Interogo holding

Annual Report 2022

Interogo Holding AG
Consolidated Financial Statements

Interogo Holding AG

Registered as a Aktiengesellschaft
(corporation limited by share ownership)
Under Swiss law with a capital of CHF 330‘000‘000
www.interogoholding.com

Registered office	Bahnhofstrasse 15 8808 Pfäffikon SZ Switzerland
Company-ID:	CHE-416.814.967

Consolidated Financial Statements as of 31 December 2022 and independent auditor’s report

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Management report

This is Interogo Holding

Interogo Holding group is a foundation-owned international investment business with its parent company in Switzerland.

Our purpose is to support our owner, Interogo Foundation, to safeguard the IKEA Concept, which is anchored in the IKEA vision: To create a better everyday life for the many people.

Our investments help create financial strength and build the reserves required to secure independence and longevity for our owner, and to ensure the ability to invest in the IKEA Concept in bad as well as good times.

We aspire to use our influence to empower people, organisations and businesses to do good for the people and the planet, while growing our assets responsibly. Only if we take responsibility are we able to be profitable long-term. And we can only secure our ability to take long-term responsibility by being profitable. We believe capital should work for the benefit of many.

Our investment approach is based on the belief that long-term sustainable competitiveness can only be achieved when businesses create value both for their owners and for other stakeholders, including co-workers, society and the environment. Our investment strategies include private and long-term equity, real estate, infrastructure and liquid assets.

Our entrepreneurial heritage calls on us to never stand still, dare to be different and be open for new ideas.

1,000+

Co-workers in
8 divisions

- **Private equity**
- **Real estate**
- **Long-term equity**
- **Infrastructure**
- **Liquid assets**

24

EURbn
AUM 2022

Message from Chairman and CEO

With the Covid pandemic receding, we started 2022 with rather optimistic expectations as economies and societies seemed to be recovering. This was without foreseeing the Ukraine invasion by Russia. While we were hoping for a quick ending of the conflict in Ukraine, we nevertheless expected the future to remain uncertain. And unfortunately, 2022 did turn out to be another challenging year from many fronts. With the impacts of the Covid pandemic on supply chain still lingering, the war dragged down growth and put additional upward pressure on prices, above all for food and energy, particularly hitting households in a way not seen since the 70's. In that context, global market instability dominated the year, as central banks recalibrated their monetary policies to fight inflation at a speed and magnitude unseen in decades.

While the first half of 2022 still saw a continuation of the positive momentum from 2021 for M&A and IPO activity, the second part of the year was marked by a sharp slowdown as the impact of inflation raised questions over earnings and was further fuelled by the elevated cost of debt. Falls in public markets also created a widening gap in the expectations of sellers and buyers of companies.

Real estate markets were not spared. The fast increase in interest rates coupled with continuous high construction prices substantially slowed down development activities. After a slow first part of the year, office letting activity generally improved strongly after summer while investments saw a reversed pattern in most markets we operate. As energy transition accelerates, the gap in demand between energy-efficient and older, less efficient buildings, is clearly widening. On the residential side, unlike house prices, which are coming under pressure from increasing mortgage rates, rental values are increasing at a faster pace as demand shifts to renting from buying in many markets.

Throughout the year, we have continued to develop our investment platform with a continuous focus on sustainability. Amongst other initiatives, we established objectives for each of our group priorities, enabling clear follow-up, focussed actions and progress.

We have continued to expand our investment horizons and welcomed new colleagues in Germany. Nalka Invest, historically focusing on the Nordics, expanded its geographical reach by establishing a new office and team in Munich that will focus on investments in the DACH region (Germany, Austria and Switzerland).

In these unsettled markets, we continued to deploy capital according to our long-term plan with a disciplined and careful investment approach. In total, Interogo Holding invested EUR 1.6bn over 2022, about EUR 0.4bn less than in 2021.

International, our global private equity strategy, managed to steadily commit capital to trusted partners over the year but witnessed a decrease in the volume of capital deployed by their underlying fund investments, as it reached EUR 540m (EUR 680m in 2021). Despite the weaker M&A environment, Nalka Invest continued to look for new opportunities for our direct private equity portfolio with an increased focus on add-on investments. In total, 18 add-on investments and one new platform investment were completed in 2022 and Nalka Invest and its portfolio companies made acquisitions for a total of EUR 370m (EUR 305m in 2021).

In a depressed M&A and IPO market, our long-term equity team has nevertheless continued to patiently build up a portfolio of long-term, sustainable holdings. They successfully lead the first pre-IPO financing round of ABB E-Mobility, a global leader in electric vehicle charging solutions. We have also made investments in the listed companies Siegfried, a worldwide leading CDMO, and Össur, a leader in non-invasive orthopaedics solutions. In total, our Long-Term Equity strategy deployed EUR 295m over the year (EUR 315m in 2021).

The infrastructure investment market remained very competitive throughout the year, especially in the segments targeted by our infrastructure strategy: renewable energy and inflation-hedged cashflow-generating assets, as investors turn to more resilient and mature infrastructure assets in a high inflation and uncertain environment. In this heated market, we remained very rigorous and did not compromise on valuations. We did not secure any new investment (2021: EUR 345m).

In the context of highly inflated construction price, Vastint decided to defer the start of several new developments until market conditions become more favourable. Increased focus was instead put on the acquisition of land and yielding-properties. In total, Vastint invested EUR 465m (EUR 370m in 2021). Office letting activities strongly rebounded in the second part of the year, after a standstill period of almost two years. On the residential side, the portfolio benefitted from market tailwind, with increased rental values and low vacancy rates. Total rental income reached EUR 125m, 22% above 2021. With 95% of its developed properties holding high grade sustainability certifications, we believe Vastint is strongly positioned in its markets to meet the increasing demand for sustainable properties.

In this difficult context, divestments in financial assets and investments contracted from EUR 1.5bn in 2021 to EUR 0.6bn in 2022, generating EUR 310m of realized investment income, substantially below the exceptionally high level of 2021 (EUR 667m).

Gross profit progressed by 44% to reach EUR 860m, mainly driven by Nalka Invest's portfolio add-ons and growth of the existing portfolio companies.

Inter IKEA Holding B.V. still faced many challenges as ongoing supply chain disruptions, increasing raw materials and transport costs negatively affected the business. Inter IKEA distributed a dividend of EUR 850m, down from EUR 1bn in 2021.

Interogo Holding AG's net profit of the year reached EUR 700m, down from EUR 1'469m in 2021. Consistent with the last two years, our portfolio continued to show resilience in 2022 and should be, in our view, well positioned to continue to withstand future headwinds. We are very much thankful to all our co-workers, as this would not be possible without their commitment and continuous hard work.

More than a year since Russian forces invaded Ukraine, there is sadly no sign of an end of the conflict and the catastrophic humanitarian situation endured by the local populations remains devastating. We are proud but humble to have been able to support the humanitarian efforts in Ukraine and its neighbouring countries with donations to the UNCHR and the Red Cross and hopefully made some difference for the many people affected.

The future remains unfortunately uncertain as geopolitical tensions, inflation and high interest rates are likely to stay with us for a longer period of time. With pronounced risks of recession, our long term focus and commitment to support our businesses throughout these tougher times remains intact. Thanks to our solid financial position, the support from our owner, Interogo Foundation, and the dedication of our co-workers, we will be able to continue to invest in and stand-by our businesses to protect and create long-term value for our owner and stakeholders.

Hans Gydell	Henrik Jonsson
Chairman	CEO

Our investment strategies

We focus on sectors and strategies where we can benefit from our long-term business approach, financial strength, and commitment to also consider non-financial aspects of investments.

We are a committed owner who always aspire to provide more than capital to our investments. By working in a decentralised manner, we improve our ability to make well-informed decisions while inspiring our many co-workers to continuously improve our businesses. Our five investment strategies include:

Private equity: we invest globally in the private equity market directly and through funds, secondaries and co-investments. The objective is to identify and unlock values by providing capital and active ownership support to management teams.

Private equity assets under management as of December 31, 2022: EUR 5’040m (2021: EUR 5’070m).*

Real estate: we invest in European real estate markets by focusing on developing and managing assets in the commercial, residential and hotel segments. As both a developer and owner we strive to create long-term sustainable values.

Real estate assets under management as of December 31, 2022: EUR 5’470m (2021: EUR 5’000m).*

Long-term equity: we acquire significant minority equity holdings in profitable and sustainable European companies that have strong market positions and where we see a positive potential for future long-term performance. The strategy includes listed, soon-to-be listed and private companies.

Long-term equity assets under management as of December 31, 2022: EUR 690m (2021: EUR 420m).*

Infrastructure: we acquire holdings in infrastructure companies that provide essential services to society, are recession resilient and have stable cash-flows.

Infrastructure assets under management as of December 31, 2022: EUR 345m (2021: EUR 345m).*

Liquid assets: we manage a portfolio of listed securities, mainly equities and fixed income. By focusing on liquid positions, we aim to achieve a high degree of flexibility in managing the assets.

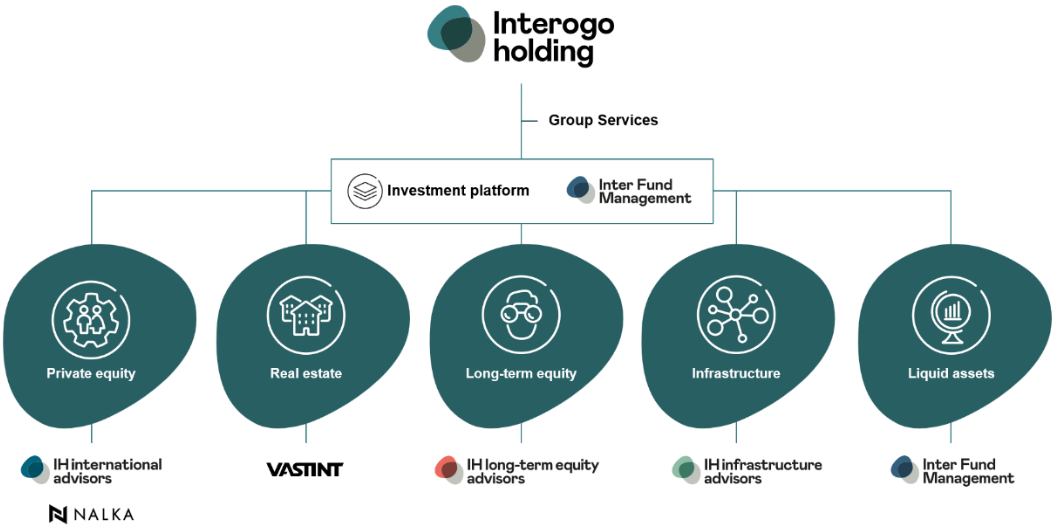
Liquid assets under management as of December 31, 2022: EUR 10’240m (2021: EUR 11’520m). Our owner, Interogo Foundation, is the main investor in the fund with EUR 8’410m (2021: EUR 8’925m).

Interogo Holding AG is a co-shareholder, contributing capital and loan, in Inter IKEA Holding B.V. Our non-voting-shares give the right to potential dividends. Inter IKEA Holding B.V.’s controlling shareholder is Interogo Foundation.

*AUM values per investment strategy are estimated FMV (for information purposes and not audited)

Our business model and organisation

Interogo Holding’s business model is decentralised with each business having far-reaching responsibility for its own operations. Our investment scope includes five strategies: private and long-term equity, real estate, infrastructure and liquid assets. Each strategy is managed and advised by dedicated teams.



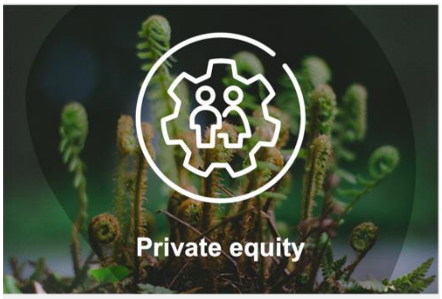
Simplified chart for illustrative purposes

Our five investment strategies advise and manage capital provided by Interogo Holding and Interogo Foundation. The operational model is built around Inter Fund Management (IFM) as investment platform in Luxembourg. IFM, headquartered in Luxembourg with a branch in Belgium, is managing assets on behalf of Interogo Holding and Interogo Foundation. IFM is authorised and regulated by the Commission de Surveillance du Secteur Financier (CSSF) as an Alternative Investment Fund Manager.

The investment advisory teams, IH International Advisors, IH Long-Term Equity Advisors, IH Infrastructure Advisors and Nalka Advisors Germany all operate as advisors to IFM, and perform deal origination, investment due diligence, investment recommendations and investment monitoring. Our liquid asset strategy is managed by a dedicated team within IFM. Nalka Invest’s Nordic strategy and Vastint manage their investments and assets directly and are not integrated in the investment platform.

Our structure offers the advantages and merits of having a decentralised organisation, with each business having far-reaching responsibilities and independence. At the same time, it enables us to work and grow in a coordinated way as a group and to leverage on the expertise of all our coworkers.

Our different investment teams are organised as follows:



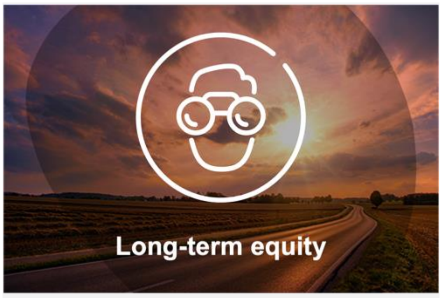
We invest globally through funds, secondaries and co-investment as well as directly, in the Nordic region, acquiring controlling or co-controlling ownership positions.

IH international advisors

IH International Advisors is a private equity investment advisory business with offices in London and New York. The portfolio spans over 20 years of private markets exposure. The advisory scope is global and cross-sector, focusing on primary and secondary fund investments and co-investments.

NALKA

Nalka invests in market-leading small- and medium-sized businesses based in the Nordic and DACH region with international ambition and reach. In 2022, the Nalka portfolio consisted of eleven Nordic companies.



We acquire significant minority equity holdings in profitable and sustainable European companies, both public and private, that have strong market positions and where we see a positive potential for future long-term performance.

IH long-term equity advisors

IH Long-Term Equity Advisors is the long-term equity team of Interogo Holding group. The strategy is to acquire significant equity holdings in profitable and sustainable European companies that have strong market positions and where we see a positive potential for future performance. The strategy includes listed, soon-to-be listed and private companies.

We invest in European real estate by developing and managing commercial properties within the office, residential and hotel segments.

VASTINT

Vastint is a real estate organisation with over 30 years of experience creating long-term value through property investments. The cornerstones of the operations are development of commercial and residential real estate for further active management.

The company is headquartered in Amsterdam and is active in 15 European markets.

We invest in infrastructure businesses providing long-term essential services to society, offering downside protection and predictable cash flows.

IH infrastructure advisors

IH Infrastructure Advisors AG focuses on infrastructure investment opportunities. The strategy, established in 2020, targets mainly European direct investments. The team is based in Pfäffikon SZ.

We invest in listed securities – mainly equities and fixed income – by acquiring minority liquid positions.

Inter Fund Management

Inter Fund Management (IFM) is an independent and entrepreneurial asset management firm and the investment platform for all Interogo Holding advisory teams.

Beside managing the Infrastructure, Long-term Equity,International and Nalka DACH investment portfolios, IFM is also managing liquid assets on behalf of Interogo Holding and Interogo Foundation. The portfolio mainly consists of investments in listed and non-listed securities (equity, bonds and to a lower extent alternative investments.

The team manages assets on behalf of both Interogo Holding and Interogo Foundation. The team is based in Luxembourg.

Treasury Services

Interogo Holding group provides treasury services, including lending and borrowing, for its own subsidiaries and the Inter IKEA Group. These activities are carried out through Interogo Holding AG in Pfäffikon SZ.

Sustainability

With a long-term perspective on business, we strongly believe profitability and responsibility go hand in hand. We are convinced that companies with strong sustainability practices will generate better returns long-term, and that this relationship will only strengthen over time.

As an owner and investor, we recognize our responsibility and influence over our businesses and investments, both via our capital and governance. Our ambition is to drive responsible sustainability agendas throughout the investment cycle.

Our sustainability approach is structured around the three dimensions: ***Invest***, ***Influence***, and ***Live***, all harmonising with how we work in different investment strategies and over investment cycles, and *Live* addressing our own operations. Each dimension is tied to a firm commitment:

- ***Invest***: We include sustainability in our investment decisions
- ***Influence***: We exercise our influence to drive sustainable improvements
- ***Live***: We lead by example

In 2021, the Interogo Holding Sustainability Group Policy, applicable to all wholly owned group companies, was implemented. The policy outlines our sustainability approach, our three ESG priorities (Climate, Inclusion and Business ethics) and our commitments.

During 2022, we continued to develop our group sustainability agenda together with our businesses. We established objectives for each of our group priorities, enabling clear follow-up, focussed actions and progress:

Climate: Measure and continuously reduce CO_2/GHG (greenhouse gas) footprint/intensity to reduce IHAG's climate impact.

Inclusion: Long-term goal to achieve a balanced gender representation in senior management, Investment Committees and Boards.

Business ethics: High business ethics and governance standards based on enhanced training, digital tools and measurement.

Our future focus remains on driving tangible progress via process improvements and establishing clearer KPI's and roadmaps for each business and the group within the three group priorities.

In our decentralised business model, decisions are being made as close to everyday reality as possible. All our businesses have therefore far-reaching responsibilities for their sustainable strategies and practices and implementation of their respective Responsible Investment Policy. Sustainability is included throughout our investment decisions to drive sustainable improvements across the investment portfolios and the full investment cycle.

Corporate Governance

We believe good corporate governance begins with having co-workers who share both our culture and commitment to continuously strengthen our group as a reliable and trustworthy partner. Among other things, this means leading by example and always staying close to reality and our businesses.

We also recognise that governing structures, risk management and internal control are core functions of any business and decisive for our integrity and ability to uphold trust towards our many stakeholders.

The business of Interogo Holding is governed by the General Meeting, the Board of Directors, the CEO and the external auditor. At the General Meeting of shareholders, the owner, Interogo Foundation, elects the Board of Directors and, upon proposal by the Board of Directors, the external auditor. The Board of Directors appoints the CEO.

The Board has a central role in Interogo Holding AG's decentralised business model as an asset manager and active owner. Among other things, it is responsible to set the overall direction and strategy of Interogo Holding, capital allocation and key issues related to investment activities. It has the ultimate responsibility for the organisation and administration of Interogo Holding AG. The work of the Board is guided by a documented working process.

The Interogo Holding Board consists of five directors:

Hans Gydell, Chairman

Søren Hansen

Urs Wickihalder

Fredrik Persson

Lennart Sten

The Board has appointed an Audit Committee whose primary purpose is to provide oversight of the financial reporting process, the audit process, the systems of internal controls and risk management, and compliance with laws and regulations. The Audit Committee reports to the Board of Directors of Interogo Holding AG.

The CEO is responsible for Interogo Holding AG's business operations in accordance with the adopted strategy and instructions set by the Board. The decentralised business model means that each business has far-reaching responsibilities for its own operations. The governance and supervision of the businesses are based on a solid control framework consisting of group policies and guidelines and governance bodies including boards of directors, supervisory boards and investment committees.

Interogo Holding AG is owned by Interogo Foundation in Liechtenstein.

Consolidated Financial Statements 2022

Consolidated Balance Sheet as of December 31, 2022

Assets in EUR 1'000	Notes	31.12.2022	31.12.2021
Non-current Assets			
Intangible assets	3	1'003'843	835'217
Leased land and tangible assets	2	3'561'365	3'231'484
Non-current financial assets	5	7'038'569	12'124'167
Other non-current assets	6	72'932	102'097
Total non-current Assets		**11'676'709**	**16'292'965**
Current Assets			
Inventories	7	297'113	249'332
Trade receivables		303'695	281'239
Other receivables and prepayments		211'296	180'523
Current financial assets	5	11'822'228	4'149'778
Securities	8	3'520'025	5'217'420
Cash and cash equivalent	9	432'816	630'793
Total current Assets		**16'587'173**	**10'709'085**
Total Assets		**28'263'882**	**27'002'050**

Liabilities and Shareholder's Equity in EUR 1'000	Notes	31.12.2022	31.12.2021
Shareholder's equity			
Share capital		300'000	300'000
Share premium		900'000	900'000
Legal reserve		30'000	30'000
Retained earnings		11'247'061	10'725'713
Currency adjustment		947	-9'657
Non-controlling interests		90'406	151'314
Total shareholder's equity		**12'568'414**	**12'097'370**
Non-current liabilities			
Non-current provisions	10	100'311	59'563
Non-current financial liabilities	11	614'030	5'825'240
Other non-current liabilities		38'709	32'077
Total non-current liabilities		**753'050**	**5'916'880**
Current liabilities			
Current financial liabilities	11	14'304'120	8'389'297
Trade payables		222'718	191'482
Other current liabilities		222'055	179'821
Accrued liabilities		193'526	227'201
Total current liabilities		**14'942'419**	**8'987'801**
Total liabilities		**15'695'469**	**14'904'681**
Total liabilities and shareholder's equity		**28'263'882**	**27'002'050**

Consolidated Income Statement for the year ending December 31, 2022

Income statement in EUR 1'000	Notes	2022	2021
Net sales		2'193'012	1'738'120
Cost of goods sold		-1'332'747	-1'140'760
Gross profit		860'265	597'360
Other operating income	14	713'394	949'060
Operating income		**1'573'659**	**1'546'420**
Personnel expenses	15	-562'170	-396'540
Depreciation and impairment on tangible assets	2	-118'326	-95'689
Amortization and impairment of intangible assets	3	-155'244	-122'094
Other operating expenses	17	-689'551	-379'055
Operating result (EBIT)		**48'368**	**553'042**
Financial result	18	703'324	957'993
Profit before tax (EBT)		**751'692**	**1'511'035**
Income Taxes	19	-56'278	-9'779
Net profit		**695'414**	**1'501'256**
Attributable to shareholders of the parent company		699'906	1'468'603
Attributable to non-controlling interests		-4'492	32'653

Consolidated Statement of Cash-Flows for the year ending December 31, 2022

In EUR 1'000	2022	2021
Net profit	695'414	1'501'256
Depreciation, amortization and impairment	273'252	216'141
Gain on disposal of tangible and financial assets	-274'532	-674'329
Change in provisions	-7'499	-9'478
Deferred income taxes	23'072	-74'582
Other non-cash items	92'084	13'591
Change in net working capital	-16'891	113'366
Trade receivables	11'284	5'339
Inventory	-18'990	-2'994
Other receivables and deferrals	-29'427	24'699
Trade payables	-4'853	-55'512
Other payables and accruals	25'095	141'834
Cash-flow from operating activities	**784'900**	**1'085'965**
Investments in tangible assets	-492'921	-368'254
Disposals of tangible assets	17'676	93'456
Investments in intangible assets	-21'317	-15'267
Investments in financial assets	-780'069	-1'360'381
Disposal of financial assets	572'448	1'346'622
Acquisition of group companies	-337'461	-284'694
Disposal of group companies	29'406	17'306
Cash-flow from investment activities	**-1'012'237**	**-571'212**
Change in current financial liabilities	-1'731'403	-908'641
Change in non-current financial liabilities	261'051	633'969
Change in minority interests	-167'273	2'976
Dividend to minority interests	-26'255	-1'606
Cash-flow from financing activities	**-1'663'880**	**-273'302**
Net foreign exchange impact on cash	-4'155	2'961
Change in cash and cash equivalents	**-1'895'372**	**244'412**
Opening value of cash accounts	**5'848'213**	**5'603'801**
Closing value of cash accounts	**3'952'841**	**5'848'213**

The composition of cash accounts includes cash and cash equivalents and highly liquid securities.

The presentation of acquisition and disposal of Group companies and transactions with minorities was changed. Therefore the presentation of the prior year figures was adjusted accordingly.

Changes in Shareholders' Equity as of December 31, 2022

In EUR 1'000	Balance 01.01.2021	Result of the year	Dividends distributed	Change of scope	Change in capital	Currency translation	Balance 31.12.2021
Share capital	300'000						300'000
Share premium	900'000						900'000
Legal reserve	30'000						30'000
Retained earnings	9'272'239	1'468'603		-15'129			10'725'713
Currency adjustment	-7'817					-1'840	-9'657
Non-controlling interests	76'407	32'653	-1'606	39'730	5'399	-1'269	151'314
Total Equity	**10'570'829**	**1'501'256**	**-1'606**	**24'601**	**5'399**	**3'109**	**12'097'370**

In EUR 1'000	Balance 01.01.2022	Result of the year	Dividends distributed	Change of scope	Change in capital	Currency translation	Balance 31.12.2022
Share capital	300'000						300'000
Share premium	900'000						900'000
Legal reserve	30'000						30'000
Retained earnings	10'725'713	699'906		-178'558			11'247'061
Currency adjustment	-9'657					10'604	947
Non-controlling interests	151'314	-4'492	-26'255	26'550	-50'855	-5'856	90'406
Total Equity	**12'097'370**	**695'414**	**-26'255**	**-152'008**	**-50'855**	**4'748**	**12'568'414**

The share capital of the Group is composed as follows:

	Number of shares	Nominal value
At December 31, 2021	330'000	CHF 1'000
At December 31, 2022	330'000	CHF 1'000

All issued registered shares are fully paid in and have equal rights in respect to dividend distributions and capital repayment.

Notes to the Consolidated Financial Statements

Basis for the Consolidated Financial Statements

General

Interogo Holding AG, with legal seat in Freienbach SZ, (hereafter "Holding") is a company incorporated in Switzerland for an unlimited period of time (Canton Schwyz trade register CHE-416.814.967). The consolidated financial statements for the year ending December 31, 2022, comprise the Holding, its subsidiaries and its participating interests (hereafter "Group").

The Group is focused on investments in private and long-term equity, real estate, infrastructure and liquid assets.

The Board of Directors approved the consolidated financial statements on May 3, 2023 for submission to the Annual General Meeting for shareholder approval.

Basis of preparation

Basic accounting policies

The consolidated financial statements have been prepared in accordance with the existing accounting and reporting recommendations of Swiss GAAP FER according to the principle of "true and fair view". The consolidated financial statements are based upon the financial statements of the Group companies as of 31 December and are established in accordance with standardized reporting and accounting policies.

The Group reporting currency is the Euro ("EUR"). The period comprises twelve months and ends 31 December.

All figures included in these financial statements and notes are rounded to the nearest EUR 1'000, except where otherwise indicated.

Changes in accounting policies

No changes to the Swiss GAAP FER standards became applicable in the current financial year.

Accounting estimates and judgements

The preparation of consolidated financial statements in accordance with Swiss GAAP FER requires management to make certain accounting estimates and apply judgements which have an impact on the consolidated financial statements and related notes. These estimates and judgements are continuously evaluated and are based on experience and other factors, including expectations and assessments of future events that are presumed to be reasonable under the current circumstances. The actual results may be different from these estimates.

Consolidation policies

Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating activities of an entity so as to obtain benefits from its operations. Control is normally presumed to exist when the Group, directly or indirectly, owns more than half of the voting rights of an entity. The existence and effect of potential voting rights that are currently exercisable or tradable can also determine whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is obtained. They are de-consolidated from the date that control ceases. Subsidiaries are recognised using the purchase method. The consideration encompasses the compensation transferred in exchange for obtaining control over the identifiable assets, liabilities and contingent liabilities of the company acquired. The compensation encompasses cash payments as well as the fair market value of both the transferred assets, the incurred or assumed liabilities and, in addition, the equity instruments as of the trade date that have been issued by the Group. The net assets acquired comprising identifiable assets, liabilities and contingent liabilities, are recognised at their fair value. Goodwill is recognised as of the acquisition date and is measured as the excess of the consideration transferred as described over and above the fair value of the identified net assets. If the Group does not acquire 100% of the shares of a company, the non-controlling interests in equity is to be disclosed separately in equity. Changes in ownership interests in subsidiaries are recognised as equity transactions, provided that control continues.

Transactions, balances and gains on transactions between subsidiaries are eliminated in full. Losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Associates

Associates are companies that are significantly influenced, but not controlled by the Group. This is generally evidenced when the Group owns between 20% and 50% of the voting rights of a company. Investments in associates are accounted for using the equity method. The Group's investment in associates may include goodwill identified on acquisition.

Foreign currency transactions

Transactions in foreign currencies other than the reporting currency are translated at the foreign exchange rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate effective at the balance sheet date. The resulting gains or losses are recorded in the income statement.

Foreign subsidiaries

The financial statements of foreign subsidiaries are translated into the reporting currency at year-end exchange rates for balance sheet and average exchange rates for income statement accounts. The equity accounts are kept at historical cost. Resulting differences are recorded under currency translation adjustment in equity.

Derivative financial instruments

Derivative financial instruments are accounted for at fair value. Changes in the fair value are recognised immediately in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and time deposits with a residual term to maturity from the balance sheet date of 90 days at the most. They form the basis of the consolidated statement of cash flows.

Securities

Listed securities, portfolios or hedge funds managed by third parties are recorded at stock market prices at the balance sheet date. Unlisted securities are shown in the balance sheet at acquisition cost less any impairment.

Trade receivables / other receivables

Trade receivables and other receivables are valued at par value less impairment, if any. An allowance is recorded if objective indications show that receivables cannot be collected. Allowances are based on individual valuations.

Prepayments

Prepayments are costs relating to a subsequent accounting period that are capitalized as assets until they are actually used (e.g. insurance premiums, rent, interest charges and sundry costs paid in advance, non-consumed costs, maintenance contract fees).

Inventories

Inventories are measured at cost. Discounts are recognised as a reduction in the purchase price. If the book value exceeds the net market value, an impairment is recorded on the income statement in the current period (lower of cost or market principle). Net market value is equivalent to the current market price less the usual sales deductions, marketing costs and administrative costs yet to be incurred. Inventories that cannot be sold are written off in full. The costs of inventories are determined by using the first in first out ("FIFO") method.

Inventories include costs incurred in relation to the construction of buildings that are destined to be sold.

Leased land

A leased land is a long-term lease agreement in which the tenant rents and uses the land to erect buildings and infrastructures. The tenant owns the temporary or permanent buildings and infrastructures built upon it.

Leased land is depreciated over the lease period, which expires between the years 2023 and 2140.

Tangible assets

Tangible assets are carried at acquisition or manufacturing costs, with depreciation calculated using the straight-line method based on the following estimated useful lives:

	Years
Buildings – Other	33
Building installations	15
Leasehold improvements and leased equipment	Lease period
IT equipment	5
Furniture, fixtures and fittings	10

Investment property

Investment properties are carried at historical or manufacturing cost less accumulated depreciation and any impairment. The period of depreciation is calculated according to the category of asset.

Intangible assets

Goodwill

Net assets taken over in an acquisition are to be valued at actual values and any surplus of acquisition cost over the newly valued net assets is to be designated as goodwill (purchase price allocation). Goodwill is amortized on a straight-line basis over the expected useful life period not exceeding 10 years.

Other intangible assets

Other intangible assets include licenses, patents or other rights. Other intangible assets are amortized over the expected useful life period not exceeding 10 years using the straight-line method.

Financial assets

Financial assets include associates, related parties, non-listed investments in funds, co-investments and listed and non-listed direct investments, held for the long-term and valued at historical cost less impairment.

Impairment of assets

All assets are reviewed as of each balance sheet date for indications of impairment. If there are indications that an asset may be impaired, the recoverable amount of the asset is determined and the impairment loss is estimated. Should the estimated recoverable amount of the asset, which is equivalent to the higher of net market value and the useful value of the asset, be lower than the asset's book value, an adjustment is made to the income statement to reduce the book value of the asset to the estimated recoverable amount in the same period in which the impairment was discovered. Net market value is the price obtainable between independent third parties less the associated selling expenses. Useful value is based on the estimated future cash flows resulting from the use of the asset, including any possible cash flow at the end of the useful life, discounted using an appropriate long-term interest rate.

Operating Leases

Operating lease payments are recognised as expenses in the income statement on a straight-line basis over the lease term.

Financial liabilities

Financial liabilities are measured at amortized costs.

Trade and other payables

Trade and other payables are stated at its nominal amount.

Provisions

Provisions are established when a legal or constructive obligation arising from past events exists that will likely result in a cash outflow and this cash outflow can be reliably measured. The provisions established represent the best possible estimate of the final obligation. Long-term provisions are discounted to their present values, provided that the impact is material. The subdivision into short-term and long-term provisions is based on whether utilisation is assumed to be probable within one year or at a later time.

Possible obligations whose existence requires confirmation by future events, or obligations whose amount cannot be reliably estimated, are disclosed in the notes to the financial statements as contingent liabilities.

Contingent liabilities

Contingent liabilities are assessed according to the probability and scope of future unilateral contributions and costs and are disclosed in the notes.

Pension benefit obligations

The pension benefit obligations of the Group companies in respect of old age, death and disability comply with the statutory provisions and regulations in the respective countries.

An economic benefit is capitalised provided it will be available to reduce the company's future pension expenses. An economic obligation is recognised as a liability if the conditions for establishing a provision are met. Any unconditionally available employer contribution reserves are recognised as assets. The economic impacts of surpluses or deficits in the pension funds on the Group, as well as a change in any employer contribution reserves, are recognised as profit or loss and reported as personnel expenses in addition to the contributions deferred to the reporting period.

Taxes

Income taxes

Current income taxes are calculated at the prevailing tax rates on the basis of the expected fiscal result for the period as per commercial law and according to the respective tax assessment rules. They are disclosed under other current liabilities.

Deferred taxes

Deferred taxes are taken into account on temporary differences between tax bases and the carrying amounts in the consolidated financial statements and are calculated using the liability method based on effective or expected effective local tax rates. Deferred tax assets are recognised for loss carry-forwards where it is highly probable that they can be offset against future taxable income. The changes in deferred tax assets and liabilities are recognised in the consolidated income statement. Taxes on transactions that are reported in equity are also recognised in equity.

Revenue recognition

Net sales

Sales consists of all sales proceeds attained from the delivery of goods to third parties after deducting discounts, rebates and cash discounts. Sales proceeds are always included in the income statement as soon as the delivery of the goods has taken place and risks and rewards have been transferred to the buyer.

Rental income

Rental income from tenants is recognised in the income statement on a straight-line basis over the term of the lease.

Service income

Service income consists of services to third parties after deduction of discounts and rebates. Service proceeds are included in the income statement as soon as the service has been rendered.

Gain or loss on disposal of tangible and financial assets

The gain or loss on disposal of tangible and financial assets is recognised when assets are effectively sold. It consists of the sales proceed, net of any selling expenses, minus the net book value including any impairment previously taken on such assets.

Financial result

Financial income

Financial income comprises dividends, interest income, fair value adjustment gains on current liquid assets, realized foreign currency gains and gains on hedging instruments that are recognised in the income statement.

Interest income is recognised in the income statement as it accrues. Dividend income is recognised when declared by the Board of Directors or at the Annual General Meeting of the shareholders.

Financial expenses

Financial expenses comprise interest expenses, fair value adjustment losses on current liquid assets, realized foreign currency losses and losses on hedging instruments that are recognised in the income statement.

All borrowing costs are recognised in the income statement as it accrues.

Value adjustments result from the compliance of the fair market value principle applied to financial instruments, such as bonds, shares, warrants and options.

Note 1 Consolidation scope

The most significant companies contributing to the Group consolidation as at December 31, 2022 are listed below:

Entities	Country	Interest held in capital / votes		Currency	Share capital		Equity contribution	
		2022	2021		2022	2021	2022	2021
Interogo Holding AG	CH	Parent	Parent	TCHF	330'000	330'000	996'390	996'390
Inter Holding Services SA	BE	100%	100%	TEUR	63	63	-	-
Vastint Holding BV *	NL	100%	100%	TEUR	45'378	45'378	959'067	614'067
Vastint Netherlands BV *	NL	100%	100%	TEUR	40'505	45'505	3	3
Vastint Belgium SA	BE	100%	100%	TEUR	16'065	16'065	837	837
Parc Louise SA	BE	100%	100%	TEUR	744	744	-	-
Vastint Lithuania UAB	LT	100%	100%	TEUR	28'965	28'965	-	-
Vastint France SAS	FR	100%	100%	TEUR	10'000	9'000	24'000	-
Vastint France Construction SA	FR	100%	100%	TEUR	500	500	-	-
Vastint Latvia SIA	LV	100%	100%	TEUR	21'000	21'000	19'630	19'630
Vastint Romania SRL	RO	100%	100%	TRON	273'166	196'060	-	21
Vastint UK BV	NL	100%	100%	TGBP	109'058	30'574	69'973	69'973
Vastint UK Services Ltd	UK	100%	100%	TGBP	174'000	97'000	-	-
Vastint UK Residential Ltd	UK	100%	100%	TGBP	51'000	35'000	-	-
Vastint Land BV	NL	100%	100%	TEUR	5'000	5'000	-	-
Aurora Vastgoed BV	NL	100%	100%	TEUR	18	18	68'069	68'069
Colgardie S.L.	SP	100%	100%	TEUR	36'703	36'703	9'000	9'000
Vastint Poland Spzoo	PL	100%	100%	TEUR	42'530	44'489	163'254	163'254
Vastint Hospitality BV	NL	100%	100%	TEUR	1'000	1'000	290'000	110'000
Hospitality Equipment BV	NL	100%	100%	TEUR	100	100	-	-
Vastint Hospitality UK Services Ltd	UK	100%	100%	TGBP	50	50	-	-
Vastint Hospitality Germany Services GmbH	DE	100%	100%	TEUR	25	25	-	-
Vastint Factory SRL	IT	100%	100%	TEUR	10	10	470	470
Vastint Italy SRL	IT	100%	100%	TEUR	10	10	49'590	8'840
Vastint Hospitality Spain SL	SP	100%	100%	TEUR	3	3	-	-
Vastint Hospitality UK Student Home BV	NL	100%	100%	TGBP	-	-	-	-
Hotel Co 51 BV	NL	100%	100%	TEUR	-	-	45'000	45'000
Hotel Co 51 Netherlands BV	NL	100%	100%	TEUR	250	250	2'000	1'500
Hotel Co 51 Italy Srl	IT	100%	100%	TEUR	10	10	1'100	1'100
Hotel Co 51 Norway AS	NO	100%	100%	TNOK	30	30	25'322	20'322
Hotel Co 51 UK Ltd	UK	100%	100%	TGBP	-	-	8'526	8'526
Hotel Co 51 France SAS	FR	100%	100%	TEUR	10	10	4'500	2'000
Hotel Co 51 Poland Spzoo	PL	100%	100%	TPLN	926	5	5'984	5'989
Hotel Co 51 Belgium SRL	BE	100%	100%	TEUR	5	5	7'000	7'000
Hotel Co 51 Germany GmbH	DE	100%	100%	TEUR	25	25	13'000	13'000
Inter Fund Management SA	LU	100%	100%	TEUR	1'500	1'500	-	-
Inter STL SA	LU	100%	100%	TEUR	50'000	50'000	142'200	63'700
IH International Advisors Ltd	UK	100%	100%	TGBP	50	50	-	-
IH International Advisors US Inc.	US	100%	100%	TUSD	250	250	-	-
IH Participations AG	CH	100%	100%	TEUR	359	359	39'490	39'450
International Sif Sicav SA *	LU	100%	93%	TEUR	1'250	1'250	638	638
International II Sif Sicaf SA	LU	100%	100%	TEUR	170'000	70'000	-	-
IH Long-Term Equity Advisors AB	SE	100%	100%	TSEK	50	50	-	8'001
Inter Long Term Capital S.A.	LU	100%	100%	TEUR	31	31	292'000	292'000
IH Infrastructure Advisors AG	CH	100%	100%	TCHF	100	100	-	-
Inter Infrastructure Capital SA	LU	100%	100%	TEUR	50'031	31	110'000	110'000
Nalka Invest AB *	SE	100%	100%	TSEK	60'000	60'000	858'418	858'418
Asker Healthcare Group AB	SE	69%	69%	TSEK	457'954	458'030	1'050'000	-
Prototal Holding AB	SE	77%	67%	TSEK	221'250	221'250	126'039	-
Best Transport Holding AB	SE	89%	89%	TSEK	547'554	*547'554*	-	-

MYBW Office Management TopCo AB*	SE	79%	81%	TSEK	886'273	886'273	4'950	-
Eson Pac International AB *	SE	-	63%	TSEK	-	95'791	-	-
Cibes Holding AB *	SE	94%	95%	TSEK	36'288	30'728	403'833	-
Open Air Holding AB *	SE	84%	84%	TSEK	8'077	8'077	103'976	-
Lekolar Group AB * (former Played Top Hold AB)	SE	91%	91%	TSEK	354'285	354'285	-	-
Certego Topco AB *	SE	97%	97%	TSEK	25	25	684'275	-
Uniwater Topco AB * (former Watuni Topco AB*)	SE	80%	82%	TSEK	652'250	640'428	49'975	-
Precis Digital AB *E	SE	22%	-	TSEK	183'472	-	-	-

*Companies with subsidiaries in following countries: CH, DK, FI, NO, DE, ES, MT, MU, NL, SE, US, UK, LA, LI, CHN, VNM, THA, PHL, UAE, IN, AU.

E Accounted for using the equity method

In 2022, Nalka Invest AB acquired 22% of the shares of Precis Digital AB and disposed the 63% holding in Eson Pac International AB.

Note 2 Leased land and tangible assets

In EUR 1'000	Land undeveloped	Land & building	Leasehold improvements	Other assets & equipment	Assets under construction	Total
At cost						
As at January 1, 2021	**488'697**	**2'300'420**	**116'220**	**20'973**	**499'034**	**3'425'344**
Additions	35'010	72'440	8'097	3'481	249'226	368'254
Disposals	-	-53'066	-1'785	-2'759	-5'676	-63'286
Transfers	-21'368	385'570	18'319	6'623	-407'201	-18'057
Scope change	-	21'070	-	571	73	21'714
Translation adjustment	16'890	47'364	379	225	16'585	81'443
As at December 31, 2021	**519'229**	**2'773'798**	**141'230**	**29'114**	**352'041**	**3'815'412**
Additions	14'902	215'430	18'058	3'374	241'188	492'952
Disposals	-	-7'640	-35	-2'352	-	-10'027
Transfers	-9'811	180'707	466	14'407	-175'688	10'081
Scope change	-	47'482	-2'233	272	53	45'574
Translation adjustment	-12'002	-57'835	-413	-962	-10'338	-81'550
As at December 31, 2022	**512'318**	**3'151'942**	**157'073**	**43'853**	**407'256**	**4'272'442**
Accumulated depreciation						
As at January 1, 2021	**-**	**-439'528**	**-41'218**	**-11'758**	**-**	**-492,504**
Additions	-	-87'655	-4'692	-3'339	-	-95'686
Disposals	-	19'098	1'737	2'261	-	23'096
Impairment	-	-	-	-	-	-
Transfers	-	1'763	3	-339	-	1'427
Scope change	-	-18'011	-	-390	-	-18'401
Translation adjustment	-	-1'854	-147	141	-	-1'860
As at December 31, 2021	**-**	**-526'187**	**-44'317**	**-13'424**	**-**	**-583'928**
Additions	-	-96'100	-14'121	-8'101	-	-118'322
Disposals	-	7'062	23	2'217	-	9'302
Impairment	-	-	-	-	-	-
Transfers	-	2'820	-747	-1'820	-	253
Scope change	-	-30'273	2'130	-134	-	-28'277
Translation adjustment	-	9'369	165	364	-	9'898
As at December 31, 2022	**-**	**-633'312**	**-56'866**	**-20'899**	**-**	**-711'077**
Net book value						
- as at January 1, 2021	488'697	1'860'892	75'002	9'215	499'034	2'932'840
- as at December 31, 2021	519'229	2'247'611	96'913	15'690	352'041	3'231'484
- as at December 31, 2022	**512'318**	**2'518'630**	**100'207**	**22'954**	**407'256**	**3'561'365**

Additions to tangible assets mainly relates to Vastint (real estate). The geographical split for real estate development expenditures (offices, hotels, residential) is summarised as follows: UK 32%, FR 22%, IT 17%, PL 11%, NL 7%, BE 6 % and 5% others.

Note 3 Intangible assets

In EUR 1'000	Goodwill	Licenses and other intangibles	Total
At cost			
As at January 1, 2021	**761'577**	**151'384**	**912'961**
Additions	-	15'267	15'267
Disposals	-27'165	224	-26'941
Transfers	3'429	-6'139	-2'710
Scope change	296'743	18'074	314'817
Translation adjustment	-10'443	-1'423	-11'866
As at December 31, 2021	**1'024'141**	**177'387**	**1'201'528**
Additions	-	21'317	21'317
Disposals	-	-	-
Transfers	-47'645	63'562	15'917
Scope Change	193'213	152'022	345'235
Translation adjustment	-68'367	-17'833	-86'200
As at December 31, 2022	**1'101'342**	**396'455**	**1'497'797**
Accumulated depreciation			
As at January 1, 2021	**-210'198**	**-70'080**	**-280'278**
Additions	-93'736	-19'502	-113'238
Disposals	27'165	-224	26'941
Impairment	-8'856	-	-8'856
Transfers	-658	2'585	1'927
Scope change	11'094	-7'030	4'064
Translation adjustment	2'425	705	3'130
As at December 31, 2021	**-272'764**	**-93'547**	**-366'311**
Additions	-111'100	-37'589	-148'689
Disposals	-	-	-
Impairment	-6'555	-	-6'555
Transfers	-3'224	-1'621	-4'845
Scope change	12'384	-5'905	6'479
Translation adjustment	18'821	7'146	25'967
As at December 31, 2022	**-362'438**	**-131'516**	**-493'954**
Net book value			
- as at January 1, 2021	551'379	81'304	632'683
- as at December 31, 2021	751'377	83'840	835'217
- as at December 31, 2022	**738'904**	**264'939**	**1'003'843**

Intangible assets are mainly composed of goodwill on subsidiaries belonging to Nalka Invest AB Group.

Note 4 Foreign currencies

	Balance sheet year-end rates		Income statement average rates	
	31.12.2022	31.12.2021	2022	2021
US Dollar (USD)	0.9394	0.8841	0.9509	0.8465
British Pound (GBP)	1.1316	1.1932	1.1698	1.1650
Danish Krona (DKK)	0.1345	0.1345	0.1344	0.1345
Norwegian Krona (NOK)	0.0949	0.1002	0.0989	0.0984
Swedish Krona (SEK)	0.0896	0.0977	0.0936	0.0984

Note 5 Current and non-current financial assets

In EUR 1'000	31.12.2022	31.12.2021
Non-listed investments	6'801'709	6'579'496
Listed investments	194'253	83'497
Non-current loans receivable	42'607	5'461'174
Total non-current financial assets	**7'038'569**	**12'124'167**
Current loans receivables	11'754'683	4'118'176
Other current financial assets	67'545	31'602
Total current financial assets	**11'822'228**	**4'149'778**

Non-listed investments includes the participation held in Inter IKEA Holding BV and interests in investment funds and minority stakes in non-listed companies as part of our private and long-term equity investment strategy. The participation in Inter IKEA Holding B.V. amounts to EUR 4'096m. The caption "Listed investments" relate to the listed investments being part of our long-term equity investment strategy.

Note 6 Other non-current assets

In EUR 1'000	31.12.2022	31.12.2021
Cash guarantees and deposits	13'386	16'771
Deferred tax asset	25'314	56'327
Straight-lining of rental income	34'286	22'568
Other non-current receivables	7'885	6'431
Total	**80'871**	**102'097**

Note 7 Inventories

In EUR 1'000	31.12.2022	31.12.2021
Raw material and consumables	47'635	38'184
Inventory in progress	6'289	7'023
Finished goods and goods for resale	239'074	188'868
Assets held for sale	4'115	15'257
Total	**297'113**	**249'332**

Assets held for sale are related to properties held by Vastint consisting of residential properties built for sale. Other inventories are highly diversified as industrial, wholesale and retail goods held essentially by Nalka Invest's portfolio companies.

Note 8 Securities

Securities are composed of publicly traded bonds, money market funds and other debt instruments held as part of treasury management.

Note 9 Cash and cash equivalents

In EUR 1'000	31.12.2022	31.12.2021
Cash at bank and in hand	332'552	456'469
Short-term deposits	100'264	174'324
Total	**432'816**	**630'793**

Note 10 Provisions

In EUR 1'000	Provisions for employment commitment	Deferred tax liability	Other provisions	Total
As at January 1, 2021	13'684	68'766	20'733	103'183
Creation	32	-	-	32
Utilization	-	-36'832	-9'510	-46'342
Scope change	-	2'217	757	2'974
Translation adjustment	-3	-34	-247	-284
As at December 31, 2021	**13'713**	**34'117**	**11'733**	**59'563**
Creation	19	1'483	636	2'138
Utilization	-130	-8'823	-5'337	-14'290
Scope change	1'391	50'004	5'421	56'816
Translation adjustment	-87	-2'897	-932	-3'916
As at December 31, 2022	**14'906**	**73'884**	**11'521**	**100'311**

The provision for employment commitment is a potential liability related for almost its entirety to pension obligations related to pension schemes no longer in force within the Group.

Note 11 Current and non-current financial liabilities

The current and non-current financial liabilities comprise loans owed to related parties and credit institutions with the following maturity:

In EUR 1'000	31.12.2022	31.12.2021
More than one year	614'030	5'825'240
Less than one year	14'304'120	8'389'297
Total	**14'918'150**	**14'214'537**

The majority of current and non-current loans are granted by related parties (see Note 12).

Note 12 Transactions with related parties

Balance sheet In EUR 1'000	31.12.2022	31.12.2021
Non-current financial assets	4'109'438	9'509'815
Other receivables and prepayments	88	60
Current financial assets	11'753'091	4'117'229
Assets	**15'862'617**	**13'627'104**
Non-current financial liabilities	-	5'400'000
Current financial liabilities	14'197'857	8'304'441
Liabilities	**14'197'857**	**13'704'441**

Income statement In EUR 1'000	2022	2021
Other operating revenues	12'213	9'431
Service expenses	-300	-283
Dividend income	850'000	1'000'000
Interest income	376'771	337'821
Interest expense	-375'367	-327'557

Related parties include Interogo Foundation, the ultimate owner, and its subsidiaries who are not part of the Interogo Holding AG consolidation scope. Any rendering of services and lending to and from related parties are entered at market conditions.

Note 13 Sales

Sales are composed of diversified activities such as industrial, wholesale and retail goods of portfolio companies of Nalka Invest AB.

Note 14 Other operating income

In EUR 1'000	2022	2021
Rental income	125'920	103'604
Service income	48'428	48'689
Investment income	354'228	666'590
Gain on sales of tangible assets	5'398	68'278
Other	179'420	61'899
Total	**713'394**	**949'060**

Rental income consists of rental income on leased properties owned by Vastint. Service income consists of, for the majority, maintenance activities of Nalka's portfolio companies and for a smaller portion to fund management services rendered by Inter Fund Management. Investment income relates to net realised gains, interest income and dividend income generated by our private equity and long-term equity investments portfolios and net realised gains on disposal of participations.

Note 15 Personnel expenses

In EUR 1'000	2022	2021
Wages and salaries	431'742	299'937
Social security expenses	78'631	58'954
Pension expenses	31'777	22'804
Other	20'020	14'845
Total	**562'170**	**396'540**

Note 16 Employee pensions

The Group provides post-employment benefits to its employees, in the form of defined contribution or defined benefit pension plans, in most countries where it operates and in line with country legislation.

Note 17 Other operating expenses

In EUR 1'000	2022	2021
Consultancy, advisory and investment fees	108'526	109'329
Impairment on non-current financial assets	176'106	50'175
Impairment on current assets	-318	-1'642
Property maintenance, repairs and utilities	107'102	72'088
Marketing and communication	27'308	20'761
Loss on disposal of tangible assets	102	72
Loss on disposal of financial assets	37'936	-
Other operating expenses	232'789	128'272
Total	**689'551**	**379'055**

Note 18 Financial result

In EUR 1'000	2022	2021
Dividend income	850'000	1'000'000
Interest income and expenses	-142'324	-49'713
Fair value adjustments on securities	-4'729	12'448
Net foreign exchange gains or losses	6'475	-3'294
Other financial income and expenses	-6'475	-1'448
Share of result from associates	377	-
Total	**703'324**	**957'993**

Note 19 Income taxes

In EUR 1'000	2022	2021
Current income taxes	33'291	84'391
Deferred income taxes	22'987	-74'612
Total	**56'278**	**9'779**

Group companies recognised deferred tax assets of EUR 25.3m (2021: EUR 56.3m) which arises from tax losses carried forward and other temporary tax differences. The average rate to calculate the deferred tax assets and liabilities was 19% (2021: 21.03%). The tax losses carried forward not recognised amount to EUR 189m (2021: EUR 96m).

Note 20 Contingent liabilities

Group companies have issued guarantees towards third parties for a total amount of EUR 35m (2021: EUR 15m). The Group also has commitments into conditional land purchase and investment agreements for EUR 1'556m (2021: EUR 1'366m).

Note 21 Derivative financial instruments

Derivative financial instruments are recognised at fair value. The Company has foreign exchange contracts outstanding as of 31 December 2022. These contracts were entered into in order to hedge the intercompany and related party loans.

Derivative financial instruments in mEUR	Contract value		Positive value		Negative value		Derivative class
	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021	
Cross currency Swaps	-	54'781	-	17'857	-	-18'567	Hedging
FX Swap	4'415'067	3'725'813	67'545	13'745	-9'012	-29'655	Hedging
Total	**4'415'067**	**3'780'594**	**67'545**	**31'602**	**-9'012**	**-48'222**	
Current loans receivables			11'754'683	4'118'176			
Derivative financial instrument			67'545	31'602			
Current financial liabilities					14'313'132	8'437'519	
Derivative financial instrument					-9'012	-48'222	
Total			**11'822'228**	**4'149'778**	**14'304'120**	**8'389'297**	

Note 22 Contractual obligations

The table below shows future leasing obligations amount from land leases and other rental arrangements.

In EUR 1'000	2022	2021
Less than one year	52'554	48'979
Between one and five years	95'476	88'981
Over five years	140'610	131'045
Total	**288'640**	**269'005**

Note 23 Disposed Group companies

During the financial year 2022 the Group divested Eson Pac International AB. The company was sold and deconsolidated as of 11 April 2022. The impact on the Group's consolidated financial statement is presented below.

In EUR 1'000	Eson Pac International AB
Intangible assets	6'599
Tangible assets	10'144
Financial assets	859
Inventory	4'155
Current assets	11'386
Cash and bank	1'738
Total assets	**34'882**
Long term liabilities	6'626
Other short term liabilities	13'272
Total	**19'898**

Note 24 Subsequent events

The Board of Directors is of the opinion that, as of the date of this report, there has been no event which require additional disclosure in or adjustments to the amounts recognised in these audited consolidated financial statements.

Independent Auditor's Report

Building a better working world

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To the General Meeting of
Interogo Holding AG, Freienbach

Zurich, 3 May 2023

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion
We have audited the consolidated financial statements of Interogo Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as of 31 December 2022, the consolidated income statement, the consolidated statement of cashflows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 13 to 29) give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, 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.

Other information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements
The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 Swiss law and SA-CH 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 consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Willy Hofstetter (Qualified Signature)	Gianantonio Zanetti (Qualified Signature)
Licensed audit expert (Auditor in charge)	Licensed audit expert

Interogo Holding AG

For further information,
please visit the Interogo
Holding AG website,
www.interogoholding.com