

**Ingka Centres Europe A/S**  
**ANNUAL REPORT**  
**1 September 2022 – 31 August 2023**  
**9th FINANCIAL YEAR**

The annual report has been discussed and  
Approved at the Company's annual general  
assembly on 27/02 2024

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Sander de Haas  
Chairman of AGM

## CONTENTS

	Page
<b>Company Information</b>	
Company details .....	3
<b>Statement and Report</b>	
Statement by Board of Directors and Board of Executives .....	4
Independent Auditors' Report .....	5-6
<b>Management's Review</b>	
Key Figures and Ratios .....	7
Management's Review .....	8
<b>Financial Statements 1 September 2022 – 31 August 2023</b>	
Accounting Policies .....	9-12
Income Statement .....	13
Balance Sheet.....	14-15
Statement of changes in equity.....	16
Notes.....	17-21

## COMPANY INFORMATION

Company	Ingka Centres Europe A/S Mårkærvej 15 2630 Taastrup Denmark
Board of Directors	Marjanne Alette Julia van Ittersum Marguérite Désirée Accord Sander de Haas
Board of Executives	Sander de Haas
Shareholder	Ingka Centres Europe B.V. Registration no. in Chamber of Commerce: 62034324 Bargelaan 20 2333 CT Leiden The Netherlands
Auditors	KPMG P/S Dampfærgevej 28 2100 København Ø Denmark
Principal activities	The company's principal activities are trade, investment and financing and any other related business.

## **STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD**

The Board of Directors and the Executive Board have today discussed and approved the annual report of Ingka Centres Europe A/S for the financial year 1 September 2022 - 31 August 2023.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 August 2023 and of the results of the Company's operations and cash flows for the financial year 1 September 2022 - 31 August 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Taastrup, 27 February 2024

Board of Executives:

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Sander de Haas

Board of Directors:

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Marjanne Alette Julia van Ittersum

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Marguérite Désirée Accord

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Sander de Haas

## **INDEPENDENT AUDITOR'S REPORT**

### **To the shareholders of Ingka Centres Europe A/S**

#### **Opinion**

We have audited the financial statements of Ingka Centres Europe A/S for the financial year 1 September 2022 – 31 August 2023 comprising income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 August 2023 and of the results of the Company's operations and cash flows for the financial year 1 September 2022 – 31 August 2023 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

#### **Management's responsibility for the financial statements**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### **Statement on the Management's review**

Management is responsible for the Management's review.

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

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

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

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

### **Non-compliance with the provisions of the Danish Companies Act on Management's duties**

The Company has failed to comply with its duties in accordance with the Danish Companies Act to establish and maintain records and minutes. The Company's Management may incur liability in this respect.

Copenhagen, 26 February 2024

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Sara Carstensen  
State Authorised  
Public Accountant  
Mne34191

## KEY FIGURES AND RATIOS

	<b>1 Sep 2022 - 31 Aug 2023</b>	<b>1 Sep 2021 - 31 Aug 2022</b>	<b>1 Sep 2020 - 31 Aug 2021</b>	<b>1 Sep 2019 - 31 Aug 2020</b>	<b>1 Sep 2018 - 31 Aug 2019</b>
	DKK' 000	DKK' 000	DKK' 000	DKK' 000	DKK' 000
<b>Income statement</b>					
Gross profit.....	-11.763	-187	-19.906	14.296	43.669
Operating profit.....	-11.763	-187	-20.958	-1.161	848
Financial income and expenses, net	908.962	-106.899	21.087	22.399	23.789
Profit before tax.....	896.929	-107.085	129	2.109.666	-223.498
Profit for the year.....	885.034	-84.511	-77.973	2.105.523	-229.087
<b>Balance sheet</b>					
Investment for the year in group enterprises.....	0	180.776	237.982	6.714	74.674
Total assets.....	5.590.246	4.683.193	4.683.153	6.591.297	7.859.519
Equity.....	5.564.778	4.647.758	4.583.458	5.790.737	4.133.374
<b>Ratios %</b>					
Equity ratio.....	99,5 %	99,2 %	97,9 %	87,9 %	52,6 %

*(equity as % of assets, end of  
year)*

Financial ratios are calculated in accordance with the recommendations of the Danish Finance Society. For terms and definitions, please see the accounting policies.

## **MANAGEMENT REVIEW**

### **The business**

The group of Ingka Centres Europe develops and operates Meeting Places for the many people anchored by IKEA stores. The group offers great opportunities to develop Meeting Places of the future, strengthen relations with tenants and spread retail ideas across borders. The group of Ingka Centres Europe strives to create unique Meeting Places where both the IKEA store and tenants benefit from the synergy created by being located side by side.

### **Development in the financial year and result for the year**

This year's result amounted to TDKK 885.034. The result is due to dividends received from subsidiaries.

We expect next year's result to be at the same level as previous years.

### **Events after the end of the financial year**

No significant events have taken place after the end of the financial year.



## **ACCOUNTING POLICIES**

The Financial statement of Ingka Centres Europe A/S has been prepared in accordance with the Danish Financial Statements Act as regards reporting medium class C enterprises.

The financial statements have been prepared in accordance with the same accounting policies as last year.

### **Consolidated financial statements**

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements for Ingka Centres Europe A/S and its group entities are part of the consolidated financial statements for Ingka Holding B.V.

### **Omission to present a cash flow statement**

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared, as the company's cash flows are part of the consolidated financial statements for Ingka Holding B.V.

### **Reporting currency**

The financial statements are presented in DKK.

### **Recognition and measurement**

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Assets are recognised in the balance sheet when it is likely that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that future economic benefits will flow out of the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest over the term. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

The recognition and measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

### **Foreign currency translation**

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at

the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

## **INCOME STATEMENT**

### **Revenue**

Revenue is measured net of VAT and other indirect taxes charged on behalf of third parties. Revenues consists of management fee from group enterprises.

### **Other external expenses**

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, and lease payments under operating leases etc.

### **Staff costs**

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees. Refunds received from public authorities are deducted from staff costs.

### **Depreciation and impairments**

Depreciation includes depreciation of tangible fixed assets. Fixed assets are depreciated using the straight-line method, based on the cost measured by reference to the below assessments of the useful lives and residual values of the assets.

### **Financial income and expenses**

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### **Tax on profit for the year**

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that can be attributed to the profit for the year.

## **BALANCE SHEET**

### **Tangible fixed assets**

Fixtures and equipment are measured at cost less accumulated depreciation and write-down. No depreciation is provided on land.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value as follows:

	Useful life	Residual value
Other tangible assets.....	5-10 years	0%

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates and the effect on depreciation is recognized prospectively.

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised as other income or expenses.

### **Investment in group enterprises**

Investments in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Dividends from subsidiaries are recognized in the income statement for that accounting year, in which the dividend is declared. However, if the distributed dividend exceeds the accumulated earnings after the acquisition, the cost of the investment is reduced by the exceeding amount.

### **Other long term investments**

Other long term investments are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

### **Impairment of non-current assets**

The carrying amount of investments in subsidiaries, other long term investments and receivables from group enterprises is subject to an annual test for indications of impairment other than the decrease in value reflected by amortisation.

Impairment tests are conducted of individual assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets.

### **Current assets**

Current assets are measured at amortised cost which usually corresponds to nominal value. Write-down is provided to meet expected losses.

### **Provisions**

Provisions comprise expected expenses relating to guarantee commitments, restructurings, etc. Provisions are recognised when, at the balance sheet date, the enterprise has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions expected to be settled after more than one year after the balance sheet date is measured at the net present value of the expected payments. Other provisions are measured at net realisable value.

### **Tax payable and deferred tax**

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

### **Other liabilities**

Other liabilities, which include debt to suppliers, group enterprises and associated enterprises, and other debts, are measured at amortised cost which usually corresponds to the nominal value.

### **Deferred income**

Deferred income recognised as a liability comprises payments received concerning income in subsequent reporting years.

## INCOME STATEMENT

	Note	1 Sep 2022 - 31 Aug 2023	1 Sep 2021 - 31 Aug 2022
		DKK '000	DKK '000
Revenue		0	712
Other external expenses		-11,763	-899
<b>GROSS PROFIT</b>		<b>-11,763</b>	<b>-187</b>
<b>OPERATING PROFIT</b>		<b>-11,763</b>	<b>-187</b>
Result from investments in group enterprises	1	862,830	-179
Financial income	2	46,300	15,399
Impairment of financial assets	1	0	-121,871
Financial expense	3	-437	-248
<b>PROFIT BEFORE TAX</b>		<b>896,929</b>	<b>-107,086</b>
Tax on profit	4	-11,895	22,576
<b>PROFIT FOR THE YEAR</b>		<b>885,034</b>	<b>-84,511</b>
<b>APPROPRIATION OF RESULT</b>	5		

## BALANCE SHEET

<b>ASSETS</b>	<b>Note</b>	<b>31 Aug 2023</b> DKK '000	<b>31 Aug 2022</b> DKK '000
<b>Financial assets</b>			
Investments in group enterprises	1	3,295,518	3,295,518
Other long term investments		22,055	22,055
Receivables from group enterprises		0	1,245,705
Deferred tax		26,776	26,776
		<b>3,344,349</b>	<b>4,590,054</b>
<b>TOTAL FIXED ASSETS</b>		<b>3,344,349</b>	<b>4,590,054</b>
<b>Current assets</b>			
Receivables from group enterprises		2,216,445	9,946
Other receivables		415	0
Prepayments		39	0
Accrued income		15,865	15,866
Cash		13,133	67,327
		<b>2,245,897</b>	<b>93,139</b>
<b>TOTAL ASSETS</b>		<b>5,590,246</b>	<b>4,683,193</b>

## BALANCE SHEET

		<b>31 Aug 2023</b>	<b>31 Aug 2022</b>
	<b>Note</b>	DKK '000	DKK '000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	6		
Share capital		7,460	7,460
Share premium		4,625,041	4,593,055
Retained earnings		932,277	47,243
		<b>5,564,778</b>	<b>4,647,758</b>
<b>Provisions</b>			
Other provisions		9,076	0
		<b>9,076</b>	<b>0</b>
<b>Short-term liabilities</b>			
Liabilities to group enterprises	7	15,416	35,406
Other short-term liabilities		976	0
Other payables		0	29
		<b>16,392</b>	<b>35,435</b>
<b>TOTAL LIABILITIES</b>		<b>16,392</b>	<b>35,435</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,590,246</b>	<b>4,683,193</b>
Ownership	8		
Transactions with related parties	9		
Contractual obligations and contingencies, etc.	10		

**Statement of changes in equity**

	<b>Share capital</b>	<b>Share premium</b>	<b>Retained profit</b>	<b>Proposed Dividend</b>	<b>Total</b>
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
<b>Equity</b>					
<b>Equity 1 September 2022</b>	<b>7,460</b>	<b>4,593,055</b>	<b>47,243</b>	<b>0</b>	<b>4,647,758</b>
Profit for the year	0	0	885,034	0	885,034
<i>Adjustment</i>	0	0	0	0	0
Exchange adjustment	0	0	0	0	0
Capital contribution	0	31,986	0	0	31,986
<b>Equity 31 August 2023</b>	<b>7,460</b>	<b>4,625,041</b>	<b>932,277</b>	<b>0</b>	<b>5,564,778</b>



**NOTES**

	<b>1 Sep 2022 - 31 Aug 2023 DKK '000</b>	<b>1 Sep 2021 - 31 Aug 2022 DKK '000</b>
<b>Note 1</b>		
<b>Investments in group enterprises</b>		
Cost 1st September	4,109,607	3,940,455
Additions	0	180,776
Disposals	0	-11,624
<b>Cost 31 August</b>	<b>4,109,607</b>	<b>4,109,607</b>
Impairments 1 September	-814,089	-698,797
Impairment this year	0	-121,872
Reversed impairments	0	6,580
<b>Impairments 31 August</b>	<b>-814,089</b>	<b>-814,089</b>
<b>Book value 31 August</b>	<b>3,295,518</b>	<b>3,295,518</b>

<b>Name of Subsidiary</b>	<b>Ownership</b>	<b>Equity 31 August 2023 DKK '000</b>	<b>Result 1 Sep 2022 - 31 Aug 2023 DKK '000</b>
Ingka Centres Germany GmbH	100%	31	-5,879
Ingka Centres Portugal S.A.	100%	184,276	48,048
Ingka Centres France SAS	100%	277,831	26,577
Ingka Centre España S.L.	100%	90,950	5,077
Ingka Centre Jerez S.L.U.	100%	329,360	5,550
Ingka Centre Switzerland AG	100%	27,311	401
Republic I BV	100%	2,535,180	5

**NOTES**

	<b>1 Sep 2022 - 31 Aug 2023</b>	<b>1 Sep 2021 - 31 Aug 2022</b>
	DKK '000	DKK '000
<b>Note 2</b>		
<b>Other financial income</b>		
Interest from group enterprises	907,224	15,384
Other interest income including foreign exchange gains	1,906	15
	<b>909,130</b>	<b>15,399</b>
<b>Note 3</b>		
<b>Other financial expenses</b>		
Interest to group enterprises	0	12
Other interest expense including foreign exchange losses	437	236
	<b>437</b>	<b>248</b>
<b>Note 4</b>		
<b>Tax for the year</b>		
Current tax for the year	8,798	-3,426
Change in provision for deferred tax	0	26,776
Tax adjustment from previous years	3,097	-774
	<b>11,895</b>	<b>22,576</b>
<b>Note 5</b>		
<b>Appropriation of result</b>		
Retained earnings	885,034	-84,511
<b>Total</b>	<b>885,034</b>	<b>-84,511</b>

## NOTES

### Note 6

<b>Share capital</b>	<b>2023</b>
The share capital is divided as follows:	EUR '000
10.000 shares in the denomination of EUR 100	1.000

Movements in share capital:	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
1 September	7,460	7,460	7,460	7,460	7,460
<b>31 August</b>	<b>7,460</b>	<b>7,460</b>	<b>7,460</b>	<b>7,460</b>	<b>7,460</b>

	<b>Total debt</b>	<b>Due within 1</b>	<b>Due within</b>	<b>Due after 5</b>
	<b>31 Aug</b>	<b>year</b>	<b>1 to 5</b>	<b>years</b>
	<b>2023</b>	<b>year</b>	<b>years</b>	<b>years</b>
	DKK '000	DKK '000	DKK '000	DKK '000
<b>Note 7</b>				
<b>Liabilities to group enterprises</b>				

Liabilities to group enterprises	15,416	15,416	0	0
	<b>15,416</b>	<b>15,416</b>	<b>0</b>	<b>0</b>

### Note 8

#### Ownership

The following shareholders are recorded in the company's register of shareholders as owning minimum 5% of the votes or the share capital:

Ingka Centres Europe B.V., The Netherlands

The largest and smallest group consolidated financial statements that the company is part of is Ingka Holding B.V., The Netherlands, commercial reg. no. 33773748.



## NOTES

### Note 9

#### Transactions with related parties

**2023**  
DKK '000

#### Financial income from related parties

Ingka Centres Portugal S.A.  
Fami Ltd.

27,596  
17,622  
**45,218**

#### Investments in group enterprises

Dividend from IKEA Centres Switzerland  
Dividend from REPUBLIC HOLDING I

856,750  
6,079  
**862,829**



## **NOTES**

### **Note 10**

#### **Contractual obligations and contingencies, etc.**

Internal loan and equity frames have been approved to the subsidiaries by Ingka Centres Europe.

#### **Contingent liabilities**

The company is jointly taxed with Ingka Holding B.V, which acts as management company, and is jointly and severally with other jointly taxed group entities for payment of income taxes from the entry.