



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

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

### Regnskapsår

Årsregnskapets periode: 01.09.2022 - 31.08.2023

### 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: 09.11.2023

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*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, 18.03.2025



## Resultatregnskap

| Beløp i: NOK                                  | Note | 2023               | 2022               |
|-----------------------------------------------|------|--------------------|--------------------|
| <b>RESULTATREGNSKAP</b>                       |      |                    |                    |
| <b>Kostnader</b>                              |      |                    |                    |
| Annen driftskostnad                           | 2    | 319 865            | 251 553            |
| <b>Sum kostnader</b>                          |      | <b>319 865</b>     | <b>251 553</b>     |
| <b>Driftsresultat</b>                         |      | <b>-319 865</b>    | <b>-251 553</b>    |
| <b>Finansinntekter og finanskostnader</b>     |      |                    |                    |
| Inntekt på investering i datterselskap        |      | 474 693 535        | 333 377 081        |
| Renteinntekt fra foretak i samme konsern      |      | 23 258 403         | 9 717 285          |
| Annen renteinntekt                            |      |                    | 4 237              |
| Annen finansinntekt                           |      |                    | 6 652              |
| <b>Sum finansinntekter</b>                    |      | <b>497 951 938</b> | <b>343 105 255</b> |
| Rentekostnad til foretak i samme konsern      |      | 66 854 255         | 28 606 500         |
| Annen rentekostnad                            |      | 40                 |                    |
| Annen finanskostnad                           |      | 1 340              | 515                |
| <b>Sum finanskostnader</b>                    |      | <b>66 855 635</b>  | <b>28 607 015</b>  |
| <b>Netto finans</b>                           |      | <b>431 096 303</b> | <b>314 498 239</b> |
| <b>Ordinært resultat før skattekostnad</b>    |      | <b>430 776 438</b> | <b>314 246 686</b> |
| Skattekostnad                                 | 3    | 28 770 816         | 22 159 381         |
| <b>Ordinært resultat etter skattekostnad</b>  |      | <b>402 005 622</b> | <b>292 087 305</b> |
| <b>Årsresultat</b>                            |      | <b>402 005 622</b> | <b>292 087 305</b> |
| <b>Årsresultat etter minoritetsinteresser</b> |      | <b>402 005 622</b> | <b>292 087 305</b> |
| <b>Totalresultat</b>                          |      | <b>402 005 622</b> | <b>292 087 305</b> |
| <b>Overføringer og disponeringer</b>          |      |                    |                    |
| Ordinært utbytte                              | 4    | 450 000 000        | 300 000 000        |
| Overføring fra(-) /til annen egenkapital      | 4    | -47 994 378        | -7 912 695         |
| <b>Sum overføringer og disponeringer</b>      |      | <b>402 005 622</b> | <b>292 087 305</b> |



## Balanse

| Beløp i: NOK                          | Note | 2023                 | 2022                 |
|---------------------------------------|------|----------------------|----------------------|
| <b>BALANSE - EIENDELER</b>            |      |                      |                      |
| <b>Anleggsmidler</b>                  |      |                      |                      |
| <b>Immaterielle eiendeler</b>         |      |                      |                      |
| <b>Finansielle anleggsmidler</b>      |      |                      |                      |
| Investering i datterselskap           | 6    | 4 297 190 303        | 4 297 190 303        |
| <b>Sum finansielle anleggsmidler</b>  |      | <b>4 297 190 303</b> | <b>4 297 190 303</b> |
| <b>Sum anleggsmidler</b>              |      | <b>4 297 190 303</b> | <b>4 297 190 303</b> |
| <b>Omløpsmidler</b>                   |      |                      |                      |
| <b>Varer</b>                          |      |                      |                      |
| <b>Fordringer</b>                     |      |                      |                      |
| Konsernfordringer                     | 7    | 1 376 496 980        | 1 677 652 023        |
| <b>Sum fordringer</b>                 |      | <b>1 376 496 980</b> | <b>1 677 652 023</b> |
| <b>Sum omløpsmidler</b>               |      | <b>1 376 496 980</b> | <b>1 677 652 023</b> |
| <b>SUM EIENDELER</b>                  |      | <b>5 673 687 283</b> | <b>5 974 842 326</b> |
| <b>BALANSE - EGENKAPITAL OG GJELD</b> |      |                      |                      |
| <b>Egenkapital</b>                    |      |                      |                      |
| <b>Innskutt egenkapital</b>           |      |                      |                      |
| Aksjekapital (100 aksjer à kr 20.000) | 4, 5 | 2 000 000            | 2 000 000            |
| <b>Sum innskutt egenkapital</b>       |      | <b>2 000 000</b>     | <b>2 000 000</b>     |
| <b>Opptjent egenkapital</b>           |      |                      |                      |
| Annen egenkapital                     | 4    | 2 915 955 739        | 2 963 950 117        |
| <b>Sum opptjent egenkapital</b>       |      | <b>2 915 955 739</b> | <b>2 963 950 117</b> |
| <b>Sum egenkapital</b>                |      | <b>2 917 955 738</b> | <b>2 965 950 117</b> |
| <b>Gjeld</b>                          |      |                      |                      |



## Balanse

| <b>Beløp i: NOK</b>                      | <b>Note</b> | <b>2023</b>          | <b>2022</b>          |
|------------------------------------------|-------------|----------------------|----------------------|
| <b>Langsiktig gjeld</b>                  |             |                      |                      |
| Utsatt skatt                             | 3           | 9 890                | 12 362               |
| <b>Sum avsetninger for forpliktelser</b> |             | <b>9 890</b>         | <b>12 362</b>        |
| <b>Annen langsiktig gjeld</b>            |             |                      |                      |
| Langsiktig konserngjeld                  | 7           | 255 000 000          | 210 000 000          |
| <b>Sum annen langsiktig gjeld</b>        |             | <b>255 000 000</b>   | <b>210 000 000</b>   |
| <b>Sum langsiktig gjeld</b>              |             | <b>255 009 890</b>   | <b>210 012 362</b>   |
| <b>Kortsiktig gjeld</b>                  |             |                      |                      |
| Leverandørgjeld                          |             |                      | 5 000                |
| Betalbar skatt                           | 3           | 28 773 289           | 25 137 361           |
| Skyldige offentlige avgifter             |             | 180 762 073          | 155 210 580          |
| Utbytte                                  | 4           | 450 000 000          | 300 000 000          |
| Kortsiktig konserngjeld                  | 7           | 1 841 186 293        | 2 318 511 870        |
| Annen kortsiktig gjeld                   |             |                      | 15 035               |
| <b>Sum kortsiktig gjeld</b>              |             | <b>2 500 721 655</b> | <b>2 798 879 847</b> |
| <b>Sum gjeld</b>                         |             | <b>2 755 731 544</b> | <b>3 008 892 209</b> |
| <b>SUM EGENKAPITAL OG GJELD</b>          |             | <b>5 673 687 283</b> | <b>5 974 842 326</b> |



# ANNUAL REPORT FOR FINANCIAL YEAR 2023

**Ingka Holding B.V.**

This report was adopted by the Shareholder  
on 22 November 2023.





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## ANNUAL REPORT FOR FINANCIAL YEAR 2023

### 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 31 August 2023, is referred to as '2023'. The comparable year is referred to as '2022'. 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 399 IKEA stores including city stores and shops, as well as 138 other formats (e.g. 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 works with almost 3,000 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                                                                       | 2023     | 2022    |
|-----------------------------------------------------------------------------------|----------|---------|
| Revenue (EUR million)                                                             | 44,300   | 42,036  |
| Number of employees                                                               | 165,353* | 177,192 |
| Number of IKEA stores:                                                            |          |         |
| Blue box stores                                                                   | 373      | 371     |
| City stores including shops                                                       | 26       | 17      |
| Other formats                                                                     | 138      | 94      |
| Countries with IKEA stores and other customer meeting points owned by the Company | 31       | 31      |
| Number of meeting places (shopping centres)                                       | 44       | 44      |
| Countries with meeting places owned by the Company                                | 14       | 14      |

\*The number is lower mainly due to IKEA Retail exiting Russia in 2022.

### 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. In this report, we focus on our financial performance and investments – how we constantly strive to be a Better company. Our upcoming Annual Summary and Sustainability Report, available in January 2024, will share data and examples related to all Value Creation Areas. We are working towards one integrated report, in line with how we seek to drive value creation as a company.

### 3. Summary of financial year 2023; finishing strong through hard work, purposeful investments, and entrepreneurial thinking

Financial year 2023 marked the 80th business year for IKEA. Curiosity about people's lives, needs, and dreams at home has always been the starting point at IKEA and Ingka Group, and our long-term purpose has never been more important. Throughout the economic and geopolitical instabilities, Ingka Group remained committed to the IKEA vision of creating a better everyday life for the many people. We celebrate that our performance remained strong during and after the pandemic, that we are progressing in our goal to serve people and the planet, and that we are now an omnichannel company.

Persistently working to be a **Better company**, our financial approach is based on 80 years of earning money before we spend it, allowing us to be financially independent. Our continuous focus on cost performance allows us to remain financially fit. Our revenue increased by 5.4%, and we delivered EUR 1.5 billion in net income. To secure that we make IKEA more affordable, accessible, and sustainable, 85% of net income is re-invested in the company.

The remaining 15% is paid as dividend to the owner of the Ingka Group, Stichting INGKA Foundation, which has a charitable purpose that is achieved by providing funding to IKEA Foundation. The IKEA Foundation is an independent, strategic philanthropy that focuses its grant making efforts on tackling the two biggest threats to children's futures: poverty and climate change. There is no dividend going to any private shareholder.

We are committed to being a responsible taxpayer and recognise the effect of our tax contribution on the development of local economies and communities. Our transparent tax report explains our approach to tax and publishes the Group's country-by-country tax data. In May 2022, Ingka Group signed the B-team Responsible Tax Principles, which commits us to working alongside other companies, civil society groups, and international institutions to advance responsible tax practices and transparency via reporting.

To break through our omnichannel growth in the United States, we announced in 2023 the investment of EUR 2.0 billion over the next three years. We will also invest in many other countries. In addition to new stores and locations, we will develop new formats and remove barriers to more affordable delivery, with real estate acquisitions, new digital experiences, and a stronger fulfilment network.

With more than 60 new locations, we continued meeting customers in new places and new ways. Openings in 2023 included: new stores in Hefei, Timisoara, Copenhagen, Madrid, Rome, and San Francisco; plan and order points in Sydney, Belgrade, and Zürich, to mention a few; and a reinvented store in Källered, Sweden. We stabilised the supply chain after the logistics crisis, increasing availability by 6.6%. Through investments in logistics companies, systems, and locations, like acquiring Made4net retail fulfilment solution, we took steps to grow as a unique omnichannel retailer. Online, we rolled out new features on IKEA Kreativ, an AI and computer vision technology that helps customers visualize their homes in 3D.

Industries all over the world were impacted by common challenges: a dramatic increase in costs due to supply chain disruptions; raw material constraints; escalating energy prices; and tremendous inflation. Since the start of the pandemic, we have found ways to tackle these obstacles. Eventually and due to these external circumstances, however, we had to increase prices on many of our products, which we started to decrease as soon as we could and will continue to do in 2024.



As a consequence of the war in Ukraine, Ingka Group closed our IKEA Retail business in Russia. Measures to scale down started on 15 June 2022 and our affected co-workers in Russia entered a mutual agreement process and were offered a compensation package significantly exceeding the standard. For our co-workers in Ukraine, we continue to provide income, core benefits, and employment stability while ensuring job security. In addition, our Employee Assistance Programme offers well-being support, and we have established an emergency fund to cover extraordinary costs that our co-workers encounter. During the year we prepared the sale of our Russian shopping centres and Ingka Centres co-workers in Russia will be employed by the new owner.

We want to build a renewable energy movement together with co-workers, customers, and partners to help tackle climate change for a **Better planet**. We generate more renewable energy than we consume across our global operations and are in the process of making new, more ambitious targets. In and outside our value chain we make significant investments: Ingka Investments plans to invest EUR 6.5 billion in renewable energy. In addition, we have committed EUR 1 billion for new technologies in this field by 2030. Since 2009, we have invested and committed close to EUR 4 billion, and last year alone, EUR 0.4 billion was invested in solar farms and wind farms. We have identified a programme of EUR 1.5 billion to replace heating and cooling installations for existing IKEA buildings over the next years, while all new buildings will be equipped with renewable heating and cooling systems.

Escalating inflation and high energy prices impacted our co-workers, customers, and communities through rapidly increasing cost of living. In our operations, we experienced additional costs and shortages connected to energy and other operational costs. Seven energy crisis mitigation streams were established, such as lowering own-energy consumption and activating a social fund for co-workers. To allow **Better homes** for all customers, we launched three commercial activation packages to save energy costs and reduce the overall cost of living. We grew our efforts to encourage customers' circular thinking and participation in life at home. For example, our Buyback & Resell service distributed vouchers to customers who gave their used furniture a new home in 2023. These are available in circular hubs in stores and online in many countries. We have implemented Sustainable Living Shops in all stores, offering accessible and affordable products to support people to use less energy and water, reduce waste and single use – as well as inspire many more people to repair, resell, recycle, and care for products.

We are very proud of our continued efforts to support **Better lives** – for our co-workers and for a fair and equal society, and we continuously improve as there is much more to accomplish. Throughout 2023, we worked with our Responsible Wage Practices framework and focused on closing the Gender Equal Pay gap, so all co-workers are paid equally for work of equal value. We maintain our strong inclusion index of 81%. Further information supporting our efforts will be published in the Annual Summary and Sustainability Report. We take a humanistic approach to implementing artificial intelligence (AI), putting our co-workers at the centre of development and responsible use of AI as a tool to enable lifelong learning and development. For example, our customer chat function Billie solved 3.3 million interactions, allowing us to reskill 8,500 co-workers to provide more complex services and life at home expertise to the many.

We have continued to promote a healthier lifestyle to our customers, for example in Ingka Centre's Step Store, where visitors can swap their daily steps for health-focused products, discounts at local stores, or charity donations. In China, Ingka Centre's Livat shopping centres have launched a pilot programme offering rewards to visitors in return for sustainable actions.



## Ingka Group financial performance

Total Ingka Group revenue for financial year 2023 amounted to EUR 44.3 billion, an increase of 5.4% compared to 2022. Operating income equalled EUR 2.0 billion, presenting a ratio of 4.5%. Income before tax was EUR 2.2 billion (EUR 0.8 billion in 2022). The normalised effective tax rate remained in the 25-30% band, and the effective tax rate was 31.6% (2022: 65.6%), corresponding to EUR 0.7 billion corporate income taxes (2022: EUR 0.5 billion). The agreement to sell the Russian portfolio of shopping centres reduced our net income and increased our effective tax rate. The net profit of 2023 was EUR 1.5 billion (2022: EUR 0.3 billion).

Cash flow from operating activities was EUR 3.5 billion (2022: EUR 2.8 billion). Our capital expenditure was EUR 2.8 billion, reflecting continued investments in business transformation, fulfilment capabilities, customer experiences, renewable energy, and sustainable forestry. Total assets amounted to EUR 56.5 billion (EUR 57.8 billion in 2022). Our equity position slightly decreased to EUR 46.7 billion at year-end (2022: EUR 47.6 billion) due to currency effects. The total cash flow for 2023 was EUR 0.5 billion negative (EUR 0.2 billion negative in 2022).

### IKEA Retail

#### Performance summary

IKEA Retail recognised sales of EUR 41.7 billion for 2023, an increase of 5.7% compared to last year (EUR 39.5 billion in 2022). Store visitation increased 7% and online share was 26% (2022: 25%). Such gains are linked to how we respond to customers' evolving needs and how we progress as an omnichannel retailer – like accelerating investments in digital developments along with new and existing stores, including expansion in cities.

We come from a position of strength and have focused even more on improving our business for generations to come, by ensuring that we stay in shape: financially fit with a constant attention to cost reduction; lean and flexible by taking big steps in simplifying our processes and pain points. Responding to the evolving needs of its customers, IKEA is continuing to take steps towards becoming a true omnichannel retailer by expanding in cities and developing the omnichannel network.

#### 2023 highlights

- Committed more than EUR 2 billion for omnichannel growth in the US over the next three years, to open new stores and locations, strengthen the fulfilment network, secure better delivery options, and provide a locally relevant product offer.
- Opened 60 new IKEA locations in 2023.
- Opened a new city store in Copenhagen, Denmark, where customers will benefit from better availability, flexibility, and delivery speed.
- Ran more than 40 different automation solutions, such as AI and robotics in stores, fulfilment units, and customer support. We test and try what works the best for IKEA to create value at scale and appeals to customers and co-workers – while doing it in a responsible, human-centric way.
- Extended the more sustainable and affordable food offer, securing all our plant-based dishes have a similar or lower price than the meat-based equivalent. The newest addition to the plant-based family, the plant dog, is available in most European countries.
- Grew our energy services offer, reaching 11 countries through different partners, to make it easier and more affordable for customers to use and produce renewable energy at home. IKEA U.S. is working with SunPower to make home solar energy solutions easier to access in select California locations.

Strengthened our ability to provide an excellent customer experience via phone, chat, and social media in remote interior design competence, digital retail sales, relationship-building, and complex problem-solving to handle unique customer inquiries.



## Ingka Centres

### Performance summary

Ingka Centres' operating income is driven by strong performance of the European portfolio. The strong development of the rental income has been favorability supported by lower rent discounts and a profitable indexation due to high inflation.

### 2023 highlights

- Prepared the sale of our Russian portfolio of 14 MEGA shopping centres, finalised in financial year 2024, to a subsidiary of the Gazprombank Group. Ingka Centres co-workers in Russia will be employed by the new owner. After the divestment of the shopping centres, Ingka Centres has no operational business in Russia. Please refer to disclosure note 12, subsequent events, of the financial statements for more information.
- Announced the development of our first urban meeting place in France. We acquired and will unite one of Paris' largest inner-city shopping destinations, Italie Deux, with a high-street extension, ItaliK, and neighbouring office complex, Apollo.
- Unveiled a new global food and beverage concept, Saluhall, a sustainable dining culture hub inspired by principles of Nordic cuisine.
- Revealed our brand name, Lykli, in India. Lykli Gurugram, now under construction, is scheduled to open in early 2025 in Gurgaon, India (close to New Delhi), and will propose an integrated offer of retail, leisure, and office space together with an IKEA store.
- Opened the first Circuit space in our Birsta City meeting place in Sweden, offering the many people easy access to a range of services, retailers, and activities related to the circular economy.
- Welcomed our many visitors in China again after the end of renewed pandemic restrictions.

## Ingka Investments

### Performance summary

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

In 2023, we continued to invest in the existing portfolio to diversify the risks. Within our Financial Markets portfolio, we further diversified by increasing our presence in funds and other investments. Our active portfolio management enables a good performance, especially in the bond market where cash yields grew well due to raising interest rates. Renewable Energy, Forestland, and Real Estate investments delivered steady revenues. High prices in electricity and timber markets had a positive price effect.

### 2023 highlights

- Acquired Made4net, a leading supply chain software solution provider based in the US. We will integrate its fulfilment operations system to improve the omnichannel experience for customers and co-workers.
- Made our first logistics investment by acquiring Greenogue Logistics Park in Dublin.
- Acquired a logistics centre in Greater Copenhagen, the second largest of its kind in Denmark.
- Accelerated investments to support Ingka Group's commitment to become climate positive by 2030 and net-zero latest 2050 while growing the business. We invested in renewable energy projects, like wind farms and solar parks, in Australia, Finland, and Italy.
- Joined UtsiraVIND, a dynamic offshore wind consortium, which will bid into the Utsira Nord floating offshore wind tender process in September 2023
- Invested in alternative funds through external fund managers, signing six deals that primarily focus on investment with impact, such as: Planet First (decarbonisation of energy); Ocean 14 (blue economy for food security and protection of marine ecosystems); and Equitix (sea-water desalination). Commitments to the funds will be activated over the next two to three years.



## Environmental and personnel information

### Environmental

As a society, we are facing critical and increasing environmental, health, and societal challenges that impact every one of us – as individuals, family members, leaders, and businesses. Ingka Group has a big responsibility – and many opportunities – to make a positive difference on climate change. We are committed to taking climate action to limit global warming to 1.5°C above pre-industrial levels and are making good progress. We are currently working on updating our targets in alignment with the new Net Zero Standard set by the Science Based Targets initiative (SBTi).

### Personnel

In financial year 2023, we built on our Equality, Diversity, and Inclusion strengths while acting on many future challenges. We focused on three strategic priorities: gender, ethnicity, and disabilities. We successfully piloted a new programme, Equal UPI, which aims to identify and address barriers to equal opportunities for people from underrepresented ethnic and cultural backgrounds. We created a Global Disability Inclusion Approach and are building competence, accountability, and leadership to build an Inclusive IKEA for the many. In our top leadership forums, we have a gender balance of 25/75 (2 f / 6 m) in Supervisory board, 0/100 (0 f / 2 m) in Management Board, and 38/62 (5 f / 8 m) in Group Management, and 48% female in our Country Retail manager roles, Country Boards and Country Councils. Across the total scope of management positions in Ingka Group, the gender balance of 50/50 is reached. We continue our efforts to work with inclusive succession: in our key position talent pipeline, 55% are females and we secure inclusivity in our leadership framework programmes. We have more work to do for traditionally gendered functions and for teams with few members.

### Environmental, Social, and Governance (ESG) reporting requirements

At Ingka Group we welcome the direction of greater corporate accountability through mandatory ESG reporting requirements that will advance comparability and transparency across companies. Ingka is comparably well positioned to deliver and is a much-appreciated speaking partner to legislators. To us, ESG reporting goes beyond compliance and is a fantastic opportunity to drive both action and change as part of our transformation to be a more sustainable and resilient organisation. In FY23, we have done deep, rigorous, work to assess our most material topics by updating our FY21 double materiality assessment, prioritizing KPIs per topic that drive impact, ensuring compliance and support our transformation and we designed ways of working to ensure ESG reporting readiness in time. Our ESG journey ahead includes an increasing ESG assurance scope with additional topics and KPIs per year, on a, for now, voluntary basis.

## Research and development

Research and development activities within Ingka Group are focused on: omnichannel retailing; bringing IKEA closer to the many people through fulfilment services, new retail formats, and digital technology; and developing sustainable solutions through energy and circular services. We continue to work towards 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

Ingka Group has two main governing bodies: a Management Board and a Supervisory Board, supported by Committees at both levels. To continuously remove inefficiencies in the way we work, we are simplifying the number of committees and councils in our decision-making process at the end of 2023. Our governance and legal structure are designed to: secure that each Ingka Group company is well-governed and managed; ensure that each Ingka Group company is efficient, lean, and simple with respect to decision-making; and comply with laws, regulations, and organisational



requirements. We rely on strong values and a culture that promotes the responsibility of everyone to do the right thing – as summarised in our IKEA key values and communicated to co-workers in our Code of Conduct.

## **Risk management**

Our Ingka Group approach to risk management is balanced and forward looking so that we can perform against our Value Creation Goals. We focus on and respond to key risks by implementing strong mitigation activities and monitoring on a tertial basis. We strengthen our resilience and ensure continuity by staying ahead of any emerging risks and understanding how future events could impact Ingka Group.

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

### **Geopolitics, supply disruptions, and resource scarcity**

Global political tensions will require us to operate in an increasingly multipolar political environment with further uncertainty around national policies, potentially impacting global supply chains. Through scenario planning, active geopolitical monitoring, and alignment between all Ingka Group businesses and stakeholders, we aim to anticipate and navigate these risks effectively while maintaining a strong focus on supporting people and communities.

### **Financial, including inflation and recession**

Inflationary pressures and potential recession impact cost of living, consumer spending power, and our cost of operations. These risks are likely to continue challenging the ability for the many people to get access to affordable solutions in the mid to long term. Ingka Group monitors external developments and constantly rebalances our investment portfolios to focus on cost management programmes and reprioritise initiatives as needed. More information on financial risk management is described in note 24 to the consolidated financial statements.

### **Fraud and non-compliance**

Ingka is evolving at a fast pace, increasing the complexity and diversity of our business both geographically and in terms of our digital activities. The regulatory landscape is also shifting rapidly with new regulations and legislation continuously being introduced. Therefore, our risk management approach includes identification and assessment of fraud and non-compliance risks. Wider measures are used to respond to these risks, which involve horizon scanning, implementing internal controls and providing steering documents, frameworks and training.

### **Retail transformation, commercial relevance, and shifting customer expectations**

The digitalisation of customer interactions and the evolving nature of digital retailing require agile adaptation to continue being commercially relevant, to retain our market share, and to grow. Life at home has never been more important, which brings us many opportunities. Our efforts concentrate on advancing our omnichannel journey through the IKEA Retail strategy (supported by Ingka Centres and Ingka Investments strategies), transforming our operations, and conducting in-depth market analyses on customers' needs.

### **Cybersecurity and data privacy**

Digital shifts and the rapid development of generative AI bring additional risks related to cybersecurity, data privacy, and digital ethics. With an increasing online share of our total sales and further dependency on technology for our operations, our exposure grows. Ingka Group strives to address these risks by executing on the multiyear cybersecurity strategy while remaining committed to using data in a responsible way.



## **Talent**

Challenges to attract and retain talent could worsen if we experience declining co-worker engagement and motivation or if we fail to anticipate future workforce trends and expectations. Ingka Group has strengthened our talent strategy, including updating the entire Ingka Talent agenda and enriching our employer value proposition. Furthermore, we continue to work on securing equal and fair pay, as well as enhancing benefits and flexibility.

## **Well-being of our people**

The fast pace of transformation could expose our co-workers to health and safety risks that jeopardise well-being. We have a global Health and Well-being framework in all markets based on three pillars: mental, physical, and financial. The framework includes an Employee Assistance Programme available to co-workers in all countries, through external partners. We run multiple initiatives to identify and launch risk mitigation solutions, like introducing exoskeletons for co-workers who do heavy lifting.

## **Climate**

The threats from and effects of climate change continue to intensify. Ingka Group remains steadfast in our commitment to our goals to contribute to a better planet. We have mapped climate-related risks and taken steps to better understand potential future costs, including physical impacts of extreme weather on our buildings and the rising cost of using fossil fuels. Task Force for Climate Financial Disclosures (TCFD) assessments are performed every two years, and we have been making substantial investments in renewable energy, circularity, and responsible forestry both in and outside our value chain.

## **Outlook for financial year 2024**

We start the new financial year with 80 years behind us – experience that has taught us to view challenges as opportunities. Recent years have tested our values, like preserving cost-consciousness, togetherness, and caring for people and planet while meeting the demand for sales with services. Since we continue to find better ways, we see that our product offer, our life at home knowledge, and our omnichannel retailing continue to attract customers around the world. With our range of customer meeting point formats and our logistical and digital investments, we enter the year ready to get things done. We will focus on the present and the future, understanding what it will take to make IKEA and Ingka Group even better and more resilient.

Climate change is no longer a distant threat; nor is it an issue we take lightly. It is a living reality impacting societies, businesses of all sizes, and – foremost – people. We are making a more sustainable life affordable and accessible for our customers, ranging from plant-based food to home solar panels. Given the power of our size and scale, we understand our ability and responsibility to drive climate action. We will continue to work with our business network to share knowledge and products while supporting others, such as our suppliers, to decarbonise and to spur change. In our own operations and across our value chain, we have identified 17 material topics for which we expand our assurance scope each year and are working towards an integrated report across all our Value Creation Areas.

We have three top priorities for 2024. The first is to deliver to affordability and lower prices. Our business idea “to offer a wide range of well-designed, functional home furnishing products at prices so low, that as many people as possible will be able to afford them” is at the forefront. We have continued to invest in decreasing prices wherever possible and will keep doing so for many products across markets in the coming months. We will continue to ensure that we are financially fit, with sales growing faster than costs and with pride in cost-consciousness, producing good results with small means.



The second priority is to take a leap in our climate plan to contribute to the Paris Agreement to limit the global temperature rise to 1.5°C above pre-industrial levels. We are committed to becoming climate positive by 2030 and net-zero latest 2050, while still growing the IKEA business. We set science-based targets in 2018 and are updating our climate targets in alignment with SBTi's new Net Zero Standard.

The third priority is to simplify our business with a focus on cost transformation and end-to-end automation, including AI, as a key part of our omnichannel operations. Last year, we made good first steps and we are further reviewing simplification to our governance, routines, and tools. Such transformations are complex for the few and create simplicity for the many.

We will continue to create value in four dimensions: Better homes for customers, Better lives for people, Better planet for all, and a Better company for now and future generations. We will continue to invest in the IKEA vision: being a true partner for life at home; tackling climate change; and transforming into a unique omnichannel retailer that is purpose-led and built for the future.

We are 80 years old but remain young at heart. As Ingvar Kamprad said: "It is our wonderful fate of being just at the beginning. In all areas. We will move ahead only by constantly asking ourselves how what we are doing today can be done better tomorrow".

**Most things remain to be done. Glorious future!**



Ingka Holding B.V.

Annual report for financial year 2023

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

| (in millions of EUR)                   | <b>2023</b>   | <b>2022</b>   |
|----------------------------------------|---------------|---------------|
| Intangible fixed assets (4)            | 3,316         | 3,196         |
| Tangible fixed assets (5)              | 24,740        | 25,647        |
| Financial fixed assets (6)             | 2,564         | 2,442         |
| <b>Total fixed assets</b>              | <b>30,620</b> | <b>31,285</b> |
| Inventories (7)                        | 2,742         | 2,700         |
| Construction contracts (8)             | -             | -             |
| Trade and other receivables (9)        | 1,997         | 1,963         |
| Securities (10)                        | 20,470        | 20,678        |
| Cash and short-term deposits (11)      | 717           | 1,138         |
| <b>Total current assets</b>            | <b>25,926</b> | <b>26,479</b> |
| <b>TOTAL ASSETS</b>                    | <b>56,546</b> | <b>57,764</b> |
| (in millions of EUR)                   | <b>2023</b>   | <b>2022</b>   |
| Capital Stock                          | 1             | 1             |
| Additional paid-in capital             | 51            | 51            |
| Revaluation reserves                   | 195           | 212           |
| Legal reserves participations          | 380           | 341           |
| Other reserves                         | 44,543        | 46,739        |
| Result of the year                     | 1,507         | 287           |
| <b>Total shareholder's equity (12)</b> | <b>46,677</b> | <b>47,631</b> |
| Minority interest                      | 8             | 9             |
| <b>Total Group equity</b>              | <b>46,685</b> | <b>47,640</b> |
| <b>Provisions (13)</b>                 | <b>1,489</b>  | <b>1,563</b>  |
| <b>Non-current liabilities (15)</b>    | <b>795</b>    | <b>767</b>    |
| <b>Current liabilities (16)</b>        | <b>7,577</b>  | <b>7,794</b>  |
| <b>GROUP EQUITY AND LIABILITIES</b>    | <b>56,546</b> | <b>57,764</b> |

(The accompanying notes on pages 14 to 44 are an integral part of these consolidated financial statements)



Ingka Holding B.V.

Annual report for financial year 2023

## CONSOLIDATED INCOME STATEMENT

Year ended 31 August

| (in millions of EUR)                                     | <u>2023</u>     | <u>2022</u>     |
|----------------------------------------------------------|-----------------|-----------------|
| Retail - sale of goods                                   | 41,743          | 39,476          |
| Service income                                           | 1,253           | 1,190           |
| Rental and construction contracts income                 | 961             | 992             |
| Renewable energy and forestland income                   | 343             | 378             |
| <b>Revenue (17)</b>                                      | <b>44,300</b>   | <b>42,036</b>   |
| Cost of sales and services (18)                          | (29,635)        | (28,070)        |
| <b>Gross profit</b>                                      | <b>14,665</b>   | <b>13,966</b>   |
| Selling expenses                                         | (9,614)         | (9,567)         |
| General and administrative expenses                      | (3,308)         | (2,704)         |
| <b>Total operating expenses (19)</b>                     | <b>(12,922)</b> | <b>(12,271)</b> |
| Other income (20)                                        | 264             | 340             |
| <b>Operating income</b>                                  | <b>2,007</b>    | <b>2,035</b>    |
| Income from investments                                  | (9)             | 31              |
| Interest income and similar income                       | 318             | 222             |
| Changes in value of investments                          | (73)            | (1,410)         |
| Interest expenses and similar charges                    | (40)            | (45)            |
| <b>Total financial income and expense (21)</b>           | <b>196</b>      | <b>(1,202)</b>  |
| <b>Income before income taxes and minority interests</b> | <b>2,203</b>    | <b>833</b>      |
| Income taxes (22)                                        | (696)           | (546)           |
| <b>Income before minority interests</b>                  | <b>1,507</b>    | <b>287</b>      |
| Minority interests                                       | -               | -               |
| <b>Net income</b>                                        | <b>1,507</b>    | <b>287</b>      |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 August

| (in millions of EUR)                                              | <u>2023</u>    | <u>2022</u>  |
|-------------------------------------------------------------------|----------------|--------------|
| <b>Net income</b>                                                 | <b>1,507</b>   | <b>287</b>   |
| Translation differences foreign activities                        | (2,341)        | 2,311        |
| Remeasurements IAS 19                                             | (8)            | 64           |
| Change in unrealised derivatives                                  | -              | -            |
| Realized revaluations through income statement                    | (55)           | (18)         |
| Other                                                             | (14)           | -            |
| <b>Total of items recognised directly in shareholders' equity</b> | <b>(2,418)</b> | <b>2,357</b> |
| <b>Total result of the legal entity</b>                           | <b>(911)</b>   | <b>2,644</b> |

(The accompanying notes on pages 14 to 44 are an integral part of these consolidated financial statements)



Ingka Holding B.V.

Annual report for financial year 2023

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 August

| (in millions of EUR)                                                                                   | <b>2023</b>    | <b>2022</b>    |
|--------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>Operating income</b>                                                                                | <b>2,007</b>   | <b>2,035</b>   |
| <i>Adjustments for:</i>                                                                                |                |                |
| Depreciation, amortisation and impairment of fixed assets                                              | 2,255          | 2,108          |
| Movements in provisions                                                                                | (9)            | (176)          |
| Gains and losses on disposal of fixed assets                                                           | 28             | 77             |
| Changes in working capital                                                                             | (351)          | (679)          |
| Other                                                                                                  | (26)           | 10             |
| <i>Cash flow from operations</i>                                                                       | <b>3,904</b>   | <b>3,375</b>   |
| Interest received                                                                                      | 318            | 222            |
| Interest paid                                                                                          | (31)           | (45)           |
| Corporate income tax paid                                                                              | (673)          | (761)          |
| <b>Cash flow from operating activities</b>                                                             | <b>3,518</b>   | <b>2,791</b>   |
| Additions fixed assets                                                                                 | (2,754)        | (2,130)        |
| Disposals fixed assets                                                                                 | 224            | 479            |
| Dividend received                                                                                      | 7              | 50             |
| Proceeds from repayment of loans receivable                                                            | 433            | 434            |
| Issue of loans receivable                                                                              | (611)          | (559)          |
| Acquisition of subsidiaries                                                                            | (1,038)        | (461)          |
| Divestment of subsidiaries                                                                             | 8              | 31             |
| Sales and purchases of equities                                                                        | 194            | (62)           |
| <b>Cash flow from investing activities</b>                                                             | <b>(3,537)</b> | <b>(2,218)</b> |
| Proceeds from short- and long-term loans payable                                                       | 327            | 150            |
| Repayment of short- and long-term loans payable                                                        | (154)          | (140)          |
| Dividends paid                                                                                         | (43)           | (237)          |
| <b>Cash flow from financing activities</b>                                                             | <b>130</b>     | <b>(227)</b>   |
| <b>Revaluations of securities excl. equity investments</b>                                             | <b>(103)</b>   | <b>(1,227)</b> |
| <b>Exchange gain/(loss)</b>                                                                            | <b>(480)</b>   | <b>690</b>     |
| <b>Increase/(decrease) cash and cash equivalents</b>                                                   | <b>(472)</b>   | <b>(191)</b>   |
| Cash and cash equivalents at beginning                                                                 | 20,849         | 21,040         |
| Cash and cash equivalents at end                                                                       | 20,377         | 20,849         |
| <b>Net movement in cash and cash equivalents</b>                                                       | <b>(472)</b>   | <b>(191)</b>   |
| The cash and cash equivalents included in the cash flow statements consist of:<br>(in millions of EUR) |                |                |
|                                                                                                        | <b>2023</b>    | <b>2022</b>    |
| Cash and short-term deposits                                                                           | 717            | 1,138          |
| Securities, excl. equity investments                                                                   | 19,660         | 19,711         |
| <b>Total</b>                                                                                           | <b>20,377</b>  | <b>20,849</b>  |

(The accompanying notes on pages 14 to 44 are an integral part of these consolidated financial statements)



## 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 14 July 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 31 August 2023, is referred to as '2023' and the comparable year is referred to as '2022'.

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.

#### ***Ingka Group's long-term focus on customers, business, people, society and planet***

Our structure together with a financial approach based on 80 years of earning 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. To secure that we make IKEA more affordable, accessible, and sustainable, 85% of net income is re-invested in the company.

The remaining 15% is paid as dividend to the owner of the Ingka Group, Stichting INGKA Foundation, which has a charitable purpose that is achieved by providing funding to IKEA Foundation. The IKEA Foundation is an independent, strategic philanthropy that focuses its grant making efforts on tackling the two biggest threats to children's futures: poverty and climate change. There is no dividend going to any private shareholder.

We are committed to being a responsible taxpayer and recognise the effect of our tax contribution on the development of local economies and communities. Our transparent tax report explains our approach to tax and publishes the Group's country-by-country tax data. In May 2022, Ingka Group signed the B-team Responsible Tax Principles, which commits us to working alongside other companies, civil society groups, and international institutions to advance responsible tax practices and transparency via reporting.

#### ***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 373 IKEA stores, and 26 City stores (incl. IKEA shops) and 138 other formats 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 3,000 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 21 November 2023.



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, rental income, and renewable and forestland 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, recoverability of deferred tax assets, and the estimates related to acquisitions.

#### **Basis of consolidation**

The consolidated financial statements include the financial information of the Company and its group companies as at 31 August 2023 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 2023 and 2022 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<br>31/8/23 | Spot rate<br>31/8/22 | Average rate<br>31/8/23 | Average rate<br>31/8/22 |
|---------|----------------------|----------------------|-------------------------|-------------------------|
| EUR/USD | 0.92                 | 0.99                 | 0.94                    | 0.92                    |
| EUR/RMB | 0.13                 | 0.14                 | 0.13                    | 0.14                    |
| EUR/RUB | 0.010                | 0.017                | 0.012                   | 0.013                   |

### **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 recognised 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 capitalisation.

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, 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 Ingka 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 will the impairment loss 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 expenditures 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 consists 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 the 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 section 'Financial instruments'.

#### ***Current liabilities***

The valuation of current liabilities is explained under the section '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**

The Company usually recognises revenue at the level of separate contracts. The Company recognises revenue for the amount to which the Company expects to be entitled in exchange for transferring promised goods or services, which is the transaction price. This amount excludes amounts received on behalf of third parties. When determining the transaction price, the Company does not take credit risk into account. Any write-downs as a result of the credit risk are charged to the profit and loss account. In determining the transaction price, the Company assumes that the goods or services will be provided in accordance with the relevant agreement and that this agreement will not be cancelled, extended, or otherwise modified.

When determining the transaction price, the Company takes into account, among other things, the effects of variable fees, due to discounts, sales returns, refunds, or other similar elements that may vary in size. The Company estimates the amount of variable compensation as part of the total compensation and applies the prudence principle in doing so.



The Company recognises revenue per separate performance obligation. A performance obligation is a commitment in a contract to supply:

- a distinct good or service or a combination of goods or services which are collectively distinguishable from other commitments in the contract; or
- a range of distinct services that are largely the same.

Loyalty programs shall be recorded as a separate component of a sales transaction if:

- the credits acquired by the customer can be redeemed for goods or services that the entity delivers as part of its ordinary activity; and
- the value of the credits is not insignificant compared to the value of the sales for which those credits were issued.

In this case the credits have to be recognised as deferred revenue, and the revenue is to be recognised in the period that the credits are used.

Revenue consists of sale of goods, service income, rental income, construction contracts income, renewable energy income, 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 recognised based on the activities performed as at balance sheet date which is the same as the recognised contract cost in the income statement plus the percentage of completion estimated result.

#### *Renewable energy income 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 are 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 of 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

|                     | <b>2023</b>  | <b>2022</b>  |
|---------------------|--------------|--------------|
| (Land) lease rights | 2,022        | 2,400        |
| Goodwill            | 817          | 376          |
| Software            | 439          | 377          |
| Other               | 38           | 43           |
| <b>Total</b>        | <b>3,316</b> | <b>3,196</b> |

|                                 | <b>(Land) lease<br/>rights</b> | <b>Goodwill</b> | <b>Software</b> | <b>Other</b> | <b>Total</b> |
|---------------------------------|--------------------------------|-----------------|-----------------|--------------|--------------|
| <b>Cost</b>                     |                                |                 |                 |              |              |
| <b>Opening balance</b>          | <b>2,844</b>                   | <b>598</b>      | <b>454</b>      | <b>129</b>   | <b>4,025</b> |
| Translation adjustment          | (286)                          | (14)            | (43)            | (1)          | (344)        |
| Additions                       | -                              | 517             | 147             | 27           | 691          |
| Acquisitions                    | -                              | -               | 20              | 1            | 21           |
| Disposals                       | -                              | -               | -               | (25)         | (25)         |
| Divestments                     | -                              | -               | -               | -            | -            |
| Impairments                     | (91)                           | (23)            | (2)             | -            | (116)        |
| Other                           | 3                              | -               | 1               | (7)          | (3)          |
| <b>Closing balance</b>          | <b>2,470</b>                   | <b>1,078</b>    | <b>577</b>      | <b>124</b>   | <b>4,249</b> |
| <b>Accumulated amortisation</b> |                                |                 |                 |              |              |
| <b>Opening balance</b>          | <b>444</b>                     | <b>222</b>      | <b>77</b>       | <b>86</b>    | <b>829</b>   |
| Translation adjustment          | (55)                           | (5)             | (10)            | (4)          | (74)         |
| Additions                       | 56                             | 44              | 71              | 7            | 178          |
| Disposals                       | -                              | -               | -               | -            | -            |
| Divestments                     | -                              | -               | -               | -            | -            |
| Other                           | 3                              | -               | -               | (3)          | -            |
| <b>Closing balance</b>          | <b>448</b>                     | <b>261</b>      | <b>138</b>      | <b>86</b>    | <b>933</b>   |
| <b>Net book value</b>           | <b>2,022</b>                   | <b>817</b>      | <b>439</b>      | <b>38</b>    | <b>3,316</b> |

|                                      |       |      |     |      |
|--------------------------------------|-------|------|-----|------|
| <b>Estimated useful life (years)</b> | 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 capitalised franchise fees and intangible assets for capitalised renewable energy and carbon incentives.

The amortisation of intangible fixed assets is included under general and administrative expenses in the income statement.

Research and development costs charged to the profit and loss account amount to EUR 71 million.

The additions in goodwill are mainly related to the acquisitions as disclosed in note 5.



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## 5. TANGIBLE FIXED ASSETS

|                          | 2023          | 2022          |
|--------------------------|---------------|---------------|
| Land and buildings       | 19,339        | 19,898        |
| Building improvements    | 1,828         | 2,102         |
| Machinery and equipment  | 1,358         | 1,324         |
| Construction in progress | 2,215         | 2,323         |
| <b>Total</b>             | <b>24,740</b> | <b>25,647</b> |

|                                 | Land and buildings | Building improvements | Machinery and equipment | Construction in progress | Total 2023    | Total 2022    |
|---------------------------------|--------------------|-----------------------|-------------------------|--------------------------|---------------|---------------|
| <b>Cost</b>                     |                    |                       |                         |                          |               |               |
| <b>Opening balance</b>          | <b>30,796</b>      | <b>5,650</b>          | <b>5,176</b>            | <b>2,323</b>             | <b>43,945</b> | <b>40,686</b> |
| Translation adjustment          | (1,947)            | (523)                 | (300)                   | (239)                    | (3,009)       | 2,474         |
| Additions                       | 441                | 141                   | 330                     | 1,270                    | 2,182         | 1,936         |
| Acquisitions                    | 757                | 75                    | 4                       | 69                       | 905           | 86            |
| Disposals                       | (218)              | (40)                  | (158)                   | (38)                     | (454)         | (887)         |
| Divestments                     | (18)               | (8)                   | (3)                     | -                        | (29)          | (81)          |
| Impairments                     | (109)              | (77)                  | (10)                    | (84)                     | (280)         | (197)         |
| Transfer                        | 744                | 158                   | 184                     | (1,086)                  | -             | -             |
| Other                           | (27)               | 6                     | (4)                     | -                        | (25)          | (72)          |
| <b>Closing balance</b>          | <b>30,419</b>      | <b>5,382</b>          | <b>5,219</b>            | <b>2,215</b>             | <b>43,235</b> | <b>43,945</b> |
| <b>Accumulated depreciation</b> |                    |                       |                         |                          |               |               |
| <b>Opening balance</b>          | <b>10,898</b>      | <b>3,548</b>          | <b>3,852</b>            | <b>-</b>                 | <b>18,298</b> | <b>16,053</b> |
| Translation adjustment          | (707)              | (273)                 | (213)                   | -                        | (1,193)       | 976           |
| Additions                       | 976                | 310                   | 352                     | -                        | 1,638         | 1,725         |
| Disposals                       | (71)               | (25)                  | (127)                   | -                        | (223)         | (379)         |
| Divestments                     | (15)               | (7)                   | (3)                     | -                        | (25)          | (33)          |
| Transfer                        | (2)                | -                     | 2                       | -                        | -             | -             |
| Other                           | 1                  | 1                     | (2)                     | -                        | -             | (44)          |
| <b>Closing balance</b>          | <b>11,080</b>      | <b>3,554</b>          | <b>3,861</b>            | <b>-</b>                 | <b>18,495</b> | <b>18,298</b> |
| <b>Net book value</b>           | <b>19,339</b>      | <b>1,828</b>          | <b>1,358</b>            | <b>2,215</b>             | <b>24,740</b> | <b>25,647</b> |

**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 capitalised interest charges. Land and buildings includes windfarms and forestlands for a net book value of EUR 1,566 million. The company holds the legal ownership of all material tangible fixed assets.

Of the depreciation of EUR 1,638 million, an amount of EUR 1,040 million (2022: EUR 1,108 million) is included in the selling expenses and the residual amount of EUR 598 million (2022: EUR 617 million) is mainly allocated to cost of sales and services.

During 2023 investments in, amongst others, wind- and solar farms and real estate resulted in an increase in tangible fixed assets of EUR 905 million and an increase in intangible fixed assets of EUR 280 million. Total consideration paid amounts to EUR 1,038 million.

The Company received investment grants in different jurisdictions. The investment grants received during 2023 were not material.



During 2023, impairments on tangible fixed assets to recoverable amounts have been recorded for an amount of EUR 369 million (2022: EUR 222 million). Reversals of previous years' impairments for an amount of EUR 89 million (2022: EUR 19 million) have been recognised, resulting in a net loss of EUR 280 million (2022: EUR 203 million loss) recognised in the income statement relating to assets and Cash Generating Units ('CGU') within the following lines of business:

| Description                           | Assets/<br>CGUs | Valuation approach          | Forecasting period and<br>discount rate value in use | Amount in<br>millions of EUR |
|---------------------------------------|-----------------|-----------------------------|------------------------------------------------------|------------------------------|
| Renewable energy<br>and forestland    | 4 <sup>1</sup>  | Value in use                | 7-17 years; 4.9% - 6.6%                              | 40                           |
| Retail market &<br>mixed-use projects | 10 <sup>2</sup> | Market value / Value in use | 5 years; 8.1% - 9.1%                                 | 77                           |
| Investment property                   | 19 <sup>3</sup> | Market value                | -                                                    | 163                          |

<sup>1</sup> Note that the CGU amount comprises the CGU with an impairment and reversal.

<sup>2</sup> Note that there are also impairments related to land plots, which are not included in the CGUs presented in table above.

The impairments are driven by China, Germany, Ireland, France, Russia, and the US. The reversals of impairments are mainly driven by improved business performance of retail markets and investment properties in the US, Poland, France, Sweden and Italy.

### **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:

|                          | 2023         | 2022         |
|--------------------------|--------------|--------------|
| Land and buildings       | 3,504        | 3,602        |
| Building improvements    | 552          | 765          |
| Machinery and equipment  | 39           | 84           |
| Construction in progress | 801          | 685          |
| <b>Total</b>             | <b>4,896</b> | <b>5,136</b> |



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|                                 | Land and buildings | Building improvements | Machinery and equipment | Construction in progress | Total 2023   | Total 2022   |
|---------------------------------|--------------------|-----------------------|-------------------------|--------------------------|--------------|--------------|
| <b>Cost</b>                     |                    |                       |                         |                          |              |              |
| <b>Opening balance</b>          | <b>5,408</b>       | <b>1,566</b>          | <b>245</b>              | <b>685</b>               | <b>7,904</b> | <b>6,632</b> |
| Translation adjustment          | (901)              | (355)                 | (83)                    | (136)                    | (1,475)      | 827          |
| Additions                       | -                  | 7                     | 1                       | 336                      | 344          | 420          |
| Acquisitions                    | 745                | 75                    | -                       | 48                       | 868          | -            |
| Disposals                       | (106)              | (12)                  | (2)                     | (14)                     | (134)        | (417)        |
| Divestments                     | (13)               | (8)                   | -                       | -                        | (21)         | (81)         |
| Impairments                     | (88)               | (44)                  | (5)                     | (25)                     | (162)        | (86)         |
| Transfer                        | 35                 | 45                    | 11                      | (91)                     | -            | -            |
| Other                           | 1                  | -                     | (1)                     | (2)                      | (2)          | 609          |
| <b>Closing balance</b>          | <b>5,081</b>       | <b>1,274</b>          | <b>166</b>              | <b>801</b>               | <b>7,322</b> | <b>7,904</b> |
| <b>Accumulated depreciation</b> |                    |                       |                         |                          |              |              |
| <b>Opening balance</b>          | <b>1,806</b>       | <b>801</b>            | <b>161</b>              | <b>-</b>                 | <b>2,768</b> | <b>2,066</b> |
| Translation adjustment          | (373)              | (175)                 | (60)                    | -                        | (608)        | 329          |
| Additions                       | 200                | 111                   | 27                      | -                        | 338          | 341          |
| Disposals                       | (40)               | (8)                   | (1)                     | -                        | (49)         | (190)        |
| Divestments                     | (14)               | (7)                   | -                       | -                        | (21)         | (33)         |
| Transfer                        | -                  | -                     | -                       | -                        | -            | -            |
| Other                           | (2)                | -                     | -                       | -                        | (2)          | 255          |
| <b>Closing balance</b>          | <b>1,577</b>       | <b>722</b>            | <b>127</b>              | <b>-</b>                 | <b>2,426</b> | <b>2,768</b> |
| <b>Net book value</b>           | <b>3,504</b>       | <b>552</b>            | <b>39</b>               | <b>801</b>               | <b>4,896</b> | <b>5,136</b> |

**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 944 million (2022: EUR 981 million).

The estimated market value of the investment property amounts to EUR 8.5 billion (2022: EUR 10.2 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 0.9 billion (2022: EUR 1.0 billion). The estimated market value decreased compared to 2022 and is mainly driven by foreign exchange rates and valuation of our investments in Russia.

The valuation is determined based on open-market valuations, taking into account the size, nature, state, and use of the investment property.



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## 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:

|                                            | 2023         | 2022         |
|--------------------------------------------|--------------|--------------|
| Within one year                            | 450          | 731          |
| After one year but no more than five years | 1,898        | 2,411        |
| More than five years                       | 1,547        | 2,055        |
| <b>Total</b>                               | <b>3,895</b> | <b>5,197</b> |

The decrease in operating leases is mainly due to the sale of the Russian portfolio of shopping centres in October 2024.

## 6. FINANCIAL FIXED ASSETS

|                                      | 2023         | 2022         |
|--------------------------------------|--------------|--------------|
| Long-term loans & receivables        | 612          | 508          |
| Deferred tax asset                   | 615          | 657          |
| Investment in participating interest | 921          | 916          |
| Other                                | 416          | 361          |
| <b>Total</b>                         | <b>2,564</b> | <b>2,442</b> |

|                                                    | Long-term<br>loans &<br>receivables | Deferred<br>tax<br>asset | Investm.<br>in part.<br>interests | Other<br>invest-<br>ments | Total        |
|----------------------------------------------------|-------------------------------------|--------------------------|-----------------------------------|---------------------------|--------------|
| <b>Cost</b>                                        |                                     |                          |                                   |                           |              |
| <b>Opening balance<br/>(incl. due in one year)</b> | <b>604</b>                          | <b>657</b>               | <b>916</b>                        | <b>361</b>                | <b>2,538</b> |
| Translation adjustment                             | (7)                                 | (34)                     | (10)                              | (6)                       | (57)         |
| Additions                                          | 273                                 | 143                      | 29                                | 96                        | 541          |
| Disposals                                          | -                                   | -                        | -                                 | -                         | -            |
| Utilised                                           | -                                   | (97)                     | -                                 | -                         | (97)         |
| Released                                           | -                                   | (49)                     | -                                 | -                         | (49)         |
| Impairments                                        | -                                   | -                        | (14)                              | (29)                      | (43)         |
| Share in result of part. interest                  | -                                   | -                        | 22                                | -                         | 22           |
| Repayments                                         | (158)                               | -                        | -                                 | -                         | (158)        |
| Amounts due within one year                        | (99)                                | -                        | -                                 | -                         | (99)         |
| Dividend                                           | -                                   | -                        | (7)                               | -                         | (7)          |
| Transfer                                           | -                                   | -                        | 7                                 | (7)                       | -            |
| Other                                              | (1)                                 | (5)                      | (22)                              | 1                         | (27)         |
| <b>Net book value</b>                              | <b>612</b>                          | <b>615</b>               | <b>921</b>                        | <b>416</b>                | <b>2,564</b> |

Additional investments in participating interests and other investments (EUR 29 million and EUR 96 million, respectively) relate mainly to minority investments in companies specialised in renewable energy.

Refer to note 22 for details on the deferred tax assets.



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

| <b>Financial Year</b> | <b>Amount</b> |
|-----------------------|---------------|
| 2024                  | 99            |
| 2025                  | 65            |
| 2026                  | 26            |
| 2027                  | 16            |
| 2028                  | 69            |
| Thereafter            | 438           |
| <b>Total</b>          | <b>713</b>    |

The group has the following significant capital interests:

| <b>Name</b>                                      | <b>Registered office</b> | <b>Share in issued capital</b> |
|--------------------------------------------------|--------------------------|--------------------------------|
| 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 (solar project)        | Russia                   | 49%                            |
| Sunlight Energy LLC (solar project)              | Russia                   | 49%                            |
| Fifth Project Company LLC (solar project)        | Russia                   | 49%                            |
| Ikano Bank AB                                    | Sweden                   | 49%                            |

## 7. INVENTORIES

The inventory consists of finished goods and amounts to EUR 2,742 million (2022: EUR 2,700 million). The provision for obsolescence amounts to EUR 78 million as at 31 August 2023 (2022: EUR 66 million).

As at 31 August 2023 EUR 0.2 million (2022: 25 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 (2022: EUR nil) as the construction works have been completed.



## 9. TRADE AND OTHER RECEIVABLES

|                                               | <b>2023</b>  | <b>2022</b>  |
|-----------------------------------------------|--------------|--------------|
| Trade debtors, less allowance                 | 509          | 492          |
| Current portion of long-term loans receivable | 99           | 96           |
| Short-term loans and receivables              | 337          | 275          |
| Income tax receivable                         | 169          | 237          |
| Other receivables                             | 484          | 493          |
| Prepaid expenses and accrued income           | 399          | 370          |
| <b>Total</b>                                  | <b>1,997</b> | <b>1,963</b> |

The other receivables can be broken down as follows:

|                         | <b>2023</b> | <b>2022</b> |
|-------------------------|-------------|-------------|
| VAT receivable          | 137         | 225         |
| Receivable on suppliers | 31          | 30          |
| Other receivables       | 316         | 240         |
| <b>Total</b>            | <b>484</b>  | <b>495</b>  |

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

|                                  | <b>2023</b> | <b>2022</b> |
|----------------------------------|-------------|-------------|
| Interest                         | 3           | 2           |
| Derivatives                      | 4           | 17          |
| Insurance premiums               | 22          | 25          |
| Other prepaid and accrued income | 370         | 326         |
| <b>Total</b>                     | <b>399</b>  | <b>370</b>  |

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 31 August 2023, total securities amounted to EUR 20,470 million (2022: EUR 20,678 million). Securities, excluding equity and fund investments amounted to EUR 18,634 million (2022: EUR 18,964 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 810 million as at 31 August 2023 (2022: EUR 967 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 1,300 million and a stricter approval process are applied to non-investment grade debt securities.



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

|                      | 2023       | 2022       |
|----------------------|------------|------------|
| AAA to AA            | 54         | 53         |
| AA- to A-            | 31         | 30         |
| BBB+ to BBB-         | 12         | 14         |
| Non-investment grade | 3          | 3          |
|                      | <b>100</b> | <b>100</b> |

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

|                                  | 2023       | 2022       |
|----------------------------------|------------|------------|
| Sovereign                        | 42         | 43         |
| Government sponsored             | 19         | 18         |
| Financial corporation            | 20         | 20         |
| Asset backed securities          | 1          | 1          |
| Non-financial corporate          | 9          | 12         |
| Collateralised loans obligations | 9          | 6          |
|                                  | <b>100</b> | <b>100</b> |

The income statement includes a EUR 149 million loss (2022: EUR 1,280 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 31 August 2023, no bonds were pledged as collateral for short-term borrowing (2022: no bonds).

## 11. CASH AND SHORT-TERM DEPOSITS

The total balance amounts to EUR 717 million as at 31 August 2023 (2022: EUR 1,138 million). An amount of EUR 408 million (2022: EUR 697 million) is readily available without restrictions to the Company, while an amount of EUR 309 million (2022: EUR 441 million) relating to short-term deposits with a set maturity date for a maximum duration of three months is restricted.

## 12. SHAREHOLDER'S EQUITY

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

## 13. PROVISIONS

|                                   | 2023         | 2022         |
|-----------------------------------|--------------|--------------|
| Deferred tax liabilities          | 600          | 604          |
| Provision for pension commitments | 292          | 410          |
| Other                             | 597          | 549          |
| <b>Total</b>                      | <b>1,489</b> | <b>1,563</b> |

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



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The movement in the other provisions is as follows:

|                        | <b>2023</b> | <b>2022</b> |
|------------------------|-------------|-------------|
| <b>Opening balance</b> | <b>549</b>  | <b>530</b>  |
| Currency translation   | (33)        | 56          |
| Additions              | 282         | 178         |
| Utilised               | (117)       | (151)       |
| Released               | (78)        | (60)        |
| Transfer               | -           | -           |
| Other                  | (6)         | (4)         |
| <b>Closing balance</b> | <b>597</b>  | <b>549</b>  |

Other provisions include warranty and return (EUR 157 million), tax (EUR 63 million), restructuring (EUR 9 million), and other provisions (EUR 368 million). The other provisions are amongst other things related to claims and earn-outs. Of the total balance, an amount of EUR 171 million (2022: EUR 253 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 is based on final salary pension plans (55%), contribution-based plans with guarantee (38%) 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:

|                                      | <b>Netherlands</b> | <b>Sweden</b> | <b>Switzerland</b> | <b>Other</b> | <b>Total</b> |
|--------------------------------------|--------------------|---------------|--------------------|--------------|--------------|
| Defined benefit obligation           | (660)              | (42)          | (279)              | (287)        | (1,268)      |
| Fair value of plan assets            | 790                | -             | 297                | 90           | 1,177        |
| Effect of asset ceiling              | (174)              | -             | (1)                | -            | (175)        |
| <b>Net Defined Benefit Asset</b>     | <b>-</b>           | <b>-</b>      | <b>22</b>          | <b>3</b>     | <b>25</b>    |
| <b>Net Defined Benefit Liability</b> | <b>(44)</b>        | <b>(42)</b>   | <b>(5)</b>         | <b>(200)</b> | <b>(291)</b> |

#### **Net expense**

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

|                            | <b>2023</b> | <b>2022</b> |
|----------------------------|-------------|-------------|
| Current service cost       | 57          | 76          |
| Past service cost          | 18          | (21)        |
| Company service cost       | 75          | 55          |
| Net interest cost          | 2           | (11)        |
| Defined benefit plans      | 77          | 44          |
| Defined contribution plans | 252         | 278         |
| <b>Total expense</b>       | <b>329</b>  | <b>322</b>  |



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## **Liability for defined benefit obligations**

|                                                                | <b>2023</b> | <b>2022</b> |
|----------------------------------------------------------------|-------------|-------------|
| Defined benefit obligation – funded plans                      | 1,034       | 1,002       |
| Defined benefit obligation – unfunded plans                    | 234         | 350         |
| Less: Fair value of plan assets                                | (1,177)     | (1,153)     |
| Deficit                                                        | 91          | 199         |
| Restriction due to asset ceiling                               | 175         | 183         |
| <b>Net Defined Benefit Liability and Defined Benefit Asset</b> | <b>266</b>  | <b>382</b>  |

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

|                                       | <b>2023</b> | <b>2022</b> |
|---------------------------------------|-------------|-------------|
| <b>Opening balance</b>                | <b>382</b>  | <b>650</b>  |
| Net expense for the year              | 78          | 45          |
| Remeasurement (gain)/loss             | 2           | (109)       |
| Employer contributions                | (61)        | (58)        |
| Net transfer in/out                   | (2)         | 0           |
| Benefits paid directly by the Company | (124)       | (144)       |
| Reimbursement rights                  | 1           | 0           |
| Currency translation                  | (10)        | (2)         |
| <b>Closing balance</b>                | <b>266</b>  | <b>382</b>  |

The fair value of the reimbursement rights amounts to EUR 9 million at 31 August 2023 (2022: 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:

|                                    | <b>2023</b>                       |                               | <b>2022</b>                       |                               |
|------------------------------------|-----------------------------------|-------------------------------|-----------------------------------|-------------------------------|
|                                    | <b>Defined benefit obligation</b> | <b>Fair value plan assets</b> | <b>Defined benefit obligation</b> | <b>Fair value plan assets</b> |
| <b>Opening balance</b>             | <b>1,351</b>                      | <b>970</b>                    | <b>1,873</b>                      | <b>1,224</b>                  |
| Company service cost               | 75                                | -                             | 55                                | -                             |
| Net interest                       | 39                                | 36                            | 20                                | 13                            |
| Benefits paid                      | (46)                              | (47)                          | (48)                              | (50)                          |
| Plan participant contributions     | 15                                | 15                            | 14                                | 14                            |
| Employer contributions             | (110)                             | 73                            | (131)                             | 70                            |
| Return on plan assets              | -                                 | (61)                          | -                                 | (172)                         |
| Changes due to employee transfers  | (2)                               | (3)                           | -                                 | -                             |
| Changes in demographic assumptions | 2                                 | -                             | 16                                | -                             |
| Changes in financial assumptions   | (46)                              | -                             | (518)                             | -                             |
| Experience adjustments             | (7)                               | -                             | 34                                | -                             |
| Currency translation               | (3)                               | 10                            | 36                                | 39                            |
| Changes in effect of asset ceiling | -                                 | 9                             | -                                 | (168)                         |
| <b>Closing balance</b>             | <b>1,268</b>                      | <b>1,002</b>                  | <b>1,351</b>                      | <b>970</b>                    |



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|                                           | <b>2023</b>  | <b>2022</b>  |
|-------------------------------------------|--------------|--------------|
| Final salary pension plans                | 699          | 794          |
| Contribution based plans with a guarantee | 481          | 467          |
| Other                                     | 88           | 89           |
| <b>Closing balance</b>                    | <b>1,268</b> | <b>1,351</b> |

#### *Allocation of plan assets*

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

|                           | <b>2023</b>   |                 | <b>2022</b>   |                 |
|---------------------------|---------------|-----------------|---------------|-----------------|
|                           | <b>Quoted</b> | <b>Unquoted</b> | <b>Quoted</b> | <b>Unquoted</b> |
| Cash and cash equivalents | 74            | -               | 78            | -               |
| Equity instruments        | 385           | -               | 380           | -               |
| Government bonds          | 451           | -               | 434           | -               |
| Corporate bonds           | -             | -               | -             | -               |
| Real estate               | -             | 85              | -             | 87              |
| Insurance contracts       | 30            | 90              | 30            | 81              |
| Other                     | 60            | 2               | 59            | 3               |
| <b>Total</b>              | <b>1,000</b>  | <b>177</b>      | <b>981</b>    | <b>171</b>      |

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:

|                         | <b>2023</b> | <b>2022</b> |
|-------------------------|-------------|-------------|
| Discount rate           | 3.3%        | 3.2%        |
| Future salary increases | 2.9%        | 2.3%        |

The average duration of the defined benefit plan obligation at 31 August 2023 is 16.5 years (2022: 17 years).

The Company expects to contribute EUR 135 million to its defined benefit pension plans in 2024.



## Sensitivity analysis

|                                      | Discount rate |         | Salary increases |         |
|--------------------------------------|---------------|---------|------------------|---------|
|                                      | 0.50%         | (0.50%) | 0.50%            | (0.50%) |
| Impact on defined benefit obligation | (92)          | 103     | 11               | (14)    |

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

## 15. NON-CURRENT LIABILITIES

The non-current liabilities of EUR 795 million (2022: EUR 767 million) consist of long-term debt of EUR 619 million (2022: EUR 572 million) and other non-current payables of EUR 176 million (2022: EUR 195 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 2.15% (2022: 2.80%) and 4.45% (2022: 7.95%) with a weighted average of 3.16% in 2023 (2022: 4.18%). Of the non-current portion of the total loan portfolio non has a fixed interest rate (2022: EUR 26 million) and EUR 582 million (2022: EUR 557 million) has a floating interest rate.

|                                                       | 2023       | 2022       |
|-------------------------------------------------------|------------|------------|
| <b>Opening balance (including short-term portion)</b> | <b>832</b> | <b>728</b> |
| Translation adjustment                                | (110)      | 78         |
| Additions                                             | 327        | 205        |
| Acquisitions                                          | -          | -          |
| Repayments                                            | (146)      | (179)      |
| Amount due within one year                            | (108)      | (65)       |
| <b>Closing balance</b>                                | <b>795</b> | <b>767</b> |

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

| Financial Year | Amount     |
|----------------|------------|
| 2025           | 188        |
| 2026           | 143        |
| 2027           | 61         |
| 2028           | 65         |
| Thereafter     | 338        |
| <b>Total</b>   | <b>795</b> |

Pledged assets amount to EUR 1,289 million (2022: EUR 2,445 million) and mainly consist of property pledged (EUR 1,230 million) as collateral for external liabilities.

## 16. CURRENT LIABILITIES

|                                         | 2023         | 2022         |
|-----------------------------------------|--------------|--------------|
| Current portion of long-term debt       | 108          | 65           |
| Short-term borrowings                   | 3            | 12           |
| Accounts payable                        | 3,164        | 3,302        |
| Income tax payable                      | 240          | 315          |
| Other liabilities                       | 1,638        | 1,741        |
| Accrued liabilities and deferred income | 2,424        | 2,359        |
| <b>Total</b>                            | <b>7,577</b> | <b>7,794</b> |

Short-term borrowings at different finance institutions bear market interest rates according to local conditions for currencies involved.



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Other liabilities can be broken down as follows:

|                     | <b>2023</b>  | <b>2022</b>  |
|---------------------|--------------|--------------|
| VAT payable         | 452          | 479          |
| Wage tax payable    | 48           | 49           |
| Other taxes payable | 230          | 231          |
| Deposits received   | 65           | 144          |
| Other liabilities   | 843          | 838          |
| <b>Total</b>        | <b>1,638</b> | <b>1,741</b> |

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

|                                    | <b>2023</b>  | <b>2022</b>  |
|------------------------------------|--------------|--------------|
| Accrued wages                      | 1,024        | 840          |
| Accrued franchise fee              | 304          | 335          |
| Accrued interest expense           | 13           | 4            |
| Derivatives                        | 14           | 57           |
| Other accruals and deferred income | 1,069        | 1,123        |
| <b>Total</b>                       | <b>2,424</b> | <b>2,359</b> |

The accrued liabilities and deferred income balance at 31 August 2023 include a net amount payable of EUR 12 million (2022: EUR 40 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. Other items included in the other accruals and deferred income balance are, amongst other things, related to pension related payables, accrued professional fees, accrued supplier invoices and deferred income.

## 17. REVENUE

The geographical distribution of revenues is as follows:

| <b>Geographical region</b> | <b>2023</b>   | <b>2022</b>   |
|----------------------------|---------------|---------------|
| Europe                     | 31,828        | 30,234        |
| North America              | 8,330         | 7,489         |
| Asia and Pacific           | 4,142         | 4,313         |
| <b>Total</b>               | <b>44,300</b> | <b>42,036</b> |

## 18. COST OF SALES AND SERVICES

Cost of sales and services, amounting to EUR 29,635 million as at 31 August 2023 (2022: EUR 28,070 million), relates to the retail sales, service income, rental income, renewable energy income, and forestland income. The retail cost of sales of EUR 28,811 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 9,614 million (2022: EUR 9,567 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 3,308 million (2022: EUR 2,704 million) are related to non-retail activities, which are not (directly) associated with generating service income and rental income.



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## Personnel expenses

|                    | 2023         | 2022         |
|--------------------|--------------|--------------|
| Salaries and wages | 5,562        | 5,310        |
| Social charges     | 981          | 945          |
| Pension expense    | 329          | 322          |
| <b>Total</b>       | <b>6,872</b> | <b>6,577</b> |

### Employees

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

| Geographical region                | 2023           | 2022           |
|------------------------------------|----------------|----------------|
| The Netherlands                    | 6,419          | 6,447          |
| Europe (excluding the Netherlands) | 112,647        | 123,263        |
| North America                      | 24,362         | 25,042         |
| Asia and Pacific                   | 21,925         | 22,440         |
| <b>Total</b>                       | <b>165,353</b> | <b>177,192</b> |

## 20. OTHER INCOME

Other income of EUR 264 million (2022: EUR 340 million) includes gain on sale of fixed assets (EUR 72 million) and service fees (EUR 13 million) and others.

## 21. FINANCIAL INCOME AND EXPENSE

|                                       | 2023       | 2022           |
|---------------------------------------|------------|----------------|
| Income from investments               | (9)        | 31             |
| Interest income and similar income    | 318        | 222            |
| Changes in value of investments       | (73)       | (1,410)        |
| Interest expenses and similar charges | (40)       | (45)           |
| <b>Total</b>                          | <b>196</b> | <b>(1,202)</b> |

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

|                                         | 2023        | 2022           |
|-----------------------------------------|-------------|----------------|
| Share in profit participating interests | 22          | 10             |
| Result on sale of subsidiaries          | (5)         | 10             |
| Other financial income/(expense)        | (26)        | 11             |
| <b>Income from investments</b>          | <b>(9)</b>  | <b>31</b>      |
| Currency gain/(loss)                    | (7)         | (20)           |
| Revaluation gain/(loss)                 | (66)        | (1,390)        |
| <b>Change in value of investments</b>   | <b>(73)</b> | <b>(1,410)</b> |

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



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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 amount to EUR 147 million and are only recognised if recovery is reasonably certain. EUR 320 million of deferred tax assets (2022: EUR 203 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 1,859 million (2022: EUR 1,246 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:

|                        | <b>2023</b> | <b>2022</b> |
|------------------------|-------------|-------------|
| <b>Opening balance</b> | <b>657</b>  | <b>476</b>  |
| Currency translation   | (34)        | 18          |
| Additions              | 143         | 373         |
| Utilised               | (97)        | (109)       |
| Released               | (49)        | (83)        |
| Other                  | (2)         | (18)        |
| <b>Closing balance</b> | <b>618</b>  | <b>657</b>  |

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:

|                        | <b>2023</b> | <b>2022</b> |
|------------------------|-------------|-------------|
| <b>Opening balance</b> | <b>604</b>  | <b>599</b>  |
| Currency translation   | (21)        | 25          |
| Acquisitions           | -           | 75          |
| Additions              | 73          | 81          |
| Utilised               | (40)        | (105)       |
| Released               | (24)        | (57)        |
| Other                  | 8           | (14)        |
| <b>Closing balance</b> | <b>600</b>  | <b>604</b>  |

Of the movements in deferred tax, EUR 4 million impacted equity directly as per August 31, 2023 (2022: EUR 47 million) relating to actuarial remeasurements relating to the defined benefit pension obligation.

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

|                                               | <b>2023</b> | <b>2022</b> |
|-----------------------------------------------|-------------|-------------|
| Current income tax expense                    | 748         | 662         |
| Deferred tax expense                          | (52)        | (116)       |
| Tax expense based on changes in prior periods | -           | -           |
| <b>Total tax expense</b>                      | <b>696</b>  | <b>546</b>  |



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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 %):

|                                                   | <b>2023</b> | <b>2022</b> |
|---------------------------------------------------|-------------|-------------|
| Applicable tax rate in the Netherlands            | 25.8        | 25.5        |
| Different tax rates outside the Netherlands       | (7.4)       | 3.4         |
| Non-deductible expenses                           | 3.2         | 9.7         |
| Tax-exempt income                                 | (1.1)       | (0.2)       |
| Utilisation of previously unrecognised tax losses | 0.0         | (0.2)       |
| Unrecoverable losses                              | 6.1         | 19.4        |
| Adjustment income tax previous years              | 1.6         | 0.8         |
| Withholding taxes                                 | 0.0         | 8.1         |
| Other                                             | 3.4         | (0.9)       |
| <b>Effective tax rate</b>                         | <b>31.6</b> | <b>65.6</b> |

The effective tax rate is impacted by the agreement to sell the Russian portfolio of shopping centres that caused a reduced net income. The normalised 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 80 million as at 31 August 2023 (2022: EUR 82 million).

#### **Construction commitments**

Commitments for the construction of tangible fixed assets, including investment property, amounted to EUR 842 million as at 31 August 2023 (2022: EUR 1,047 million).

#### **Purchase commitments**

The Group has not entered into purchase agreements with significant commitments outside the normal course of business as 31 August 2023 (2022: EUR nil).

#### **Investment commitments**

The Company is committed to invest in several developments in the area of renewable energy and circularity. These relate to commitments of development costs, acquisitions, and additional investments in participating interests. These commitments amount to EUR 1,009 million as at 31 August 2023 (2022: EUR 291 million).

Please refer to note 12 (subsequent events) of the Company financial statements disclosing our divestments in Russia.

#### **Legal proceedings**

The Company is from time to time involved in legal proceedings in the ordinary course of business.



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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 31 August is as follows:

|                                            | <b>2023</b>  | <b>2022</b>  |
|--------------------------------------------|--------------|--------------|
| Within one year                            | 227          | 183          |
| After one year but no more than five years | 443          | 506          |
| More than five years                       | 895          | 991          |
| <b>Total</b>                               | <b>1,565</b> | <b>1,680</b> |

Total lease payments of EUR 211 million (2022: EUR 245 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 received 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*

|                                                | <b>2023</b> |             | <b>2022</b> |             |
|------------------------------------------------|-------------|-------------|-------------|-------------|
|                                                | <b>+1%</b>  | <b>(1%)</b> | <b>+1%</b>  | <b>(1%)</b> |
| Impact on Total financial income (EUR million) | (468)       | 469         | (449)       | 469         |

### **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 in 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 309 million (2022: EUR 441 million), relating to short-term deposits with a set maturity date for a maximum duration of three 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 810 million on 31 August 2023 (2022: EUR 967 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 31 August 2023, the total fair value of the derivatives used to manage exchange rate risk is negative EUR 12 million (2022: negative EUR 31 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 12 million can be broken down in the following portfolios:

|                            | <b>2023</b> | <b>2022</b> |
|----------------------------|-------------|-------------|
| Internal funding           | (41)        | (21)        |
| Investment portfolio hedge | 29          | (10)        |
| Currency diversification   | -           | -           |
| <b>Total</b>               | <b>(12)</b> | <b>(31)</b> |

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 US dollar, depending on the entity denominated currency versus other currencies.

|                                                                           | <b>2023</b> |             | <b>2022</b> |             |
|---------------------------------------------------------------------------|-------------|-------------|-------------|-------------|
|                                                                           | <b>+1%</b>  | <b>(1%)</b> | <b>+1%</b>  | <b>(1%)</b> |
| Impact on Total financial income and expense(derivative) (in EUR million) | 10          | (10)        | 12          | (12)        |

### **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 31 August 2023, Ingka Group had neither entered into any derivatives to hedge commercial flows in 2023 (2022: EUR nil) nor did it have any to reduce currency risk from commercial flows in the next year (2022: 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 1,016 billion (2022: negative EUR 1,172 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.



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

| Currency | Derivative | Internal Funding | Investment Portfolio |
|----------|------------|------------------|----------------------|
| CNY      | (5)        | 1,546            | 42                   |
| USD      | (1,201)    | 967              | 328                  |
| SEK      | (31)       | 756              | 80                   |
| INR      | -          | 726              | -                    |
| JYP      | (67)       | 433              | -                    |
| PLN      | 144        | 403              | -                    |
| KRW      | (20)       | 365              | -                    |

*\*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.



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## COMPANY BALANCE SHEET AS AT 31 AUGUST (before profit appropriation)

| (in millions of EUR)                              | 2023          | 2022          |
|---------------------------------------------------|---------------|---------------|
| Participating interest in Group Companies (2)     | 46,305        | 47,633        |
| <b>Total fixed assets</b>                         | <b>46,305</b> | <b>47,633</b> |
| Receivable from subsidiaries                      | 441           | 67            |
| Other receivables                                 | 22            | 20            |
| <b>Total current assets</b>                       | <b>463</b>    | <b>87</b>     |
| <b>TOTAL ASSETS</b>                               | <b>46,768</b> | <b>47,720</b> |
| (in millions of EUR)                              | 2023          | 2022          |
| Capital stock                                     | 1             | 1             |
| Additional paid-in capital                        | 51            | 51            |
| Revaluation reserves                              | 195           | 212           |
| Legal reserves participations                     | 380           | 341           |
| Other reserves                                    | 44,543        | 46,739        |
| Result of the year                                | 1,507         | 287           |
| <b>Total shareholder's equity (3)</b>             | <b>46,677</b> | <b>47,631</b> |
| <b>Provisions (4)</b>                             | <b>32</b>     | <b>26</b>     |
| Other payables to subsidiaries                    | 56            | 36            |
| Other payables and accrued liabilities            | 3             | 27            |
| <b>Current liabilities</b>                        | <b>59</b>     | <b>63</b>     |
| <b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES</b> | <b>46,768</b> | <b>47,720</b> |

(The accompanying notes on pages 47 to 52 are an integral part of these company financial statements.)



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## COMPANY INCOME STATEMENT

Year ended 31 August

| (in millions of EUR)                                  | <u>2023</u>         | <u>2022</u>       |
|-------------------------------------------------------|---------------------|-------------------|
| Share in result of participating interests, after tax | 1,534               | 330               |
| Other income and expenses, after tax                  | (27)                | (43)              |
| <b>Net income</b>                                     | <b><u>1,507</u></b> | <b><u>287</u></b> |

(The accompanying notes on pages 47 to 52 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 2023 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 realised.

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:

|                                         | 2023          | 2022          |
|-----------------------------------------|---------------|---------------|
| <b>Opening balance</b>                  | <b>47,633</b> | <b>45,104</b> |
| Foreign currency translation adjustment | (2,341)       | 2,311         |
| Capital contributions                   | 1,227         | 3,664         |
| Share in net income for the year        | 1,534         | 330           |
| Dividends received                      | (1,690)       | (3,901)       |
| IAS 19 remeasurement                    | 7             | 140           |
| Realisation through income statement    | (55)          | (18)          |
| Other                                   | (10)          | 3             |
| <b>Total</b>                            | <b>46,305</b> | <b>47,633</b> |



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 2023, 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.

Changes in shareholder's equity for the year ended 31 August 2023 and 31 August 2022 are as follows:

| 2022                            | Share Capital | Additional Paid in Capital | Revaluation reserve | Legal reserves participations | Translation reserves | Other reserves | Result of the year | Total 2022    |
|---------------------------------|---------------|----------------------------|---------------------|-------------------------------|----------------------|----------------|--------------------|---------------|
| <b>Opening balance</b>          | <b>1</b>      | <b>51</b>                  | <b>230</b>          | <b>279</b>                    | <b>(1,260)</b>       | <b>44,344</b>  | <b>1,579</b>       | <b>45,224</b> |
| 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                           | -             | -                          | -                   | -                             | -                    | -              | -                  | -             |
| <b>Closing balance</b>          | <b>1</b>      | <b>51</b>                  | <b>212</b>          | <b>341</b>                    | <b>1,051</b>         | <b>45,688</b>  | <b>287</b>         | <b>47,631</b> |
| 2023                            | Share Capital | Additional Paid in Capital | Revaluation reserve | Legal reserves participations | Translation reserves | Other reserves | Result of the year | Total 2023    |
| <b>Opening balance</b>          | <b>1</b>      | <b>51</b>                  | <b>212</b>          | <b>341</b>                    | <b>1,051</b>         | <b>45,688</b>  | <b>287</b>         | <b>47,631</b> |
| Net income                      | -             | -                          | -                   | -                             | -                    | -              | 1,507              | 1,507         |
| Foreign translation             | -             | -                          | -                   | -                             | (2,341)              | -              | -                  | (2,341)       |
| Dividend paid                   | -             | -                          | -                   | -                             | -                    | (43)           | -                  | (43)          |
| Hedging reserve                 | -             | -                          | -                   | -                             | -                    | -              | -                  | -             |
| Pension reserve                 | -             | -                          | -                   | -                             | -                    | (8)            | -                  | (8)           |
| Realisation in income statement | -             | -                          | (17)                | -                             | (38)                 | -              | -                  | (55)          |
| Appropriation of result         | -             | -                          | -                   | -                             | -                    | 287            | (287)              | -             |
| Transfer                        | -             | -                          | -                   | 39                            | -                    | (39)           | -                  | -             |
| Other                           | -             | -                          | -                   | -                             | -                    | (14)           | -                  | (14)          |
| <b>Closing balance</b>          | <b>1</b>      | <b>51</b>                  | <b>195</b>          | <b>380</b>                    | <b>(1,328)</b>       | <b>45,871</b>  | <b>1,507</b>       | <b>46,677</b> |

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 31 August 2023 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

|                                   | <b>2023</b> | <b>2022</b> |
|-----------------------------------|-------------|-------------|
| Provision for pension commitments | 32          | 26          |
| <b>Total</b>                      | <b>32</b>   | <b>26</b>   |

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 provision for pension commitments is as follows:

|                        | <b>2023</b> | <b>2022</b> |
|------------------------|-------------|-------------|
| <b>Opening balance</b> | <b>26</b>   | <b>28</b>   |
| Currency translation   | 2           | 3           |
| Additions              | 17          | 8           |
| Utilised               | (13)        | (13)        |
| Released               | -           | -           |
| Acquisitions           | -           | -           |
| Divestment             | -           | -           |
| <b>Closing balance</b> | <b>32</b>   | <b>26</b>   |

## 5. AUDIT FEES

The fees in relation to financial year 2023 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 2.5 million (2022: EUR 2.4 million). Audit related fees for services provided in financial year 2023 amount to EUR 0.1 million (2022: EUR 0.1 million). Non-audit fees, including tax, for services amount to EUR 0.1 million (2022: EUR 0.1 million).

## 6. INCOMETAXES

Since 1 October 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. All indemnifications and warranties have expired except for a tax exposure in one country. No provisions are recognized.

## 8. EMPLOYEES

The Company has 2 employees as at 31 August 2023 (31 August 2022: 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 5.2 million for 2023 (2022: EUR 4.5 million) of which EUR 21 thousand is related to social securities (2022: EUR 19 thousand) and EUR 0.8 million to pensions (2022: EUR 0.8 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 2023 (2022: 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

## 11. PROPOSED PROFIT APPROPRIATION

|                       | <b>2023</b>  | <b>2022</b> |
|-----------------------|--------------|-------------|
| Dividend              | 226          | 43          |
| Additions to reserves | 1,281        | 244         |
| <b>Total</b>          | <b>1,507</b> | <b>287</b>  |



## 12. SUBSEQUENT EVENTS

During FY23 we agreed to sell our Russian shopping centres which was finalised in FY24. In October 2023 (FY24), Ingka Centres divested the entire Russian portfolio of shopping centres. This has taken time due to the scale of the portfolio, operational complexity, the regulatory landscape, and the importance of MEGA shopping centres to the people and communities.

As Ingka has been conducting business in Russia for over 20 years, in this period a foreign currency translation reserve was recognised in equity. After the divestment of the 14 MEGA shopping centres in Russia in FY24, Ingka Centres has no operational business in Russia anymore. As a result, the foreign currency translation reserve in equity, that has accumulated due to the devaluation of the Ruble over years that Ingka has been investing in Russia, will be released in the FY24 income statement, amounting to EUR 0.8 billion loss.



Ingka Holding B.V.

Annual report for financial year 2023

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**BOARD OF MANAGING  
DIRECTORS**

**BOARD OF SUPERVISORY  
DIRECTORS**

Leiden, 21 November 2023

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 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 2023 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 2023 and of its result for the year ended on 31 August 2023 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 2023;
- 2 the consolidated and company income statement for the year ended on 31 August 2023;
- 3 the consolidated statement of comprehensive income for the year ended on 31 August 2023;
- 4 the consolidated statement of cash flows for the year ended on 31 August 2023; 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 designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of fraud and non-compliance with laws and regulations and going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

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

#### **Information in support of our opinion**

##### ***Audit response to the risk of fraud and non-compliance with laws and regulations***

In the annual report, the Board of Managing Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment, and assessed the design and implementation of the Company's risk management in relation to fraud and non-compliance.

Our procedures included, among other things, assessing the Company's code of conduct and the whistle-blower policy and incidents reported, internal audit reports, the company's anti-bribery and corruption policy and procedures and its procedures to investigate indications of possible fraud and non-compliance.



Furthermore, we performed relevant inquiries with the Board of Managing Directors, the Audit Committee of the Supervisory Board and other departments, such as Internal Audit, Legal & Governance and Business Risk and Compliance. As part of our audit procedures, we:

- obtained an understanding of how the company uses information technology (IT) and the impact of IT on the financial statements, including the potential for cybersecurity incidents to have a material impact on the financial statements;
- evaluated investigation reports on indications of possible fraud and non-compliance;
- evaluated correspondence with supervisory authorities and regulators as well as legal confirmation letters.

In addition, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable to the Company and identified the following areas as those most likely to have a material effect on the financial statements: anti-bribery and corruption laws, data protection and privacy legislation, employment laws and sanction laws.

We, together with our forensics specialists, evaluated the fraud and non-compliance risk factors to consider whether those factors indicate a risk of material misstatement in the financial statements.

Further, we assessed the presumed fraud risk on revenue recognition as irrelevant, because of the limited perceived opportunity as the individual revenue transactions are small and routine in nature.

Based on the above and on the auditing standards, we assessed and identified the following presumed fraud and non-compliance risks that are relevant to our audit and responded to each of those risks as follows:

- **Management override of controls (a presumed risk)**

**Risk:**

- Management can be in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively, including those related to journal entries and accounting estimates (tax and pension provisions, valuation of tangible fixed assets, bonds and equity investments).

**Responses:**

- We evaluated the design and the implementation of internal controls that mitigate fraud risks, such as processes related to journal entries and accounting estimates.
- We performed data analytical procedures over high-risk journal entries related to significant risk areas and post-closing entries. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.
- We evaluated accounting estimates (and judgments) for bias by the Company's management, including the involvement of specialists and performed retrospective reviews of prior years' estimates with respect to certain of the identified accounting estimates.
- We incorporated elements of unpredictability in our audit, including audit procedures over management's expense claims.

- **Compliance with laws and regulations**

**Risk:**

- We identified compliance to anti-bribery and corruption laws and regulations as a significant risk of material misstatement. The Company has construction projects and investments ongoing in certain jurisdictions, which can be perceived as potentially unethical based on the Corruption Perception Index of Transparency International. These projects and investments are non-recurring and, in certain cases, require interaction with (local) governments to obtain licenses and permits.

**Responses:**

- We have obtained an understanding of the relevant laws and regulations applicable to the Company and, where relevant, involved specialists in the performance of below procedures;



- We have read the minutes of meetings of management and those charged with governance which may be relevant in relation to non-compliance and/or anti-bribery and corruption.
- We have performed inquiries with management, compliance and internal audit departments and relevant process owners regarding licenses and/or construction permits application and other agreements with government bodies and authorities;
- We assessed the design and implementation of internal controls that respond to the risk of non-compliance with laws and regulations, including adherence to the anti-bribery and corruption policy and code of conduct
- We have performed detailed testing of selected expense accounts regarding granted licenses and /or construction permits to identify transactions with government bodies and authorities. Where relevant, procedures are performed on the identified payments such as (corroborative) inquiries, reconciliation to supporting contracts and invoices and verification of authorizations.
- We obtained written representations from management that all known instances of non-compliance with laws and regulations have been disclosed to us.
- We have obtained legal letters from legal advisors and determined whether there are any ongoing disputes and/or claims and litigations.

We communicated our risk assessment, audit responses and results to the Board of Managing Directors and the Audit Committee of the Supervisory Board. Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

#### ***Audit response to going concern***

The Board of Managing Directors performed its going concern assessment and has not identified any going concern risks. To assess the Board of Managing Directors' assessment, we have performed the following procedures:

- we considered whether the Board of Managing Directors' assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we analysed the company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

#### **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 regarding the report from the Board of Managing Directors and the other information.

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, 21 November 2023

KPMG Accountants N.V.

A. el Hessaini RA



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**INGKA™**



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Til generalforsamlingen i IKEA Handel og Eiendom AS

## Uavhengig revisors beretning

### Konklusjon

Vi har revidert årsregnskapet for Handel og Eiendom AS som består av balanse per 31. august 2023, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

### Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. august 2023, og av dets resultater og kontantstrømmer 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 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 i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av 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.

### Øvrig informasjon

Styret (ledelsen) er ansvarlig for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

### Ledelsens ansvar for årsregnskapet

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.

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| Alta    | Finnsnes     | Molde      | Trondheim  |
| Arendal | Hamar        | Sandefjord | Tynset     |
| Bergen  | Haugesund    | Stavanger  | Ulsteinvik |
| Bode    | Knarvik      | Stord      | Ålesund    |
| Drammen | Kristiansand | Straume    |            |

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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. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av 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 utformer og gjennomfører revisjons handlinger 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 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 intern kontroll som er relevant for revisjonen, for å utforme revisjons handlinger 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 regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, 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 frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette 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 innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Oslo, 21. november 2023  
KPMG AS

Øivind Karlsen  
Statsautorisert revisor  
(elektronisk signert)

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**Øivind Karlsen**

Partner

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# Årsregnskap og årsberetning

**IKEA HANDEL OG EIENDOM AS**

31. august 2023





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## IKEA HANDEL OG EIENDOM AS

### Styrets årsberetning 2022/2023

#### 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 hjemmeinnredningsartikler og tjenester ut fra syv varehus lokalisert i Oslo, Asker, Bergen, Stavanger, Trondheim, Lillesand og Ringsaker, samt fra nettbutikk og separate planleggings- og bestillingspunkter i syv norske byer. IKEA Eiendom Holding AS eier gjennom datterselskap IKEA-varehusene i Norge med tilhørende tomter. I tillegg bygges det et lagerbygg på 43 000 kvadratmeter som skal leies ut til IKEA AS gjennom et datterselskap av IKEA Eiendom Holding AS.

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 FY23, og sikter mot nok ett godt år i FY24.

#### 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.

#### Ytre miljø

Virksomheten forurenser i ubetydelig grad det ytre miljø. Gjennom bærekraftstrategien «People and Planet positive» har IKEA forpliktet seg til å lede an i endringen mot en mer bærekraftig verden. Globalt har IKEA ambisjoner om å bli 100% sirkulære og klimapositive innen 2030, og i Norge jobbes det systematisk for å bidra til dette lokalt.

#### Åpenhetsloven

IKEA Norge har dannet et Aktsomhetsvurderingsforum hvor samtlige medlemmer er fra IKEA Norge sin ledergruppe, dette for å sikre kvalitet i arbeidet med risikokartlegginger i henhold til Åpenhetsloven § 4. Forumet ledes av Administrerende direktør i IKEA AS.

Aktsomhetsvurderingsforum gjennomgår alle identifiserte risikoer. Det gjøres en felles vurdering over helhetlig risikobilde for IKEA Norge og en prioritering av arbeidet for å forebygge negativ påvirkning på mennesker, samfunn og miljø. Dette forum ser også på opphøre / redusere negative virkninger og møtet holdes tre ganger i året.

Rapporten ble publisert på [IKEA.no](https://www.ikea.no) 30. juni 2023 og kan leses på [IKEA.no: Åpenhetsloven – menneskerettigheter og arbeidsforhold - IKEA](https://www.ikea.no/Åpenhetsloven--menneskerettigheter-og-arbeidsforhold-IKEA)



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## IKEA HANDEL OG EIENDOM AS

### Styrets årsberetning 2022/2023

#### 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 174 millioner i konsernbidrag og NOK 300 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.

#### Resultatdisponering

Styret foreslår at årsresultatet på NOK 402 005 622 disponeres som følger:

|                                |                        |
|--------------------------------|------------------------|
| Avsatt til utbytte             | NOK 450 000 000        |
| Overført fra annen egenkapital | NOK -47 994 378        |
| <b>Sum overføringer</b>        | <b>NOK 402 005 622</b> |

**9. november 2023**

Styret for IKEA Handel og Eiendom AS

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## IKEA HANDEL OG EIENDOM AS

### Resultatregnskap

| NOTE                                       | DRIFTSINNETEKTER OG DRIFTSKOSTNADER           | 01/09/2022 -<br>31/08/2023 | 01/09/2021 -<br>31/08/2022 |
|--------------------------------------------|-----------------------------------------------|----------------------------|----------------------------|
| 2                                          | Annen driftskostnad                           | -319 865                   | -251 553                   |
|                                            | <b>Sum driftskostnader</b>                    | <b>-319 865</b>            | <b>-251 553</b>            |
|                                            | <b>Driftsresultat</b>                         | <b>-319 865</b>            | <b>-251 553</b>            |
| <b>FINANSINNETEKTER OG FINANSKOSTNADER</b> |                                               |                            |                            |
|                                            | Inntektsført konsernbidrag fra konsernselskap | 174 693 535                | 133 377 081                |
|                                            | Inntektsført utbytte fra datterelskap         | 300 000 000                | 200 000 000                |
|                                            | Renteinntekt fra foretak i samme konsern      | 23 258 403                 | 9 717 285                  |
|                                            | Annen renteinntekt                            | 0                          | 4 237                      |
|                                            | Annen finansinntekt                           | 0                          | 6 652                      |
|                                            | Rentekostnad til foretak i samme konsern      | -66 854 255                | -28 606 500                |
|                                            | Annen rentekostnad                            | -40                        | 0                          |
|                                            | Annen finanskostnad                           | -1 340                     | -515                       |
|                                            | <b>Netto finansresultat</b>                   | <b>431 096 302</b>         | <b>314 498 239</b>         |
|                                            | <b>Resultat før skatt</b>                     | <b>430 776 438</b>         | <b>314 246 686</b>         |
| 3                                          | Skattekostnad                                 | 28 770 816                 | 22 159 381                 |
|                                            | <b>Ordinært resultat</b>                      | <b>402 005 622</b>         | <b>292 087 305</b>         |
|                                            | <b>ÅRSRESULTAT</b>                            | <b>402 005 622</b>         | <b>292 087 305</b>         |
| <b>OVERFØRINGER</b>                        |                                               |                            |                            |
| 4                                          | Overføring fra(-) /til annen egenkapital      | -47 994 378                | -7 912 695                 |
| 4                                          | Avsatt til utbytte                            | 450 000 000                | 300 000 000                |
|                                            | <b>Sum overføringer</b>                       | <b>402 005 622</b>         | <b>292 087 305</b>         |



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## IKEA HANDEL OG EIENDOM AS

### Balanse

| NOTE | EIENDELER                            | 31/08/2023                  | 31/08/2022                  |
|------|--------------------------------------|-----------------------------|-----------------------------|
|      | <b>Anleggsmidler</b>                 |                             |                             |
|      | <b>Finansielle anleggsmidler</b>     |                             |                             |
| 6    | Investering i datterselskap          | 4 297 190 303               | 4 297 190 303               |
|      | <b>Sum finansielle anleggsmidler</b> | <u>4 297 190 303</u>        | <u>4 297 190 303</u>        |
|      | <b>Sum anleggsmidler</b>             | <u><b>4 297 190 303</b></u> | <u><b>4 297 190 303</b></u> |
|      | <b>Omløpsmidler</b>                  |                             |                             |
|      | <b>Fordringer</b>                    |                             |                             |
| 7    | Fordring på selskap i samme konsern  | 1 376 496 980               | 1 677 652 023               |
|      | <b>Sum fordringer</b>                | <u>1 376 496 980</u>        | <u>1 677 652 023</u>        |
|      | <b>Bankinnskudd, kontanter o.l.</b>  | <u>0</u>                    | <u>0</u>                    |
|      | <b>Sum omløpsmidler</b>              | <u><b>1 376 496 980</b></u> | <u><b>1 677 652 023</b></u> |
|      | <b>SUM EIENDELER</b>                 | <u><b>5 673 687 283</b></u> | <u><b>5 974 842 326</b></u> |



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## IKEA HANDEL OG EIENDOM AS

### Balanse

| NOTE | EGENKAPITAL OG GJELD                   | 31/08/2023           | 31/08/2022           |
|------|----------------------------------------|----------------------|----------------------|
|      | <b>Egenkapital</b>                     |                      |                      |
|      | <b>Innskutt egenkapital</b>            |                      |                      |
| 4, 5 | Aksjekapital (100 aksjer à NOK 20 000) | 2 000 000            | 2 000 000            |
|      | <b>Sum innskutt egenkapital</b>        | <b>2 000 000</b>     | <b>2 000 000</b>     |
|      | <b>Opptjent egenkapital</b>            |                      |                      |
| 4    | Annen egenkapital                      | 2 915 955 738        | 2 963 950 116        |
|      | <b>Sum opptjent egenkapital</b>        | <b>2 915 955 738</b> | <b>2 963 950 116</b> |
|      | <b>Sum egenkapital</b>                 | <b>2 917 955 738</b> | <b>2 965 950 116</b> |
|      | <b>Gjeld</b>                           |                      |                      |
|      | <b>Avsetning for forpliktelser</b>     |                      |                      |
| 3    | Utsatt skatt                           | 9 890                | 12 362               |
|      | <b>Sum avsetning for forpliktelser</b> | <b>9 890</b>         | <b>12 362</b>        |
|      | <b>Langsiktig gjeld</b>                |                      |                      |
| 7    | Langsiktig gjeld konsern               | 255 000 000          | 210 000 000          |
|      | <b>Sum langsiktig gjeld</b>            | <b>255 000 000</b>   | <b>210 000 000</b>   |
|      | <b>Kortsiktig gjeld</b>                |                      |                      |
|      | Leverandørgjeld                        | 0                    | 5 000                |
| 4    | Avsatt utbytte                         | 450 000 000          | 300 000 000          |
| 3    | Betalbar skatt                         | 28 773 289           | 25 137 361           |
|      | Skyldige offentlige avgifter           | 180 762 073          | 155 210 580          |
| 7    | Gjeld til selskap i samme konsern      | 1 841 186 292        | 2 318 511 870        |
|      | Annen kortsiktig gjeld                 | 0                    | 15 035               |
|      | <b>Sum kortsiktig gjeld</b>            | <b>2 500 721 654</b> | <b>2 798 879 846</b> |
|      | <b>Sum gjeld</b>                       | <b>2 755 731 544</b> | <b>3 008 892 208</b> |
|      | <b>SUM EGENKAPITAL OG GJELD</b>        | <b>5 673 687 283</b> | <b>5 974 842 326</b> |

9. november 2023

I styret for IKEA HANDEL OG EIENDOM AS

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## IKEA HANDEL OG EIENDOM AS Kontantstrømoppstilling

(i NOK 1 000)

|                                                                    | 01/09/2022 -<br>31/08/2023 | 01/09/2021 -<br>31/08/2022 |
|--------------------------------------------------------------------|----------------------------|----------------------------|
| <b>KONTANTSTRØMMER FRA OPERASJONELLE AKTIVITETER:</b>              |                            |                            |
| Resultat før skattekostnad                                         | 430 776                    | 314 247                    |
| Resultatført inntekt på investering i datterselskaper              | -474 694                   | -333 377                   |
| Periodens betalte skatt                                            | -25 137                    | -17 587                    |
| Endringer i konsernmellomværender, ekskl konsernkontoord.          | -654 154                   | -84 215                    |
| Endring i andre omløpsmidler og andre gjeldsposter                 | 25 531                     | -20 073                    |
| <b>Netto kontantstrømmer fra operasjonelle aktiviteter</b>         | <b>-697 677</b>            | <b>-141 005</b>            |
| <b>KONTANTSTRØMMER FRA INVESTERINGSAKTIVITETER:</b>                |                            |                            |
| Innbetalt konsernbidrag og utbytte                                 | 733 377                    | 306 814                    |
| <b>Netto kontantstrøm fra investeringsaktiviteter</b>              | <b>733 377</b>             | <b>306 814</b>             |
| <b>KONTANTSTRØMMER FRA FINANSIERINGSAKTIVITETER:</b>               |                            |                            |
| Utbetalt utbytte                                                   | -300 000                   | -250 000                   |
| Netto endring andel lån klassifisert langsiktig                    | 45 000                     | 210 000                    |
| Netto endring kortsiktig utplassering/lån                          | 79 648                     | -34 068                    |
| Netto endring i konsernkontoordning                                | 139 652                    | -93 015                    |
| <b>Netto kontantstrøm fra finansieringsaktiviteter</b>             | <b>-35 700</b>             | <b>-167 083</b>            |
| Netto endring i bankinnskudd, kontanter og lignende                | 0                          | -1 275                     |
| Beholdning av bankinnskudd, kontanter og lignende pr 01.09.        | 0                          | 1 275                      |
| <b>Beholdning av bankinnskudd, kontanter og lignende pr 31.08.</b> | <b>0</b>                   | <b>0</b>                   |

Innbetalt konsernbidrag og utbytte samt utbetalt utbytte er reklassifisert til henholdsvis kontantstrøm fra investeringsaktiviteter og kontantstrømmer fra finansieringsaktiviteter. Sammenligningstallene er omarbeidet tilsvarende.



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## IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2022/2023

### 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.

#### Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter indirekte metode.



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## IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2022/2023

### Note 2 Godtgjørelser til ledende ansatte, styret og revisor

Det er ingen ansatte i selskapet.

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)      | 2023 | 2022 |
|--------------------------------------------|------|------|
| Lovpålagt revisjon                         | 94   | 83   |
| Andre tjenester utenfor lovpålagt revisjon | 0    | 0    |

### Note 3 Skattekostnad

(NOK 1 000)

| Årets skattekostnad fremkommer slik:        | 2023          | 2022          |
|---------------------------------------------|---------------|---------------|
| Betalbar skatt                              | 28 773        | 22 162        |
| Endring i utsatt skattefordel/ utsatt skatt | -2            | -3            |
| <b>Skattekostnad</b>                        | <b>28 771</b> | <b>22 159</b> |

| Avstemming fra nominell til faktisk skattesats          | 2023          | 2022          |
|---------------------------------------------------------|---------------|---------------|
| Årsresultat før skatt                                   | 430 776       | 314 247       |
| Forventet inntektsskatt etter nominell skattesats (22%) | 94 771        | 69 134        |
| Skatteeffekten av følgende poster:                      |               |               |
| Inntektsført utbytte                                    | -66 000       | -44 000       |
| Tilbakeført avsetning betalbar skatt tidligere år       | 0             | -2 975        |
| <b>Skattekostnad</b>                                    | <b>28 771</b> | <b>22 159</b> |
| <b>Effektiv skattesats</b>                              | <b>6,7 %</b>  | <b>7,1 %</b>  |

| Betalbar skatt i balansen fremkommer som følger: | 2023          | 2022          |
|--------------------------------------------------|---------------|---------------|
| Kostnadsført betalbar skatt for året             | 28 773        | 25 137        |
| <b>Betalbar skatt i balansen</b>                 | <b>28 773</b> | <b>25 137</b> |

### Spesifikasjon av skatteeffekt av midlertidige forskjeller og underskudd til fremføring

|                      | 2023   |              | 2022   |              |
|----------------------|--------|--------------|--------|--------------|
|                      | Fordel | Forpliktelse | Fordel | Forpliktelse |
| Gevinst og tapskonto | 0      | 10           | 0      | 12           |
| Sum                  | 0      | 10           | 0      | 12           |

### Note 4 Egenkapital

| (NOK 1 000)                  | Aksjekapital | Annen egenkapital | Sum              |
|------------------------------|--------------|-------------------|------------------|
| Egenkapital 31.08.22         | 2 000        | 2 963 950         | 2 965 950        |
| Årets endring i egenkapital: |              |                   |                  |
| Årets resultat               |              | 402 006           | 402 006          |
| Avsatt utbytte               |              | -450 000          | -450 000         |
| <b>Egenkapital 31.08.23</b>  | <b>2 000</b> | <b>2 915 956</b>  | <b>2 917 956</b> |



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## IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2022/2023

### Note 5 Aksjekapital og aksjonærinformasjon

Selskapet er 100% eiet av Inka Pro Holding BV. Alle aksjene har lik stemmerett. Aksjekapitalen pr. 31.08.23 består av 100 aksjer à 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 6 Investering i datterselskap

| Firma                                          | Ansk. tidspunkt | Forretnings-<br>kontor | Stemme og<br>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<br>per 31.08.23 | Årsresultat<br>FY23 | Egenkapital<br>FY23 |
|------------------------------------------------|-------------------------------|---------------------|---------------------|
| IKEA AS                                        | 1 980 000                     | 415 458             | 409 762             |
| IKEA Eiendom Holding AS, med datterselskapene: | 2 317 190                     | 47 095              | 2 291 039           |
| Landbruksveien 2 AS                            |                               | 23 491              | 175 458             |
| Grenseveien 2 AS                               |                               | 16 128              | 56 387              |
| Strømsveien 303 AS                             |                               | 19 091              | 259 473             |
| Nesbruveien 40 AS                              |                               | 27 260              | 224 290             |
| Dalaveien AS                                   |                               | 12 797              | 133 119             |
| Forus-Nord AS                                  |                               | -2 202              | 71 317              |
| Snelledalen AS                                 |                               | 19 226              | 111 606             |
| Danebuåsen AS                                  |                               | -2 681              | 48 756              |
| Nydal Øst AS                                   |                               | 24 059              | 56 549              |
| Stormåsan Lager AS                             |                               | -12 735             | 93 736              |
| Vestby Sør To AS                               |                               | -1 938              | 6 023               |
| Sum bokført verdi                              | <b>4 297 190</b>              |                     |                     |

I årsresultatet for IKEA Eiendom Holding AS inngår TNOK 44 000 (FY22 TNOK 7 000) i inntekt på investering i datterselskap. Bokført verdi av aksjer i datterselskap i IKEA Eiendom Holding AS er TNOK 2 163 683.



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## IKEA HANDEL OG EIENDOM AS Noter til regnskapet 2022/2023

### Note 7 Mellomværende med selskap i samme konsern

Av kortsiktige fordringer på selskap i samme konsern er TNOK 671 894 (FY22 TNOK 533 365) knyttet til konsernkontoordningen. Tilsvarende er TNOK 1 794 087 (FY22 TNOK 2 247 545) 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 31.08.23. Selskapet har per 31.08.23 TNOK 32 246 per utplassert hos Fami Ltd.

Selskapet har et langsiktig lån fra Fami Ltd med restsaldo på TNOK 285 000, hvorav TNOK 255 000 er klassifisert som langsiktig gjeld til selskap i samme konsern og TNOK 30 000 er klassifisert som kortsiktig gjeld til selskap i samme konsern. Lånet skal som utgangspunkt tilbakebetales gjennom halvårlige avdrag over 10 år med siste avdrag i desember 2032. Selskapet kan velge å betale mer enn fastsatt avdrag ved hvert betalingspunkt. Selskapet hadde i FY22 et lån med samme bestemmelser, og dette ble innfridd i sin helhet i august 2023.