DS
HF

DS
SDE

FAMI Limited

Directors Report and Financial Statements

for the year ended 31st August 2025

DS HF DS SDE

Table of contents

DS HF DS SDZ

Company information

Directors		Henrik Fries Lars Palmqvist Salinda De Zoysa John Matson Lucy Slinger
Company secretary / Administrator		Bradwell Limited 10 Earlsfort Terrace
Registered Number		344312
Registered office		3rd Floor Blackrock Village Centre Blackrock Co. Dublin
Solicitors		Arthur Cox 10 Earlsfort Terrace Dublin 2
Bankers	HSBC Bank plc 8 Canada Square London E14 9GE	Raiffeisen Bank International AG Am Stadtpark 9 1030 Wien
	BNP Paribas Fortis SA Montagne du Parc 3 B-1000 Bruxelles	Royal Bank of Canada 180 Wellington St W ON M5J OC2 Toronto
	Unicredit Bank Austria AG Schottengasse 6-8 A-1010 Vienna	Standard Chartered Bank 1 Basinghall Avenue London EC2V 5DD
	Skandinaviska Enskilda Banken AB Östra Hamngatan 24411 09 Gothenburg	ICBC Century Finance Building 9 Pu Dong Avenue 200120 Shanghai
Auditors		**KPMG** 1 Harbourmaster Place IFSC Dublin 1

Directors' Report

for the year ended 31st August 2025

The Directors present herewith their report and audited financial statements for the year ended 31st August 2025 for FAMI Limited ("the Company").

Principal activity

The Company provides corporate treasury services, consisting primarily of financing, cash forecasting and payment services on behalf of operating subsidiaries around the world of the Ingka Holding B.V. group of companies ("the Ingka Group" or "Group"). The Ingka Group's vision is to create a better everyday life for many people by supplying home furnishings that combine good quality, form, function and sustainability with the lowest price possible. The Ingka Group is committed to having a positive impact on the planet and using resources responsibly and producing more renewable energy than it consumes. Details concerning Ingka Group's sustainability strategy and initiatives are published at https://www.ingka.com/sustainability/.

The Company's income is derived almost entirely from interest earned from lending activities.

As of 31st August 2025, the Company's lending spanned thirty-five different markets and was spread over the following global regions.

Europe 54%
America 16%
Asia 30%

Management judges the Company's performance on a variety of factors. The primary key performance indicators for the Company are: its net financial income, daily foreign exchange exposure and related translation result, cash flow forecast variances, instances of trade execution errors and bank interest and charges.

Principal risks and uncertainties

The Company's principal risks pertain to foreign exchange risk, interest rate risk and credit risk. The Company identifies, evaluates and hedges financial risks in accordance with Ingka Group Treasury Policy. The Company uses derivative financial instruments to manage its exposure to interest rate risks and foreign currency risks. The Board is responsible for ensuring that risks are identified on a timely basis and that the Company's objectives and activities are aligned with those risks.

Throughout the financial year ended 31 August 2025 the Company hedged its foreign exchange risk exposure to secure a stable financial result. The Company is, however, exposed to interest rate risk which is monitored closely by management. The Company's credit risk exposure from Ingka Group and third-party debtors is monitored via the monitoring of outstanding debts against borrowing limits and the review of the financial performance of its debtors.

Borrowing limits for each Ingka Group counterparty are set and the loans are assessed for impairment annually. Further related details are disclosed in the notes to the financial statements.

Review of the development of the business

The total intra-group lending position remained relatively constant in year on year with decreased lending to the Netherlands, Poland and India being offset by increased lending to the United States, China, Sweden and Australia. The Company declared four dividends totaling EUR 731 million in FY25. Results for the year and state of affairs as at 31st August 2025 The statement of comprehensive income for the year ended 31st August 2025 and the statement of financial position as at 31 August 2025 are set out on pages 7 and 8 to 9 respectively. The profits on ordinary activities for the year before and after taxation amounted to EUR 248 million and EUR 212 million respectively (2024: EUR 398 million and EUR 353 million). The decrease in result was mainly due to a) higher impairment in loan receivable balance, see note 27 Risk management for more details. b) a lower interest rate environment.

Pillar 11

The Company is subject to the global minimum top-up tax under Pillar two legislation. The Company booked an additional provision of EUR 4.6 million in FY25 (note 9).

Going concern

The Directors have assessed the Company's ability to continue as a going concern and concluded that it is appropriate that the Company's financial statements are prepared on such a basis. The Directors find the Company's risk profile to be conservative, going into the financial year ending 31 August 2025 with a stable income stream and a predominantly equity financed balance sheet.

Political contributions

The Company made no political contributions in the year under review (2024: EUR nil).

Subsequent events

No events occurred subsequent to the balance sheet date that require disclosure.

Dividends

Total dividends of EUR 731,000,000 million (EUR 75 per share) was paid during the financial year ending 31 August 2025 (2024: EUR 1,125,000 million).

Directors

The Directors of the Company are as listed on page 1.

Directors' and secretary's interest in share capital

The Directors and company secretary had no direct or beneficial interest in the shares, share options, deferred shares or debentures of the Company, or any disposable interests in any Group company during the financial year.

Accounting records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to adequate accounting records, by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records are maintained at 3rd floor offices, Blackrock village centre, Blackrock, Co. Dublin.

Branch Operations:

The Company has overseas branch operation as follows:

FAMI branch. Ikaroslaan 28, 1930, Zaventem, Belgium.

Audit Committee and Director's Compliance Statement

Although the Company does fall within the scope of a 'large company' for the purposes of the Companies Act 2014, the Company is not proposing to establish an audit committee, as the Ingka Group currently has a Group audit committee which oversees the risk management, compliance and system of internal control activities of the Group, including the Company. The Company is a wholly owned subsidiary of a large and complex group which is subject to extensive internal supervision and controls and, in the opinion of the Directors of the Company, there are adequate internal controls in place at a Company level to monitor, manage and mitigate against financial risk and to ensure that all responsibilities of the audit committee as set out in section 167(7) of the Companies Act 2014 are complied with.

The Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations, as defined in section 225 of the Companies Act 2014 and hereby confirm that they have completed the following.

- prepared and reviewed a Compliance Policy Statement, setting out the Company's policies (that, in the Directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations.

- put in place appropriate arrangements and structures that are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations; and

- have conducted a review of the aforementioned arrangements and structures during the financial year under review.

Statement on Relevant Audit Information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Auditors

Pursuant to Section 383 (2) of the Companies Act 2014, the auditors, KPMG, Chartered Accountants will continue in office.

Approved and authorised for issue on behalf of the Directors.

Director	Director
Henrik Fries	Salinda de Zoysa
1st December 2025	1st December 2025

DS HF DS SDZ

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information that is communicated to external parties. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board

Director	Director
Henrik Fries	Salinda de Zoysa
1st December 2025	1st December 2025

DS HA DS SDE

KPMG

KPMG

Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

Independent Auditor's Report to the Members of FAMI Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of FAMI Ltd. ('the Company') for the year ended 31 August 2025 set out on pages 10 to 12, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and related notes, including the material accounting policies set out in note 3.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 August 2025 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

KPMG

HF SDE

Independent Auditor's Report to the Members of FAMI Ltd. (Continued)

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, information and returns for our audit have been received from branches of the Company not visited by us and the Company financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page [x], the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

Independent Auditor's Report to the Members of FAMI Ltd. (Continued)

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

RHowley

01 December 2025

Rio Howley

for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5

DS HF DS SDE

Statement of Comprehensive Income of FAMI Limited

for the year ended 31st August 2025

(in thousands of Euros)	Notes	2025	2024
Interest Income from lending activities	4	**801,409**	639,618
Interest expense and similar charges	5	**(545,528)**	(233,830)
Net finance income		**255,881**	405,788
Other income	7	**1,289**	1,104
Operating expense	6	**(9,190)**	(8,601)
Profit on ordinary activities before taxation		**247,980**	398,291
Tax on profit on ordinary activities	9	**(35,603)**	(45,639)
Profit for the financial year		**212,377**	352,652
Other comprehensive (expense)/income		**33**	(21)
Total comprehensive Income for the financial year		**212,410**	352,631

The accompanying notes on pages 13 to 30 form an integral part of these financial statements.

The Company has not recognised gains or losses in the year other than those included in the Statement of Comprehensive Income.

DS HF DS SDZ

Statement of Financial Position of FAMI Limited at 31st August 2025

(in thousands of Euros)	Notes	2025	2024
Fixed assets			
Tangible fixed assets	10	**626**	702
Loans receivable from group companies after more than one year	11	**11,341,408**	10,129,171
Loans receivable from third parties after more than one year	12	**151,557**	159,821
		11,493,591	**10,289,694**
Current assets			
Cash at bank	14	**139,921**	108,316
Derivative financial assets	15	**175,670**	69,908
Loans receivable from group companies within one year	11	**2,122,925**	2,781,761
Loans receivable from third parties within one year	12	**381,899**	532,047
Interest receivable	16	**104,866**	113,919
Marketable Securities	23	**234,410**	418,871
Corporation tax receivable	9	**20,022**	-
Trade and other receivables	13	**16,757**	28,692
Prepaid expenses		**66**	2
Total current assets		**3,196,536**	4,053,516
TOTAL ASSETS		**14,690,127**	14,343,210
EQUITY			
Called up share capital	17	**9,748**	9,748
Share premium	18	**9,634,236**	9,634,236
Capital contribution reserve	18	**3,151,500**	3,151,500
Other comprehensive income		**(13)**	(46)
Retained earnings		**(1,144,962)**	(626,339)
Total Equity		**11,650,509**	12,169,099
LIABILTIES			
Current Liabilities			
Trade and other payables	20	**14,947**	3,354
Employee taxes payables	21	**246**	101
Derivative financial liabilities	15	**19,841**	46,453
Loans payable to group companies	22	**3,004,482**	2,122,678
Corporation tax payable	9	-	1,188
Interest payable		**39**	260
Total current liabilities		**3,039,555**	2,174,034
Non-current liabilities			
Provisions	19	**63**	77
Total Non-current liabilities		**63**	77
TOTAL LIABILTIES		**3,039,618**	2,174,111
TOTAL EQUITY AND LIABILITIES		**14,690,127**	14,343,210

The accompanying notes on pages 13 to 30 form an integral part of these financial statements.

Approved by the Board and authorised for issue on 01st December 2025.

Henrik Fries
Director

Salinda de Zoysa
Director

Statement of Changes in Equity for
the year ended 31st August 2025

(in thousands of Euros)	Called up share capital	Share premium	Capital contribution reserve	Other comprehensive income	Retained earnings	Total
Balance at 31 August 2024	**9,748**	**9,634,236**	**3,151,500**	**(46)**	**(626,339)**	**12,169,099**
Profit for the year	-	-	-	-	212,377	**212,377**
Pension plan remeasurement	-	-	-	33	-	33
Total comprehensive income for the year	**9,748**	**9,634,236**	**3,151,500**	**(13)**	**(413,962)**	**12,381,509**
Transactions with owners recorded directly in equity						
Dividend					(731,000)	(731,000)
Capital Contribution		-	-	-	-	-
Contributions and distributions to owners		-	-	-	(731,000)	(731,000)
Balance at 31 August 2025	**9,748**	**9,634,236**	**3,151,500**	**(13)**	**(1,144,962)**	**11,650,509**

(in thousands of Euros)	Called up share capital	Share premium	Capital contribution reserve	Other comprehensive income	Retained earnings	Total
Balance at 31 August 2023	**9,748**	**9,634,236**	**1,900,000**	**(25)**	**146,009**	**11,689,968**
Profit for the year	-	-	-	-	352,652	352,652
Pension plan remeasurement	-	-	-	(21)	-	(21)
Total comprehensive income for the year	**9,748**	**9,634,236**	**1,900,000**	**(46)**	**498,661**	**12,042,599**
Transactions with owners recorded directly in equity						
Dividend					(1,125,000)	(1,125,000)
Capital Contribution			1,251,500		-	1,251,500
Contributions and distributions to owners	**-**	**-**	**1,251,500**	**-**	**(1,125,000)**	**126,500**
Balance at 31 August 2024	**9,748**	**9,634,236**	**3,151,500**	**(46)**	**(626,339)**	**12,169,099**

The accompanying notes on pages 13 to 30 form an integral part of these financial statements.

DS HA DS SDZ

Notes to the financial statements

1. Corporate information

Incorporation and financial year

FAMI Limited (hereafter "the Company") is a limited liability company incorporated in Dublin on 12th December 2001. The Company is subject to Irish law.
The financial year runs from the 1st September to 31st August. Comparative figures are presented for the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity as at, and for the year ended 31st August 2025 and 31st August 2024 as comparative.

Parent and ultimate parent

The Company's immediate parent undertaking and controlling party is Ingka Capital B.V., a company incorporated in the Netherlands. The ultimate parent undertaking and controlling party is Ingka Holding BV, a company incorporated in the Netherlands. Ingka Capital B.V. is a wholly owned subsidiary of Ingka Holding B.V. The smallest and largest group in which the Company's financial statements are consolidated is Ingka Holding B.V., whose financial statements are available on request from Bargelaan 20, 2333 CT, Leiden, The Netherlands.

2. Basis of preparation

These financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), The Financial Reporting Standard applicable in the UK and Ireland. There have been no material departures from the Standards.

The Directors have assessed the Company's ability to continue as a going concern. The Company has prepared the financial statements on a going concern basis. The presentation currency of these financial statements is Euro. All amounts in the financial statements have been rounded to the nearest €1,000.

FRS 101, the accounting standard applicable in the UK and Ireland requires that a reporting entity, in accounting for its financial instruments apply either:

(i) the full provisions of section 11 "Basic Financial Instruments" and section 12 "Other Financial Instruments" of FRS 102,
(ii) the recognition and measurement provisions of IAS 39 "Financial Instruments: Recognition and Measurement" and only the disclosure requirements of Sections 11 and 12 of FRS 102; or
(iii) the recognition and measurement provisions of International Financial Reporting Standards ("IFRS") , "Financial Instruments" and/or IAS 39 (as amended following the publication of IFRS 9).

The Company has chosen to implement (iii) the recognition and measurement provisions of International Financial Reporting Standards ("IFRS") , "Financial Instruments".

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and certain related disclosures (IAS 1.10(d), IAS 1.16, IAS 1.38A, IAS 1.111, IAS 7);
- Comparative period reconciliations for share capital (IAS 1.79(a)(iv)) and tangible fixed assets (ISA 16.73(e));
- Disclosures in respect of transactions with wholly owned subsidiaries of the group (FRS 101.8(k));
- Disclosures in respect of capital management (IAS 1.134-136);
- The effects of new but not yet effective IFRSs (IAS 8.30-31);
- 'Disclosures in respect of the compensation of Key Management Personnel and transactions with a management entity that provides Key Management Personnel services to the Company (IAS 24.17A)

As the consolidated financial statements of Ingka Holding B.V include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by the Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules

DS HT DS SDE

3. Summary of material accounting policies

Foreign currency translation

The financial statements are presented in Euro (EUR), which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded in the functional currency at the ruling spot rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange obtained at the reporting date. All differences are recorded in the Statement of Comprehensive Income. Differences arising on settlement or translation of monetary items are recognised in the Statement of Comprehensive Income. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in the Statement of Comprehensive Income.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Financial assets and liabilities

Classification

The Company has adopted IFRS 9 whereby financial assets or liabilities must be classified at either fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") or at amortised cost upon initial recognition.

Derivatives are initially recognised at fair value on the date on which the contract is entered into and are subsequently remeasured at their fair value at each reporting date.

All financial assets are measured at amortised cost if both the following two criteria are met:

1. The objective of the business model is to hold the financial asset for the collection of the contractual cash flows ("the business model test") and
2. The contractual cash flows under the instrument solely represent payment of principal and interest ("the SPPI test").

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

Financial liabilities are classified as measured at amortised cost or FVTPL. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

DS HF DS SDE

Loans payable to group companies are classified at amortised cost. Derivative financial instruments, while providing an economic hedge, are categorised as held for trading and are measured at FVTPL.

All financial assets and liabilities are initially measured at fair value, with transaction costs excluded for those measured at FVTPL and included in those measured at amortised cost.

Timing of initial recognition

The Company applies trade date accounting, with recognition of financial assets or liabilities when contracts are entered. For example, purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place ('regular way trades') are recognised beforehand on the date that the Company commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on the above classification of either FVTPL or amortised cost.

Financial assets and liabilities at fair value through profit or loss (FVTPL)

Financial assets and liabilities at fair value through the profit or loss are carried in the Statement of Financial Position at fair value, with changes in fair value recognized in net finance Income/(Loss).

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are carried in the Statement of Financial Position on initial recognition at fair value including transaction costs. Subsequently, they are measured using the effective interest rate method as described below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Comprehensive Income. The losses arising from impairment are recognized in the Statement of Comprehensive Income in interest expense for loans or operating expenses for receivables.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the Statement of Comprehensive Income when the liabilities are derecognised, as well as through the effective interest method (EIR) amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest expense in the Statement of Comprehensive Income.

Derecognition

A financial asset is derecognised when:

- The right to receive cash flows from the asset has expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass- through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Statement of Comprehensive Income.

Impairment of financial assets

The Company assesses at each reporting date whether expected credit losses need recognising.

The overwhelming majority of the Company's assets are loans measured at amortised cost that are subject to impairment testing.

IFRS 9 Financial Instruments requires an expected credit loss approach to impairment assessment and has had the effect of upfront recognition of impairment losses on a twelve months forward basis. For loans where the associated credit risk has increased significantly since issuance, the Company is required to assess for impairment over the remaining life of the loan concerned. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Financial assets carried at amortised cost

The majority of financial assets carried at amortised cost are loans made by the Company, primarily to other Ingka Group subsidiaries and all such loan arrangements are committed.

During the year ended 31 August 2025, the Company continued with the same methodology as the previous year for modelling expected credit losses. Loans are measured at amortised cost after impairments to take account of expected credit losses. Per the terms of each agreement, an event of default occurs when a borrower fails to meet their contractual obligations on a debt instrument, such as not making interest or principal payments when due, or when there is a high likelihood that they will be unable to do so in the near future. Ingka Group considers as being in default, or equivalently financially distressed, all entities for which management has expressed a strong intention to liquidate in the short to medium term. Hence a counterparty would be deemed to be financially distressed if it is highly probable that the Ingka group, or the Company would fully or partially divest its controllable interest in that counterparty.

This methodology for computing default probabilities of other Ingka Group borrowers combined those of corporate bonds from related industry sectors and credit risk profiles with those of governments where the borrowers were located (also note 11). A one-year ECL will be computed for all non-financially distressed counterparties and a lifetime ECL will be computed for all financially distressed counterparties. See note 27 for further discussion.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at banks and in hand.

Fair value of financial instruments

The fair value of bonds is determined by reference to quoted market bid prices at the close of business on the Statement of Financial Position date.

There is no active market for certain financial instruments traded by the Company and the related fair value is determined using valuation techniques. Such techniques may include:

- Using recent arm's length market transactions,

- Reference to the current fair value of another instrument that is substantially the same.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in note 26.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Interest income and interest expense

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the applicable interest rate. Interest expense on loans borrowed is also accounted on the accrual basis.

Interest income and interest expense on interest rate swaps and cross-currency interest rate swaps are accounted on the accruals basis.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in interest income from lending actvities in the Statement of Comprehensive Income.

Interest expense is included in interest expense and similar charges in Statement of Comprehensive Income.

Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The company is a constituent entity of an MNE Group that is within scope of the OECD Pillar II rules. The Company is subject to the global minimum top-up tax under Pillar two legislation for the period beginning 01 September 2024. The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are generally recognized for all taxable differences and deferred tax assets are recognized to the extent that, based on current forecast, it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Significant accounting judgement, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying

DS HI DS SDE

disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 26 for further details.

4. Interest income from lending activities

	2025	2024
	EUR '000	EUR '000
Interest from group companies	**479,255**	584,511
Interest from third parties	**37,853**	55,107
Fair value gains on derivatives	**284,301**	-
Total interest and similar income from lending activities	**801,409**	639,618

Interest income was markedly lower during the financial year ending 31 August 2025, primarily due to lower interest rates.

Derivatives are measured at fair value through the profit and loss (note 26). The fair value gain on derivatives is due to a stronger Euro in reference to the basket of the Company's lending currencies impacting the derivative valuation. These gains partly offset translation losses on the non-Euro loans (note 5).

5. Interest expense and similar charges

	2025	2024
	EUR '000	EUR '000
Interest to group companies	**84,484**	144,386
Interest to third parties	**1,079**	1,929
Fair value losses on derivatives	**-**	1,424
Foreign exchange losses	**324,216**	55,607
Loan impairments	**135,407**	30,066
Bank and custodian fees	**342**	418
Total interest expense and other financial charge	**545,528**	233,830

Loans are measured at amortised cost after impairments to take account of expected credit losses. The above EUR 324.2m of foreign exchange losses arose mainly on the devaluation in the basket of lending currencies with reference to the Euro. Management note a deterioration in credit quality of a small subset of intra-group borrowers, resulting in a higher impairment recognised in the year.

6. Operating expenses

	2025	2024
	EUR '000	EUR '000
Non salary related operating expenses	2,286	1,693
Salaries and other employee costs	6,904	6,908
Total net operating expense	9,190	8,601

Salaries and other employee costs

The number of persons employed by the Company at year end was 40 (2024: 42). The aggregate payroll costs of these individuals were as follows:

	2025	2024
	EUR '000	EUR '000
Salaries and wages	6,124	6,126
Social welfare costs	780	782
Total salaries and other employee costs	6,904	6,908

The Company expensed EUR 486k during the year (2024: EUR 446k) in relation to defined contribution pensions and EUR 19k (2024: EUR (14k) credit for the change in value of the Belgian defined benefit pension obligation.

7. Other income

	2025	2024
	EUR '000	EUR '000
Other Income	1,289	1,104
Total other income	1,289	1,104

8. Auditor and director remuneration

	2025	2024
	EUR '000	EUR '000
Audit of statutory financial statements	118	85
Auditor's tax advisory services	-	-
Directors' services:		
Emoluments	787	938
Contributions to defined contribution pension schemes	91	83
Compensation for loss of office or other termination benefits	-	-
Past directors' retirement benefits	-	-
Amounts receivable under long-term incentive schemes	-	-
Amounts payable to third parties in respect of director services	-	-

The above remuneration for directors' services is based on an estimated proportion of each director's overall working time spent on matters pertaining to the Company. All of the Company's shares are owned by Ingka Capital B.V. and no share options have been granted by the Company.

9. Taxation on profit on ordinary activities

The major components of tax expense for the years ended 31 August 2025 and 2024 are:

	2025	2024
	EUR '000	EUR '000
Current Tax on profit on ordinary activities	35,603	45,639
Tax on profit on ordinary activities reported in the statement of comprehensive incoı	35,603	45,639

Reconciliation between profit before taxes times 12.5% and tax expense:

DS HF DS SDZ

	2025	2024
	EUR '000	EUR '000
Profit /(loss) before income tax	**247,980**	**398,291**
Tax at the Company's statutory income tax rate of 12.5% (2024: 12.5%)	30,998	49,786
Income not assessable for tax purposes		-
Expenses not allowable for tax purposes	69	81
Capital allowances	(50)	(50)
Chinese VAT	-	(4,370)
Foreign tax refundable	(20,662)	(22,349)
Foreign tax charges	20,662	26,719
Provision for Pillar II	4,591	-
Prior period corrections	(5)	(4,178)
Tax on profit on ordinary activities	**35,603**	**45,639**

The above current tax on profit is at an effective rate of 14.4% (2024: 11.5%).

	2025	2024
	EUR '000	EUR '000
Opening balance	**(1,188)**	(5,230)
Tax Income/ (expense) for the year	**(35,603)**	(45,639)
Tax paid	**25,927**	40,084
Witholding tax credit	**20,662**	21,164
Tax repaid	-	(8,987)
Group relief	**10,224**	(2,580)
Closing Balance	**20,022**	**(1,188)**

Pillar 11: Global Minimum Tax: The Company is subject to the global minimum top-up tax under Pillar two legislation. The Company booked an additional provision of EUR 4.6 million in FY25.

10. Tangible fixed assets

93% of the net book value of the Company's tangible fixed assets consist of fixtures and fittings and 7% office and IT equipment.

Depreciation on tangible fixed assets is charged from the month of acquisition on a straight-line basis over the expected useful economic lives of the individual asset. The useful economic life for all fixtures and fittings was estimated to be ten years. Numerical details are shown overleaf.

Cost	**Fixtures & fittings** EUR '000	**Machinery & equipment** EUR '000	**Right of use assets** EUR '000	**Total** EUR '000
Opening balance as at 1st September 2024	797	224	-	1,021
Additions	-	30	-	30
Disposals	-	(54)	-	(54)
Closing balance as at 31st August 2025	**797**	**200**	**-**	**997**
Accumulated depreciation				
Opening balance as at 1st September 2024	137	182	-	319
Additions	79	26	-	105
Disposals	-	(53)	-	(53)
Closing balance as at 31st August 2025	**216**	**155**	**-**	**371**
Net Book value				
Opening balance as at 1st September 2024	660	42	-	702
Additions	(79)	4	-	(75)
Disposals	-	(1)	-	(1)
Closing balance as at 31st August 2025	**581**	**45**	**-**	**626**

11. Loans receivable from group companies

	2025	2024
	EUR '000	EUR '000
Due within one year	**2,122,925**	2,781,761
Due after one year	**11,341,408**	10,129,171
Total amounts due from group companies	**13,464,333**	12,910,932

The above amounts comprise unsecured intercompany loans.

Loans are measured at amortised cost after impairments to take account of expected credit losses.

Regarding the currency denomination of the loans, 40% of the total balance is denominated in EUR (2024: 41%), CNY 14% (2024: 14%), SEK 11% (2024:8%) and USD 8% (2024: 10%) and all other currency denominations each individually comprised 5% or less of the total balance.

Total amounts due from group companies is net of impairment provision of EUR 195m (2024:64m).

12. Loans receivable from third parties

	2025	2024
	EUR '000	EUR '000
Due within one year	**381,899**	532,047
Due after one year	**151,557**	159,821
Total loans and receivables from third parties	**533,456**	691,868

EUR 8.5 million is the current portion of a subordinated long-term loan to Veja Mate Offshore Project GmbH ("Windfarm Loan"). The loans receivable due after one year relate solely to this latter loan.

The Windfarm loan is a subordinated non-recourse loan with a maturity date of 30 June 2042. A EUR 13.9 million (2024: EUR 9.2 million) expected credit loss has been recorded in relation to the wind farm loan. This loan is subordinated without any recourse to the other wind farm consortium members in the event of the wind farm defaulting.

13. Trade and other receivables

	2025	2024
	EUR '000	EUR '000
VAT Receivable	-	58
Tax Group relief receivable Ingka FX Limited	-	25,086
Other receivables from group companies	**16,757**	3,548
Total trade and other receivables	**16,757**	28,692

14. Cash and cash equivalents

	2025	2024
	EUR '000	EUR '000
Current accounts	**139,921**	108,316
Total cash and cash equivalents	**139,921**	108,316

Derivatives

15. Derivative financial assets

The Company enters into a variety of derivative financial instruments including currency forwards,non deliverable forwards and swaps that economically hedge certain risks, principally the revaluation of investments and borrowings in foreign currencies. Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates.

Derivative financial assets reflect the positive change in fair value of derivatives that are intended to reduce the level of foreign exchange exposure and interest rate exposure in the Company´s borrowing and lending.

	2025	2024
	EUR '000	EUR '000
Derivatives financial assets by instrument type:		
- Foreign exchange forward and swap contracts	**175,546**	69,747
- Interest rate swaps	**124**	161
Total derivative financial assets	**175,670**	69,908

	EUR '000	EUR '000
Derivative financial liabilities by instrument type:		
- Foreign exchange forward contracts	**18,446**	44,097
- Interest rate swaps	**1,395**	2,356
Total derivative financial liabilities	**19,841**	46,453

16. Interest receivable

	2025	2024
	EUR '000	EUR '000
Due from other group companies	**101,979**	111,413
Due from third parties	**2,887**	2,506
Total Interest Receivable	**104,866**	113,919

17. Capital

	2025	2024
	EUR '000	EUR '000
Authorized shares		
100,000,000 ordinary shares of EUR 1 each	**100,000**	100,000
Total Authorised shares	**100,000**	100,000

Allotted, called up and fully paid

	2025	2024
	EUR '000	EUR '000
As at 1st September: 9,748,100 ordinary shares of EUR 1 each	**9,748**	9,748
	-	-
As at 31st August: 9,748,100 ordinary shares of EUR 1 each	**9,748**	9,748

18. Share premium

	2025	2024
	EUR '000	EUR '000
As at 1st September	**9,634,236**	9,634,236
Shares issued at a premium during the year	**-**	-
As at 31 August	**9,634,236**	9,634,236

Capital contribution reserve

	2025	2024
	EUR '000	EUR '000
As at 1 September	3,151,500	1,900,000
Contributions during the year	-	1,251,500
As at 31 August	**3,151,500**	3,151,500

19. Provisions

	2025	2024
	EUR '000	EUR '000
Long term pension obligations (non current liability)	63	77
Total	63	77

Following the acquisition of the Belgian treasury business the Company assumed its pension liabilities.

20. Trade and other payables

During the financial year ended 31 August 2024 the Company pledged cash margin, which is the cash collateral contractually exchanged between the Company and bank counterparties to cover their derivative liability positions with the Company.

	2025	2024
	EUR '000	EUR '000
Other payables to group companies	363	363
Tax Group relief payable to Ingka FX Limited	10,225	-
Trade creditors 3rd party	257	609
Other creditors	448	234
Penalty interest	539	-
VAT payable	21	-
Cash margin	2,700	1,700
Accrued bonuses and incentives	6	34
Accrued holiday pay	388	414
Total trade and other payables	14,947	3,354

21. Employment taxes

	2025	2024
	EUR '000	EUR '000
PAYE payable	246	101
Total Employee taxes payable	246	101

22. Loans payable to group companies

	2025	2024
	EUR '000	EUR '000
Due within one year	3,004,482	2,122,678
Total Loans payable to group companies	3,004,482	2,122,678

These represent deposits of excess cash placed by Ingka Group retail and other operating companies.

All loan balances due to group companies are unsecured, have maturity dates ranging from one day to three months and interest payable at rates ranging from 0% to positive 4.56%.

23. Marketable Securities

The Company invests in European sovereign Bonds as part of its liquidity management program.

	2025	2024
Instrument	EUR '000	EUR '000
Austria sovereign Bonds	234,410	90,515
French sovereign Bonds	-	328,356
	234,410	418,871

24. Related parties

Transactions with other companies that are wholly owned by the Group are not disclosed, as the Company has taken advantage of the exemption available under FRS 101 for subsidiary undertakings 100% of whose voting rights are controlled within the Group, from the requirement to give details of transactions with entities that are part of the Group or investees of the Group qualifying as related parties

The Company has not undertaken transactions that require disclosure after availing of the FRS 101 exemption above.

25. Capital Commitments

As at 31 August 2025, the Company had future payments under commercial property and car lease arrangements, which fall due as follows.

	2025	2024
	EUR '000	EUR '000
Within one year	**520**	433
In the second to fifth years inclusive	**1,175**	1,161
After five years	**498**	695
Total	**2,193**	2,289

26. Fair value

When the Company holds issued loans, its intention has been to hold the loan until maturity and collect cash flows from its debtors, solely comprising interest and principal amounts.

Therefore, all of the Company's loans provided are measured at amortised cost. All other financial assets and liabilities are measured at fair value. Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments that are carried in the financial statements.

Financial assets	**As at 31 August 2025**		As at 31 August 2024	
	Carry amount	**Fair value**	Carry amount	Fair value
	EUR '000	**EUR '000**	EUR '000	EUR '000
Loans and receivables:				
-Amounts due from group companies	**13,464,333**	**13,857,037**	12,910,932	13,286,406
-Loans receivable from third parties	**533,456**	**595,832**	691,868	751,238
-Accrued interest receivable	**104,866**	**104,866**	113,919	113,919
Cash at bank	**139,921**	**139,921**	108,316	108,316
Marketable Securities	**234,410**	**234,410**	418,871	418,871
Held for trading	-	-	-	-
-Financial investments	-	-	-	-
Fair value through profit and loss	-	-	-	-
- Derivatives	**175,670**	**175,670**	69,908	69,908
Corporation tax receivable	**20,022**	**20,022**	-	-
Trade receivables	**16,757**	**16,757**	28,692	28,692
Prepaid expenses	**66**	**66**	2	2
Total financial assets	**14,689,501**	**15,144,581**	14,342,508	14,777,352

Financial liabilities	As at 31 August 2025		As at 31 August 2024	
	Carry amount	Fair value	Carry amount	Fair value
	EUR '000	EUR '000	EUR '000	EUR '000
Loans payable to group companies	3,004,482	2,998,468	2,122,678	2,087,362
Accrued interest payable	39	39	260	260
Trade and other payables	14,947	14,947	3,354	3,354
Employee taxes payable	246	246	101	101
Corporation tax payable	-	-	1,188	1,188
Fair value through profit and loss:	-	-	-	-
- Derivatives	19,841	19,841	46,453	46,453
Total financial liabilties	3,039,555	3,033,541	2,174,034	2,138,718

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents, interest receivable and interest payable approximate their carrying amounts largely due to the short-term maturities of these instruments.

- The Company enters into derivative financial agreements with various counterparties, principally banks with high credit ratings. The derivatives valued using valuation techniques with market observable inputs are mainly foreign exchange forward contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates and interest rate curves.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at 31st August 2025, the Company held the following financial instruments carried at fair value on the statement of financial position as shown below.

	As at 31 August 2025		
	Level 1	Level 2	Level 3
Assets measured at fair value	EUR '000	EUR '000	EUR '000
Financial instruments:			
- Foreign forward exchange contracts	-	35,734	-
- Foreign exchange swap contracts	-	139,812	-
- Interest rate swaps	-	124	-
Marketable Securities	234,410	-	-
Total	234,410	175,670	-

As at 31 August 2025

Liabilities measured at fair value	Level 1 EUR '000	Level 2 EUR '000	Level 3 EUR '000
Financial instruments:			
- Foreign forward exchange contracts	-	-	-
- Foreign exchange swap contracts	-	(18,432)	-
- Interest rate swaps	-	1,395	-
Total	**-**	**(17,037)**	**-**

As at 31 August 2024

Assets measured at fair value	Level 1 EUR '000	Level 2 EUR '000	Level 3 EUR '000
Financial instruments:			
- Foreign forward exchange contracts	-	10,938	-
- Foreign exchange swap contracts	-	58,809	-
- Interest rate swaps	-	161	-
Marketable Securities	418,871	-	-
Total	**418,871**	**69,908**	**-**

As at 31 August 2024

Liabilities measured at fair value	Level 1 EUR '000	Level 2 EUR '000	Level 3 EUR '000
Financial instruments:			
- Foreign forward exchange contracts	-	2,926	-
- Foreign exchange swap contracts	-	41,171	-
- Interest rate swaps	-	2,356	-
Total	**-**	**46,453**	**-**

27. Risk management

The primary objective of the Company's risk and financial management framework is to protect the Company from events that hinder the sustainable achievement of the Company's performance objectives.

The Company recognizes the critical importance of having efficient and effective risk management systems and policies in place. The Company places emphasis on assessment and documentation of risks and controls.

The Company monitors a set of specific risks on a regular basis. This enables the Company to assess the overall risk exposure and to determine which risks and what level of risk the Company is prepared to accept and the adequacy of planned mitigating actions.

The Company has the relevant financial instrument expertise and all the related tools to actively manage financial and operational risk.

a) Liquidity risk

Liquidity risk is the risk that the Company may not have access to sufficient cash resources to settle its obligations in full as they fall due on terms that are reasonable.

Ingka Group operating and holding companies have lent EUR 3 billion to the Company (Note 22 above).
The Company has access to sufficient unused intra-group credit lines that can be utilised to meet obligations to lenders.

As such, the Company does not have exposure to material liquidity risk.
The tables below summarize the maturity profile of the Company's financial assets and liabilities as at 31 August 2025 and 31 August 2024.

Financial Assets	Within 1 year	1 to 5 years	More than 5 years	Total
	EUR '000	EUR '000	EUR '000	EUR '000
Year ended 31st August 2025				
Cash at bank	139,921	-	-	139,921
Marketable Securities	234,410	-	-	234,410
Loans due from group companies	2,122,925	4,373,189	6,968,219	13,464,333
Loans due from third parties	381,899	31,195	120,362	533,456
Derivative financial assets	175,670	-	-	175,670
Corporation tax receivable	20,022	-	-	20,022
Interest receivable	104,866	-	-	104,866
Trade and other receivables	16,757	-	-	16,757
Prepaid expenses	66	-	-	66
Total	**3,196,536**	**4,404,384**	**7,088,581**	**14,689,501**

Financial Liabilities	Within 1 year	1 to 5 years	More than 5 years	Total
	EUR '000	EUR '000	EUR '000	EUR '000
Year ended 31st August 2025				
Trade and other payables	14,947	-	-	14,947
Employee taxes payable	246	-	-	246
Derivative financial liabilities	19,841	-	-	19,841
Loans payable to group companies	3,004,482	-	-	3,004,482
Interest payable	39	-	-	39
Total	**3,039,555**	**-**	**-**	**3,039,555**

Financial Assets	Within 1 year	1 to 5 years	More than 5 years	Total
	EUR '000	EUR '000	EUR '000	EUR '000
Year ended 31st August 2024				
Cash at bank	108,316	-	-	108,316
Marketable Securities	418,871	-	-	418,871
Loans due from group companies	2,781,761	5,517,161	4,612,010	12,910,932
Loans due from third parties	532,047	41,128	118,693	691,868
Derivative financial assets	69,908	-	-	69,908
Interest receivable	113,919	-	-	113,919
Trade and other receivables	28,692	-	-	28,692
Prepaid expenses	2	-	-	2
Total	**4,053,516**	**5,558,289**	**4,730,703**	**14,342,508**

Financial Liabilities	Within 1 year	1 to 5 years	More than 5 years	Total
	EUR '000	EUR '000	EUR '000	EUR '000
Year ended 31st August 2024				
Trade and other payables	3,354	-	-	3,354
Employee taxes payable	101	-	-	101
Derivative financial liabilities	46,453	-	-	46,453
Corporation tax payable	1,188	-	-	1,188
Loans payable to group companies	2,122,678	-	-	2,122,678
Interest payable	260	-	-	260
Total	**2,174,034**	**-**	**-**	**2,174,034**

b) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables and investment securities.

The Company monitors credit risk arising from loans to Ingka Group and third-party debtors and has assessed these loans for impairment as at 31 August 2025.

Expected credit losses from Ingka Group debtors were EUR 195m as at 31 August 2025 (2024: EUR 64m) of which EUR 168.5m related to loans with China (2024: EUR 40m) and were measured using default probabilities of corporate bonds from related industry sectors and credit risk profile together with the default probabilities of governments for the countries in which the borrowers were located. The loss given default assumption was reviewed and a loss given default rate of 26% has been included in the expected credit loss model for the remaining loans, based on publicly available information on corporate defaults (2024: 26%). Generally, the impact on expected credit losses from changes in these credit spreads and default probabilities have not been significant.

Regarding external counterparties, the Company is exposed to credit risk from loans receivable and cash or short-term bank deposits. The Company's loans receivable consisted of a EUR 174 million subordinated loan to a German offshore windfarm, EUR 374 million with third party banks. Expected credit losses totaling EUR 14 million (2024: EUR 9.2m) was calculated assuming a loss given default of 40%, a credit spread of 8% based on the offshore windfarm WACC and a German specific discount rate of 2%.

The marketable securities are highly liquid Austrian sovereign bonds, each with a tenor of less than two months (whose Moody's credit ratings is Aa1).

Derivative financial assets with Ingka Group counterparties were valued at EUR 175.7 million as at 31 August 2025 (31 August 2024: EUR 67.4 million). These derivatives include interest rate swaps with maturity dates betwwen one and seven years as at 31 August 2025. Unlike the derivatives entered with external bank counterparties (whose Fitch credit ratings range from F1 to F1+), no credit support has been pledged by Ingka Group counterparties as collateral to the Company. In order to take account of the counterparty's default risk, a credit value adjustment (CVA) of EUR .2 million (31 August 2024: EUR 0.2 million) was applied.

For the financial assets and liabilities subject to enforceable master netting arrangements, each agreement between the Company and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis. However, each party to the master netting agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements.

Year ended 31st August 2025	Gross amounts of recognised financial assets	Financial instruments not set off in the balance sheet	Collateral received	Net amount
	EUR '000	EUR '000	EUR '000	EUR '000
Derivative financial assets	5,570	416	2,700	2,454
Total	**5,570**	**416**	**2,700**	**2,454**

Year ended 31st August 2024	Gross amounts of recognised financial assets	Financial instruments not set off in the balance sheet	Collateral received	Net amount
	EUR '000	EUR '000	EUR '000	EUR '000
	2,529	329	1,471	729
Total	**2,529**	**329**	**1,471**	**729**

Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements.

Year ended 31st August 2025	Gross amounts of recognised financial assets	Financial instruments not set off in the balance sheet	Collateral pledged	Net amount
	EUR '000	EUR '000	EUR '000	EUR '000
Derivative financial liabilities	457	416	-	41
Total	**457**	**416**	**-**	**41**

Year ended 31st August 2024	Gross amounts of recognised financial assets	Financial instruments not set off in the balance sheet	Collateral pledged	Net amount
	EUR '000	EUR '000	EUR '000	EUR '000
Derivative financial liabilities	329	329	-	-
Total	**329**	**329**	**-**	**-**

c) Market risk

Market risk is the risk that changes in market prices, such as assets prices, interest and foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments

d) Asset price risk

Asset price risk is the potential for an asset's market value to decline due to factors such as economic changes, market conditions or broader macroeconomic trends. The Company is exposed to asset price risk on its portfolio of EUR 234m of Austrian sovereign Bonds. This risk is mitigated given the short dated tenor, maturing within two months after year-end and as such is not deemed to be material.

e) Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The loans are intended to be held to maturity and are therefore recorded in the financial statements on an amortised cost basis and are therefore not exposed to revaluation losses from increases in interest rates. However, since the Company hedges the currency risk arising from non-Euro denominated loans using FX swaps, then future increases in foreign currency interest yields vis-à-vis Euro interest yields would render these FX swaps more expensive.

The floating interest rate bearing proportion of the loans is 41% (2024: 38%) and the fixed proportion 59% (2024: 62%).

Interest rate risk sensitivity

The table below demonstrates the impact of a 1% point increase in interest rates on the value of the Company's financial instruments ("PV100").

	2025	2024
	EUR '000	EUR '000
Total	**(391,308)**	**(413,701)**

f) Currency risk

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in the foreign exchange rates. This is applicable to all known future flows, including interest flows.

The Company is exposed to foreign exchange risk primarily with respect to its lending to other Ingka Group companies. The Company has fully economically hedged the risk of adverse currency movements with regards its foreign currency lending and commercial payment positions with other Ingka Group companies.

To manage foreign currency risk the Company employs derivative financial instruments (principally currency fx swap, spot and forward contracts). Derivative financial instruments are recognised initially at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Regarding the currency denomination of the loans, 40% of the total balance is denominated in EUR (2024: 41%), CNY 14% (2024: 14%), SEK 11% (2024:8%) and USD 8% (2024: 10%) and all other currency denominations each individually comprised 5% or less of the total balance.

28. Subsequent events

No events occurred subsequent to the balance sheet date that require disclosure.

29. Approval of financial statements

These financial statements were approved by the board on 01st December 2025.