We have continued to invest in utility scale renewable energy (EUR 0.3 billion in 2022) and this year we produced 40% more renewable energy than we consumed. Through our products and knowledge, we also continue to make progress on our ambition to enable 1 billion people to live within the boundaries of the planet by 2030.

With the number of refugees having doubled to reach nearly 30 million over the last decade, we are making efforts to create **Better lives** for refugees no matter where they come from. We work to implement our commitment to support refugees through our Skills for Employment initiative, which has been rolled out in 24 countries. We are also working to help change the narrative around refugees. In 2022, we set an ambition to approach 500 businesses by the end of 2023 with the aim of inspiring the private sector to accelerate the labor integration of refugees.

On Global Accessibility Awareness Day, we launched a new Digital Inclusive Design, Equity & Accessibility strategy. Nearly 15% of the population lives with some form of disability, and we have increased our focus on making more inclusive digital experiences for our co-workers and customers.

We do business with a humanitarian outlook, guided by our vision and values but always adapting to a changing world. We continued to create a **Better company** that is financially resilient, investing in growth and improvements. Despite the challenges in 2022, our revenue increased by 5.7% and we delivered EUR 0.3 billion in profit. Profit means that we have resources to keep investing towards reaching the IKEA vision. 85% of net income is re-invested in the Company to secure that we make IKEA more affordable, accessible and sustainable. 15% goes to INGKA Foundation to support the charitable activities of the IKEA Foundation.



We have communicated our strong commitment to manage our taxes in a responsible and transparent way, contributing to society in every country where we operate. This year we have published our global tax principles on Ingka.com and became a signatory to the B Team Responsible Tax Principles. This year, we also publish country-by-country tax data.

Ingka Group financial performance

Despite a challenging environment, Ingka Group's revenues increased, and the operating income and normalized tax rate are stable. Total Ingka Group revenue for 2022 amounts to EUR 42.0 billion and increased by 5.7% compared to 2021. Operating income amounted to EUR 2.0 billion, with slightly improved ratio of 4.8% compared to 4.7% in 2021. The normalized effective tax rate excluding significant impacts described below remains in the 25-30% band. Ingka Group pays taxes in all countries where it operates.

The significant impacts of interest rates on FMI (Financial Market Investments) and effects related to scaling down operations in Russia cause a reduced net income and a high effective tax rate. Income before tax amounts to EUR 0.8 billion (EUR 2.2 billion in 2021). The effective tax rate of 65.6% (2021: 29.3%) corresponds to an amount of EUR 0.5 billion corporate income taxes (2021: EUR 0.7 billion). The net profit of 2022 was EUR 0.3 billion (2021: EUR 1.6 billion).

We continued to invest in our business transformation, our stores, distribution and customer fulfilment networks, the digital customer experience and shopping centres, and continued our sustainability investments in renewable energy and forestry, amounting to a capital expenditure of EUR 2.1 billion. Total assets amount to EUR 57.8 billion (EUR 55.1 billion in 2021). We further strengthened our equity position to EUR 47.6 billion at year-end (EUR 45.2 billion in 2021). The total cash flow for 2022 is EUR 0.2 billion negative (EUR 1.2 billion positive in 2021). Cash flow from operating activities is EUR 2.8 billion (EUR 4.3 billion in 2021).

IKEA Retail

Performance summary:

In 2022, we completed the first year of the '**Next 10 Jobs**', which is the IKEA Retail Direction, focusing on our transformation to create a better IKEA.

IKEA Retail recognized solid sales of EUR 39.5 billion for 2022 (EUR 37.4 billion in 2021) despite unprecedented challenges caused by the tragic war in Ukraine, supply disruptions and the pandemic's continued impact.

While siding with the many in need, we still boosted our omnichannel transformation to become even more accessible, sustainable and as affordable as possible for our customers.

As homes continued to be the most important places in the world, we recorded growth in most of our markets and improved product availability overall.

2022 highlights:

- Our ambition is to invest EUR 3 billion to accelerate expansion in the coming years. We opened our first city stores in the UK, Sweden, Canada as well as India, and a long-awaited IKEA Nice-Saint Isidore store in France. In total 52 new locations joined the IKEA map.
- We secured financial services in 28 countries, assisting 4 million customers.
- We launched a new AI-driven intuitive digital design experience, IKEA Kreativ, where customers can visualise their own living spaces.
- We offered clean energy services in 11 countries, working with different partners.
- We extended our more sustainable food offer securing all our plant-based dishes have a price that is lower or the same as the meat-based equivalent.
- We have started to implement zero emission home delivery in 23 countries with the ambition to fully transition to zero emission deliveries by 2025.



Ingka Centres

Performance summary:

Ingka Centres' operating income is driven by a strong performance of the European portfolio and the new openings in Europe and China.

2022 highlights:

- We successfully opened new city centre locations in Toronto (Aura Retail Podium) and London (Livat Hammersmith). At the same time, six assets in Europe have been sold.
- Two mini malls opened in China, Livat Nanning and Livat Kunming.
- Construction started on the first meeting place in India. With a total investment of approximately EUR 400 million, this mixed-use meeting place will become Gurugram's newest landmark offering dynamic retail, green areas, workspaces and spaces for community events.
- The brand new Circuit concept was revealed at Birsta City, Sweden, with the aim to make circular economy solutions accessible for the many people.

Ingka Investments

Performance summary:

Ingka Investments is the investment arm of Ingka Group managing six different portfolios: Business Development Investments, Prioritised Cities Real Estate, Renewable Energy Investments, Forestland Investments, Venture & Growth Capital and Financial Markets Investments.

In 2022, we strengthened our financial resilience by rebalancing our portfolios. Changing the allocation of our assets, we moved towards investing more in non-financial assets. Within our Financial Markets portfolio, we further diversified by increasing our presence in funds and other investments.

Revenue from Renewable energy and Forestland investments increased compared to the previous year. At the same time, our Financial Markets Investments results were negatively affected by interest rate hikes, which resulted in lower bond prices. The decrease in prices impacted the financial net result heavily with limited effect on cash flow.

2022 highlights:

- *Renewable energy.* We committed to total investments of over EUR 0.8 billion in renewable energy projects (both in Europe and in Asia), reflecting a total of over 700 MW of installed capacity once operational. These include commitments to build renewable energy parks (solar and wind) as well as a commitment to help develop offshore wind projects in Sweden. Once operational, the offshore wind farms have the potential to produce energy that corresponds to more than 25% of the electricity consumed in Sweden in 2021.
- *Forestland.* We increased our footprint in responsible forestry with investments in the USA, the Baltics, Romania and New Zealand. Afforestation investments in New Zealand and the USA of EUR 95 million underline our long-term view of investing for generations to come.
- *Circularity.* We grew our contribution to developing the circular economy by increasing our investment in both RetourMatras and Next Generation Holding. RetourMatras is starting in Denmark and Sweden with the capacity to recycle 1.5 million mattresses annually.
- *Prioritised cities.* Our investment in the Oxford Street property strengthens our presence in London's city centre. With large refurbishment efforts ongoing at this prime location, an IKEA store is planned to open in October 2023.
- *Financial markets.* We rebalanced our portfolios for higher financial resilience, and we diversified our assets by allocating capital that is shaping a sustainable future.



Environmental and personnel information

Environmental:

The IPCC (Intergovernmental Panel on Climate Change) announced that it is code red for humanity to act on climate change. In our dedication to a Better planet, we are making good progress to fulfil our goals and are working to align our climate goals with the latest Corporate Net-Zero Standard set by the Science Based Targets initiative (SBTi).

Personnel:

Ingka Group is committed to take a leading role when it comes to equality. We aim to create a workplace for all co-workers to thrive, and one that is as diverse as the world is and as inclusive as the world should be. It is our goal to increase ethnic, racial and national diversity at all levels by 2024 so that our workforce reflects the diversity of the communities in which we operate.

Research and development

Research and development activities within Ingka Group are focused on: omnichannel retailing with improved digital experiences; bringing IKEA closer to the many people through new city centre locations, digital technology and development of sustainable solutions through clean energy services and circular services. We continue to work towards achieving the IKEA vision to “create a better everyday life for the many people” by improving our meeting with customers, providing more home furnishing inspiration and deepening our understanding of life at home.

Governance

The governance and legal structure within Ingka Group is designed to secure that each group company is well-governed and managed. It also aims to ensure that each Ingka Group company is efficient, lean and simple with respect to decision-making and is organised for compliance. The Company has two main governing bodies: a Management Board and a Supervisory Board, supported by Committees at both levels. Ingka Group relies on strong values and a culture that promotes the responsibility of everyone to do the right thing. This is summarised in our IKEA key values and continuously communicated to co-workers as part of our Code of Conduct.

Risk management

At Ingka Group, we take a balanced and forward-looking approach to risk management to enable us to perform against our value creation goals. We focus on key risks and respond to them by implementing strong mitigation activities. We monitor the risks and responses on a tertial basis to stay ahead of any emerging risks and use scenario planning to understand how future events could impact Ingka and strengthen our resilience and ensure continuity.

Below is a high-level summary of the main risks we face as a business and responses that we have taken or are in progress. These are risks that will remain relevant for the longer term and require multiple, continuous responses.

Geopolitics, Pandemics, supply disruptions and resource scarcity

As a global business in uncertain times, we face many different risks from the external environment. Pandemics, border closures, increasing political tensions, resource and transportation shortages have a knock-on impact on global supply chains which significantly impacts our product availability. Ingka is working very closely with key suppliers to tackle the availability challenges. Through scenario planning and alignment between all Ingka Group businesses and stakeholders – and a strong focus on supporting people and communities – Ingka Group aims to anticipate and navigate these risks effectively.

Financial and regulatory, including inflation and recession

Inflationary pressures and potential recession could impact the cost of living and consumer spending power. Ingka is monitoring external developments and constantly rebalancing our



investment portfolios, focusing on cost management programmes and reprioritising initiatives as needed.

More information on financial risk management is described in note 24 to the consolidated financial statements.

Retail transformation, commercial relevance and shifting customer expectations

The digitalisation of interactions with customers and the rapid development of on-line retailers and digital marketplaces has already had a disruptive effect on traditional retail concepts and continues to create a risk of decreasing commercial relevance and reduced market share. This has accelerated significantly since the pandemic. However, life at home has never been more important, bringing many opportunities for Ingka. Our efforts to meet these challenges and opportunities lies in agile adaptation of the business through the IKEA retail strategy, supported by Ingka Centres and Ingka Investments strategies, transformation of our operations and in-depth market analyses on customers' needs.

Cyber security and data privacy

The digital shift and increased geopolitical tensions bring increased risks related to cyber security and data privacy. With an increasing online share of our total sales, our exposure to this risk is increasing. Ingka strives to address these risks by executing on the multi-year cyber security strategy and establishing a task force to focus on strengthening cyber defense.

Talent

Like many other industries, retail is feeling the challenges to attract and retain talent. This could worsen if we experienced declining co-worker engagement and motivation, unpreparedness for new demands and external forces such as pandemics or new competitors. To counteract this, Ingka is implementing a new talent strategy, including updating the entire Ingka Talent agenda based on learning, leading, performing, and growing and implementing multiple initiatives like a new performance and succession approach and an updated value-based recruitment and employee referral programme.

Well-being of our people

The fast pace of transformation combined with risks such as pandemics or war expose our co-workers to health and safety risks. As the well-being of our people is always top of mind, we have introduced a new global Health and Well-being framework to all markets and made an Employee Assistance Programme available to co-workers in all countries, through external partners.

Climate

The threat from climate change continues to grow in intensity, with compounding effects already being felt, though the full extent of climate change will take longer to materialize. Ingka is fully committed to our People, Planet, Positive goals to contribute to a better planet and has multiple ongoing initiatives with goals and commitments in place towards its planetary footprint. Task Force for Climate Financial Disclosures (TCFD) assessments are performed every 2 years and we have been making substantial investments in renewable energy, circularity and responsible forestry.



Outlook for financial year 2023.

Heading into the new year, we know certain challenges are coming with us, yet we see the opportunity to lead, grow and fulfil the dreams of the many people.

We are worried about the climate crisis, the unstable geopolitical environment, the energy crisis, retail disruption and the impact all of this will have on Ingka Group. We are also concerned about macro-economic development with consumer confidence at its lowest level in many countries and a visible drop in purchase intent as wallets get thinner due to inflation.

But we have better conditions starting financial year 2023 than we had starting 2022. We see many opportunities and choose to be optimistic. With our strong vision and values, we will build on our strengths and work even harder towards our vision to create a better everyday life for the many people. We will continue to steer our business on holistic performance across our value creation areas of Better homes, Better lives, a Better planet, and a Better company.

We know the importance of life at home continues to grow, and we are working hard to become even more relevant to the many people – especially those who are faced with cost-of-living challenges. We will continue to listen to our customers' needs and adapt the way we meet them, through an improved omnichannel customer journey, increased product availability and continuous focus on affordability and sustainability. We want to reach **more** of the many people, helping them to create a better everyday life.

Our ambition is to improve the well-being of millions of people by becoming a truly people-centered company and employer. We will continue to put people at the heart of everything we do, creating Better lives. A more fair and equal life for our co-workers, customers and communities is what we strive for, and we want IKEA to be a place where people of all gender identities, ethnicities, races, nationalities, abilities and sexual orientations feel welcome. We aim to create a workplace that is as diverse as the world is and as inclusive as the world should be. We have pledged to increase ethnic, racial and national diversity at all levels of leadership in 32 countries by 2024. And we will continue to be openhearted and supportive of refugees.

We are committed leaders in tackling climate change together with businesses and governments for a Better planet. We will continue to integrate sustainability into every part of the business and actively drive a holistic approach to performance. We are planning to invest a similar amount in climate and business transformation as we have in previous years. We will take the next steps to become climate positive, circular and enable 1 billion people to live within the boundaries of the planet by the end of 2030.

This is our time. Glorious future!



Ingka Holding B.V.

Annual report for financial year 2022

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST (before profit appropriation)

(in millions of EUR)	<u>2022</u>	<u>2021</u>
Intangible fixed assets (4)	3,196	2,511
Tangible fixed assets (5)	25,647	24,633
Financial fixed assets (6)	<u>2,442</u>	<u>2,186</u>
Total fixed assets	31,285	29,330
Inventories (7)	2,700	1,966
Construction contracts (8)	-	-
Trade and other receivables (9)	1,963	1,676
Securities (10)	20,678	21,215
Cash and short-term deposits (11)	<u>1,138</u>	<u>907</u>
Total current assets	26,479	25,764
TOTAL ASSETS	<u>57,764</u>	<u>55,094</u>

(in millions of EUR)	<u>2022</u>	<u>2021</u>
Capital Stock	1	1
Additional paid-in capital	51	51
Revaluation reserves	212	230
Legal reserves participations	341	279
Other reserves	46,739	43,084
Result for the year	287	1,579
Total shareholder's equity (12)	47,631	45,224
Minority interest	9	9
Total Group equity	47,640	45,233
Provisions (13)	1,563	1,851
Non-current liabilities (15)	767	587
Current liabilities (16)	7,794	7,423
GROUP EQUITY AND LIABILITIES	<u>57,764</u>	<u>55,094</u>

(The accompanying notes on pages 12 to 42 are an integral part of these consolidated financial statements)



Ingka Holding B.V.

Annual report for financial year 2022

CONSOLIDATED INCOME STATEMENT

Year ended August 31

(in millions of EUR)	2022	2021
Retail - sale of goods	39,476	37,404
Service income	1,190	1,261
Rental and construction contracts income	992	852
Renewable energy and forestland income	378	267
Revenue (17)	42,036	39,784
Cost of sales and services (18)	(28,070)	(26,909)
Gross profit	13,966	12,875
Selling expenses	(9,567)	(8,610)
General and administrative expenses	(2,704)	(2,633)
Total operating expenses (19)	(12,271)	(11,243)
Other income (20)	340	242
Operating income	2,035	1,874
Income from investments	31	42
Interest income and similar income	222	257
Changes in value of investments	(1,410)	94
Interest expenses and similar charges	(45)	(30)
Total financial income and expense (21)	(1,202)	363
Income before income taxes and minority interests	833	2,237
Income taxes (22)	(546)	(655)
Income before minority interests	287	1,582
Minority interests	-	(3)
Net income	287	1,579

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended August 31

	2022	2021
Net income	287	1,579
Translation differences foreign activities	2,311	435
Remeasurements IAS 19	64	86
Change in unrealised derivatives	-	-
Realized revaluations through income statement	(18)	(14)
Total of items recognised directly in shareholders' equity	2,357	507
Total result of the legal entity	2,644	2,086

(The accompanying notes on pages 12 to 42 are an integral part of these consolidated financial statements)



Ingka Holding B.V.

Annual report for financial year 2022

CONSOLIDATED STATEMENT OF CASH FLOWS Year ended August 31

(in millions of EUR)	2022	2021
Cash flow from operating activities		
Operating income	2,035	1,874
<i>Adjustments for:</i>		
Depreciation, amortization and impairment of fixed assets	2,108	1,798
Movements in provisions	(176)	(51)
Gains and losses on disposal of fixed assets	77	14
Changes in working capital	(679)	842
Other	10	(11)
<i>Cash flow from operations</i>	<u>3,375</u>	<u>4,466</u>
Interest received	222	258
Interest paid	(45)	(30)
Corporate income tax paid	(761)	(437)
Cash flow from operating activities*	2,791	4,257
Additions fixed assets	(2,130)	(3,236)
Disposals fixed assets	479	315
Dividend received	50	4
Proceeds from repayment of loans receivable	434	545
Issue of loans receivable	(559)	(185)
Acquisition of subsidiaries	(461)	(173)
Divestment of subsidiaries	31	6
Sales and purchases of equities	(62)	(341)
Cash flow from investing activities	(2,218)	(3,065)
Proceeds from short- and long-term loans payable	150	129
Repayment of short- and long-term loans payable	(140)	(109)
Dividends paid	(237)	-
Cash flow from financing activities	(227)	20
Revaluations of securities excl. equity investments	(1,227)	(84)
Exchange gain/(loss)	690	85
Increase/(decrease) cash and cash equivalents	(191)	1,213
Cash and cash equivalents at beginning	21,040	19,827
Cash and cash equivalents at end	20,849	21,040
Net movement in cash and cash equivalents	(191)	1,213

The cash and cash equivalents included in the cash flow statements consist of:

(in millions of EUR)	2022	2021
Cash and short-term deposits	1,138	907
Securities, excl. equity investments	19,711	20,133
Total	20,849	21,040

(The accompanying notes on pages 12 to 42 are an integral part of these consolidated financial statements)

*revaluation of securities excl. equity investments for 2022 (including comparable numbers) are presented below cash flow from financing activities.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in EUR million, unless otherwise indicated)

1. CORPORATE INFORMATION

Ingka Group ownership

Ingka Holding B.V. ('the Company'), Bargelaan 20, 2333 CT Leiden, is the ultimate parent company of the Ingka Group of companies ('Ingka Group'). The Company was incorporated on July 14, 1982, registered in Amsterdam, the Netherlands. The Company is a private limited liability company under Dutch law and is registered in the trade register under number 33173748. Ingka Group's financial year covering the 12-month period ended August 31, 2022, is referred to as '2022' and the comparable year is referred to as '2021'.

Ingka Group is owned by a Dutch Foundation, Stichting INGKA Foundation. INGKA Foundation does not have any owners. It also does not have any beneficial owners but holds its assets only on its own behalf. This means that nobody is entitled to the assets of the Foundation.

Charitable purpose INGKA Foundation

INGKA Foundation has a charitable purpose to create a better everyday life for the many people in need. The INGKA Foundation achieves its charitable purpose by providing funding to the Stichting IKEA Foundation, an independent philanthropic grant-making organisation committed to helping children and families living in poverty afford a better everyday life while protecting the planet.

The funding INGKA Foundation provides to IKEA Foundation originally comes from the dividends INGKA Foundation receives from Ingka Group.

INGKA Foundation is committed to secure the long-term ownership and independence of Ingka Group. As its owner, INGKA Foundation can reinvest funds into Ingka Group.

Ingka Group Long-term focus on customers, business, people, society and planet

Ingka Group pays taxes in all countries it operates in. The taxes we pay are an important part of our wider economic and social contribution to society. We invest part of our net income back into our business. This allows us to keep our prices low, accelerate growth, secure employment, transform our business and reach our goals for Better lives, Better homes, a Better planet and a Better company. Part of the net income that is not reinvested in the business, is paid as dividend to INGKA Foundation. INGKA Foundation ultimately uses the dividend to support the IKEA Foundation in its charitable purpose.

Our structure together with a financial approach based on 79 years of earning the money before we spend it, allows us to be financially independent and purpose-driven in our decisions. We think in generations not quarters and invest in the long-term good of our customers, our business, people, society and our planet.

Ingka Group operations and franchise agreement

Ingka Group operates three businesses: IKEA Retail, Ingka Centres and Ingka Investments. IKEA Retail is the core business, and as the largest IKEA franchisee, it operates 379 IKEA stores, and 103 IKEA shops and IKEA planning studios in 31 countries.

Ingka Centres is a global developer and operator of retail-led destinations for the many people that we call "meeting places". Ingka Centres has 50 years of experience in shopping centres and today works with almost 3000 brands across its portfolio of 44 assets in 14 markets.

Ingka Investments makes investments and acquisitions that secure Ingka Group's long-term financial strength and support our growth, business transformation and sustainability and societal commitments.

Ingka Group operates under franchise agreements with Inter IKEA Systems B.V., the worldwide IKEA franchisor.



The financial statements in this report contain the financial information of both the Company and the consolidated companies of the Company.

2. BASIS OF PREPARATION

Both the company financial statements and the consolidated financial statements have been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code. The financial statements were prepared on 23 November 2022.

The financial information of the Company is included in the consolidated financial statements. For this reason, the Company presents a condensed Company Income Statement, using the exemption of Article 402 of Part 9, Book 2, of the Dutch Civil Code.

The consolidated financial statements of the Company are presented in euro (EUR), which is the Company's functional currency. All amounts have been rounded to the nearest million. The financial statements of the company have been prepared on the basis of the going concern assumption.

3. ACCOUNTING POLICIES

General

Assets and liabilities are measured at historical cost, unless otherwise stated in the further principles.

An asset is recognised in the balance sheet when it is probable that the expected future economic benefits, that are attributable to the asset, will flow to the Company and the cost or value of the asset can be measured reliably. A liability is recognised in the balance sheet when the settlement of an existing obligation is expected to result in an outflow of resources embodying economic benefits and the amount of the obligation can be measured reliably. Assets and liabilities that are not recognised in the balance sheet are considered off-balance sheet items.

An asset or liability that is recognised in the balance sheet, remains on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. An asset or liability is no longer recognised in the balance sheet when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability being transferred to a third party. In such cases, the results of the transaction are directly recognised in the profit and loss account.

Income is recognised in the income statement when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, of which the size can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, of which the size can be measured with sufficient reliability.

Revenue and expenses are allocated to the period to which they relate. Revenues (sale of goods, service income and rental income) are recognised when the Company has transferred the significant risks and rewards of ownership of the goods to the buyer respectively when the services have been performed.

Assumptions and estimates

The preparation of the financial statements requires management to form opinions and to make estimates and assumptions that have an impact on the application of principles and the reported values of assets and liabilities and of income and expenditure. Actual results may differ from these estimates. Estimates and the underlying assumptions are constantly assessed. Revisions to estimates are recognised prospectively. The principal judgements and estimates, including underlying assumptions relate to the useful life of fixed assets, fair value disclosure of investment property, provisions, impairments and recoverability of deferred tax assets.

Basis of consolidation

The consolidated financial statements include the financial information of the Company and its



group companies as at August 31, 2022 and the year then ended. Group companies are legal entities and companies over which the Company exercises control. In assessing whether the Company has control, financial instruments containing potential voting rights that can be exercised immediately are also taken into account.

Group companies are fully consolidated as from the date on which control is obtained and until the date that control no longer exists.

A list containing the Company's investments is filed at the Chamber of Commerce.

Consolidation method

The items in the consolidated financial statements are determined in accordance with consistent accounting policies. All significant intercompany balances, transactions and profits are eliminated. If transactions take place with a non-consolidated participating interest, the gain or loss resulting from this transfer is recognised directly and in full in the consolidated income statement.

Minority interests represent the portion of profit or loss and net assets not held by the Group and are stated separately in the consolidated financial statements.

Joint ventures

Joint ventures are activities in which the Group has a joint controlling influence over the operational and financial management through collaborative agreement with one or more parties. In the consolidated accounts, joint ventures are accounted for on a net asset value basis.

Mergers, acquisitions and divestments

Acquisitions are accounted for using the purchase accounting method. This means that any assets and liabilities acquired are carried at fair value as at the acquisition date. The difference between cost of the acquisition (transaction price) and the Company's share of the fair value of the identifiable assets and liabilities acquired at the time of the transaction of a participating interest is recognised as goodwill. The transaction price is the cash consideration or equivalent agreed as part of the acquisition and transaction costs that are directly attributable to the acquisition are allocated to the transaction price. In case of deferred payment of the consideration, the transaction price is the discounted value of the consideration.

An agreed possible adjustment to the purchase price that is contingent on future events is included in the purchase price if the adjustment is probable and the amount can be measured reliably. It is also possible that a previous estimate of the adjustment to the purchase price must be revised. Such adjustments to the purchase price, that are recorded as changes in estimates, will also result in an adjustment to (positive or negative) goodwill. The adjusted goodwill is amortised prospectively from the date of the adjustment of the purchase price. Comparative figures are not adjusted.

In the event of a common control transaction, it is accounted for using the pooling of interest method.

In the event of a sale, the difference between the consideration and the carrying amount is recorded in financial income and expense. The value of the consideration is subject to judgmental factors, including potential provisions and indemnifications included in the sale and purchase agreement.

Translation of foreign currencies

The consolidated financial statements are prepared in euro, the functional and presentation currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions denominated in foreign currencies are initially carried at the functional exchange rates at the date of transaction. Monetary balance sheet items denominated in foreign currencies are translated at the functional exchange rates at the balance sheet date. Non-monetary balance sheet items that are measured at historical cost in a foreign currency are translated at the functional exchange rates at the date of transaction. Non-monetary balance sheet items that are measured at current value are translated at the functional exchange rates ruling at the date of valuation.



Exchange differences arising on the settlement or translation of monetary items denominated in foreign currencies are taken to the income statement, with the exception of exchange differences resulting from net investments in foreign activities, or from loans taken out to finance or effectively hedge net investments in foreign activities. These exchange differences are taken directly to the foreign currency translation reserve.

Exchange differences arising on the translation of non-monetary balance sheet items denominated in foreign currencies that are carried at current value are taken directly to the revaluation reserve, provided the changes in value of the non-monetary items are likewise taken directly to reserves. Goodwill and fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign activity are treated as assets and liabilities of the foreign activity and translated at the rate of exchange ruling at the balance sheet date.

The assets and liabilities of foreign activities are translated into the functional currency at the rate of exchange ruling at the balance sheet date and the income and expenses of these foreign activities are translated at the average rate of exchange for the year (when this is an appropriate proxy for the rate of exchange at transaction date). Resulting exchange differences are taken directly to the foreign currency translation reserve. On the disposal of a foreign activity, the cumulative exchange differences, taken directly to the reserves, are taken to the income statement as part of the gain or loss on the sale.

The following exchanges rates for 2022 and 2021 are used, where the average rate of exchange for the year was an appropriate proxy for the rate of exchange at transaction date:

	Spot rate 31/8/22	Spot rate 31/8/21	Average rate 31/8/22	Average rate 31/8/21
EUR/USD	0.99	0.85	0.92	0.84
EUR/RMB	0.14	0.13	0.14	0.13
EUR/RUB	0.017	0.012	0.013	0.011

Financial instruments

Financial instruments include investments in shares and bonds, trade and other receivables, cash items, loans and other financing commitments, derivative financial instruments, trade payables and other amounts payable. These financial statements include the following financial instruments: securities, loans and receivables granted and other financial liabilities and derivatives.

Financial assets and liabilities are recognised in the balance sheet at the moment that the contractual risks or rewards with respect to that financial instrument originate.

Financial instruments are derecognised if a transaction results in a considerable part of the contractual risks or rewards with respect to that financial instrument being transferred to a third party.

Financial instruments are initially measured at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction costs are directly recognised in the income statement at the initial recognition. After initial recognition, financial instruments are valued in the manner described below.

Securities

Securities consists of investments in shares and bonds and following initial measurement, are carried at fair value without deduction of any transaction costs on sale. Gains and losses arising from changes in the fair value are taken to the income statement.

Receivables

Receivables are short-term in nature, initially measured at fair value and subsequently at amortised costs (except for derivatives) less allowance for uncollectible amounts.



Financial liabilities

Financial liabilities are recognised initially at fair value, which includes directly attributable transactions costs, and subsequently carried at amortised cost.

Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to their fair value (except for options), taking into account the credit risk arising from default of the counterparty (Credit Valuation Adjustment, CVA) in the case of derivatives holding a positive fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques (such as discounted cash flow models and option pricing models), as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument.

The commercial flows of the Company are subject to currency risk. As part of its treasury activities, the Company designates certain derivatives as hedges of highly probable future cash flows attributable to a forecast transaction in foreign currencies. As no hedge accounting is applicable, all fair value changes related to derivatives are recognized directly in the income statement.

Embedded derivatives

The Company separates an embedded derivative from the host contract if the following conditions are met:

- There is no close relationship between the economic characteristics and risks of the embedded derivative and those of the host contract;
- A separate instrument having the same characteristics as the embedded derivative would be classified as a derivative; and
- The compound instrument is not measured at fair value with changes in fair value recognised through the income statement.

Separable embedded derivatives are recognised at fair value in the balance sheet upon inception of the contract. Changes in fair value are recorded in the income statement.

Impairment of financial assets

Financial assets, e.g. long-term loans receivable, which are measured at (amortised) cost, are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

Determination of fair value

The fair value of a financial instrument is the amount for which an asset can be sold or a liability settled, involving parties who are well informed regarding the matter, willing to enter into a transaction and are independent from each other.

- The fair value of listed financial instruments is determined on the basis of the exit price.
- The fair value of non-listed financial instruments is determined by discounting the expected cash flows to their present value, applying a discount rate that is equal to the current risk-free market interest rate for the remaining term, plus credit and liquidity surcharges.

The fair value of derivatives involving the exchange of collateral is determined without the credit or liquidity surcharges since this risk is mitigated by the collateral exchange.



Fair value

The fair value of the financial instruments is determined using available market information or estimation methods. Under these estimating methods, the fair value is estimated:

- on the basis of the fair value of its components or a similar instrument if the fair value of its components or similar instruments can be reliably measured; or
- by using generally accepted valuation models and techniques.

Amortised cost

Amortised cost is calculated using the effective interest rate method less any reductions for impairment or uncollectibility. The calculation takes into account any discounts as well as transaction cost at the transaction date.

Offsetting

Assets and liabilities are only offset in the financial statements, if and to the extent that:

- an enforceable legal right exists to offset the assets and liabilities and settle them simultaneously; and
- the firm intention is to settle the assets and liabilities on a net basis or simultaneously.

Intangible fixed assets

An intangible fixed asset is recognised in the balance sheet when it is probable that the future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be reliably measured.

Costs relating to intangible fixed assets not meeting the criteria for capitalisation (for example, cost of research, internally developed brands, logos, trademark rights and client databases) are taken directly to the income statement account.

Intangible fixed assets are carried at the lower of cost of acquisition or production net of accumulated amortisation and impairment losses and their recoverable amount (being the higher of value in use and fair value less costs to sell). Intangible fixed assets, except for (land) lease rights, are amortised on a straight-line basis over their expected useful economic lives, subject to a maximum of 20 years. The (land) lease rights are amortised over the contractually agreed period. If the estimated useful life exceeds 20 years, an impairment test is performed at each financial year-end.

Expenditures made after the initial recognition of an intangible fixed asset are included to the cost if it is probable that the expenditures will lead to an increase in the expected future economic benefits, and the expenditures and the allocation to the asset can be measured reliably. If expenditures do not meet these conditions, they are recognised as an expense in the profit and loss account.

The accounting principles for the determination and recognition of impairments are included under the section Impairments of fixed assets.

Development costs

Development costs are capitalised if they satisfy the technical, commercial, financial feasibility criteria set for them and the company has the ability to use or sell the assets and it is probable that the asset will generate future economic benefits.

Goodwill

Goodwill represents the difference between the cost of a business combination and the fair value at the transaction date of the acquired equity value of the company. Goodwill is capitalised and amortised over its expected useful life.

(Land) lease rights

(Land) lease rights recognised as an intangible fixed asset relates to an ownership of a temporary right to lease land and/or real estate, which has been paid in advance.



Green and carbon certificates

Green and carbon certificates are measured at cost or lower market value. Green and carbon certificates are not amortised.

Tangible fixed assets

A tangible fixed asset is recognised in the balance sheet if it is probable that the future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be reliably measured. Tangible fixed assets (both assets in use by the Company and investment properties) are carried at the cost of acquisition or production (less any investment grants) net of accumulated depreciation and accumulated impairment losses. The cost comprises the price of acquisition or construction, plus other costs that are necessary to get the assets to their location and condition for their intended use. Expenditure is only capitalised when it extends the useful life of the asset.

Investment property is property held to earn rental income and/or for capital appreciation, rather than for own use.

Maintenance costs are expensed when they occur unless they are related to major pluriannual maintenance costs, which are capitalised in the book value of the asset if they meet the requirements for capitalization.

Depreciation is calculated on a straight-line basis over their expected useful economic lives, taking into account their residual value. Changes in the expected depreciation method, useful life and/or residual value over time are treated as changes in accounting estimates. No depreciation is recognised on land, tangible fixed assets under construction and prepayments on tangible fixed assets. Depreciation starts as soon as the asset is available for its intended use and ends at decommissioning or divestment.

The costs of dismantling, removing and restoring after the use of an asset are recognised as part of the carrying amount of the asset, with a provision being formed for an equal amount at the same time.

Retired tangible fixed assets are carried at the lower of cost and their fair value less costs.

A tangible fixed asset is derecognised upon sale or when no further economic benefits are expected from its continued use or sale. Gains or losses on disposal or decommissioning are determined based on the difference between the net proceeds and the carrying amount of the asset and are recognised in the income statement.

Financial fixed assets

The Company has the following subcategories for financial fixed assets:

Long-term loans receivable

Loans granted and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these loans and receivables are carried at amortised cost based on the effective interest rate method.

Gains and losses are taken to the income statement, when the receivables are transferred to a third party or impaired.

Investment in participating interests

Participating interests over which financial and operating policies the Company exercises significant influence are valued using the equity method. Under this method, participating interests are carried at the Company's share of their net asset value plus its share in the results of the participating interests from the acquisition date, determined in accordance with the accounting policies disclosed in these financial statements. The Company's share in the results of the participating interests is recognised in the income statement. If and to the extent the distribution of profits is subject to restrictions, these are included in a legal reserve.

In assessing whether the Company has significant influence over the business and financial policies



of a participating interest, all facts and circumstances and contractual relationships, including potential voting rights, are taken into account.

Other investments

Other investments, not forming part of a trading portfolio, are carried at the lower of cost or market value. Gains and losses are taken to the income statement, when the investments are transferred to a third party or impaired.

Dividends are taken to the income statement when declared.

Impairment of fixed assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the income statement under other general and administrative expenses.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a market based pre-tax discount rate. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. For Centres investment properties an external valuation is performed on a yearly basis to determine the fair value.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited up to the amount of the original cost, net of depreciation, if no impairment loss had been recognised in prior years. Such reversal is recognised in the income statement.

For all categories of financial assets carried at amortised cost, the Company assesses at each balance sheet date whether that asset or group of financial assets is impaired. Only if there is objective evidence of impairment the impairment loss will be recorded in the income statement.

Inventories

Inventories mainly comprise finished products and are carried at the lower of cost (first-in, first-out basis) or net realisable value, net of a provision for obsolescence. Cost includes the expenses for acquisition, plus other expenditure to bring the inventories to their present location and condition. Net realisable value is based on estimated selling price, less further costs expected to be incurred for completion and disposal.

Construction contracts

Construction contracts concern the construction of properties for which an unconditional sales contract has been entered into before or during the construction. Construction contracts consist of realised contract costs, attributable profits, recognised losses and progress billings. Included in the valuation of construction contracts are the costs which directly relate to the specific project (for example, personnel costs for employees whose activities relate directly to the project, costs of materials used in construction, costs of land and sites, and depreciation of plant and equipment used on the project), the costs which are attributable to contract activity in general and can be allocated to the project (including insurance, costs of design and technical assistance, construction overheads, and the interest on debt attributable to the project during the period), as well as other costs chargeable to the customer under the terms of the project. Construction contracts represent an amount receivable from the customer if an asset, or an amount payable if a liability, for activities still to be performed or an amount received in advance. For further details on construction contracts refer to section Construction contracts income.



Cash and short-term deposits

Cash and cash equivalents are carried at nominal value, which are readily available within 12 months.

Shareholder's equity

Amounts contributed by the shareholder of the Company in excess of the nominal share capital, are accounted for as share premium.

The revaluation reserve does not exceed the difference between the carrying value based on historical cost and the carrying value based on fair value. The revaluation reserve is reduced by any realised revaluation (in connection with systematic depreciation or amortisation of the asset). Decreases in the value of the asset in question other than due to systematic depreciation or amortisation are charged against the revaluation reserve. If an asset is sold, any revaluation reserve pertaining to that asset is released and credited to other reserves. Any related deferred tax liability, calculated at the current tax rate, is offset against the revaluation reserve.

Minority interests are valued at the proportionate share of third parties in the net value of the assets and liabilities of a consolidated entity, determined in accordance with the Company's measurement principles.

Provisions

A provision is formed for a legal or constructive obligation (including claims, disputes and lawsuits), arising from a past event if it is probable that they will have to be settled and the amount of the liability can be reliably estimated. The amount of the provision is determined based on a best estimate of the amounts required to settle the liabilities and losses concerned at the balance sheet date. Provisions are carried at non-discounted value, with the exception of:

- the provision for pensions which is carried at discounted value; and
- provisions for other employee benefits carried at discounted value if the effect of the time value is material.

If expenses required to settle a provision are probable to be reimbursed by a third party, the reimbursement is recognised as a separate asset.

In certain cases, the criteria for recognising a provision or liability in the balance sheet of the Company may not be met. Under contingencies and commitments, the Company discloses contingent liabilities, where there is a potential material impact on the financial statements dependent on the occurrence of uncertain future events.

If the time value of money is material and the period over which the cash outflows are discounted is more than one year, provisions are measured at the present value of the best estimate of the cash outflows that are expected to be required to settle the liabilities and losses. The provisions are measured at nominal value if the time value of money is not material or if the period over which the cash outflows are discounted is no longer than one year.

Pensions and other post-employment benefits

The Company operates a number of pension plans, which have been established in accordance with the regulations and practices of the individual countries. The plans include both defined contribution plans and defined benefit plans. The Company applies IAS 19 to all post-employment benefits.

Defined contribution plans

The contributions related to defined contribution plans are charged to the income statement in the period to which these contributions relate.

Defined benefit plans

The net obligations of defined benefit plans are determined as the difference between the benefit obligations and the plan assets. Defined benefit plan pension commitments are calculated in accordance with the projected unit credit method of actuarial cost allocation. Under this method, the present value of pension commitments is determined on the basis of the number of active years of service up to the balance sheet date and the estimated employee salary at the time of the



expected retirement date and is discounted using the market rate of interest on high-quality corporate bonds with lifetimes that corresponds to the Group's pension obligations. The net obligation comprises the discounted present value of the total earned future salaries less the fair value of any plan assets.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding any changes recorded as net interest and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet and equity (retained earnings). Remeasurements are not reclassified to the income statement in subsequent periods.

Past service costs are recognised in the income statement on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation under 'general and administrative expenses' in the consolidated income statement:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

Non-current liabilities

The valuation of non-current liabilities is explained under the heading 'Financial instruments'.

Current liabilities

The valuation of current liabilities is explained under the heading 'Financial instruments'.

Income taxes

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the financial year, calculated using tax rates enacted in accordance with local tax legislation or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax liabilities and deferred tax assets are carried on the basis of the tax consequences of the realisation or settlement of assets, provisions, liabilities or accruals and deferred income as planned by the Company at the balance sheet date. Deferred tax liabilities and deferred tax assets are carried at non-discounted value.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences and carry-forward losses, to the extent that it is probable that future taxable profit will be available for set-off.

Deferred and other tax assets and liabilities are netted off if the general conditions for netting off are met.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax legislation) that have been enacted or subsequently enacted at the balance sheet date.

Leasing

The Company may enter into finance and operating leases. A lease agreement under which the risks and rewards of ownership of the leased object are carried entirely or almost entirely by the lessee are classified as finance leases. All other leases are classified as operating leases.

Assessing whether an agreement contains a lease is based on the substance at the inception date of the agreement. The agreement is regarded as a lease if the fulfilment of the agreement depends



on the use of a specific asset and the lease contains the right of use of a specific asset.

The Group as lessee

Under operating leases, the lease payments are charged to the income statement on a straight-line basis over the term of the lease.

The Group as lessor

Under operating leases, the lease income is taken on a straight-line basis to the income statement over the term of the lease. Initial direct costs are amortised over the term of the lease against the lease income.

Income

Revenue consists of sale of goods, service income, rental income, construction contracts income, renewable energy and forestland income.

Sale of goods

Sale of goods represents the proceeds from the supply of goods and services, net of returns and discounts. The Company generates and recognises net sales to retail customers at the point of sale in its stores or pick-up points and upon delivery to home shopping customers.

Service income

Service income represents the consideration received or receivable, net of allowances and rebates. Service income is recognised in the income statement when the service is performed and the amount of the revenue can be determined reliably, collection of the related compensation to be received is probable and the costs already incurred.

Rental income

Rental income is recognised in the income statement on a straight-line basis over the term of the lease. Rental discounts given in regards of Covid-19 are recognised within the financial year. Lease incentives granted to lessees are recognised as an integral part of total rental income, over the term of the lease.

Construction contracts income

Construction contracts income, costs and profit are recognised with respect to the activity performed to complete the project as at balance sheet date (percentage of completion method). The level of activities performed for a construction project is determined on the basis of contract costs incurred to the balance sheet date in relation to estimated total contract costs. Contract costs are recognised as an expense in the profit and loss account when activities in the project have been performed.

At the same time, revenues are recognized based on the activities performed as at balance sheet date which is the same as the recognized contract cost in the income statement plus the percentage of completion estimated result.

Renewable energy and forestland income

Renewable energy income represents the consideration received for produced electricity and related products and services. Renewable energy income is recognised in the income statement in the period to which it relates (e.g. when the electricity was produced and delivered). Forestland income represents the income of sales of timber and is recognised when the risks and rewards of the ownership are transferred to the buyer and the quantity sold is determinable.

Interest

Interest income is recognised on an accrual basis in the income statement using the effective interest rate method, provided the income can be measured and the income is probable to be received.

Expenses

Expenses that are incurred in order to generate revenues and other operating income, insofar these costs have been charged by third parties, including interest, are determined with due observance of



the aforementioned accounting policies and allocated to the year to which they relate. Employee benefits are charged to the income statement in the period in which the employee services are rendered.

Termination benefits are employee benefits provided in exchange for the termination of the employment. A termination benefit is recognised as a liability and an expense when the Company is demonstrably and unconditionally committed to make the payment of the benefit. If the termination is part of a restructuring, the costs of the termination benefits as part of the restructuring provision.

Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognised if known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Cash flow statement

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. The above definition has been used for the cash flow statements, which has been prepared using the indirect method.

Receipts and payments of interest, and income taxes are presented within the cash flows from operating activities. Payments of dividends are presented within the cash flows from financing activities. Receipt of dividends are presented within the cash flows from investing activities.

The consideration of acquired group companies is presented under the cash flows from investment activities, for the considerations paid in cash and cash equivalents. The cash and cash equivalents obtained through the acquired group companies at the acquisition date, are deducted from the consideration paid.

Cash flows in foreign currencies are translated at the average rate of exchange for the year. Currency translation differences are presented separately in the statement of cash flows.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. If the grant relates to an asset, it reduces the carrying amount and is recognised as income over the useful life of the asset as reduced depreciation charge.

Related parties and related party transactions

Transactions with related parties are assumed when a relationship exists between the company and a natural person or entity that is affiliated with the company. This includes, amongst others, the relationship between the company and its subsidiaries, shareholders, directors and key management personnel. Transactions are transfers of resources, services or obligations, regardless whether anything has been charged.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognised in the financial statements.

Events that provide no further information on the actual situation at the balance sheet date are not recognised in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects are disclosed in the financial statements.



4. INTANGIBLE FIXED ASSETS

	2022	2021
(Land) lease rights	2,400	1,842
Goodwill	376	338
Software	377	287
Other	43	44
Total	3,196	2,511

	(Land) lease rights	Goodwill	Software	Other	Total
Cost					
Opening balance	2,191	511	318	120	3,140
Translation adjustment	208	22	(14)	6	222
Additions	-	70	157	42	269
Acquisitions	445	-	-	-	445
Disposals	-	-	-	(33)	(33)
Divestments	-	-	-	-	-
Impairments	-	-	(8)	-	(8)
Other	-	(5)	1	(6)	(10)
Closing balance	2,844	598	454	129	4,025
Accumulated amortisation					
Opening balance	349	173	31	76	629
Translation adjustment	35	15	(2)	6	54
Additions	60	32	50	5	147
Disposals	-	-	(2)	(1)	(3)
Divestments	-	-	-	-	-
Other	-	2	-	-	2
Closing balance	444	222	77	86	829
Net book value	2,400	376	377	43	3,196

Estimated useful life (years)	30-97	3-20	3-5	0-20
--------------------------------------	-------	------	-----	------

The useful life of goodwill ranges from 3-20 years in accordance with the timeline of anticipated future economic benefits arising in the investment. The estimated useful life of (land) lease rights ranges from 30-97 years in accordance with the contractually agreed period.

Other intangible fixed assets mainly consist of capitalized franchise fees and intangible assets for capitalized renewable energy and carbon incentives.

The amortization of intangible fixed assets is included under general and administrative expenses and cost of sales and services in the income statement.

Research and development costs charged to the profit and loss account amount to EUR 152 and is mainly related to amortization of capitalized IT development costs.



5. TANGIBLE FIXED ASSETS

	2022	2021
Land and buildings	19,898	19,574
Building improvements	2,102	2,007
Machinery and equipment	1,324	1,322
Construction in progress	2,323	1,730
Total	25,647	24,633

	Land and buildings	Building improve- ments	Machinery and equipment	Construc- tion in progress	Total 2022	Total 2021
Cost						
Opening balance	29,122	5,123	4,711	1,730	40,686	38,469
Translation adjustment	1,611	348	259	256	2,474	473
Additions	282	70	264	1,320	1,936	2,248
Acquisitions	86	-	-	-	86	237
Disposals	(483)	(99)	(224)	(81)	(887)	(597)
Divestments	(67)	(7)	0	(7)	(81)	(8)
Impairment	(186)	13	(3)	(21)	(197)	(102)
Transfers	430	212	226	(868)	-	-
Other	1	(10)	(57)	(6)	(72)	(34)
Closing balance	30,796	5,650	5,176	2,323	43,945	40,686
Accumulated depreciation						
Opening balance	9,548	3,116	3,389	-	16,053	14,616
Translation adjustment	603	175	198	-	976	165
Additions	939	315	471	-	1,725	1,571
Disposals	(160)	(54)	(165)	-	(379)	(292)
Divestments	(28)	(5)	0	-	(33)	-
Transfers	(9)	9	0	-	0	-
Other	5	(8)	(41)	-	(44)	(7)
Closing balance	10,898	3,548	3,852	-	18,298	16,053
Net book value	19,898	2,102	1,324	2,323	25,647	24,633

Estimated useful life (years)	25	10	3-15
--------------------------------------	----	----	------

Land and construction in progress are not depreciated.

Tangible fixed assets carried at costs do not include capitalized interest charges. Land and buildings include windfarms and forestland for a net book value of EUR 1,623 million. The company holds the legal ownership of all material tangible fixed assets.

Of the depreciation of EUR 1,725 million, an amount of EUR 1,108 million (2021: EUR 997 million) is included in the selling expenses and the residual amount of EUR 617 million (2021: EUR 574 million) is mainly allocated to cost of sales and services.

During 2022 investments in, amongst others, wind- and solarfarms and real estate resulted in an increase in tangible fixed assets of EUR 86 million and an increase in intangible fixed assets of EUR 527 million. Total consideration paid amounts to EUR 462 million.

The Company received investment grants in different jurisdictions. The investment grants received during 2022 were not material.



During 2022 impairments on tangible fixed assets to recoverable amounts have been recorded for an amount of EUR 222 million (2021: EUR 106 million). Reversals of previous years' impairments for an amount of EUR 19 million (2021: EUR 4 million) have been recognised, resulting in a net loss of EUR 203 million (2021: EUR 102 million loss) recognised in the income statement relating to assets and Cash Generating Units ('CGU') within the following lines of business:

Description	Assets/ CGUs	Valuation approach	Forecasting period and discount rate Value in use	Amount
Renewable energy and forestland	2 ¹	Value in use	15-21 years; 4-6%	35
Retail market	10 ²	Market value / Value in use	5 years; 8-11%	81
Investment property	9 ¹	Market value	-	87

¹ Note that the CGU amount comprises the CGU with an impairment.

² Note that there are also impairments related to land plots which are not included in the Retail market CGU amounts presented in table above.

The impairments are mainly driven by lower business performance in few specific (retail) markets, decrease of investment property in Russia and decreased valuation of land plots. The reversals of impairments are mainly driven by higher renewable energy prices forecasted.

Investment properties

The investment properties, rented out to third party tenants, form an integral part of the tangible fixed assets and have the following book value:

	2022	2021
Land and buildings	3,602	3,451
Building improvements	765	623
Machinery and equipment	84	52
Construction in progress	685	440
Total	5,136	4,566



Ingka Holding B.V.

Annual report for financial year 2022

	Land and buildings	Building improve- ments	Machinery and equipment	Construc- tion in progress	Total 2022	Total 2021
Cost						
Opening balance	4,850	1,194	148	440	6,632	6,205
Translation adjustment	515	176	44	92	827	122
Additions	3	(7)	2	422	420	428
Acquisitions	-	-	-	-	-	116
Disposals	(321)	(59)	(27)	(10)	(417)	(37)
Divestments	(67)	(7)	-	(7)	(81)	(8)
Impairments	(53)	-	-	(33)	(86)	(59)
Transfers	129	107	30	(266)	-	-
Other	352	162	48	47	609	(135)
Closing balance	5,408	1,566	245	685	7,904	6,632
Accumulated depreciation						
Opening balance	1,399	571	96	-	2,066	1,736
Translation adjustment	206	90	33	-	329	39
Additions	208	107	26	-	341	305
Disposals	(137)	(31)	(22)	-	(190)	(9)
Divestments	(28)	(5)	-	-	(33)	-
Transfers	-	-	-	-	-	-
Other	158	69	28	-	255	(5)
Closing balance	1,806	801	161	-	2,768	2,066
Net book value	3,602	765	84	685	5,136	4,566

Estimated useful life (years) 25 10 3-15

Land and construction in progress are not depreciated.

The estimated useful lives of these investment properties are comparable to the estimated useful lives of the operational tangible fixed assets.

Rental income from third party tenants related to investment properties amounted to EUR 981 million (2021: EUR 849 million).

The estimated market value of the investment property amounts to EUR 10.2 billion (2021: EUR 9.6 billion) and is mainly based on external appraisal conducted yearly by an independent appraiser. This amount includes related land lease rights with a net book value of EUR 1.0 billion (2021: EUR 1.0 billion). The estimated market value increased compared to 2021 and is mainly driven by an increase due to foreign exchange translation partly offset by decrease of value of investment properties in local currency. In addition, the value was also impacted by closure of the stores in Russia (in fair value scope FY22, not in FY21).

The valuation is determined based on open-market valuations, taking into account the size, nature, state and use of the investment property. The Russia - Ukraine war creates a significant degree of uncertainty and volatility in the Russian (real estate) markets, also having an impact on the valuation of our investment properties in Russia. In recognition of the potential for market conditions to change rapidly in response to the current situation in Russia, we highlight the importance of the valuation date as such.



Ingka Holding B.V.

Annual report for financial year 2022

Operating leases – Group as lessor

The Group has entered into operating leases relating to investment property. The future minimum lease receipts on these non-cancellable leases can be broken down as follows:

	2022	2021
Within one year	731	944
After one year but no more than five years	2,411	2,182
More than five years	2,055	3,371
Total	5,197	6,497

The decrease in operating leases is mainly due to the closure of retail operations in Russia.

6. FINANCIAL FIXED ASSETS

	2022	2021
Long term loans receivable	508	477
Deferred tax asset	657	476
Investment in participating interests	916	890
Other investments	361	343
Total	2,442	2,186

	Long term Loans receivable	Deferred Tax Asset	Investm. in part. interests	Other invest- ments	Total
Cost					
Opening balance (incl. due in one year)	629	476	890	343	2,338
Translation adjustment	21	18	22	8	69
Additions	299	350	52	41	742
Disposals	-	-	-	(6)	(6)
Utilised	-	(109)	-	-	(109)
Released	-	(60)	-	-	(60)
Share in result of part. interests	-	-	10	-	10
Repayments	(345)	-	-	-	(345)
Amounts due within one year	(96)	-	-	-	(96)
Dividend	-	-	(50)	-	(50)
Other	-	(18)	(8)	(25)	(51)
Transfer	-	-	-	-	-
Net book value	508	657	916	361	2,442

Additional investments in participating interests and other investments (EUR 52 million and EUR 41 million respectively) relate mainly to investments in companies specialized in innovative logistics and FinTech.



Ingka Holding B.V.

Annual report for financial year 2022

Annual maturities of long-term loans receivable scheduled for repayment during the next years are as follows:

Financial Year	Amount
2022	96
2023	62
2024	91
2025	13
2026	55
Thereafter	288
Total	605

Refer to note 22 for details on the deferred tax assets. The group has the following significant capital interests:

Name	Registered office	Share in issued capital
Ikano Insurance Holding AG	Zug, Switzerland	49%
Veja Mate Offshore Beteiligungsgesellschaft	Munich, Germany	33%
Sponsor VKI HoldCo LLC (Sage Solar Project)	USA	49%
Sponsor Misae I HoldCo LLC (Misae Solar Project)	USA	49%
Sixth Project Company LLC	Russia	49%
Sunlight Energy LLC	Russia	49%
Fifth Project Company LLC	Russia	49%
Ikano Bank AB	Sweden	49%

7. INVENTORIES

The inventory consists of finished goods and amounts to EUR 2,700 million (2021: EUR 1,966 million). The provision for obsolescence amounts to EUR 66 million as at August 31, 2022 (2021: EUR 53 million).

As at August 31, 2022 EUR 25 million (2021: 26 million) is recognised under inventories that is related to properties that have already finished construction.

8. CONSTRUCTION CONTRACTS

Construction contracts consists of properties under construction and amounts to EUR nil million (2021: EUR nil) as the construction works have been completed.



9. TRADE AND OTHER RECEIVABLES

	2022	2021
Trade debtors, less allowance	492	436
Current portion of long-term loans receivable	96	152
Short term loans and receivables	275	89
Income tax receivable	237	131
Other receivables	493	522
Prepaid expenses and accrued income	370	346
Total	1,963	1,676

The other receivables can be broken down as follows:

	2022	2021
VAT receivable	225	255
Receivable on suppliers	30	19
Other receivables	240	248
Total	495	522

Prepaid expenses and accrued income can be broken down as follows:

	2022	2021
Interest	2	2
Derivatives	17	21
Insurance premiums	25	24
Other prepaid and accrued income	326	299
Total	370	346

Derivatives include the unrealised gains on derivative financial instruments related to the management of interest rate and currency risk. For more information on financial risk management refer to note 24.

10. SECURITIES

The Company is actively managing its excess cash liquidity through its securities trading business. As at August 31, 2022, total securities amounted to EUR 20,678 million (2021: EUR 21,215 million). Securities, excluding equity and fund investments amounted to EUR 18,964 million (2021: EUR 19,562 million), consisting mainly of highly creditworthy listed debt securities with a credit rating of at least AA as shown below. The amount attributable to listed equities was EUR 967 million as at 31 August 2022 (2021: EUR 1,078 million).

Maximum exposure limits of EUR 300 million and EUR 200 million are set for individual financial counterparties and non-financial counterparties respectively, as long as their credit rating is at least A-. Below A-, exposure limits of EUR 100 million apply to all counterparties with a BBB+ or BBB rating and EUR 50 million for those rated BBB-. No limits apply for government securities or their 100% owned agencies, unless the government's rating is below BBB where limits of EUR 500 million apply. A maximum exposure of EUR 1,200 million and a stricter approval process are applied to non-investment grade debt securities.



Ingka Holding B.V.

Annual report for financial year 2022

The credit risk profile of the debt securities portfolio is as follows (in %):

	2022	2021
AAA to AA	53	53
AA- to A-	30	26
BBB+ to BBB-	14	18
Non-Investment Grade	3	3
	100	100

The debt securities portfolio is diversified over the following issuer categories (in %):

	2022	2021
Sovereign	43	51
Government Sponsored	18	18
Financial Corporation	20	14
Asset backed securities	1	1
Non-Financial Corporate	12	8
Collateralized Loans Obligations	6	8
	100	100

The income statement includes a EUR 1,280 million loss (2021: EUR 123 million loss) in the value of debt securities. This amount is included in the financial income and expenses under revaluation gain/(loss). Changes in value of listed securities are not included in the revaluation reserve.

As at August 31, 2022, no bonds were pledged as collateral for short term borrowing (2021: no bonds).

11. CASH AND SHORT-TERM DEPOSITS

The total balance amounts to EUR 1,138 million as at August 31, 2022 (2021: EUR 907 million). An amount of EUR 697 million (2021: EUR 695 million) is readily available without restrictions to the Company, while an amount of EUR 441 million (2021: EUR 212 million) relating to short-term deposits with a set maturity date for a maximum duration of 3 months is restricted.

12. SHAREHOLDER'S EQUITY

For details on shareholder's equity, refer to note 3 in the Company financial statements.

13. PROVISIONS

	2022	2021
Deferred tax liabilities	604	599
Provision for pension commitments	410	722
Other	549	530
Total	1,563	1,851

For details on the provision for deferred taxation refer to note 22. For details on the provision for pensions commitments refer to note 14.



Ingka Holding B.V.

Annual report for financial year 2022

The movement in the other provisions is as follows:

	2022	2021
Opening balance	530	620
Currency translation	56	4
Additions	178	163
Utilised	(151)	(134)
Released	(60)	(124)
Transfer	-	-
Other	(4)	1
Closing balance	549	530

Other provisions include warranty and return (EUR 188 million), tax (EUR 116 million), restructuring (EUR 22 million) and other provisions (EUR 223 million). Of the total balance an amount of EUR 253 million (2021: EUR 202 million) is due within one year. Other provisions are measured at nominal value if the time value of money is not material or if the discounting period of the cash outflows is less than one year. Alternatively, in case the time value of money is material or if the discounting period of the cash outflows is more than one year, other provisions are measured at fair value.

14. PENSION AND OTHER POST-EMPLOYMENT BENEFITS

The Company has a number of defined benefit pension plans, predominantly in Sweden, the Netherlands, Germany, France and Switzerland.

The nature of the benefits provided by the Company are based on final salary pension plans (59%), contribution-based plans with guarantee (34%) and other (7%).

There are minimum funding requirements for the pension plans in Belgium, the Netherlands and Switzerland as set out by local legislation. The minimum funding requirements for these plans are met as per balance sheet date.

The key defined benefit plans with regards to the present value of net obligations are as follows:

	Netherlands	Sweden	Switzerland	Other	Total
Defined benefit obligation	(648)	(148)	(256)	(300)	(1,352)
Fair value of plan assets	765		305	83	1,153
Effect of asset ceiling	(155)		(28)		(183)
Net Defined Benefit Asset			26		26
Net Defined Benefit Liability	(38)	(148)	(5)	(217)	(408)

Net expense

The following table shows the pension and other post-employment benefit expenses recognised in the income statement.

	2022	2021
Current service cost	76	91
Past service cost	(21)	0
Company service cost	55	91
Net interest cost	(11)	9
Defined benefit plans	44	100
Defined contribution plans	278	191
Total expense	322	291



Ingka Holding B.V.

Annual report for financial year 2022

Liability for defined benefit obligations

	2022	2021
Defined benefit obligation – funded plans	1,002	1,262
Defined benefit obligation – unfunded plans	350	611
Less: Fair value of plan assets	(1,153)	(1,237)
Deficit	199	636
Restriction due to asset ceiling	183	14
Net Defined Benefit Liability and Defined Benefit Asset	382	650

The movements in the asset and liability for the net defined benefit obligations are as follows:

	2022	2021
Opening balance	650	700
Net expense for the year	45	101
Remeasurement (gain)/loss	(109)	(100)
Employer contributions	(58)	(44)
Net transfer in/out	0	1
Benefits paid directly by the Company	(144)	(14)
Reimbursement rights	0	1
Currency translation	(2)	5
Closing balance	382	650

The fair value of the reimbursement rights amounts to EUR 8 million at August 31, 2022 (2021: EUR 8 million).

Assets and liabilities

The following table shows the changes in benefit obligations and plan assets of the employee benefit plans.

The present value of the defined benefit obligation is detailed as below:

	2022		2021	
	Defined benefit obligation	Fair value plan assets	Defined benefit obligation	Fair value plan assets
Opening balance	1,873	1,224	1,756	1,056
Company service cost	55	-	91	-
Net interest	20	13	21	11
Benefits paid	(48)	(50)	(42)	(44)
Plan participant contributions	14	14	13	13
Employer contributions	(131)	70	-	58
Return on plan assets	-	(172)	-	112
Changes due to employee transfers	-	-	1	-
Changes in demographic assumptions	16	-	(60)	-
Changes in financial assumptions	(518)	-	101	-
Experience adjustments	34	-	(11)	-
Currency translation	36	39	3	(1)
Changes in effect of asset ceiling	-	(168)	-	19
Closing balance	1,351	970	1,873	1,224



Ingka Holding B.V.

Annual report for financial year 2022

	2022	2021
Final salary pension plans	794	1,225
Contribution based plans with a guarantee	467	547
Other	89	101
Closing balance	1,351	1,873

Allocation of plan assets

The major categories of plan assets of the fair value of the total plan assets are, as follows:

	2022		2021	
	Quoted	Unquoted	Quoted	Unquoted
Cash and cash equivalents	78	-	67	-
Equity instruments	380	-	420	-
Government bonds	434	-	486	-
Corporate bonds	-	-	-	-
Real estate	-	87	-	75
Insurance contracts	30	81	50	74
Other	59	3	63	-
Total	981	171	1,086	149

The plan assets do not include investments in shares, issued debt or property owned by the Company.

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. If the return on the plan assets is less than the return on the liabilities implied by this assumption, this will create a deficit.

Interest rate risk

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' fixed rate instruments.

Inflation risk

Some of the pension obligations are linked to inflation. Higher inflation will lead to higher liabilities. The majority of the plan assets are either unaffected by or loosely correlated with inflation, meaning that an increase in inflation will increase the deficit.

Life expectancy

The majority of the plans are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

Assumptions

The principal assumptions used in determining the defined benefit obligations are shown below:

	2022	2021
Discount rate	3.2%	1.2%
Future salary increases	2.3%	2.5%

The average duration of the defined benefit plan obligation at August 31, 2022 is 17 years (2021: 20.5 years).

The Company expects to contribute EUR 189 million to its defined benefit pension plans in 2023.



Ingka Holding B.V.

Annual report for financial year 2022

Sensitivity analysis

	Discount rate		Salary increases	
	0.50%	(0.50%)	0.50%	(0.50%)
Impact on defined benefit obligation	(102)	120	13	(14)

The methodology applied for the sensitivity analysis in above table is equal to prior year.

15. NON-CURRENT LIABILITIES

The non-current liabilities of EUR 767 million (2021: EUR 587 million) consist of long-term debt of EUR 572 million (2021: EUR 425 million) and other non-current payables of EUR 195 million (2021: EUR 162 million). The majority of the long-term debt includes finance facilities related to the Company's investments in land and buildings.

The interest rates on these local currency facilities of the total loan portfolio range between 2.80% (2021: 0.95%) and 7.95% (2021: 4.9%) with a weighted average of 4.18% in 2022 (2021: 4.01%). Of the non-current portion of the total loan portfolio EUR 26 million (2021: EUR 23 million) has a fixed interest rate and EUR 557 million (2021: EUR 434 million) has a floating interest rate.

	2022	2021
Opening balance (including short term portion)	728	613
Translation adjustment	78	38
Additions	205	250
Acquisitions	-	-
Repayments	(179)	(173)
Amount due within one year	(65)	(141)
Closing balance	767	587

Annual maturities of debt scheduled for repayment during the next years are as follows:

Financial Year	Amount
2024	146
2025	189
2026	136
2027	39
Thereafter	257
Total	767

Pledged assets amount to EUR 2,445 million (2021: EUR 1,698 million) and mainly consist of property pledged (EUR 2,309 million) as collateral for external liabilities.

16. CURRENT LIABILITIES

	2022	2021
Current portion of long-term debt	65	141
Short-term borrowings	12	54
Accounts payable	3,302	3,104
Income tax payable	315	116
Other liabilities	1,741	1,629
Accrued liabilities and deferred income	2,359	2,379
Total	7,794	7,423

Short-term borrowings at different finance institutions bear market interest rates according



Ingka Holding B.V.

Annual report for financial year 2022

to local conditions for currencies involved.

Other liabilities can be broken down as follows:

	2022	2021
VAT payable	479	492
Wage tax payable	49	48
Other taxes payable	231	216
Deposits received	144	119
Other liabilities	838	754
Total	1,741	1,629

Accrued liabilities and deferred income can be broken down as follows:

	2022	2021
Accrued wages	840	1,021
Accrued franchise fee	335	311
Accrued interest expense	4	5
Derivatives	57	33
Other accruals and deferred income	1,123	1,009
Total	2,359	2,379

The accrued liabilities and deferred income balance at August 31, 2022 include a net amount payable of EUR 40 million (2021: EUR 12 million payable) related to the fair value of derivatives, which are used to hedge foreign exchange risk of the expected purchase and sales transactions, i.e. the commercial flows, of the Group for the next financial year.

17. REVENUE

Revenue

	2022	2021
Europe	30,234	28,193
North America	7,489	7,098
Asia and Pacific	4,313	4,493
Total	42,036	39,784

18. COST OF SALES AND SERVICES

Cost of sales and services, amounting to EUR 28,070 million as at August 31, 2021 (2021: EUR 26,909 million) relates to the retail sales, service income, rental income and renewable and forestry income. The retail cost of sales of EUR 27,234 million consist mainly of the purchase price of the products sold and other costs incurred in bringing the inventories to the location and condition ready for sale.

19. OPERATING EXPENSES

Selling expenses of EUR 9,567 million (2021: EUR 8,610 million) represent retail core-business related cost, including marketing cost and the relevant portion of staff cost, operational cost and depreciation.

General and administrative expenses of EUR 2,704 million (2021: EUR 2,633 million) are related to non-retail activities, which are not (directly) associated with generating service income and rental income.



Ingka Holding B.V.

Annual report for financial year 2022

Personnel expenses

	2022	2021
Salaries and wages	5,310	5,062
Social charges	945	867
Pension expense	322	295
Total	6,577	6,224

Employees

The geographical distribution of the employees (based on average numbers) is as follows:

	2022	2021
The Netherlands	6,447	6,122
Europe (excluding the Netherlands)	123,263	119,236
North America	25,042	26,569
Asia and Pacific	22,440	22,298
Total	177,192	174,225

20. OTHER INCOME

Other income of EUR 340 million (2021: EUR 242 million) includes gain on sale of fixed assets (EUR 143 million) and service fees (EUR 13 million) and others.

21. FINANCIAL INCOME AND EXPENSE

	2022	2021
Income from investments	31	42
Interest income and similar income	222	257
Changes in value of investments	(1,410)	94
Interest expenses and similar charges	(45)	(30)
Total	(1,202)	363

The income from investments and change in value of investments can be broken down as follows:

	2022	2021
Share in profit participating interests	10	39
Result on sale of subsidiaries	10	-
Other financial income/(expense)	11	3
Income from investments	31	42
Currency gain/(loss)	(20)	20
Revaluation gain/(loss)	(1,390)	74
Change in value of investments	(1,410)	94

Share in profit of associates represents the share in the result of investments in participating interests (refer to note 6 – financial fixed assets). Result on sale of subsidiaries is the result on the sales of investment property. Other financial income/(expense) includes amongst others recycling of currency translation reserve into the income statement. Interest income and similar income include accrued interest for the financial year relating to financial assets. Change in value of investments includes Currency gains and losses and Revaluation gains and losses. Currency gains

and losses show the result of managing the currency rate risk on commercial flows and other currency translation in the Group (refer to note 24 – exchange rate risk). Revaluation gains and losses represent the fair value development of securities and derivatives. Interest expenses and related charges relate to accrued interest for financial liabilities and net accruals on derivatives used to hedge internal funding (refer to note 24 – interest rate risk).

22. INCOME TAXES

Deferred income tax assets are mainly related to timing differences, primarily in connection with the valuation of pension provisions and depreciation. Deferred tax assets arising from tax loss carry-forwards are only recognised if recovery is reasonably certain and amounts to EUR 657 million. EUR 203 million of deferred tax assets (2021: EUR 155 million) is expected to be used for set-off within one year.

The Group has unrecognised tax loss carry forwards available related to losses incurred in several countries approximating EUR 1,246 million (2021: EUR 886 million). No deferred tax asset has been recognised for these tax loss carry forwards due to uncertainty with respect to availability of taxable profits in the future within the limitations imposed in tax legislation in order to utilise the tax losses.

The movements in deferred tax assets are set out below:

	2022	2021
Opening balance	476	479
Currency translation	18	6
Additions	373	213
Utilised	(109)	(180)
Released	(83)	(41)
Other	(18)	(1)
Closing balance	657	476

Deferred taxation is provided for, using the balance sheet method, for all timing differences between tax and financial reporting. Provisions are substantially long-term in nature.

The movements in deferred tax liabilities are set out below:

	2022	2021
Opening balance	599	564
Currency translation	25	5
Acquisitions	75	-
Additions	81	114
Utilised	(105)	(60)
Released	(57)	(20)
Other	(14)	(4)
Closing balance	604	599

Of the movements in deferred tax, EUR 47 million impacted equity directly as per August 31, 2022 (2021: EUR 15 million) relating to actuarial remeasurements relating to the defined benefit pension obligation.



Ingka Holding B.V.

Annual report for financial year 2022

The major components of current income tax expense are as follows:

	2022	2021
Current income tax expense	662	642
Deferred tax expense	(116)	13
Tax expense based on changes in prior periods	-	-
Total tax expense	546	655

The reconciliation between the effective tax rate and the applicable tax rate in the Netherlands which is applicable to the consolidated financial statements is as follows (in %):

	2022	2021
Applicable tax rate in the Netherlands	25.5	25.0
Different tax rates outside the Netherlands	3.4	(3.5)
Non-deductible expenses	9.7	3.2
Tax-exempt income	(0.2)	(1.7)
Utilisation of previously unrecognised tax losses	(0.2)	(0.4)
Unrecoverable losses	19.4	3.4
Adjustment income tax previous years	0.8	3.0
Withholding taxes	8.1	1.6
Other	(0.9)	(1.3)
Effective tax rate	65.6	29.3

The significant impacts of interest rates on FMI (Financial Market Investments) and effects of scaling down operations in Russia cause a reduced net income and a high effective tax rate. The normalized effective tax rate remains in the 25-30% band. Ingka Group pays taxes in all countries where it operates.

23. COMMITMENTS AND CONTINGENCIES

Ingka Group is subject to corporate income and other taxes in various jurisdictions and exposed to tax uncertainties. Ingka Group is subject to various tax audits, in relation to direct as well as indirect taxes. With regard to uncertainties a liability is recognised if, as a result of a past event, Ingka Group has an obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Uncertainties that do not meet these criteria give rise to contingent liabilities that could have a future impact on recorded assets and liabilities but are not considered probable.

As per year-end, the Company and its subsidiaries have agreements to provide services in future years relating to distribution, storage and handling of inventory in distribution centres with third parties. Remuneration is variable and will be determined on a cost-plus basis for most of the agreements.

The commitments can be detailed as follows:

Guarantees

Issued guarantees towards external parties amounted to EUR 82 million as at August 31, 2022 (2021: EUR 32 million).

Construction commitments

Commitments for the construction of tangible fixed assets, including investment property, amounted to EUR 1,047 million as at August 31, 2022 (2021: EUR 851 million).

Purchase commitments

The Group has not entered into purchase agreements with significant commitments outside the normal course of business as at August 31, 2022 (2021: EUR nil).



Ingka Holding B.V.

Annual report for financial year 2022

Investment commitments

The Company is committed to invest in several developments on grounds of renewable energy with development costs amounted to EUR 291 million as at August 31, 2022 (2021: nil).

Legal proceedings

The Company is from time to time involved in legal proceedings in the ordinary course of business. Management believes that no pending litigation to which the Company is a party will have a material adverse effect to the financial position or the results from operations.

Operating leases – Group as lessee

The Company and its subsidiaries have entered into lease and rental agreements for various periods. Future minimum rental payable under non-cancellable operating leases as at August 31 is as follows:

	2022	2021
Within one year	183	158
After one year but no more than five years	506	429
More than five years	991	284
Total	1,680	871

Total lease payments of EUR 245 million (2021: EUR 155 million) are recorded in the income statement.

24. FINANCIAL RISK MANAGEMENT

General

The use of financial instruments is closely related to the commercial flows and the cash flows of the business. Treasury and Financial Market Investments operations are centralised and executed according to the Ingka Group Policy and Rules set by the Board.

Interest rate risk

The Company has defined rules to limit interest rate risk exposure arising from its financial market activities. The interest rate risk is limiting to a duration of maximum five years on financial assets and liabilities.

The financial assets mainly consist of listed securities, which the Company mark to market on a daily basis. Thus no hedge accounting is applied to the securities portfolio nor to the related derivatives. Treasury companies receive fixed interest rates on internal funding provided to Ingka Group entities. The fair value risk which is considered in those internal funding positions has been partly swapped with external banks and the fair value movements of those derivatives are reported through the income statement.

The following sensitivity analysis relates to the securities portfolio and derivatives for which no hedge accounting is applied as described above.

Sensitivity analysis Interest rate

	2022		2021	
	+1%	(1%)	+1%	(1%)
Impact on Total financial income (EUR million)	(449)	469	(520)	545



Non-current liabilities

Refer to note 15 for details on non-current liabilities.

Credit risk

The Company manages its credit risks on individual counterparties. Counterparty limits are based on credit ratings and the aggregated exposure to counterparties is an proportion to the Company's net liquidity. The Company's policy is that bank accounts are held with investment grade rated financial institutions. Credit risk on all derivative positions is covered using collateral margining process according to Credit Support Annex agreements in place with all external counterparties.

Credit risk arises principally from the Company loans and receivables presented under financial fixed assets, trade and other receivables, cash and the positive fair value of derivatives. The maximum amount of credit risk that the Company incurs is equal to the carrying amount of each financial instrument as reflected on the balance sheet. The credit risk is diversified against a large number of counterparties.

Liquidity and cash flow risk

The Company manages its liquidity and cash flow risk by liquidity planning with the objective to maintain readily available liquid assets equal to a percentage of the Group's revenues.

Of the total cash and cash equivalents an amount of EUR 441 million (2021: EUR 212 million), relating to short-term deposits with a set maturity date for a maximum duration of 3 months, is restricted. Furthermore, we refer to note 15 for the repayment schedules of long-term liabilities.

Equity price risk

In addition to interest bearing securities, the Company holds a portfolio of listed equities, whose market value was EUR 967 million on August 31, 2022 (2021: EUR 1,078 million). The Company is exposed to equity price risk, which is the risk that the fair value of equities decreases as a result of changes in the levels of equity indices and the value of individual stocks.

Exchange rate risk

The Company is exposed to foreign exchange rate risks arising from purchase and sales transactions as well as holding net positions denominated in foreign currency. The exchange rate risk of the Company is actively managed by using derivative contracts, except for long term I/C loans denominated in foreign currency.

At August 31, 2022, the total fair value of the derivatives used to manage exchange rate risk is negative EUR 31 million (2021: negative EUR 4.3 million). The fair value of these derivatives are part of the derivatives position in notes 9 and 15. The remainder of the total fair value in these two notes relates to interest rate derivatives.

The negative EUR 31 million can be broken down in the following portfolios:

	2022	2021
Internal funding	(21)	(6)
Investment portfolio hedge	(10)	2
Currency diversification	-	-
Total	(31)	(4)

The following sensitivity analysis relates to all currency derivatives for which no hedge accounting is applied. The +1% and (1%) indicate the weakening and strengthening of the euro or dollar, depending on the entity denominated currency versus other currencies.



Ingka Holding B.V.

Annual report for financial year 2022

	2022		2021	
	+1%	(1%)	+1%	(1%)
	Impact on Total financial income and expense(derivative) (in EUR million)	12	(12)	10

Commercial Flows

Purchase and sales transactions are denominated in many different currencies. Management no longer uses forward foreign currency derivatives to hedge the future related foreign currency flows.

Therefore as at August 31, 2022, Ingka Group had neither entered into any derivatives to hedge commercial flows in 2022 (2021: EUR nil) nor did it have any to reduce currency risk from commercial flows in the next year (2021: EUR nil).

Internal Funding and Investment portfolio

The exchange rate risk associated with internal funding and securities (investment portfolio) in foreign currency is managed by use of currency derivatives. For existing internal funding and securities in foreign currency, currency derivatives are in place with an underlying amount of negative EUR 1,172 billion (2021: negative EUR 0.696 billion). This increase is due to a greater proportion of the funding to subsidiaries comprising term loans, whose associated foreign currency risk is hedged only a selective or "dynamic" basis.

The derivatives mainly relate to the following currencies and underlying positions (in EUR million):

Currency	Derivative	Internal Funding	Investment Portfolio
CNY	(96)	1,642	-
USD	(1,089)	1,625	386
SEK	(146)	793	115
RUB	-	792	-
INR	-	668	-
JPY	(53)	487	-
PLN	143	443	-

*EUR exposure in a company with functional currency in US dollar.

Fair value

The fair value of most of the financial instruments recognised on the balance sheet, including receivables, securities, cash and short-term deposits, long term and current liabilities, is approximately equal to their carrying amount, unless otherwise disclosed within these financial statements. The fair value of the financial instruments recognised on the balance sheet which materially differs from their respective carrying values are separately disclosed in the notes to the balance sheet.

25. RELATED PARTIES

Transactions with related parties are entered into at arm's length prices.



Ingka Holding B.V.

Annual report for financial year 2022

COMPANY BALANCE SHEET AS AT August 31 (before profit appropriation)

(in millions of EUR)	<u>2022</u>	<u>2021</u>
Fixed assets		
Participating interests in group companies (2)	47,633	45,104
Total fixed assets	47,633	45,104
Current assets		
Other receivables	87	177
Total current assets	87	177
TOTAL ASSETS	47,720	45,281

(in millions of EUR)	<u>2022</u>	<u>2021</u>
Capital Stock	1	1
Additional paid-in capital	51	51
Revaluation reserves	212	230
Legal reserves participations	341	279
Other reserves	46,739	43,084
Result for the year	287	1,579
Total shareholder's equity (3)	47,631	45,224
Provisions (4)	26	28
Current liabilities		
Other payables to subsidiaries	36	28
Other payables and accrued liabilities	27	1
Total current liabilities	63	29
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	47,720	45,281

(The accompanying notes on pages 45 to 51 are an integral part of these company financial statements)



Ingka Holding B.V.

Annual report for financial year 2022

COMPANY INCOME STATEMENT

Year ended August 31

(in millions of EUR)	<u>2022</u>	<u>2021</u>
Share in result of participating interests, after tax	330	1,608
Other income and expenses, after tax	<u>(43)</u>	<u>(29)</u>
Net income	<u>287</u>	<u>1,579</u>

(The accompanying notes on pages 45 to 51 are an integral part of these company financial statements)



NOTES TO THE COMPANY FINANCIAL STATEMENTS

(all amounts in EUR million, unless otherwise indicated)

The company (separate) financial statements are part of the 2022 statutory financial statements of the Company. The financial information of the Company is included in the Company's consolidated financial statements.

1. ACCOUNTING POLICIES

The accounting policies are the same as for the consolidated financial statements.

In addition, participating interests in group companies are accounted for in the separate financial statements according to the equity accounting method on the basis of net asset value. For details we refer to the accounting policy for financial fixed assets in the consolidated financial statements.

The share of result of participating interests concerns the Company's share of the profit or loss of these participating interests. Results on transactions involving the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves, are eliminated to the extent that they can be considered as not realized.

The Company is the head of the Dutch fiscal unity. The Company recognises the portion of corporate income tax that it would owe as an independent taxpayer, taking into account the allocation of the advantages of the fiscal unity. Settlement within the fiscal unity between the Company and its subsidiaries takes place through current account positions.

2. FINANCIAL FIXED ASSETS – Participating interests in group companies

Changes in participating interests in group companies are as follows:

	2022	2021
Opening balance	45,104	42,882
Foreign currency translation adjustment	2,311	435
Capital contributions	3,664	3,032
Share in net income for the year	330	1,608
Dividends received	(3,901)	(2,886)
IAS19 remeasurement	140	47
Realisation through income statement	(18)	(14)
Other	3	-
Total	47,633	45,104



In accordance with Article 403, Book 2 of the Civil Code of the Netherlands, the Company has guaranteed the liabilities of certain Dutch majority-owned subsidiaries. Separate financial statements of these subsidiaries are therefore not filed at the Trade Register of the Chamber of Commerce. In relation to the financial year 2022, 403-statements have been issued for the following companies:

- Ingka Holding Europe B.V.
- Ingka Services B.V.
- Ingka Pro Holding B.V.
- IKEA Vastgoed B.V.
- Ingka Centres Europe B.V.
- Ingka Centres Asia B.V.
- Asia Center Holding B.V.
- Ingka Capital B.V.
- Ingka Investments Ventures B.V.
- Ingka Investments Ventures US B.V.
- Ingka Investments Ventures Europe B.V.
- FIXIT Investments I B.V.
- Ingka Centres China B.V.
- Ingka Centres Investment One B.V.
- Ingka Centres Investment Three B.V.
- Ingka Centres Investment Four B.V.
- Ingka Centres Investment Five B.V.
- Ingka Centres Investment Six B.V.
- Ingka Centres India B.V.
- Ingka Centres Holding B.V.
- Republic Holding I B.V.
- Republic Holding II B.V.
- Republic Holding III B.V.
- Ingka Centres UK Hammersmith B.V.
- Ingka Centres UK Car Park B.V.
- Ingka Digital Netherlands B.V.
- Ingka Investments Real Estate B.V.
- Ingka Centres Toronto B.V.
- Ingka Centres Berlin B.V.

3. SHAREHOLDER'S EQUITY

The issued and outstanding share capital of the Company is comprised of 726,000 ordinary shares, each with a par value of EUR 1.



Ingka Holding B.V.

Annual report for financial year 2022

Changes in shareholder's equity for the year ended August 31, 2022 and August 31, 2021 are as follows:

	Share capital	Addition alpaid in capital	Revaluation reserves	Legal reserves participations	Translation reserves	Other reserves	Result for the year	Total 2021
Opening balance	1	51	244	271	(1,695)	43,077	1,189	43,138
Net income	-	-	-	-	-	-	1,579	1,579
Foreign translation	-	-	-	-	435	-	-	435
Dividend paid	-	-	-	-	-	-	-	-
Hedging reserve	-	-	-	-	-	-	-	-
Pension reserve	-	-	-	-	-	86	-	86
Realisation in income statement	-	-	(14)	-	-	-	-	(14)
Appropriation of result	-	-	-	-	-	1,189	(1,189)	-
Transfer	-	-	-	8	-	(8)	-	-
Other	-	-	-	-	-	-	-	-
Closing balance	1	51	230	279	(1,260)	44,344	1,579	45,224
								Total 2022
Opening balance	1	51	230	279	(1,260)	44,344	1,579	45,224
Net income	-	-	-	-	-	-	287	287
Foreign translation	-	-	-	-	2,311	-	-	2,311
Dividend paid	-	-	-	-	-	(237)	-	(237)
Hedging reserve	-	-	-	-	-	-	-	-
Pension reserve	-	-	-	-	-	64	-	64
Realisation in income statement	-	-	(18)	-	-	-	-	(18)
Appropriation of result	-	-	-	-	-	1,579	(1,579)	-
Transfer	-	-	-	62	-	(62)	-	-
Other	-	-	-	-	-	-	-	-
Closing balance	1	51	212	341	1,051	45,688	287	47,631

The Company's issued capital, amounting to EUR 0.7 million, consists of 0.7 million shares of EUR 1.

In determining the revaluation reserve for tangible fixed assets, an amount was deducted for deferred tax liabilities, calculated at the current tax rate.

The legal reserves participations at August 31, 2022 are not available for dividend distributions and represent retained earnings set aside by law in certain countries.

The foreign currency translation reserve is used to record exchange differences arising from the translation of the reporting of foreign activities.



4. PROVISIONS

	<u>2022</u>	<u>2021</u>
Provision for pension commitments	26	28
Total	26	28

The provision for pension commitments is related to international pension plans for expats. We refer to note 14 of the consolidated financial statements for detailed information on the net pension expense, movement overview and allocation of the plan assets, defined benefit obligation and the principal assumptions used in determining the defined benefit obligations for the pension plans.

The movement in provisions is as follows:

	<u>Pension provision</u>
Opening balance	28
Currency translation	3
Additions	8
Utilised	(13)
Released	-
Acquisitions	-
Divestment	-
Closing balance	26

5. AUDIT FEES

The fees in relation to financial year 2022 by KPMG Accountants N.V. and Dutch member firms as Dutch auditor to legal entities within the group in connection with the audits of the statutory financial statements of these entities amount to EUR 2.4 million (2021: EUR 2.1 million). Audit related fees for services provided in financial year 2022 amount to EUR 0.1 million (2021: EUR 0.1 million). Non-audit fees, including tax, for services amount to EUR 0.1 million (2021: EUR 1.4 million).

6. INCOMETAXES

Since October 1, 2004, the Company is head of a fiscal unit with the Dutch subsidiaries with respect to Dutch income tax. This implies that the Company is individually liable for Dutch income Tax of the fiscal unit as a whole. Income taxes are accounted for as if each entity in the fiscal unity would have been taxable for its own results.

7. COMMITMENTS AND CONTINGENCIES

As part of the Transaction in 2016, Ingka Holding B.V. has provided certain indemnifications and warranties to the buyer in relation to the sold entities, including, but not limited to, corporate information, accounts, guarantees, assets, intellectual property, information technology, contracts and other agreements, employees, legal compliance, environment matters, litigation, insurance, products and taxes. The majority of indemnifications and warranties are capped to an aggregate maximum amount of EUR 1 billion. A provision is taken in the balance sheet for these items if the criteria are met as described in the relevant accounting policy around provisions.



8. EMPLOYEES

The Company has 2 employees as at August 31, 2022 (August 31, 2021: 2).

9. REMUNERATION BOARD OF DIRECTORS

Management Board

The management board of Ingka Group consists of the Group's CEO and Deputy CEO/CFO. The CEO and Deputy CEO/CFO are remunerated for all their tasks and duties for Ingka Group through their salary as employees of Ingka Holding B.V. These tasks and duties include membership of certain boards and committees, including the board of directors of Ingka Holding B.V.

As a general principle, employees of the Ingka Group (i.e. Ingka Holding B.V. and its (in)direct subsidiaries) are remunerated through payment of salary, which consists of base salary, incentive plans, employer's pension commitments and any other periodic contributions. As appropriate for their roles, the task, and duties of certain employees of Ingka Group may include that they will assume board positions in Ingka Group companies or committees/councils. As a principle, no remuneration additional to employee salary is granted for such board, committee or council memberships for reason that this is part of the tasks and duties of the employee.

In accordance with the principle above, the CEO and Deputy CEO/ CFO do not receive any remuneration in addition to their salary for their task to act as management board of Ingka Holding B.V.

The total compensation (consisting of the salary elements mentioned above) to the current CEO and CFO amounts to EUR 4.5 million for 2022 (2021: EUR 5.1 million) of which EUR 19 thousand is related to social securities (2021: EUR 21 thousand) and EUR 0.8 million to pensions (2021: EUR 0.7 million).

Supervisory Board

Each member of the Supervisory Board receives a fixed annual fee. The total remuneration of the members of the Company's board of Supervisory directors amounts to EUR 1.1 million for 2022 (2021: EUR 1.1 million).

10. INVESTMENTS

A list containing the Company's investments is filed at the Chamber of Commerce.

The following affiliated companies, which are included in the consolidated group financial statements of Ingka Holding B.V. are in accordance with § 264b German Commercial Code ("HGB") relieved of drawing up, auditing and disclosing their financial statements, notes and management reports in line with the regulations on the second paragraph within the third book of the German Commercial Code:

- IKEA Holding Deutschland GmbH & Co. KG
- IKEA Deutschland GmbH & Co. KG
- IKEA Distribution Services GmbH & Co. KG



Ingka Holding B.V.

Annual report for financial year 2022

PROPOSED PROFIT APPROPRIATION

(in millions of EUR)

	2022	2021
Dividend	43	237
Additions to reserves	244	1,342
Total	287	1,579

SUBSEQUENT EVENTS

No subsequent events occurred after balance sheet date that should be disclosed.



Ingka Holding B.V.

Annual report for financial year 2022

**BOARD OF MANAGING
DIRECTORS**

**BOARD OF SUPERVISORY
DIRECTORS**

Leiden, November 23, 2022

J. Brodin (Chairman)

L.-J. Jarnheimer (Chairman)

J.P. Maeztu Herrera

T. Bertilsson

L. Delgado

L. Fønss Schrøder

J. Kamprad

P. Kamprad

M. Newton-Jones

I. Worling



OTHER INFORMATION

NET INCOME APPROPRIATION

According to Article 12 of the Company's statutes, the annual meeting of shareholders will decide on the appropriation of the net income for the year.

Independent auditor's report

The financial statements have been audited and the independent auditor's report is included on the next three pages.



Independent auditor's report

To: the Shareholder and the Supervisory Board of Ingka Holding B.V.

Report on the audit of the accompanying financial statements

Our opinion

We have audited the financial statements for the year ended as at 31 August 2022 of Ingka Holding B.V., registered in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Ingka Holding B.V. as at 31 August 2022 and of its result for the year ended on 31 August 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- 1 the consolidated and company balance sheet as at 31 August 2022;
- 2 the consolidated and company income statement for the year ended on 31 August 2022;
- 3 the consolidated statement of comprehensive income for the year ended on 31 August 2022;
- 4 the consolidated statement of cash flows for the year ended on 31 August 2022; and
- 5 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Ingka Holding B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- report from the Board of Managing Directors;
- other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;



— contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Managing Directors is responsible for the preparation of the other information, including the Report from the Board of Managing Directors, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Description of the responsibilities for the financial statements

Responsibilities of the Board of Managing Directors and the Supervisory Board for the financial statements

The Board of Managing Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Managing Directors is responsible for such internal control as the Board of Managing Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Board of Managing Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Managing Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Managing Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Managing Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors 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 the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.



We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining 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 errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managing Directors;
- concluding on the appropriateness of management's use of the going concern basis of accounting 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 ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

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

Amstelveen, 23 November 2022

KPMG Accountants N.V.

E.J.L. van Leeuwen RA



© Ingka Holding B.V. 2021. The IKEA logo and the IKEA wordmark are registered trademarks of Inter IKEA.

INGKA™



KPMG AS
Sørkedalsveien 6
Postboks 7000 Majorstuen
0306 Oslo

Telephone +47 45 40 40 63
Fax
Internet www.kpmg.no
Enterprise 935 174 627 MVA

Til generalforsamlingen i IKEA Handel og Eiendom AS

Uavhengig revisors beretning

Konklusjon

Vi har revidert IKEA Handel og Eiendom AS' årsregnskap som består av balanse per 31. august 2022, resultatregnskap for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav,
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. august 2022, og av dets resultater for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet slik det kreves i lov, forskrift og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av the International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Styrets ansvar for årsregnskapet

Styret (ledelsen) er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utfører og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Alta	Finnsnes	Molde	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Tromsheim
Bodo	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund

Pennco Dokumentnøkkel: GU4MX-J0T6-VHGW4-ZCE7V-FF0XJ-M5MSV



Uavhengig revisors beretning - IKEA Handel og Eiendom AS

avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.

- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av årsregnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.

Oslo, 11. november 2022
KPMG AS

Øivind Karlsen
Statsautorisert revisor
(elektronisk signert)

Penneo Dokumentnøkkel: GU4MX-J0T6-VHGW4-ZCE7V-FF0XJ-M5MSV



PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo"™ - sikker digital signatur.
De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Øivind Karlsen

Partner

Serienummer: 9578-5997-4-377389

IP: 80.232.xxx.xxx

2022-11-11 13:15:55 UTC



Øivind Karlsen

Statsautorisert revisor

Serienummer: 9578-5997-4-377389

IP: 80.232.xxx.xxx

2022-11-11 13:15:55 UTC



Penneo Dokumentnøkkel: GU4MX-J0Tf6-VHGw4-ZCE7V-FF0XJ-M5MSV

Dokumentet er signert digitalt, med **Penneo.com**. Alle digitale signatur-data i dokumentet er sikret og validert av den datamaskin-utregnede hash-verdien av det opprinnelige dokument. Dokumentet er låst og tids-stemplet med et sertifikat fra en betrodd tredjepart. All kryptografisk bevis er integrert i denne PDF, for fremtidig validering (hvis nødvendig).

Hvordan bekrefter at dette dokumentet er originalen?

Dokumentet er beskyttet av ett Adobe CDS sertifikat. Når du åpner dokumentet i

Adobe Reader, skal du kunne se at dokumentet er sertifisert av **Penneo e-signature service <penneo@penneo.com>**. Dette garanterer at innholdet i dokumentet ikke har blitt endret.

Det er lett å kontrollere de kryptografiske beviser som er lokalisert inne i dokumentet, med Penneo validator - <https://penneo.com/validate>



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

Årsregnskap og årsberetning

IKEA HANDEL OG EIENDOM AS

31. august 2022





DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS

Styrets Årsberetning 2021/2022

Virksomheten

Selskapet har ingen egen aktivitet utover å eie aksjer i de heleide datterselskapene IKEA AS og IKEA Eiendom Holding AS. IKEA AS driver salg av hjemmemeinredningsartikler ut fra 7 varehus lokalisert i Oslo, Asker, Bergen, Stavanger, Trondheim, Lillesand og Ringsaker, samt fra nettbutikk og et separat planleggingsstudio i Oslo. IKEA Eiendom Holding AS eier gjennom sine datterselskap IKEA-varehusene i Norge med tilhørende tomter.

Selskapets forretningskontor ligger i Asker. Selskapets regnskapsår er fra 1. september til 31. august.

Fortsatt drift

I samsvar med Regnskapslovens § 3-3 bekreftes det at forutsetningene for fortsatt drift er til stede. Basert på datterselskapenes inntjening vil IKEA Handel & Eiendom AS motta utbytte/konsernbidrag som vil være tilstrekkelig til å betjene morselskapets gjeld. IKEA AS har levert et godt resultat for FY22, og sikter mot nok ett godt år i FY23.

Ansatte/ ansvarsforsikring styremedlemmer

Selskapet har ikke ansatte.

Ingka-Gruppen har tegnet styre- og lederansvarsforsikring for hele Ingka-Gruppen og alle deres datterselskaper. Den globale forsikringen dekker det rettslige erstatningsansvaret som individuelle styremedlemmer eller ledelsen kan pådra seg, basert på deres tidligere, nåværende og fremtidige handlinger på vegne av Ingka-Gruppen. Forsikringen er tegnet hos Zurich og utgjør 225 millioner euro per år. Forsikringen er uten egenandel for de forsikrede.

Anstendige arbeidsforhold og menneskerettigheter

Slik forholder IKEA seg til kravene åpenhetsloven stiller:

IKEA er opptatt av at alle skal føle seg trygge på at vi opererer på en måte som er i samsvar med i FNs veiledende prinsipper for virksomhet og menneskerettigheter (UNGP), barns rettigheter og forretningsprinsipper (CRBP) og OECDs retningslinjer for multinasjonale foretak. På tvers av IKEA er det en rekke globale interne og eksterne retningslinjer og prosedyrer på plass for å sikre respekt for menneskerettighetene til IKEA-medarbeidere og alle som er knyttet til IKEAs verdikjede.

Eksempler inkluderer blant annet Inter IKEA retningslinjer for menneskerettigheter og likestilling, IKEAs bærekraftstrategi, IKEAs etiske retningslinjer og IWAY, vår leverandørkodeks. Disse retningslinjene beskriver IKEAs holdning til menneskerettigheter og vår forpliktelse til likestilling for alle mennesker som jobber på IKEA og alle som er knyttet til IKEAs verdikjede.

Selskapet har forpliktet seg til å gjennomføre aktsomhetsvurdering av menneskerettigheter for å sikre at vår drift, våre produkter, strategiske og daglige beslutninger og at forretningsforbindelser ikke skader enkeltpersoner eller lokalsamfunn. Å sikre at IKEA adresserer selskapets negative påvirkning, er den største positive påvirkningen IKEA som virksomhet kan ha på mennesker.



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA har jobbet for anstendige arbeidsforhold i over 20 år og etablerte egne etiske retningslinjer i 2000, IWAY. Retningslinjene dekker både sikkerhetsaspekter, arbeidsrettigheter, dyrevelferd og miljøvern, og alle IKEAs leverandører er pålagt å følge dem. Retningslinjene er blant annet basert på International Labour Organization (ILO) og FN sin menneskerettighetserklæring, og det godtas ikke brudd på disse.

Ved hjelp av våre etiske retningslinjer IWAY gjennomføres det blant annet jevnlig tredjeparts kontroller. INTER IKEA og IKEA Norge jobber med leverandørene for kontinuerlig forbedring og dersom leverandøren ikke oppfyller IWAY-kravene innenfor gitte tidsrammer, vurderes det å fase ut leverandøren.

I IKEA Norge er det en tverrfaglig arbeidsgruppe som jobber med å kartlegge eksisterende policyer, systemer og rutiner, for å se om de oppfyller lovkravene som kreves av OECD og FNs veiledende prinsipper for næringsliv og menneskerettigheter. Arbeidsgruppen jobber ikke alene med dette, men får støtte fra Inter IKEA for å kartlegge leverandørkjedene og hvordan selskapet jobber med anstendige arbeid og menneskerettigheter. Sammen kartlegges det hvilke utfordringer IKEA Norge står overfor og hvilke tiltak som skal gjennomføres for å håndtere disse utfordringene.

IKEA Norge viser til redegjørelse for selskapets samfunnsansvar i dette dokumentet, samt rapporten «Bærekraftig forretningspraksis 2021» som er tilgjengelig på IKEAs nettside.

Ytre miljø

Virksomheten forurenser ikke det ytre miljø. I likhet med de øvrige IKEA-selskaper og virksomheter i Norge er målsetningen at virksomhetene skal ha en samlet positiv virkning på mennesker og miljø og det arbeides herunder målbevisst med en høy grad av gjenvinning i alle ledd av virksomheten.

Konsernregnskap

Det utarbeides ikke konsernregnskap. Selskapet med underliggende datterselskap er konsolidert inn i konsernregnskapet til INGKA Holding B.V. Dette regnskapet kan fås utlevert ved henvendelse til IKEA Handel og Eiendom AS, Nesbruveien 42, 1396 Billingstad.

Redegjørelse for årsregnskapet

Det er inntektsført totalt NOK 133 millioner i konsernbidrag og NOK 200 millioner i utbytte fra datterselskap.

Etter styrets oppfatning gir årsregnskapet en rettvise oversikt over utvikling og resultatet av virksomheten og dens stilling.

Markedsrisiko/ Kredittisiko og likviditetsrisiko

Selskapet er eksponert for endringer i rentenivået ved at Selskapets kortsiktige gjeld samt innskudd knyttet til konsernkontoordning har flytende rente.

Likviditeten i Selskapet vurderes som god og det er ikke besluttet å innføre tiltak som endrer likviditetsrisiko.

Fremtidig utvikling

Selskapet vil fortsatt være et rent eierselskap som vil motta konsernbidrag og utbytte basert på datterselskapenes inntjening.



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

Resultatdisponering

Styret foreslår at årsresultatet på NOK 292 087 305 disponeres som følger:

Avsatt til utbytte	NOK 300 000 000
Overført fra annen egenkapital	NOK -7 912 695
Sum overføringer	NOK 292 087 305

8. november 2022

Styret for IKEA Handel og Eiendom AS

DocuSigned by:
Mikael Palmquist
28FE9496B154422...
Karl Göran Mikael Palmquist
styreleder

DocuSigned by:
Carl Aaby
CA9B4C5BA34D412...
Carl Johan Viktor Aaby
styremedlem

DocuSigned by:
Ida Christensson
7ED83D8A18054A5...
Ida Christensson
styremedlem

DocuSigned by:
Valery Henriquez
BD415002986C40B...
Valery Christine Denise Henriquez
styremedlem



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS

Resultatregnskap

NOTE	DRIFTSINNTEKTER OG DRIFTSKOSTNADER	01/09/2021 - 31/08/2022	01/09/2020 - 31/08/2021
2	Annen driftskostnad	-251 553	-241 770
	Sum driftskostnader	-251 553	-241 770
	Driftsresultat	-251 553	-241 770
	FINANSINNTEKTER OG FINANSKOSTNADER		
	Inntektsført konsernbidrag fra konsernselskap	133 377 081	106 813 631
	Inntektsført utbytte fra datterelskap	200 000 000	200 000 000
	Renteinntekt fra foretak i samme konsern	9 717 285	12 596 164
	Annen renteinntekt	4 237	0
	Annen finansinntekt	6 652	0
	Rentekostnad til foretak i samme konsern	-28 606 500	-39 243 519
	Annen finanskostnad	-515	0
	Netto finansresultat	314 498 239	280 166 276
	Resultat før skatt	314 246 686	279 924 506
7	Skattekostnad	22 159 381	17 583 392
	Ordinært resultat	292 087 305	262 341 114
	ÅRSRESULTAT	292 087 305	262 341 114
	OVERFØRINGER		
5	Overføring fra(-)/til annen egenkapital	-7 912 695	12 341 114
	Avsatt til utbytte	300 000 000	250 000 000
	Sum overføringer	292 087 305	262 341 114



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS

Balanse

NOTE	EIENDELER	31/08/2022	31/08/2021
	Anleggsmidler		
	Finansielle anleggsmidler		
3	Investering i datterselskap	4 297 190 303	4 697 190 303
	Sum finansielle anleggsmidler	4 297 190 303	4 697 190 303
	Sum anleggsmidler	4 297 190 303	4 697 190 303
	Omløpsmidler		
	Fordringer		
6	Fordring på selskap i samme konsern	1 677 652 023	1 000 010 725
	Sum fordringer	1 677 652 023	1 000 010 725
	Bankinnskudd, kontanter o.l.	0	1 274 707
	Sum omløpsmidler	1 677 652 023	1 001 285 432
	SUM EIENDELER	5 974 842 326	5 698 475 735



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS

Balanse

NOTE	EGENKAPITAL OG GJELD	31/08/2022	31/08/2021
	Egenkapital		
	Innskutt egenkapital		
4	Aksjekapital (100 aksjer à NOK 20 000)	2 000 000	2 000 000
	Sum innskutt egenkapital	2 000 000	2 000 000
	Opptjent egenkapital		
	Annen egenkapital	2 963 950 116	2 971 862 811
	Sum opptjent egenkapital	2 963 950 116	2 971 862 811
5	Sum egenkapital	2 965 950 116	2 973 862 811
	Gjeld		
	Avsetning for forpliktelser		
7	Utsatt skatt	12 362	15 452
	Sum avsetning for forpliktelser	12 362	15 452
	Langsiktig gjeld		
6	Langsiktig gjeld konsern	210 000 000	0
	Sum langsiktig gjeld	210 000 000	0
	Kortsiktig gjeld		
	Leverandørgjeld	5 000	0
5	Avsatt utbytte	300 000 000	250 000 000
7	Betalbar skatt	25 137 361	20 562 144
	Skyldige offentlige avgifter	155 210 580	175 289 084
6	Gjeld til selskap i samme konsern	2 318 511 870	2 278 731 730
	Annen kortsiktig gjeld	15 035	14 512
	Sum kortsiktig gjeld	2 798 879 846	2 724 597 470
	Sum gjeld	3 008 892 208	2 724 612 922
	SUM EGENKAPITAL OG GJELD	5 974 842 326	5 698 475 735

8. november 2022

I styret for IKEA HANDEL OG EIENDOM AS

DocuSigned by:
Mikael Palmquist
26FE9498B154422...
Karl Göran Mikael Palmquist
styreleder

DocuSigned by:
Valery Henriquez
BD415002986C4QB...
Valery Christine Denise Henriquez
styremedlem

DocuSigned by:
Carl Aaby
CA994C9BA34D412...
Carl Johan Viktor Aaby
styremedlem

DocuSigned by:
Ida Christensson
7ED8318A1B054A5...
Ida Christensson
styremedlem



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS

Kontantstrømoppstilling

(i NOK 1 000)

	01/09/2021 - 31/08/2022	01/09/2020 - 31/08/2021
KONTANTSTRØMMER FRA OPERASJONELLE AKTIVITETER:		
Resultat før skattekostnad	314 247	279 925
Resultatført inntekt på investering i datterselskaper	-333 377	-306 814
Periodens betalte skatt	-17 587	-43 850
Endringer i konsernmellomværender, ekskl konsernkontoordning	-84 215	356 781
Endring i andre omløpsmidler og andre gjeldsposter	-20 073	-5 250
Netto kontantstrømmer fra operasjonelle aktiviteter	-141 005	280 792
KONTANTSTRØMMER FRA INVESTERINGSAKTIVITETER:		
Utbetalt utbytte	-250 000	-500 000
Netto kontantstrøm fra investeringsaktiviteter	-250 000	-500 000
KONTANTSTRØMMER FRA FINANSIERINGSAKTIVITETER:		
Innbetalt konsernbidrag og utbytte	306 814	402 029
Netto endring langsiktig lån	210 000	0
Netto endring kortsiktig utplassering/lån	-34 068	211 504
Netto endring i konsernkontoordning	-93 015	-426 243
Netto kontantstrøm fra finansieringsaktiviteter	389 731	187 290
Netto endring i bankinnskudd, kontanter og lignende	-1 275	-31 918
Beholdning av bankinnskudd, kontanter og lignende pr 01.09.	1 275	33 193
Beholdning av bankinnskudd, kontanter og lignende pr 31.08.	0	1 275



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2021/2022

Note 1 Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven av 1998 og god regnskapsskikk i Norge.

Selskapet har som de øvrige selskapene i IKEA konsernet avvikende regnskapsår fra 01.09. til 31.08.

Hovedregel for vurdering og klassifisering av eiendeler og gjeld

Eiendeler bestemt til varig eie eller bruk er klassifisert som anleggsmidler. Andre eiendeler er klassifisert som omløpsmidler. Fordringer som skal tilbakebetales innen ett år er klassifisert som omløpsmidler. Ved klassifisering av kortsiktig og langsiktig gjeld er tilsvarende kriterier lagt til grunn.

Fordringer klassifisert som anleggsmidler er balanseført til anskaffelseskost og nedskrevet til virkelig verdi ved verdifall som ikke forventes å være forbigående.

Omløpsmidler er vurdert til laveste av anskaffelseskost og virkelig verdi.

Annen langsiktig gjeld og kortsiktig gjeld er vurdert til pålydende beløp.

Eiendeler og gjeld i utenlandsk valuta

Pengeposter i utenlandsk valuta er i balansen omregnet til balansedagens kurs.

Investering i datterselskap

Investeringer i datterselskap er i morselskapet vurdert etter kostmetoden. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifallet ikke antas å være forbigående. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er tilstede.

Utbytte og konsernbidrag fra datterselskapene er inntektsført som finansinntekt i avsetningsåret. I den grad utbytte og konsernbidrag overstiger tilbakeholdte resultater i egen eierperiode anses utdelingen som tilbakebetaling av kapital og er ført som reduksjon av investeringen. Som en forenkling er det ikke tatt hensyn til avskrivning på merverdi ved vurdering merverdi ved vurdering av inntektsføring av utbytte og konsernbidrag.

Det er ikke utarbeidet konsernregnskap. Selskapet med datterselskap er konsolidert inn i INGKA Holding B.V.

Bankinnskudd, kontanter o.l.

Bankinnskudd, kontanter ol. inkluderer kontanter, bankinnskudd og andre betalingsmidler med forfallsdato som er kortere enn tre måneder fra anskaffelse. Selskapet er kontoeier i en konsernkontoordning. Innskudd/trekk for øvrige selskaper med i ordningen er klassifisert som konserngjeld/-fordring.

Skatter

Skattekostnaden sammenstilles med regnskapsmessig resultat før skatt. Skatt knyttet til egenkapitaltransaksjoner er ført mot egenkapitalen. Skattekostnaden består av betalbar skatt (skatt på årets direkte skattepliktige inntekt) og endring i netto utsatt skatt. Skattekostnaden er fordelt på ordinært resultat og resultat av ekstraordinære poster i henhold til skattegrunnlaget. Utsatt skatt og utsatt skattefordel er presentert netto i balansen.

Usikre forpliktelser hvor det er sannsynlighetsovervekt for at den ikke vil komme til oppgjør, er ikke regnskapsført. Med bakgrunn i en Høyesterettsdom fra desember 2013 er likevel ligningsvedtak regnskapsført i tråd med vedtak selv om selskapet mener det er sannsynlighetsovervekt for at det til slutt ikke vil komme til oppgjør.

Kontantstrømpoppstilling

Kontantstrømpoppstillingen er utarbeidet etter indirekte metode.



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2021/2022

Note 2 Godtgjørelser til ledende ansatte, styret og revisor

Det er ingen ansatte i selskapet.

Fra juli 2021 har selskapet ingen adm.dir.

Det er ikke utbetalt honorar til styret. Det er ikke avtale om sluttvederlag eller egen bonusordning, ikke gitt lån eller sikkerhetsstillelse til fordel for styremedlemmene.

Godtgjørelse til revisor og samarbeidende selskaper fordeler seg slik:

(NOK 1 000, eksklusiv merverdiavgift)	2022	2021
Lovpålagt revisjon	83	35
Andre tjenester utenfor lovpålagt revisjon	0	0

Note 3 Investering i datterselskap

Firma	Ansk. tidspunkt	Forretnings- kontor	Stemme og Eierandel
IKEA AS	Januar 2004	Asker	100 %
IKEA Eiendom Holding AS, med datterselskapene:	Desember 2007	Asker	100 %
Landbruksveien 2 AS (anskaffet mai 2007)		Asker	100 %
Grenseveien 2 AS (anskaffet mai 2007)		Asker	100 %
Strømsveien 303 AS (anskaffet mai 2007)		Asker	100 %
Nesbruveien 40 AS (anskaffet mai 2007)		Asker	100 %
Dalaveien AS (anskaffet mai 2007)		Asker	100 %
Forus-Nord AS (anskaffet mai 2007)		Asker	100 %
Snelledalen AS (anskaffet februar 2008)		Asker	100 %
Danebuåsen AS (anskaffet september 2009)		Asker	100 %
Nydal Øst AS (anskaffet juni 2013)		Asker	100 %
Stormåsan Lager AS (anskaffet september 2016)		Asker	100 %
Vestby Sør To AS (anskaffet juni 2017)		Asker	100 %

Selskap (tall i NOK 1 000)	Bokført verdi per 31.08.22	Årsresultat FY22	Egenkapital FY22
IKEA AS	1 980 000	273 019	420 369
IKEA Eiendom Holding AS, med datterselskapene;	2 317 190	7 788	2 243 944
Landbruksveien 2 AS		20 846	183 308
Grenseveien 2 AS		22 662	58 656
Strømsveien 303 AS		20 492	261 703
Nesbruveien 40 AS		25 907	234 534
Dalaveien AS		26 185	132 365
Forus-Nord AS		-2 502	65 089
Snelledalen AS		18 510	109 696
Danebuåsen AS		-7 925	48 123
Nydal Øst AS		23 579	52 893
Stormåsan Lager AS		-1 799	17 987
Vestby Sør To AS		-391	4 059
Sum bokført verdi	4 297 190		



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2021/2022

I årsresultatet for IKEA Eiendom Holding AS inngår TNOK 7 000 (FY21 TNOK 12 000) i inntekt på investering i datterselskap. Bokført verdi av aksjer i datterselskap i IKEA Eiendom Holding AS er TNOK 2 163 683 (FY21 TNOK 2 160 309).

IKEA Eiendom Holding AS har i FY22 avsatt et utbytte på TNOK 400 000. Utbyttet er ført som reduksjon av bokført verdi av aksjer i dette selskapet da det overstiger tilbakeholdte resultater i eierperioden.

Note 4 Aksjekapital og aksjonærinformasjon

Selskapet er 100% eiet av Inka Pro Holding BV. Alle aksjene har lik stemmerett. Aksjekapitalen pr. 31.08.21 består av 100 aksjer á NOK 20 000.

Selskapet med underliggende datterselskap er konsolidert inn i konsernregnskapet til INGKA Holding B.V. Dette regnskapet kan fås utlevert ved henvendelse til IKEA Handel og Eiendom AS, Nesbruveien 42, 1396 Billingstad.

Note 5 Egenkapital

(NOK 1 000)	Aksjekapital	Annen egenkapital	Sum
Egenkapital 31.08.21	2 000	2 971 862	2 973 862
<u>Årets endring i egenkapital:</u>			
Årets resultat		292 087	292 087
Avsatt utbytte		-300 000	-300 000
Egenkapital 31.08.22	2 000	2 963 950	2 965 950

Note 6 Mellomværende med selskap i samme konsern

Av kortsiktige fordringer på selskap i samme konsern er TNOK 533 365 (FY21 TNOK 466 791) knyttet til konsernkontoordningen. Tilsvarende er TNOK 2 247 545 (FY21 TNOK 2 263 324) av kortsiktig gjeld til selskap i samme konsern knyttet til konsernkontoordningen.

Selskapet har en trekkfasilitet hos Fami Ltd. Det er ikke trukket opp på denne per 31.08.22. Selskapet har per 31.08.22 TNOK 141 894 utplassert hos Fami Ltd.

Selskapet har et langsiktig lån fra Fami Ltd med restsaldo på TNOK 210 000. Lånet tilbakebetales i 4 avdrag pr år, og forfalles i FY28. Lånet har flytende rente og renter betales 4 ganger pr år.



DocuSign Envelope ID: 18799251-1D35-4F55-8BA0-340680F0FD77

IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2021/2022

Note 7 Skattekostnad

(NOK 1 000)

Årets skattekostnad fremkommer slik:	2022	2021
Betalbar skatt	22 162	17 587
Endring i utsatt skattefordel/ utsatt skatt	-3	-4
Skattekostnad	22 159	17 583

Avstemming fra nominell til faktisk skattesats	2022	2021
Årsresultat før skatt	314 247	279 925
Forventet inntektsskatt etter nominell skattesats (22%)	69 134	61 583
Skatteeffekten av følgende poster:		
Inntektsført utbytte	-44 000	-44 000
Tilbakeført avsetning betalbar skatt tidligere år	-2 975	0
Skattekostnad	22 159	17 583
Effektiv skattesats	7,1 %	6,3 %

Betalbar skatt i balansen fremkommer som følger:	2022	2021
Kostnadsført betalbar skatt for året	25 137	17 587
Netto avsatt for tidligere år	0	2 975
Betalbar skatt i balansen	25 137	20 562

Spesifikasjon av skatteeffekt av midlertidige forskjeller og underskudd til fremføring

	2022		2021	
	Fordel	Forpliktelse	Fordel	Forpliktelse
Gevinst og tapskonto	0	12	0	15
Fremførbart rentefradrag	0	0	0	0
Underskudd	0	0	0	0
Sum	0	12	0	15
Netto utsatt fordel/forpliktelse i balansen	0	12	0	15