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Combined Carve-Out Financial Statements of the Unilever PLC’s Ice Cream Business in certain jurisdictions as of and for the years ended 31 December 2022, 31 December 2023 and 31 December 2024

Combined Carve-Out Income Statement

		For the year ended 31 December		
		2024	2023	2022
		(€ million)		
	Note			
Revenue	3	7,947	7,618	7,506
Operating profit	3	764	742	737
Net finance costs	5	(17)	(20)	(35)
Pensions and similar obligations		(12)	(11)	(7)
Finance income		2	1	1
Finance costs		(7)	(10)	(29)
Net monetary loss arising from hyperinflationary economies	1	—	(10)	(2)
Profit before taxation		747	712	700
Taxation	6	(152)	(203)	(173)
Net profit		595	509	527
Attributable to:				
Non-controlling interests		16	17	18
Parent investment		579	492	509

Operating profit includes certain indirect centrally incurred costs and general corporate expenses (note 3) that have been allocated to the Ice Cream Business on the basis that it operated as part of the Unilever Group. These allocations have been determined on a basis that both Unilever and the Ice Cream Business consider to be a reasonable reflection of the utilisation of services provided to, or the benefit received by, the Ice Cream Business during the periods presented. The reasonable reflection is primarily based on revenues generated by the Ice Cream Business as compared to the Unilever Group. Had the Ice Cream Business operated independently during the periods presented, the level of costs incurred would have been different and would have been influenced by a number of factors including the chosen organization structure, the functions that are outsourced as opposed to performed by employees, and by other strategic decisions made in areas such as information technology and infrastructure.

The tax charge has been determined using an effective tax rate that is appropriate to circumstances in each individual country. The tax charges recorded in the income statement may not necessarily be representative of the charges that may arise in the future. See note 1 for additional detail on the tax charge computation.

The accompanying notes are an integral part of these combined carve-out financial statements.

Combined Carve-Out Statement of Comprehensive Income

		For the year ended 31 December		
		2024	2023	2022
		(€ million)		
	Notes			

		For the year ended 31 December		
		2024	2023	2022
Net profit		595	509	527
Other comprehensive income	6C			
Items that will not be reclassified to profit or loss, net of tax:				
Remeasurement of defined benefit pension plans		38	—	32
Items that may be reclassified subsequently to profit or loss, net of tax:				
Gains/(losses) on cash flow hedges		88	2	(9)
Currency retranslation gain/(loss)		137	(50)	153
Total comprehensive income		858	461	703
Attributable to:				
Non-controlling interests		17	16	16
Parent investment		841	445	687

The accompanying notes are an integral part of these combined carve-out financial statements.

Combined Carve-Out Statement of Changes in Net Parent Investment

	Other reserves	Invested capital	Net parent investment	Non-controlling interests	Total equity
			(€ million)		
1 January 2022	—	1,597	1,597	28	1,625
Profit or loss for the period	—	509	509	18	527
Other comprehensive income, net of tax:					
Cash flow hedges losses	(9)	—	(9)	—	(9)
Remeasurement of defined benefit pension plans	32	—	32	—	32
Currency retranslation gains/(losses)[a]	155	—	155	(2)	153
Total comprehensive income	178	509	687	16	703
Share-based payment credit[b]	—	18	18	—	18
Other transactions with Unilever[c]	—	(349)	(349)	—	(349)
Transactions with owners of the non-controlling interests[c]	—	—	—	(19)	(19)
31 December 2022	178	1,775	1,953	25	1,978
Profit or loss for the period	—	492	492	17	509
Other comprehensive income, net of tax:					
Cash flow hedges gains	2	—	2	—	2
Remeasurement of defined benefit pension plans	—	—	—	—	—

	Other reserves	Invested capital	Net parent investment	Non-controlling interests	Total equity
Currency retranslation losses[a]	(49)	—	(49)	(1)	(50)
Total comprehensive income/(loss)	(47)	492	445	16	461
Share-based payment credit[b]	—	20	20	—	20
Other transactions with Unilever[c]	—	92	92	—	92
Transactions with owners of the non-controlling interests[c]	—	—	—	(16)	(16)
31 December 2023	131	2,379	2,510	25	2,535
Profit or loss for the period	—	579	579	16	595
Other comprehensive income, net of tax:					
Cash flow hedges gains/(losses)	88	—	88	—	88
Remeasurement of defined benefit pension plans	38	—	38	—	38
Currency retranslation gains/(losses)[a]	136	—	136	1	137
Total comprehensive income/(loss)	262	579	841	17	858
Share-based payment credit[b]	—	32	32	—	32
Dividends paid to non-controlling interests	—	(11)	(11)	—	(11)
Other transactions with Unilever[c]	—	(594)	(594)	—	(594)
Transactions with owners of the non-controlling interests[c]	—	—	—	(19)	(19)
31 December 2024	393	2,385	2,778	23	2,801

(a) Includes a hyperinflation adjustment in relation to Turkey for the years ended 31 December 2022, 2023, and 2024.

(b) The share-based payment credit relates to the non-cash charge recorded against operating profit in respect of the fair value of Unilever share options and awards allocated to the Ice Cream Business.

(c) Other transactions with Unilever reflect the fact that the Ice Cream Business does not retain cash generated from operating activities and represent the cash outflow associated with repatriating such cash to Unilever, net of any movements in working capital, financing and investing activities. The components of Net parent investment are presented in note 13A on page 55.

The accompanying notes are an integral part of these combined carve-out financial statements.

Combined Carve-Out Balance Sheet

		As at 31 December			As at 1 Jan
		2024	2023	2022	2022
		(€ million)			
	Notes				
Assets					
Non-current assets					
Goodwill	7	585	558	272	264
Intangible assets	7	793	754	381	366
Property, plant and equipment	8	2,355	2,234	2,246	2,138
Pension asset for funded schemes in surplus	4B	—	—	—	1
Deferred tax assets	6B	130	151	150	212
Other non-current assets	9	29	63	71	42
		3,892	3,760	3,120	3,023
Current assets					
Inventories	10	920	915	991	751
Trade and other current receivables	11	635	540	587	425
Current tax assets		4	6	3	2
Cash and cash equivalents	15	70	52	44	51
		1,629	1,513	1,625	1,229
Total assets		**5,521**	**5,273**	**4,745**	**4,252**
Liabilities					
Current liabilities					
Financial liabilities	13B	85	73	73	62
Trade payables and other current liabilities	12	1,818	1,826	1,864	1,690
Current tax liabilities		24	26	15	23
Provisions	17	102	31	43	29
		2,029	1,956	1,995	1,804
Non-current liabilities					
Financial liabilities	13B	248	275	266	251
Pensions and post-retirement healthcare liabilities:	4				
Funded schemes in deficit		6	76	99	227
Unfunded schemes		92	93	112	83
Provisions	17	39	72	69	66
Deferred tax liabilities	6B	298	257	217	187
Other non-current liabilities	12	8	9	9	9
		691	782	772	823
Total liabilities		**2,720**	**2,738**	**2,767**	**2,627**

	As at 31 December			As at 1 Jan
	2024	**2023**	**2022**	**2022**
Equity				
Net parent investment	2,778	2,510	1,953	1,597
Non-controlling interests	23	25	25	28
Total equity	2,801	2,535	1,978	1,625
Total liabilities and equity	**5,521**	**5,273**	**4,745**	**4,252**

The accompanying notes are an integral part of these combined carve-out financial statements.

Combined Carve-Out Cash Flow Statement

		For the year ended 31 December		
		2024	**2023**	**2022**
			(€ million)	
	Notes			
Net profit		595	509	527
Taxation	6	152	203	173
Net monetary loss arising from hyperinflationary economies	1	—	10	2
Net finance costs	5	17	20	35
Operating profit		764	742	737
Depreciation, amortisation and impairment (direct and allocated)[b]		376	357	372
Changes in working capital:		70	56	(273)
Inventories		3	54	(228)
Trade and other receivables		41	30	(196)
Trade payables and other liabilities		26	(28)	151
Pensions and similar obligations less payments		(34)	(30)	(25)
Provisions less payments		41	(14)	8
Elimination of loss on disposals		—	7	6
Non-cash charge for share-based compensation		32	20	18
Other adjustments		4	6	—
Cash flow from operating activities		1,253	1,144	843
Income tax paid		(140)	(230)	(122)
Net cash flow from operating activities		1,113	914	721
Interest received[a]		2	1	1

		For the year ended 31 December		
		2024	**2023**	**2022**
Purchase of intangible assets		—	(2)	(2)
Purchase of property, plant and equipment		(321)	(278)	(293)
Disposal of property, plant and equipment		22	27	37
Acquisition of businesses		(61)	(604)	—
Acquisition of other non-current investments		—	—	(1)
Disposal of other non-current investments		(1)	2	—
Net cash flow used in investing activities		(359)	(854)	(258)
Dividends paid		(11)	—	—
Interest paid		(13)	(10)	(7)
Additional financial liabilities		2	—	14
Repayment of financial liabilities		—	(3)	—
Capital element of lease payments		(39)	(45)	(49)
Additional related party loans with Unilever[(a)]		—	—	9
Other transactions with Unilever and owners of non-controlling interests[(a)]		(676)	7	(437)
Net cash flow used in financing activities		(737)	(51)	(470)
Net increase/(decrease) in cash and cash equivalents		17	9	(7)
Cash and cash equivalents at the beginning of the year		50	43	51
Effect of foreign exchange rate changes		—	(2)	(1)
Cash and cash equivalents at the end of the year	15	67	50	43

(a) As Unilever uses a centralised approach to cash management and financing its operations, transactions between Unilever and the Ice Cream Business are accounted for through Net parent investment. Accordingly, none of the cash, cash equivalents, debt or related interest income and expense at the corporate level have been assigned to the Ice Cream Business, with the exception of cash, debt and related interest held by entities that only contain ice cream related activities. These are listed in note 21. The other transactions with Unilever and non-controlling interests reflect the fact that the Ice Cream Business does not retain cash generated from operating activities and represents the cash outflow associated with repatriating such cash to Unilever, net of any movements in working capital, financing and investing activities. This balance represents the Unilever Group transactions and cash pooling activities between Unilever and the combined Ice Cream business.

(b) Depreciation, amortisation and impairment (direct and allocated) reflects amortisation and depreciation charges relating to intangible assets, property, plant and equipment, and leased assets and liabilities included in the combined carve-out balance sheet and an allocation of amortisation and depreciation charges for those software and land and buildings used by the Ice Cream Business but not transferring as part of the Transaction.

The accompanying notes are an integral part of these combined carve-out financial statements.

1 Basis of preparation, accounting policies, estimates and judgements

Background

Description of the Ice Cream Business

On 19 March 2024, Unilever PLC (together with its subsidiaries collectively referred to as "Unilever" or "the Unilever Group") announced its intention to separate its ice cream business in certain jurisdictions (the "Ice Cream Business") into an independent group. On 13 February 2025, Unilever announced that such separation would take place by way of a demerger, and that the Ice Cream Business would seek listings on Euronext Amsterdam, the London Stock Exchange and the New York Stock Exchange. The Ice Cream Business includes brands such as Magnum, Wall's and Ben & Jerry's. These combined carve-out financial statements include every territory in which Unilever operates an ice cream business, with the exception of Unilever's ice cream business in Russia and India and Unilever's investments in associates and joint ventures.

To effect the separation, Unilever intends to reorganise the Ice Cream Business into a standalone corporate group, initially existing within the Unilever Group. The separation will be implemented by way of an interim *in specie* dividend declared by Unilever, whereby the entire issued share capital of The Magnum Ice Cream Company HoldCo Netherlands B.V. ("Magnum HoldCo") will be transferred from Unilever to The Magnum Ice Cream Company N.V. In exchange, The Magnum Ice Cream Company N.V. will issue ordinary shares to holders of Unilever's ordinary shares and American Depositary Shares. Following this issuance, all assets, liabilities, and legal entities comprising the Ice Cream Business will be owned, directly or indirectly, by The Magnum Ice Cream Company N.V. (save in respect of certain exceptions where transfer of assets and liabilities of the Ice Cream Business has been deferred until after completion of the separation). The proposed demerger of The Magnum Ice Cream Company N.V. from Unilever is referred to as the "Transaction" throughout the combined carve-out financial statements.

Basis of preparation

These financial statements have been prepared on a combined carve-out basis from Unilever's consolidated financial statements on a going concern basis for the three years ended 31 December 2024 representing the financial position, results of operations and cash flow of the Ice Cream Business on a stand-alone basis, for inclusion in the prospectus of The Magnum Ice Cream Company N.V. on the basis of the accounting policies set out below. The combined carve-out financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

The Ice Cream Business has not previously prepared stand-alone financial statements. Therefore, these combined carve-out financial statements are the first IFRS financial statements of the Ice Cream Business and IFRS 1 (First-time Adoption of IFRS) has been applied. IFRS 1 sets out the procedures that an entity must follow when it adopts IFRS for the first time as the basis for preparing its financial statements which includes the exemption under IFRS 1.D13(a) where cumulative foreign exchange differences are deemed to be zero on 1 January 2022 (the date of transition). The combined carve-out financial statements have been prepared according to IFRS 1.D16(b). The accounting policies applied are consistent with accounting policies applied in the consolidated financial statements of Unilever and the policies expected to be adopted by the Ice Cream Business upon separation. The Ice Cream Business also elected, as permitted by IFRS 1.C1, not to apply IFRS 3 retrospectively to business combinations that occurred before Unilever's date of transition to IFRS (2005).

The majority of trading, assets and liabilities of the Ice Cream Business are within Unilever legal entities that have ice cream and non-ice cream operations. Such trading, assets and liabilities will be transferred to new ice cream-dedicated legal entities that are directly or indirectly held wholly-owned subsidiaries of The Magnum Ice Cream Company B.V. between 1 July 2025 and the date of the Transaction.

There are also certain ice-cream dedicated legal entities that will transfer to the Ice Cream Business in the same period. Legal entities that are transferring with the Ice Cream Business are listed in note 21.

Certain legal entities will transfer to The Magnum Ice Cream Company N.V. that have historically held non-ice cream businesses. Non-ice cream businesses have been excluded from the combined carve-out financial statements, as they do not form part of the Ice Cream Business.

The combined carve-out financial statements have been derived from the consolidated financial statements and accounting records of Unilever, including the historical cost basis of assets and liabilities of the Ice Cream Business, as well as the historical revenue, direct costs, and allocations of indirect costs attributable to the operations of the Ice Cream Business. The combined carve-out financial statements do not necessarily reflect the Ice Cream Business' financial position, results of operations or cash flows had the Ice Cream Business been a separate entity, or the future results of the Ice Cream Business as it will exist upon completion of the Transaction, given it was not an independently operating business.

The combined statements of cash flow have been prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Further detail on the preparation is included in the footnote of the cash flow statements.

The information on earnings per share for the Ice Cream Business pursuant to IAS 33 has not been presented, as the combined entities have not formed a statutory group and, as such, The Magnum Ice Cream Company N.V. has no historical capital structure.

The following paragraphs include a description of the Basis of Preparation principles and how estimates, judgements, and assumptions have been applied for the purpose of preparing the combined carve-out financial statements. These estimates, judgements, and assumptions are separate from the critical accounting estimates and judgements, which relate to the transactions recorded in the books and records. See "Critical accounting estimates and judgements" below for additional information.

Balance sheet items:

- The Ice Cream Business's combined carve-out balance sheets include Unilever assets and liabilities that are specifically identifiable or otherwise attributable to the Ice Cream Business.
- Property, plant and equipment ("owned assets") and right of use assets ("leased assets") were dedicated historically and have been directly attributable to the Ice Cream Business. Shared central property, plant and equipment such as head offices, regional offices and associated equipment have been excluded from these combined carve-out financial statements.
- Goodwill has been derived by aggregating the goodwill balances from historic acquisitions of Ice Cream brands since the Unilever Group's IFRS implementation in 2005. This differs from the approach used by the Unilever Group, where existing goodwill was allocated to the Food and Refreshment division and subsequently allocated to the Ice Cream segment based on a relative value approach, following the Unilever Compass reorganisation on 1 July 2022.
- Trade and other current receivables were specifically assigned to the Ice Cream Business where identifiable or were allocated to the Ice Cream Business based on the relative percentage of Ice Cream Business revenue by customer, which approximates allocation on an item-by-item basis.
- Trade payables and other liabilities were specifically assigned to the Ice Cream Business where identifiable or were allocated to the Ice Cream Business based on the relative percentage of either Ice Cream purchases or cost of sales, which approximates allocation on an item-by-item basis. Payroll

accruals were specifically assigned or were allocated to the Ice Cream Business based on a proportion of revenue.

- Provisions are specifically assigned to the Ice Cream Business where directly identifiable or based on the relative percentage of either Ice Cream revenue or cost of sales, depending upon the nature of the provision. Contingent liabilities are assigned on a consistent basis to provisions.

- Deferred tax is calculated using three different approaches depending on the nature of the underlying item:

  (a) for items with no associated tax base, the related amounts are tax effected using the applicable local tax rate of the relevant legal entity;

  (b) for Brands, the amounts included reflect the deferred tax directly attributable to the specific brands included in intangible assets; and

  (c) for property, plant and equipment, deferred tax has been determined by applying a proportional approach based on the share of the underlying asset's pre-tax value that is included in the combined carve-out financial statements.

- Unilever hedges commodity exposures using derivatives for the whole Unilever business. Where Unilever applies cash flow hedge accounting to these derivatives, hedge accounting has been applied to the derivatives attributable to the Ice Cream Business in the combined carve-out financial statements.

- The Ice Cream Business has not in the past constituted a separate legal group and therefore it is not meaningful to show share capital or an analysis of reserves for the Ice Cream Business. The net assets of the Ice Cream Business are represented by the cumulative investment of the Unilever Group in the Ice Cream Business (shown as "Net parent investment").

- Intercompany receivables from, and payables to, and funding from Unilever within dedicated Ice Cream legal entities have been presented as part of related party receivables, payables and loans, respectively.

- As Unilever uses a centralised approach to cash management and financing its operations, transactions between Unilever and the Ice Cream Business are accounted for through Net parent investment. Accordingly, none of the cash, cash equivalents, debt or related interest income and expense at the corporate level have been assigned to the Ice Cream Business, with the exception of cash, debt and related interest held by entities that only contain Ice Cream related activities. These are listed in note 21. Cash transfers to and from the cash management accounts of Unilever are reflected in the combined carve-out cash flow statements as "Other transactions with Unilever and owners of non-controlling interests".

- For defined benefit plans for which the Ice Cream Business has a liability or when the legal liability is linked to and follows the relevant Ice Cream employee, balance sheet surplus or deficit comprises the total of the estimated market value of plan assets less the present value of the defined benefit liabilities. For defined benefit plans for which the Ice Cream Business has no liability, or where the number of Ice Cream employees is so low that any defined benefit exposure is not expected to be material, no assets or liabilities are recognised on the combined carve-out balance sheet.

Income statement items:

- The combined carve-out income statement includes general corporate expenses and shared expenses of Unilever that were historically incurred by, or charged to, the Ice Cream Business for certain support functions that are provided centrally. This includes indirect central costs (primarily related to the sales force and general marketing) and general corporate expenses (primarily related to finance, legal, information technology, human resources, communications, and audit). These management charges are recharged by Unilever based on direct usage when identifiable, or based on a proportion of revenue or other applicable measures, adjusted on a line-by-line basis to reflect specific local circumstances. These recharged costs and expenses are deemed to have been cash settled by the Ice Cream Business to Unilever in the period in which these costs were accrued.

- Operating costs include amortisation and depreciation charges relating to intangible assets, property, plant and equipment, and leased assets and liabilities included in the combined carve-out balance sheet (see balance sheet items above), and an allocation of amortisation and depreciation charges for the software and land and buildings utilised by the Ice Cream Business, but not transferring as part of the Transaction (and therefore not included in the combined carve-out balance sheet). These costs are deemed to have been settled through Net parent investment.
- Certain employees of the Ice Cream Business participated in the Unilever performance share plans and other share awards. Costs related to participating employees are allocated to the Ice Cream Business based on a proportion of revenue. In addition, the Ice Cream Business also received an allocation of share-based compensation charges with respect to corporate employees of Unilever.
- Pension costs recorded in the combined carve-out income statements includes pension charges for dedicated Ice Cream employees and an allocation based on revenue for other employees.
- Net finance costs recorded in the combined carve-out income statements do not include any allocation of interest incurred by Unilever or interest on funding provided as part of the owner's Net parent investment.
- The total tax charge is computed on a territory-by-territory basis using the relevant country's effective tax rate or, where more appropriate, its statutory tax rate. Where effective tax rates are used, these are adjusted for any specific inclusions or exclusions to ensure that they are specific to the Ice Cream Business. The tax rates have then been applied to countries' carved-out profit before tax, as adjusted for transfer pricing impacts, to calculate the total tax charge attributable to Ice Cream. The deferred tax balances and movements have then been calculated as set out above, with the deferred tax movement being deducted from the total tax movement to arrive at the current tax charge.

Accounting policies

Accounting policies are included in the relevant notes to the combined carve-out financial statements. These are presented as text highlighted in grey throughout these combined carve-out financial statements. The accounting policies stated below have been applied throughout these combined carve-out financial statements

These combined carve-out financial statements combine the results, assets and liabilities, and cash flows of the Ice Cream Business by applying the principles underlying the consolidation procedures relating to the elimination of intercompany transactions under IFRS 10 'Consolidated Financial Statements'.

Going concern

These combined carve-out financial statements have been prepared on a going concern basis. The Directors of The Magnum Ice Cream Company B.V., (the "Directors") have considered both:

The period in which it will continue to operate under Unilever PLC:

- Up to the date of the Transaction, the Ice Cream Business will continue to operate as an integral part of Unilever, benefiting from shared resources, centralised treasury functions, and financial support. Unilever has considerable financial resources and has indicated its intention to continue to support the

Ice Cream business whilst it remains part of the Unilever Group and that it will support the putting in place of appropriate financing in order for the demerger to happen.

- As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The period following the Transaction:

- On 28 August 2025, Magnum ICC Finance B.V. (as borrower) and The Magnum Ice Cream Company HoldCo Netherlands B.V. (as guarantor) entered into a term loan facilities agreement (the facilities to be provided thereunder being the “Term Loan Facilities”) and a syndicated revolving credit facility agreement (the revolving credit facility provided thereunder being the “Revolving Credit Facility”) with unaffiliated third-party lenders.
- The Term Loan Facilities comprise:
  - a bridge term loan facility denominated in euro, with a commitment of €3,000 million available for the repayment of financial indebtedness owed by Group Companies to the Unilever Group, and for the payment of the consideration for the transfer of Unilever’s Ice Cream Business in Indonesia;
  - a working capital term loan facility denominated in Euro (with optional currencies of US dollars and Pounds Sterling), with a commitment of €700 million available for general corporate purposes and with a maturity date of three years from the date of the Term Loan Facilities Agreement; and
  - a term loan facility denominated in Euro, with a commitment of €300 million available for the payment of the consideration for the transfer of the Unilever Group’s shares in Kwality Wall’s India.
- The Revolving Credit Facility comprises:
  - a multicurrency facility denominated in euro (with optional currencies of US dollars and Pounds Sterling), and a commitment of €1,000 million available for general corporate purposes with an initial maturity date of five years from the date of the Revolving Credit Facility Agreement, subject to two extension options of one year each which can be requested by the Company and which each lender can its sole discretion, agree to or not; and
  - a €500 million Swingline Facility and a US$500 million Swingline Facility each operating as a sublimit within the Revolving Credit Facility with the purpose of refinancing euro or US dollar commercial paper programmes, respectively, that the Group plans to establish.

Based on the assessment under both ownership scenarios, the Directors have prepared cash flow forecasts and performed a going concern assessment which indicates that, in both the base case and reasonably possible downsides (and with the knowledge the Transaction will not go ahead without appropriate financing being in place) the Ice Cream Business will be able to meet its liabilities as they fall due for the going concern period.

Consequently, the Directors are confident that the Ice Cream Business will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Foreign currencies

These combined carve-out financial statements are presented in Euros (‘€’). Items included in the combined carve-out financial statements of individual Ice Cream Business group companies or operations are recorded in their respective functional currency, which is the currency of the primary economic environment in which each entity operates.

Foreign currency transactions in individual Ice Cream Business companies or operations are translated into functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at year-end exchange rates, are recognised in the income statement.

Unilever hedges foreign currency exposures using derivatives on the net FX exposure of the Unilever Group. However, given that the derivatives are held at the Unilever level, they cannot be accounted for in the combined carve-out financial statements as the Ice Cream Business is not party to the contracts. While there is no recognition of FX derivatives entered into by Unilever in the combined carve-out financial statements, a proportional allocation of the realised gains/ or losses on FX derivatives has been recognised in the income statement.

In preparing these combined carve-out financial statements the balances in individual Ice Cream Business group companies or operations are translated from their functional currency into euros. Apart from the financial statements of Ice Cream Business group companies in hyperinflationary economies (see below), the income statement, the cash flow statement and all other movements in assets and liabilities are translated at average rates of exchange as a proxy for the transaction rate, or at the transaction rate itself if more appropriate. Assets and liabilities are translated at year-end exchange rates.

The financial statements of Ice Cream Business group companies whose functional currency is the currency of a hyperinflationary economy are adjusted for inflation and then translated into euros using the balance sheet exchange rate. Amounts shown for prior years for comparative purposes are not modified. To determine the existence of hyperinflation, the Ice Cream Business assesses the qualitative and quantitative characteristics of the economic environment of the country, such as the cumulative inflation rate over the previous three years.

The effect of exchange rate changes during the year on the net assets of foreign operations is recorded in the combined carve-out statement of comprehensive income.

Hyperinflationary economies

The Turkey economy was designated as hyperinflationary from 1 July 2022. As a result, application of IAS 29 ‘Financial Reporting in Hyperinflationary Economies’ has been applied to all Ice Cream business units whose functional currency is the Turkish lira. The application of IAS 29 includes:

- adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the balance sheet date;
- adjustment of the income statement for inflation during the reporting period;
- translation of income statement at the period-end foreign exchange rate instead of an average rate; and
- adjustment of the income statement to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

The main effects on the combined carve-out financial statements for Turkey are:

	2024	**2023**	**2022**
		(€ million)	
Total assets increase	42	8	88
Revenue increase	79	20	13

	2024	2023	2022
Operating profit increase/(reduction)	7	1	(2)
Net monetary loss	—	(10)	(2)

Climate change

To determine if there is a material impact on the financial reporting judgements and estimates as of the reporting period, the Ice Cream Business has reviewed each balance sheet line item and identified those line items that have the potential to be significantly impacted by climate-related risks and the Ice Cream Business's plans to mitigate against these risks. Those line items that have the potential to be significantly impacted have then been reviewed in detail to confirm:

- that the growth rates and projected cash flows used in assessing whether goodwill and indefinite-life intangibles are impaired, are consistent with the Ice Cream Business's climate-related risk assumptions and the actions being taken to mitigate against those risks; and
- that the useful lives of the Ice Cream Business's property, plant and equipment are appropriate given the potential physical and obsolescence risks associated with climate change and the actions being taken to mitigate against those risks.

In addition, it should be noted that climate-related risks could affect the financial position of the Ice Cream Business's defined benefit pension plan assets. The Trustees operate diversified investment strategies and are continuously assessing investment risks. The Trustees consider climate risk as one of the key investment risks and are continually evolving their investments to lower the overall climate risk.

Based on these reviews, the Ice Cream Business does not believe that there is a material impact on the financial reporting judgements and estimates arising from its considerations and, as a result, the valuations of the assets or liabilities have not been significantly impacted by these risks for the three years ended 31 December 2024. The Ice Cream Business has not identified any significant impact from climate-related risks on the going concern assessment.

Critical accounting estimates and judgements

The preparation of financial statements requires management to make estimates and judgements in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

The following estimates are those that management believe have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Measurement of defined benefit obligations - The valuations of the defined benefit pension plan obligations are dependent on a number of assumptions. These include discount rates, inflation, and life expectancy of scheme members - see note 4B.
- Measurement of discounts due to customers – accruals are raised on the balance sheet to reflect variable consideration with customers at each period end (see note 11 and 12). These include estimation, as either in-market promotional performance is dependent on a future event such as volume sold on discount, or actual sales data is not yet available. The majority of settlements with customers are made within 12 months, such that unresolved uncertainty does not materially span multiple period ends. The number of

agreements with customers means that it is impracticable to provide a meaningful sensitivity analysis of assumptions subject to estimation uncertainty. The income statement impact of subsequent adjustments is not material year-on-year, see note 2 for further information.

- Measurement of consideration and assets and liabilities acquired as part of business combinations – estimates of future performance are required to calculate the obligations at the time of the acquisition and at each subsequent reporting date. Additionally, estimates are required to value the assets and liabilities acquired in business combinations. Intangible assets such as goodwill and brands are commonly a core part of an acquired business as they allow us to obtain more value than would otherwise be possible. In August 2023, Unilever completed the acquisition of Yasso. External professionals were involved to advise on the valuation techniques and key assumptions in the valuation. This input, combined with the Ice Cream Business's internal knowledge and expertise on the relevant market growth opportunities, resulted in the determination of the appropriate brand valuation. Estimates of future performance are required to calculate the obligations at the time of acquisition and at each subsequent reporting date. See note 19 for further information.
- Management are required to make certain estimates to achieve a reasonable allocation to the Ice Cream Business of costs incurred centrally by Unilever, as described in the Basis of Preparation above.

The following judgements are those that management believe have the most significant effect on the amounts recognised in the Ice Cream Business combined carve-out financial statements:

- Utilisation of tax losses and recognition of other deferred tax assets – The business operates in many countries and is subject to taxes in numerous jurisdictions. Management uses judgement to assess the recoverability of tax assets such as whether there will be sufficient future taxable profits to utilise losses – see note 6B.
- Likelihood of occurrence of contingent liabilities - Events can occur where there is uncertainty over future obligations. Judgement is required to determine if an outflow of economic resources is probable, or possible but not probable. Where it is probable, a liability is recognised, and further judgement is used to determine the level of the provision. Where it is possible but not probable, further judgement is used to determine if the likelihood is remote, in which case no disclosures are provided; if the likelihood is not remote then judgement is used to determine the contingent liability disclosed. The business does not have provisions and contingent liabilities for the same matters. External advice is obtained for any material cases. See notes 17 and 18.

Recent accounting developments adopted by the Ice Cream Business

The Ice Cream Business applied for the first-time amendments to the following standards from 1 January 2022.

Applicable standard	Key requirements for changes in accounting policy	Resulting impact
Amendments to IAS 7 and IFRS 7 – 'Supplier Financing Arrangements'	The amendments introduce additional disclosure requirements for companies that enter into supplier financing arrangements. The amendments require qualitative and quantitative information to be disclosed about those arrangements.	The Ice Cream Business reviewed the supplier financing arrangements to ensure appropriate disclosures which are disclosed in note 12.
IFRS 17 'Insurance Contracts'	The standard introduces a new model for accounting for insurance contracts.	The Ice Cream Business reviewed existing

Applicable standard	Key requirements for changes in accounting policy	Resulting impact
		arrangements and concluded that IFRS 17 has no impact to the combined carve-out financial statements.
IAS 12 ‘Income Taxes’	As of 23 May 2023, amendments to IAS 12 came into effect relating to International Tax Reform – Pillar Two Model Rules, whereby an entity shall disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period. The amendments also provide a temporary mandatory exemption from deferred tax accounting for the top-up tax, which is effective immediately.	As of 31 December 2023, the Ice Cream Business has applied the exemption to not recognise any deferred tax relating to top-up tax arising from the Pillar Two legislation. The Ice Cream Business’s potential exposure to Pillar Two legislation is disclosed in note 6.

All other standards or amendments to standards that have been adopted by the EU and were effective by 1 January 2022 were not applicable or material to the Ice Cream Business.

New standards, amendments and interpretations of existing standards that are not yet effective and have not been early adopted by the Ice Cream Business.

The following standards have been released but are not yet adopted by the Ice Cream Business, no early adoptions will be made by the Ice Cream Business.

Applicable standard	Key requirements or changes in accounting policy
Amendments to IAS 21 ‘The Effects of Changes in Foreign Exchange Rates’ Effective from 1 January 2025	In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify whether a currency is exchangeable, and how to determine a spot rate if it is not.
Amendments to IFRS 9 and IFRS 7 ‘The Classification and Measurement of Financial instruments’ Effective from the year ended 1 January 2026	In May 2024, International Accounting Standards Board (IASB) amended IFRS 7 and IFRS 9 which includes clarifications on recognition and derecognition dates of certain financial assets and liabilities, including exceptions for liabilities settled through electronic cash transfer systems.
IFRS 18 Presentation and Disclosure in Financial Statements Effective 1 January 2027	IFRS 18 will replace IAS 1 Presentation of Financial Statements. The amendment impacts presentation and disclosure of the combined carve-out income statement with new defined categories being operation, investing and financing to provide a consistent structure. Disclosures about Management-defined Performance Measures (MPMs) (i.e. certain non-GAAP measures) will have to be disclosed in the financial statement with

reconciliations to GAAP measures. The new standard will also provide guidance on grouping of information (aggregation/ disaggregation)

All other new standards or amendments to standards that are not yet effective that have been issued adopted by the EU are not applicable or material to the Ice Cream Business.

The financial statements were authorised by the Directors of the Ice Cream Business and available for issuance on 10 November 2025.

2 Segment information

Segmental information

The Ice Cream Business organises its business into four geographic regions: (i) Europe and ANZ, (ii) Americas, (iii) Asia and (iv) Middle East, Turkey, South Asia and Africa (METSA). For the purpose of financial reporting, such regions are aggregated into three reportable segments of Europe and ANZ, Americas and Rest of the World.

- Europe and ANZ: representing Europe (which includes the United Kingdom and Ireland), Australia and New Zealand.
- Americas: representing North America and South America; and
- Rest of the World: representing Africa, Asia and the Middle East (which includes Turkey).

The operating segments, METSA and Asia, are combined into the Rest of World reportable segment due to their economic similarities and shared key business characteristics.

Revenue

Revenue comprises sales of goods after the deduction of discounts, sales taxes and estimated returns. It does not include intercompany sales. Discounts given by the Ice Cream Business include rebates, price reductions and incentives given to customers, promotional couponing and trade communication costs and are based on the contractual arrangements with each customer. Discounts can either be immediately deducted from the sales value on the invoice or off-invoice and settled later through credit notes when the precise amounts are known. Amounts provided for discounts at the end of the period require estimation; historical data and accumulated experience is used to assess the provision using the most likely amount method and in most instances, the discount can be recognised using known facts. Any differences between actual amounts settled and the amounts provided are recognised in the subsequent reporting period and the impact on the income statement is not material year-on-year.

Customer contracts generally contain a single performance obligation and revenue is recognised when control of products being sold has transferred to the Ice Cream Business's customer as there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point where the performance obligations in the Ice Cream Business's contracts are satisfied as the Ice Cream Business no longer has control over the inventory.

Customers have the contractual right to return goods only when authorised by the Ice Cream Business. If material, an estimate has been made of goods that will be returned, and a liability has been recognised for this amount. An asset is then recorded for the corresponding inventory that is estimated to return to the Ice Cream Business using a best estimate based on accumulated experience. The Ice Cream Business's customers are distributors who may be able to return unsold goods in consignment arrangements.

Adjusted EBITDA

Adjusted EBITDA means operating profit before the impact of depreciation, amortisation and adjusting items within operating profit. Adjusted EBITDA represents the Ice Cream Business's measure of segment profit or loss. Items are classified as adjusting due to their nature and/or frequency of occurrence.

The Ice Cream Business operating segment information is provided based on three geographical areas: Europe and ANZ, Americas and Rest of the World.

	Notes	Europe and ANZ	Americas	Rest of World	Total
			(€ million)		
2024					
Revenue		3,109	2,887	1,951	7,947
Operating profit	3	228	228	308	764
Depreciation and amortisation		137	129	110	376
Adjusting items[(a)]		89	68	43	200
Adjusted EBITDA		454	425	461	1,340
Significant non-cash charges:					
Within adjusted EBITDA:					
Share-based compensation and other non-cash charges[(b)]		21	20	2	43
Within adjusting items:					
Restructuring provisions and other non-cash charges[(c)]		59	12	4	75
2023					
Revenue		3,019	2,750	1,849	7,618
Operating profit	3	278	165	299	742
Depreciation and amortisation		134	124	99	357
Adjusting items[(a)]		19	79	14	112
Adjusted EBITDA		431	368	412	1,211
Significant non-cash charges:					
Within adjusted EBITDA:					
Share-based compensation and other non-cash charges[(b)]		14	28	2	44
Within adjusting items:					
Restructuring provisions and other non-cash charges[(c)]		(1)	1	1	1
2022					
Revenue		3,028	2,647	1,831	7,506
Operating profit	3	262	165	310	737
Depreciation and amortisation		137	129	106	372
Adjusting items[(a)]		78	39	19	136
Adjusted EBITDA		477	333	435	1,245

	Europe and ANZ	Americas	Rest of World	Total
Significant non-cash charges:				
Within adjusted EBITDA:				
Share-based compensation and other non-cash charges[b]	6	17	2	25
Within adjusting items:				
Restructuring provisions and other non-cash charges[c]	25	2	6	33

(a) Adjusting items include impairment, restructuring costs, acquisition and disposal related costs and other one-off items classified separately due to their nature and/or frequency of occurrence. Refer to note 3. Net Monetary gain/loss arising from hyperinflationary economies is also an adjusting item due to its nature and size, however it is not included in operating profit therefore not included within adjusting items above.

(b) Other non-cash charges within adjusted EBITDA include movements in provisions, excluding movements arising from adjusting activities.

(c) Other non-cash charges within adjusting items mainly includes movements in restructuring provisions.

The Ice Cream Business is not reliant on revenue from transactions with any single customer and does not receive 10% or more of its revenue from transactions with any single customer.

Segment assets and liabilities are not provided because they are not reported to or reviewed by the Ice Cream Business's chief operating decision-maker, which is the Ice Cream Executive Team.

Revenue and non-current assets for the country of domicile and the United States (being the largest country outside the home country) and for all other countries are:

	Netherlands	United States	Other	Total
		(€ million)		
2024				
Revenue	159	2,119	5,669	7,947
Non-current assets[a]	51	1,732	1,979	3,762
2023				
Revenue	154	1,951	5,513	7,618
Non-current assets[a]	60	1,662	1,887	3,609
2022				
Revenue	157	1,922	5,427	7,506
Non-current assets[a]	58	1,032	1,880	2,970

(a) For the purpose of this table, non-current assets include goodwill, intangible assets, property, plant and equipment and other non-current assets as shown on the combined carve-out balance sheet. Goodwill is attributed to countries where acquired businesses operated at the time of acquisition; all other assets are attributed to the countries where they were acquired.

No other country had revenue or non-current assets (as shown above) greater than 10% of the Ice Cream Business total.

3 Operating costs

Operating costs

Operating costs include cost of sales, selling, general and administrative expenses and other items including gains and losses on business disposals, acquisition and disposal-related costs, restructuring costs, impairments and other items within operating profit recognised separately due to their nature and/or frequency.

(i) **Cost of sales**

Cost of sales includes the cost of inventories sold during the period and distribution costs. The cost of inventories are raw and packaging materials and related production costs. Distribution costs are charged to the income statement as incurred.

(ii) **Selling, general and administrative expenses**

Selling, general and administrative expenses comprise advertising and promotion and overheads. Advertising and promotion spend includes costs incurred for the purpose of building and maintaining brand equity and awareness. Overheads includes staff costs associated with sales activities and central functions, and research and development costs which are staff costs, material costs, depreciation and other costs directly attributable to research and development activities.

(iii) **Restructuring costs**

Restructuring costs are costs that are directly attributable to a restructuring project. Management defines a restructuring project as a strategic, major incentive that delivers cost savings and materially change either the scope of the business or the manner in which business is conducted.

(iv) **Acquisition and disposal-related costs**

Acquisition and disposal-related costs are costs that are directly attributable to a business acquisition or disposal project.

(v) **Impairment of assets**

Impairment of assets including goodwill, intangible assets and property, plant and equipment.

(vi) **Gains or losses from the disposal of group companies**

Gains or losses from the disposal of group companies which arise from business disposal projects.

(vii) **Others**

Others approved one-off items are those additional matters considered by management to be significant and outside the course of normal operations.

	2024	**2023**	**2022**
		(€ million)	
Revenue	7,947	7,618	7,506
Cost of sales	(5,173)	(5,022)	(4,940)
of which:			
Distribution costs	(784)	(796)	(811)
Production costs	(986)	(972)	(933)

	2024	2023	2022
Raw and packaging materials and goods purchased for resale	(3,127)	(2,977)	(2,949)
Other	(276)	(277)	(247)
Gross profit	2,774	2,596	2,566
Selling, general and administrative expenses	(1,810)	(1,742)	(1,693)
of which: Research and development	(92)	(92)	(95)
Acquisition and disposal related costs[(a)]	(64)	(50)	(14)
Restructuring costs[(b)]	(137)	(74)	(108)
Other	1	12	(14)
Operating profit	764	742	737

(a) 2024 includes the charge relating to the Ice Cream separation. 2023 included a charge of €38 million related to the revaluation of the earnout liability of Yasso.

(b) 2024 includes restructuring costs of €54 million relating to the Ice Cream separation, and a cost of €16 million (2023: €18 million, 2022: €nil) for supply chain optimisation projects. 2022 restructuring costs consist of various strategic organisational change programmes, such as Compass reorganisation.

Exchange gains and losses within operating costs in 2024 are €3 million gain (2023: €13 million loss; 2022: €16 million loss).

4 Employees

4A Staff and management costs

	Notes	2024	2023	2022
			(€ million)	
Staff costs				
Wages and salaries		638	655	626
Social security costs		77	80	78
Other pension costs	4B	42	44	40
Share-based compensation costs	4C	32	20	18
		789	799	762

	2024	2023
Average number of employees during the year		
The Americas	5,031	5,019
Europe and ANZ	4,758	4,614
Rest of World	4,093	4,050

	2024	2023
	13,882	13,683

In addition to the dedicated Ice Cream employees above, approximately 4,700 FTE equivalent in 2024 (2023: 4,300) were allocated to Ice Cream from Unilever. On a go forward basis, these employees will be replaced by a combination of TSA services from Unilever or recruitment of new staff to the Ice Cream Business.

The Ice Cream Business was not a separate business group within Unilever prior to the Project Compass reorganisation on 1 July 2022 and therefore average employee numbers have not been disclosed for this year.

Key management are defined as the members of the Ice Cream Executive Team.

	Notes	2024	2023	2022
			(€ million)	
Key management compensation[(a)]				
Salaries and short-term employee benefits .		16	9	5
Share-based benefits		4	1	—
		20	10	5

(a) Key compensation in 2022 relates to compensation subsequent to 1 July, 2022 after the formation of the Ice Cream Business Leadership Team.

4B Pensions and similar obligations

For defined benefit plans, operating and finance costs are recognised separately in the income statement. The amount charged to operating cost in the income statement is the cost of accruing benefits promised to employees over the year for defined benefit plans or contributions paid for defined contribution plans. In addition, there are also plan administration costs and costs and/or credits arising from one-off events such as past service benefit changes, settlements and curtailments. These one-off events are fully recognised as they occur in operating cost. The amount charged or credited to finance costs is broadly calculated by applying the liability interest rate to the defined benefit deficit or surplus at the prior year end. Any differences between the expected interest on assets and the actual return achieved by the pension fund, and any changes in the liabilities over the year due to changes in financial and demographic assumptions or experience within the plans, are recognised immediately in the combined carve-out statement of comprehensive income at the end of the year.

Charges to the income statement which are shown in these accounts are split between (i) defined benefit plans which are specific to the Ice Cream Business or where the liability is linked to Ice Cream employees expected to transfer with DB obligations, both of which are recorded on the combined carve-out balance sheet, and (ii) defined contribution and other defined benefit plans (i.e. plans which are not recorded on the combined carve-out balance sheet). The income statement charge includes pension charges for dedicated Ice Cream employees and an allocation based on revenue for other employees. The finance cost shown in the income statement is only for the defined benefit plans for which the Ice Cream Business has a liability.

For defined benefit plans for which the Ice Cream Business has a liability or when the legal liability is linked to and follows the Ice Cream employee, balance sheet surplus or deficit comprises the total of the estimated market value of plan assets less the present value of the defined benefit liabilities. Liabilities relating to the Ice Cream Business are calculated using a discount rate based on high-quality corporate bonds, or government bonds where there is no active corporate bond market, adjusted for irrecoverable surpluses.

For defined benefit plans for which the Ice Cream Business has no liability, no assets or liabilities are recognised on the balance sheet.

All defined benefit plans are subject to regular actuarial review using the projected unit method by external consultants.

For defined contribution plans, the charges to the income statement are the Ice Cream Business's contributions payable in accordance with the plan rules in each country. The Ice Cream Business's obligation is limited to the contributions paid into the plans.

Description of plans

Unilever operates defined contribution plans. The assets are held in external funds and do not impact Unilever's balance sheet. Unilever's obligation in respect of these plans is limited to the amount that it is required to contribute to the fund for employees in accordance with the plan rules in each country. Employees then receive the accumulated balance of these contributions or an equivalent benefit when they retire. Some of the employees of the Ice Cream Business are members of such defined contribution schemes. These plans have been set up according to the relevant requirements of each country.

In certain countries, Unilever operates defined benefit pension plans together with other post-employment benefits. The pension payable at retirement is typically based on employee pensionable remuneration and length of service. Benefits are determined by the plan rules and are linked to inflation in some countries. Some defined benefit plans for which the Ice Cream Business has a liability are unfunded and include jubilee awards, long term service awards, retirement bonus plans, gratuity plans, and retirement indemnities. There are also several funded pension plans. The country for which the Ice Cream business has the most significant defined benefit liabilities held on the combined carve-out balance sheet is Germany. No assets or liabilities are recognised in these combined carve-out financial statements for defined benefit plans for which the Ice Cream Business is expected to have no liability going forward.

The combined carve-out financial statements have been prepared based on the defined benefit plan assets and liabilities that are currently expected to transfer.

In Germany, employees who joined Unilever prior to 2009 have historically been provided with pension benefits on a defined benefit basis, referred to as pre-transition plans. Future accrual of benefits in these plans ended in 2013, and a defined contribution replacement has been provided, but with a minimum return guarantee, referred to as Unilever Pensions System. Benefits for post-2009 joiners are also provided via Unilever Pensions System. Pension plans are funded through a combination of Pensionskasse Berolina VVaG, an insurance vehicle regulated by the BaFin, and a trust, known as the Unilever Pensions Treuhand e.V. (CTA arrangement). There is a legal requirement for Pensionskasse Berolina VVaG to always be fully funded. Up to certain tax limits, benefits are funded via Pensionskasse Berolina VVaG, while benefits above tax limits are funded via the CTA. There is an agreement with works council in place that Unilever Pensions System benefits above tax limits and the Unilever Zusatz Rente (UZR) benefits need to be fully funded via the CTA. Total liability for Germany is split as 10% actives, 18% deferred and 72% retirees and surviving dependents.

Assumptions

Assumptions under IAS 19 are set by reference to market conditions at the valuation date with the objective of presenting the assets and liabilities of the pensions and other post-employment benefit plans at their fair value on the balance sheet. The actuarial assumptions used to calculate the benefit liabilities vary according to the country in which the plan is situated. For the purposes of the combined carve-out financial statements, assumptions are set in line with those used at the Unilever Group reporting level.

The following table shows the assumptions, weighted by liabilities, used to value the defined benefit pension liabilities and other post-employment benefit liabilities.

	31 December			
	2024		2023	
	Defined benefit pension plans	Other post-employment benefit plans	Defined benefit pension plans	Other post-employment benefit plans
Discount rate	4.2%	5.4%	4.1%	5.3%
Inflation	2.7%	n/a	3.0%	n/a
Rate of increase in salaries	3.6%	4.5%	3.7%	3.8%
Rate of increase for pensions in payment (where provided)	2.7%	n/a	2.9%	n/a

	31 December 2022		1 January 2022	
	Defined benefit pension plans	Other post-employment benefit plans	Defined benefit pension plans	Other post-employment benefit plans
Discount rate	4.3%	4.9%	1.4%	3.0%
Inflation	2.9%	n/a	2.1%	n/a
Rate of increase in salaries	3.6%	3.7%	3.0%	3.3%
Rate of increase for pensions in payment (where provided)	2.8%	n/a	2.0%	n/a

	Germany defined benefit pension plans			
	31 December			1 January
	2024	2023	2022	2022
Discount rate	3.4	3.2	3.7	1.1
Inflation	2.0	2.1	2.2	1.9
Rate of increase in salaries	2.8	2.8	2.8	2.8
Rate of increase for pensions in payment (where provided)	2.0	2.1	2.2	1.9
Number of years a current pensioner is expected to live beyond age 65:				
Men	21.6	21.6	21.6	21.6

	Germany defined benefit pension plans			
	31 December			1 January
	2024	2023	2022	2022
Women	23.9	23.9	23.9	23.9
Number of years a future pensioner currently aged 45 is expected to live beyond age 65:				
Men	21.6	21.6	21.6	21.6
Women	23.9	23.9	23.9	23.9

Demographic assumptions, such as mortality rates, are set having regard to the latest trends in life expectancy (including expectations of future improvements), plan experience and other relevant data. These assumptions are reviewed and updated as necessary as part of the periodic actuarial valuation of the pension plans. For Germany, the years of life expectancy have been translated from the non-generational Berolina 2021 table.

Income statement

	2024	2023	2022
		(€ millions)	
The charge to the income statement comprises:			
Charged to operating profit: (including regular and special events)			
Defined benefit pension and other benefit plans which will transfer	9	8	9
Defined benefit plans and other benefit plans which will not transfer and defined contribution	33	36	31
Total operating cost	42	44	40
Finance cost for defined benefit plans for which the Ice Cream Business has a liability	12	11	7
Net impact on the income statement (before tax)	54	55	47

Statement of comprehensive income

Amounts recognised in the statement of comprehensive income on the re-measurement of the net defined benefit liability relating to defined benefit plans for which the Ice Cream Business has a liability.

	2024	2023	2022
		(€ millions)	
Return on plan assets excluding amounts included in net finance income/(cost)	52	44	(81)

	2024	2023	2022
Actuarial gain/(loss) arising from changes in demographic assumptions	3	—	—
Actuarial gain/(loss) arising from changes in financial assumptions	23	(8)	187
Experience loss arising on pension plan and other benefit plan liabilities	(30)	(30)	(33)
Actuarial loss due to change in irrecoverable surplus	(1)	(1)	(1)
Total of defined benefit gain recognised in other comprehensive income	47	5	72

Balance sheet

The assets, liabilities and surplus/(deficit) position of the pension and other post-employment benefit plans at the balance sheet date in relation to defined benefit plans for which the Ice Cream Business has a liability were:

	2024			2023		
	Defined benefit pension plans	Other post-employment benefit plans	Total	Defined benefit pension plans	Other post-employment benefit plans	Total
			(€ millions)			
Fair value of assets	725	—	725	655	—	655
Present value of liabilities	(803)	(17)	(820)	(806)	(16)	(822)
Surplus restriction[(b)]	(3)	—	(3)	(2)	—	(2)
Net pension liabilities	(81)	(17)	(98)	(153)	(16)	(169)
Pension liability net of assets						
Of which in respect of:						
Funded plans in surplus:						
Liabilities	(8)	—	(8)	(4)	—	(4)
Assets	11	—	11	6	—	6
Surplus restriction	(3)	—	(3)	(2)	—	(2)
Aggregate surplus	—	—	—	—	—	—
Funded plans in deficit:						
Liabilities	(720)	—	(720)	(725)	—	(725)
Assets	714	—	714	649	—	649
Aggregate deficit	(6)	—	(6)	(76)	—	(76)
Unfunded plans:						
Pension liability	(75)	(17)	(92)	(77)	(16)	(93)

	2022			1 January 2022		
	Defined benefit pension plans	**Other post-employment benefit plans**	**Total**	**Defined benefit pension plans**	**Other post-employment benefit plans**	**Total**
			(€ millions)			
Fair value of assets[(a)]	595	—	595	674	—	674
Present value of liabilities	(790)	(16)	(806)	(964)	(19)	(983)
Surplus restriction[(b)]	(1)	—	(1)	—	—	—
Net pension liabilities	(196)	(16)	(212)	(290)	(19)	(309)
Pension liability net of assets						
Of which in respect of:						
Funded plans in surplus:						
Liabilities	(4)	—	(4)	(3)	—	(3)
Assets	5	—	5	4	—	4
Surplus restriction	(1)	—	(1)	—	—	—
Aggregate surplus	—	—	—	1	—	1
Funded plans in deficit:						
Liabilities	(690)	—	(690)	(897)	—	(897)
Assets	591	—	591	670	—	670
Aggregate deficit	(99)	—	(99)	(227)	—	(227)
Unfunded plans:						
Pension liability	(96)	(16)	(112)	(64)	(19)	(83)

(a) At 31 December 2022, there is €1m difference between the total fair value of assets and the sum of the subtotals. This difference is due to rounding. This €1m rounding difference also impacts the net pension liabilities.

(b) A surplus is deemed recoverable to the extent that the Unilever Group is able to benefit economically from the surplus. The Ice Cream Business assesses the maximum economic benefit available through a combination of refunds and reductions in future contributions in accordance with local legislation and individual financing arrangements with each of the funded defined benefit plans.

Reconciliation of liabilities

Movements in liabilities over the year:

	2024				2023			
	Germany defined benefit pension plans	**Other defined benefit pension plans**	**Other post-employment benefit plans**	**Total**	**Germany defined benefit pension plans**	**Other defined benefit pension plans**	**Other post-employment benefit plans**	**Total**
				(€ millions)				
Beginning of reporting period	(721)	(85)	(16)	(822)	(686)	(104)	(16)	(806)
Current service cost	(4)	(4)	(1)	(9)	(4)	(4)	(1)	(9)
Administration expenses	(1)	—	—	(1)	—	—	—	—
Interest cost	(27)	(10)	(1)	(38)	(24)	(7)	(1)	(32)
Actuarial gain arising from changes in demographic assumptions	—	3	—	3	—	—	—	—

	2024				2023			
	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total
Actuarial gain/(loss) arising from changes in financial assumptions	14	9	—	23	(18)	10	—	(8)
Actuarial loss arising from experience adjustments	(18)	(12)	—	(30)	(26)	(3)	(1)	(30)
Benefit payments[(a)]	41	9	1	51	37	5	3	45
Currency retranslation	—	3	—	3	—	18	—	18
End of reporting period	(716)	(87)	(17)	(820)	(721)	(85)	(16)	(822)

	2022			
	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total
	(€ millions)			
Beginning of reporting period	(891)	(73)	(19)	(983)
Current service cost	(6)	(4)	(1)	(11)
Past service costs including gain on curtailments	—	1	—	1
Interest cost	(10)	(4)	(1)	(15)
Actuarial gain/(loss) arising from changes in financial assumptions	203	(19)	3	187
Actuarial gain/(loss) arising from experience adjustments	(17)	(17)	1	(33)
Benefit payments[(a)]	35	5	1	41
Currency retranslation	—	7	—	7
End of reporting period	(686)	(104)	(16)	(806)

(a) Benefits payments disclosed are higher in the reconciliation of liabilities compared with the reconciliation of assets. The difference represents €10m (€8m and €5m) of cash payments in FY24 (FY23 and FY22) made by the Ice Cream Business to unfunded defined benefit pension and other post-employment benefit plans.

Reconciliation of assets

Movements in assets over the year:

	2024				2023			
	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total
	(€ millions)							
Beginning of reporting period ..	646	9	—	655	587	8	—	595
Employee contributions	1	—	—	1	1	—	—	1
Actual loss on plan assets (excluding net finance income/charge)..........................	47	5	—	52	43	1	—	44
Interest income..........................	26	—	—	26	21	—	—	21
Employer contributions	32	—	—	32	31	—	—	31
Benefit payments[(a)]...................	(41)	—	—	(41)	(37)	—	—	(37)
End of reporting period.............	711	14	—	725	646	9	—	655

	2022			
	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total
	(€ millions)			
Beginning of reporting period.....................	666	8	—	674
Employee contributions	1	—	—	1
Actual loss on plan assets (excluding net finance income/charge)...............................	(81)	—	—	(81)
Interest income	8	—	—	8
Employer contributions	28	1	—	29
Benefit payments[(a)]	(35)	(1)	—	(36)
End of reporting period..............................	587	8	—	595

(a) Benefits payments disclosed are higher in the reconciliation of liabilities compared with the reconciliation of assets. The difference represents €10m (€8m and €5m) of cash payments in FY24 (FY23 and FY22) made by the Ice Cream Business to unfunded defined benefit pension and other post-employment benefit plans.

Reconciliation of (deficit)/surplus

Movements in (deficit)/surplus during the year:

	2024				2023			
	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total
	(€ millions)							
Beginning of reporting period ..	(75)	(78)	(16)	(169)	(99)	(97)	(16)	(212)
Current service cost	(4)	(4)	(1)	(9)	(4)	(4)	(1)	(9)
Administration expenses...........	(1)	—	—	(1)	—	—	—	—
Employee contributions	1	—	—	1	1	—	—	1
Actual gain on plan assets (excluding net finance income/charge)..........................	47	5	—	52	43	1	—	44
Change in irrecoverable surplus	—	(1)	—	(1)	—	(1)	—	(1)
Interest cost	(27)	(10)	(1)	(38)	(24)	(7)	(1)	(32)
Interest income..........................	26	—	—	26	21	—	—	21
Actuarial gain arising from changes in demographic assumptions...............................	—	3	—	3	—	—	—	—
Actuarial gain/(loss) arising from changes in financial assumptions...............................	14	9	—	23	(18)	10	—	(8)
Actuarial gain/(loss) arising from experience adjustments	(18)	(12)	—	(30)	(26)	(3)	(1)	(30)
Employer contributions	32	—	—	32	31	—	—	31
Benefit payments	—	9	1	10	—	5	3	8
Currency retranslation	—	3	—	3	—	18	—	18
End of reporting period.............	(5)	(76)	(17)	(98)	(75)	(78)	(16)	(169)

	2022			
	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total
	(€ millions)			
Beginning of reporting period.....................	(225)	(65)	(19)	(309)
Current service cost	(6)	(4)	(1)	(11)
Employee contributions	1	—	—	1
Past service costs including gain on curtailments	—	1	—	1
Actual loss on plan assets (excluding net finance income/charge)...............................	(81)	—	—	(81)
Change in irrecoverable surplus..................	—	(1)	—	(1)
Interest cost...	(10)	(4)	(1)	(15)
Interest income	8	—	—	8

	2022			
	Germany defined benefit pension plans	Other defined benefit pension plans	Other post-employment benefit plans	Total
Actuarial gain/(loss) arising from changes in financial assumptions	203	(19)	3	187
Actuarial gain/(loss) arising from experience adjustments	(17)	(17)	1	(33)
Employer contributions	28	1	—	29
Benefit payments	—	4	1	5
Currency retranslation	—	7	—	7
End of reporting period	(99)	(97)	(16)	(212)

Reconciliation of irrecoverable surplus

Movements in irrecoverable surplus during the year relate to Switzerland:

	2024	2023	2022
	Defined benefit pension plans	Defined benefit pension plans	Defined benefit pension plans
		(€ millions)	
Irrecoverable surplus at Beginning of reporting period	(2)	(1)	—
Change in irrecoverable surplus	(1)	(1)	(1)
Irrecoverable surplus at End of reporting period	(3)	(2)	(1)

Sensitivities

The sensitivity of the overall pension liabilities to changes in the weighted key assumptions are:

		Change in liabilities					
		2024		2023		2022	
	Change in assumption	Germany	Total	Germany	Total	Germany	Total
Discount rate	Increase by 0.5%	(4.8%)	(4.6%)	(4.7%)	(4.6%)	(4.9%)	(4.8%)
Inflation	Increase by 0.5%	4.4%	4.1%	4.3%	4.2%	4.3%	4.3%
Life expectancy	Increase by 1 year	4.3%	4.2%	4.2%	4.1%	4.2%	4.1%

A decrease in each assumption would have a comparable and opposite impact on liabilities. The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied.

Cash flow

The Ice Cream Business cash flow in respect of defined benefit pension plans and other post-employment benefits comprise of contributions paid into funded plans and benefits paid in respect of unfunded plans. The table below sets out these amounts:

	2025 Estimate	2024	2023	2022
		(€ millions)		
Company contributions to funded plans:				
Defined benefit pension plans	33	32	31	29
Benefits paid by the company in respect of unfunded plans:				
Defined benefit pension plans	9	9	5	4
Other post-employment benefit plans	1	1	3	1
Total cash payments (excluding defined contribution and non-transferring plans)	**43**	**42**	**39**	**34**

The Ice Cream Business' funding policy is to periodically review the contributions made to the plans while taking account of local legislation.

Plan assets - Germany

Plan assets in Germany represent 98% of total pension assets. The group of plans with assets excluded from the tables below are not material.

	31 December			1 January
	2024	2023	2022	2022
Total Pension Plan Assets	100%	100%	100%	100%
Equities Total	25%	42%	39%	42%
Europe	11%	16%	16%	17%
North America	12%	17%	15%	16%
Other	2%	9%	8%	9%
Fixed Income Total	59%	42%	43%	44%
Government bonds	24%	9%	10%	10%
Investment grade corporate bonds	18%	16%	16%	17%
Other fixed income	17%	17%	17%	17%
Private Equity	1%	1%	1%	1%
Property and Real Estate	12%	12%	14%	11%
Other	3%	3%	3%	2%
Total Assets	100%	100%	100%	100%

The fair values of the above equity and fixed income instruments are determined based on quoted market prices in active markets. The fair value of private equity and property and real estate are not based on quoted market prices in active markets. Properties are externally and independently appraised on the basis of an open market value per professional market standards. The value of an investment holding in a property fund is typically the net asset value provided to an investor. Assets included in the Other category are infrastructure fund, cash and insurance contracts.

No Unilever securities were held at 31 December 2024, 31 December 2023, 31 December 2022, or 1 January 2022, and no property was occupied by Unilever.

4C Share-based compensation plans

The fair value of awards at grant date is calculated using observable market price. This value is expensed over their vesting period, with a corresponding credit to Net parent investment. The expense is reviewed and adjusted to reflect changes to the level of awards expected to vest, except where this arises from a failure to meet a market condition. Any cancellations are recognised immediately in the income statement.

As at 31 December 2024, 31 December 2023 and 31 December 2022 Unilever had share-based compensation plans in the form of performance shares and other share awards. The employees of the Ice Cream Business participated in the Unilever performance share plans. Costs related to participating employees are allocated to the Ice Cream Business. In addition, the Ice Cream Business also received an allocation of share-based compensation charges with respect to corporate employees of Unilever.

The charge to income statement related to equity-settled share-based compensation plan is €32 million (2023: €20 million, 2022: €18 million).

Performance share plans

Performance share awards are made in respect of Unilever's Performance Share Plan (PSP). Awards for Management Co-Investment Plan (MCIP) were last made in 2020 and vested in 2024. No further MCIP awards will be made. The awards of each plan will vest between 0% and 200% of grant level, subject to the level of satisfaction of performance measures (limits for Executive Directors may vary).

The MCIP allowed Unilever's managers (including Ice Cream Business managers) to invest up to 100% of their annual bonus (a minimum of 33% and maximum of 67% for Executive Directors) in shares in Unilever, and to receive a corresponding award of performance-related shares. From 2021, under the PSP, Unilever's managers (including Ice Cream Business managers) receive annual awards of PLC shares. The performance measures for MCIP are underlying sales growth, underlying EPS growth, underlying return on invested capital, sustainability progress index and for PSP are percentage business winning, free cash flow, underlying return on invested capital and sustainability progress index. MCIP awards made vest after 4 years, while PSP awards vest after 3 years. In 2024, the Unilever Group modified the PSP scheme to only eligible employees. The performance measures for PSP awards from 2024 are underlying sales growth, underlying return on invested capital, relative total shareholder return and sustainability progress index.

Annual Share Plans (ASP)

From 2024, under the Annual Share Plan (ASP) award, eligible employees receive Unilever PLC shares which will vest after 3 years and are not subject to any performance conditions.

Share award value information	2024	2023	2022
		(€)	
Fair value per share award during the year	46	46	42

At the point of the Transaction, Ice Cream employees will cease to build up new entitlements under Unilever performance share plans and other share awards. They will retain Unilever awards on a pro rata basis up to the date of demerger and the Ice Cream Business will make awards under its own share plans from that date onwards. In respect of the retained awards in Unilever performance share plans and other share awards, Ice Cream Business employees will be treated on the same basis as ongoing Unilever employees.

5 Net finance costs

Net finance costs are comprised of finance costs and finance income, including net finance costs in relation to pensions and similar obligations.

Finance income includes income on cash and cash equivalents and income on other financial assets. Finance costs include interest costs in relation to financial liabilities. This includes interest on lease liabilities which represents the unwind of the discount rate applied to lease liabilities.

Borrowing costs are recognised based on the effective interest method.

	Note	2024	2023	2022
			(€ million)	
Net finance costs				
Finance costs		(7)	(10)	(29)
Bank loans and overdrafts		(3)	(2)	(1)
Interest on bonds and other loans		(3)	(1)	(1)
Interest on lease liabilities		(7)	(7)	(5)
Gain/(loss) on remeasurement of put option..	13B	6	—	(22)
Pensions and similar obligations.................		(12)	(11)	(7)
Finance income...		2	1	1
		(17)	(20)	(35)

6 Taxation

6A Income tax

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or Net parent investment. See note 1 for further detail on the estimation of the tax charge for the purposes of these financial statements.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous years.

Total tax in the combined carve-out income statement will differ from the income tax paid in the combined carve-out cash flow statement primarily because of deferred tax arising on temporary differences and payment dates for income tax occurring after the balance sheet date.

Both income statement tax movements and balance sheet amounts relating to Ice Cream dedicated entities have been included in the carve out financial statements in line with amounts reported in the full Unilever Group financial statements.

Legal entities with both Ice Cream and non-Ice Cream related operations have been aggregated by jurisdiction for the purposes of calculating tax movements and balances. Amounts included in the income statement have been calculated by applying an Ice Cream adjusted jurisdictional effective tax rate to the carve out pre-tax result for these entities within that jurisdiction. Amounts included on the balance sheet in respect of deferred tax have been calculated either by reference to the proportion of the pre-tax assets or liabilities that give rise to the associated deferred item or applying the appropriate statutory jurisdictional tax rate to the pre-tax asset or liability carrying value. No current tax balances have been included for entities with both Ice Cream and non-Ice Cream operations on the basis that the legal obligation to settle will remain with the existing Unilever Group, unless the legal entity is transferring.

The Ice Cream Business is subject to taxation in the many countries in which it operates. The tax legislation of these countries differs, is often complex and is subject to interpretation by management and the Government authorities. These matters of judgement give rise to the need to create provisions for tax payments that may arise in future years with respect to transactions already undertaken. Provisions take into account the circumstances of each case, including the strength of technical arguments, recent case law decisions or rulings on similar issues and relevant external advice. Provisions are estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

	2024	**2023**	**2022**
		(€ million)	
Tax charge in income statement			
Current tax			
Current year	168	220	114
Over/(under) provided in prior years	(31)	22	(7)
	137	242	107
Deferred tax			
Origination and reversal of temporary differences	15	(38)	66
Changes in tax rates	—	(1)	—
Movement on unrecognised deferred tax	—	—	—
	152	203	173

The reconciliation between the computed weighted average rate of income tax expense, which is generally applicable to Ice Cream Business companies, and the actual rate of taxation charged is as follows:

Reconciliation of effective tax rate	**2024**	**2023**	**2022**
		(%)	
Computed rate of tax[(a)]	25.1	25.2	24.4
Differences between computed rate of tax and effective tax rate due to:			
Incentive tax credits	(2.3)	(2.7)	(3.6)
Expenses not deductible for tax purposes	0.8	2.1	1.4
Impact of withholding tax	1.2	1.0	(0.2)
Income tax reserve adjustments – current and prior year	—	1.6	(2.0)
Transfer to/(from) unrecognised deferred tax assets	—	—	(0.1)
Other[(b)]	(4.5)	1.2	4.7
Effective tax rate	20.3	28.4	24.6

(a) The computed tax rate used is the average of the standard rate of tax applicable in the countries in which the Ice Cream Business operates, weighted by the amount of profit before taxation generated in each of those countries. For this reason, the rate may vary from year to year according to the mix of profit and related tax rates.

(b) Other includes the impact of audit settlements and prior year true-ups, as well as the impact of hyperinflation related to Turkey. In 2024 there are significant favourable settlements and true-ups, compared with adverse impacts in prior periods.

The Ice Cream Business's tax rate is reduced by incentive tax credits, the benefit from preferential tax regimes that have been legislated by the countries and provinces concerned in order to promote economic development and investment. The tax rate is increased by business expenses which are not deductible for tax, such as entertainment costs and some interest expense.

The Ice Cream Business's future tax charge and effective tax rate could be affected by several factors, including changes in tax laws and their interpretation and still to be determined tax reform proposals in the EU, Switzerland and the continuing OECD international tax reform work, as well as the impact of acquisitions, disposals and the future legal structure of the Ice Cream Business.

Pillar Two legislation applies to the Ice Cream Business for 2024. No Pillar Two top-up tax has been accrued within the 2024 tax charge on the basis that the impact is immaterial.

6B Deferred tax

Deferred tax is recognised using the liability method on taxable temporary differences between the tax base and the accounting base of items included in the balance sheet of the Ice Cream Business. Certain temporary differences are not provided for as follows:

- goodwill not deductible for tax purposes;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and

- differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, at the year end.

The Ice Cream Business has applied the exemption to not recognise or disclose any deferred tax related to Pillar Two income taxes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. A deferred tax asset is recognised in respect of tax losses only to the extent that they are directly attributable to dedicated Ice Cream legal entities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The table below summarises the deferred tax position determined after appropriate jurisdictional offsetting as is presented in the combined carve-out balance sheet at each balance sheet date:

Deferred tax		**31 December**		**1 January**
	2024	**2023**	**2022**	**2022**
		(€ million)		
Deferred tax asset	130	151	150	212
Deferred tax liability	(298)	(257)	(217)	(187)
Net deferred tax asset/(liability)	(168)	(106)	(67)	25

The movements in the deferred tax position are analysed below:

	As at 1 January 2024	**Income statement**	**Other**	**As at 31 December 2024**
		(€ million)		
Movements in 2024				
Pensions and similar obligations	66	(2)	(6)	58
Provisions and accruals	33	—	(1)	32
Goodwill and intangible assets	(175)	(8)	(8)	(191)
Accelerated tax depreciation	(120)	14	(5)	(111)
Tax losses	79	(18)	(9)	52
Other	8	(1)	(17)	(10)
Lease Liability	42	(5)	—	37
Right of use asset	(39)	5	(1)	(35)
	(106)	(15)	(47)	(168)

	As at 1 January 2023	Income statement	Other	As at 31 December 2023
		(€ million)		
Movements in 2023				
Pensions and similar obligations	71	(3)	(2)	66
Provisions and accruals	40	(9)	2	33
Goodwill and intangible assets	(71)	(4)	(100)	(175)
Accelerated tax depreciation	(172)	54	(2)	(120)
Tax losses	58	(3)	24	79
Other	7	3	(2)	8
Lease Liability	37	3	2	42
Right of use asset	(37)	(2)	—	(39)
	(67)	39	(78)	(106)

	As at 1 January 2022	Income statement	Other	As at 31 December 2022
		(€ million)		
Movements in 2022				
Pensions and similar obligations	113	(2)	(40)	71
Provisions and accruals	49	(9)	—	40
Goodwill and intangible assets	(60)	(14)	3	(71)
Accelerated tax depreciation	(139)	(40)	7	(172)
Tax losses	53	5	—	58
Other	10	(5)	2	7
Lease Liability	41	(4)	—	37
Right of use asset	(42)	3	2	(37)
	25	(66)	(26)	(67)

As the Ice Cream Business is not a separate legal group and has not previously prepared standalone financial statements, it is not possible to prepare or disclose an analysis of deferred tax attributable to various components of Net parent investment. The net liabilities of the Ice Cream Business are represented by the cumulative investment of Unilever in the Ice Cream Business and disclosed as Net parent investment. Therefore, there are no deferred tax liabilities recognised in respect of the aggregate amount of temporary differences associated with undistributed Ice Cream Business earnings.

The table below shows the gross deferred tax position determined before jurisdictional netting:

Deferred tax assets and liabilities	2024		
	Assets	Liabilities	Total
		(€ million)	
Pensions and similar obligations	59	(1)	58
Provisions and accruals	32	—	32
Goodwill and intangible assets	8	(199)	(191)
Accelerated tax depreciation	11	(122)	(111)
Tax losses	52	—	52
Other	10	(20)	(10)
Lease Liability	37	—	37
Right of use asset	—	(35)	(35)
	209	(377)	(168)
Of which deferred tax to be recovered/(settled) after more than 12 months	158	(355)	(197)

Deferred tax assets and liabilities	2023		
	Assets	Liabilities	Total
		(€ million)	
Pensions and similar obligations	67	(1)	66
Provisions and accruals	38	(5)	33
Goodwill and intangible assets	9	(184)	(175)
Accelerated tax depreciation	8	(128)	(120)
Tax losses	79	—	79
Other	8	—	8
Lease Liability	42	—	42
Right of use asset	—	(39)	(39)
	251	(357)	(106)
Of which deferred tax to be recovered/(settled) after more than 12 months	185	(331)	(146)

Deferred tax assets and liabilities	2022		
	Assets	Liabilities	Total
		(€ million)	
Pensions and similar obligations	72	(1)	71

Deferred tax assets and liabilities	2022		
	Assets	Liabilities	Total
Provisions and accruals	43	(3)	40
Goodwill and intangible assets	10	(81)	(71)
Accelerated tax depreciation	5	(177)	(172)
Tax losses	58	—	58
Other	7	—	7
Lease Liability	37	—	37
Right of use asset	—	(37)	(37)
	232	(299)	(67)
Of which deferred tax to be recovered/(settled) after more than 12 months	188	(279)	(90)

Deferred tax assets and liabilities	1 January 2022		
	Assets	Liabilities	Total
		(€ million)	
Pensions and similar obligations	114	(1)	113
Provisions and accruals	49	—	49
Goodwill and intangible assets	11	(71)	(60)
Accelerated tax depreciation	7	(146)	(139)
Tax losses	53	—	53
Other	10	—	10
Lease Liability	41	—	41
Right of use asset	—	(42)	(42)
	285	(260)	25
Of which deferred tax to be recovered/(settled) after more than 12 months	235	(246)	(11)

The Ice Cream Business had unused tax losses in Brazil of €27 million (Brazil and Czech Republic of 2023: €32 million, 2022: €39 million, 1 January 2022: €29 million) available for offset against future taxable profits. Deferred tax assets have not been recognised in respect of these unused tax losses, as it is not probable that there will be future taxable profits within the entity against which the losses can be utilised. There is no expiry date for these losses.

6C Tax on other comprehensive income

Income tax is recognised in Other comprehensive income for items recognised directly in Net parent investment.

Tax effects directly recognised in Other comprehensive income were as follows:

	2024			2023			2022		
	Before tax	**Tax (charge)/ credit**	**After tax**	**Before tax**	**Tax (charge)/ credit**	**After tax**	**Before tax**	**Tax (charge)/ credit**	**After tax**
					(€ million)				
Cash flow hedges	106	(18)	88	3	(1)	2	(12)	3	(9)
Remeasurements of defined benefit pension plans..................................	45	(7)	38	5	(5)	—	72	(40)	32
Currency retranslation gain/(loss)	137	—	137	(50)	—	(50)	153	—	153
	288	(25)	263	(42)	(6)	(48)	213	(37)	176

7 Goodwill and intangible assets

Goodwill

Goodwill is initially recognised based on the accounting policy for business combinations (see note 19). Goodwill is subsequently measured at cost less amounts provided for impairment. Goodwill acquired in a business combination is assessed to determine whether new cash generating units ("**CGUs**") are created, and if not, is allocated to the Ice Cream Business's CGUs in line with the structure detailed below. These might not always be the same as the CGUs that include the assets and liabilities of the acquired business.

Intangible assets

Separately purchased intangible assets are initially measured at cost, being the purchase price as at the date of acquisition. On acquisition of new interests in Ice Cream companies, the Ice Cream Business recognises any specifically identifiable intangible assets separately from goodwill. These intangible assets are initially measured at fair value as at the date of acquisition.

Expenditure to support development of internally produced intangible assets is recognised in profit or loss as incurred.

Indefinite-life intangible assets mainly comprise acquired brands, for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brands and the level of marketing support. These assets are not amortised but are subject to a review for impairment annually, or more frequently if events or circumstances indicate this is necessary. Any impairment is charged to the income statement as it arises.

Finite-life intangible assets mainly comprise software, trademarks, licenses, and technology. These assets are amortised on a straight-line basis in the income statement over the period of their expected useful lives, or the period of legal rights if shorter. None of the amortisation periods exceeds ten years.

Cash generating units

The Ice Cream Business's assets are grouped into CGUs which are the smallest identifiable group of assets that generates largely independent cash inflows. These CGUs are aligned with the Ice Cream Business's organisation structure of four Business Units.

Impairment review

The impairment test is performed by comparing the carrying value of the CGUs with their recoverable value. The recoverable value is primarily based on value in use but also considers fair value less costs of disposal where relevant. Any impairment is charged to the income statement as it arises.

Movements during 2024	Goodwill	Indefinite-life intangibles[(a)]	Finite-life intangible assets: Software	Finite-life intangible assets: Other	Total
			(€ million)		
Cost					
1 January 2024	558	743	14	19	1,334
Currency retranslation	27	41	—	—	68
31 December 2024	585	784	14	19	1,402
Accumulated amortisation and Impairment					
1 January 2024	—	—	(14)	(8)	(22)
Amortisation/impairment for the year	—	—	—	(2)	(2)
31 December 2024	—	—	(14)	(10)	(24)
Net book value 31 December 2024	585	784	—	9	1,378

Movements during 2023	Goodwill	Indefinite-life intangibles[(a)]	Finite-life intangible assets: Software	Finite-life intangible assets: Other	Total
			(€ million)		
Cost					
1 January 2023	272	369	14	19	674
Additions through business combinations[(b)]	299	389	—	—	688
Additions	—	—	—	2	2
Disposals and other movements	—	—	—	(2)	(2)
Currency retranslation	(13)	(15)	—	—	(28)
31 December 2023	558	743	14	19	1,334
Accumulated amortisation and Impairment					

Movements during 2023	Goodwill	Indefinite-life intangibles[(a)]	Finite-life intangible assets Software	Other	Total
1 January 2023	—	—	(14)	(7)	(21)
Amortisation/impairment for the year	—	—	—	(2)	(2)
Disposals and other movements	—	—	—	1	1
31 December 2023	—	—	(14)	(8)	(22)
Net book value 31 December 2023	558	743	—	11	1,312

Movements during 2022	Goodwill	Indefinite-life intangibles[(a)]	Finite-life intangible assets Software	Other	Total
			(€ million)		
Cost					
1 January 2022	264	352	15	18	649
Additions	—	—	—	2	2
Disposals and other movements	—	—	(1)	(1)	(2)
Currency retranslation	8	17	—	—	25
31 December 2022	272	369	14	19	674
Accumulated amortisation and Impairment					
1 January 2022	—	—	(14)	(5)	(19)
Amortisation/impairment for the year	—	—	—	(2)	(2)
31 December 2022	—	—	(14)	(7)	(21)
Net book value 31 December 2022	272	369	—	12	653

(a) Within indefinite-life intangible assets there are three existing brands that have a significant carrying value: Yasso €408 million (2023: €384 million 2022: nil, 1 January 2022: nil), Talenti €144 million (2023: €135 million, 2022: €141 million, 1 January 2022: €132 million) and Ben & Jerry's €125 million (2023: €117 million, 2022: €122 million, 1 January 2022: €115 million).

(b) The fair value of goodwill and intangibles for acquisitions made in 2023. See note 19 for further details.

The goodwill and indefinite-life assets held in the CGUs shown below are considered significant within the total carrying amounts of goodwill and indefinite-life intangible:

	2024 CGUs	2023 CGUs	2022 CGUs	1 Jan 2022 CGUs
	Goodwill			
	(€ million)			
Europe and ANZ	136	136	138	138
Americas	449	422	134	126
Total CGUs	585	558	272	264

	2024 CGUs	2023 CGUs	2022 CGUs	1 Jan 2022 CGUs
	Indefinite-life intangible assets	Indefinite-life intangible assets	Indefinite-life intangible assets	Indefinite-life intangible assets
	(€ million)			
Europe and ANZ	147	144	146	142
Americas	631	595	219	204
Total Significant CGUs	778	739	365	346
Others[(a)]	6	4	4	6
Total CGUs	784	743	369	352

(a) Included within Others are individually insignificant amounts of indefinite-life intangible assets.

Key assumptions

In performing the annual impairment testing, the recoverable amount of each CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Projected cash flows include specific estimates for a period of five years. The growth rates and operating margins used to estimate cash flows for the five years are based on past performance and on the Ice Cream Business's three-year strategic plan, de-risked to ensure reasonability and extended to years four and five. The growth rates used in this exercise for significant CGUs are set out below:

	For the year 2024	
Significant CGUs	**Europe and ANZ**	**Americas**
Longer-term sustainable growth rates	1.3%	2.0%
Average near-term nominal growth rates	2.5%	3.0%
Discount rate	9.6%	9.8%

Significant CGUs	For the year 2023 Europe and ANZ	Americas
Longer-term sustainable growth rates	1.1%	1.6%
Average near-term nominal growth rates	1.1%	3.2%
Discount rate	9.1%	9.3%

Significant CGUs	For the year 2022 Europe and ANZ	Americas
Longer-term sustainable growth rates	2.4%	2.2%
Average near-term nominal growth rates	1.3%	3.5%
Discount rate	7.8%	8.0%

The estimated cash flows after year five are extrapolated using a longer-term sustainable growth rate, which is determined as the lower of the Ice Cream Business's own three-year average growth projection and external forecasts for the relevant market.

In 2024, the projected cash flows are discounted using pre-tax discount rates. The discount rates are specific to each CGU and are determined based on the weighted average cost of capital, including a market and country risk premium.

There are no reasonably possible changes in key assumptions that would cause the carrying amount of any CGU to exceed its recoverable amount.

8 Property, plant and equipment

The Ice Cream Business's property, plant and equipment is comprised of owned assets (note 8A) and leased assets (note 8B). Property, plant and equipment is measured at cost less depreciation and accumulated impairment losses.

Property, plant and equipment includes:

- land and buildings related to factories and sites that were historically dedicated to the Ice Cream Business, including factories and sites that were sold or closed during the periods presented;
- plant and machinery that is directly attributable to the Ice Cream Business on the factories and sites; and
- cabinets that refrigerate Ice Cream.

Property, plant and equipment is subject to review for impairment if triggering events or circumstances indicate that this is necessary. If an indication of impairment exists, the asset's recoverable amount is estimated and any impairment loss is charged to the income statement as it arises.

Owned assets

Owned assets are initially measured at historical cost. Depreciation is provided on a straight-line basis over the expected average useful lives of the assets. Residual values and useful lives are reviewed at least annually. The review of residual values and useful lives have has taken into consideration the impacts of climate change and the actions the Ice Cream Business undertakes to mitigate and adapt against these climate-related risks and there is no material impact on the income statement for this year. Estimated useful lives by major class of assets are as follows:

- Leasehold land and buildings — 40 years (or life of lease if less)
- Plant and equipment — 2-20 years
- Freehold buildings (no depreciation on freehold land) — 40 years

Leased assets

The cost of a leased asset is measured as the lease liability at inception of the lease contract and other direct costs less any incentives granted by the lessor. The Ice Cream Business has not capitalised leases which are less than 12 months or leases with low value assets. These mainly relate to IT equipment, office equipment, furniture and fittings and other peripheral items. When a lease liability is remeasured, the related lease asset is adjusted by the same amount.

Depreciation is provided on a straight-line basis from the commencement date of the lease to the end of the lease term.

	31 December			**1 January**
Property, plant and equipment	**2024**	**2023**	**2022**	**2022**
		(€ million)		
Owned assets	2,223	2,087	2,106	1,974
Leased assets	132	147	140	164
Total	2,355	2,234	2,246	2,138

8A Owned assets

Movements during 2024	Land and buildings	Plant and equipment	Total
		(€ million)	
Cost			
1 January 2024	982	3,840	4,822
Additions	24	297	321
Disposals and other movements	(6)	(201)	(207)
Hyperinflationary adjustment	5	123	128
Currency retranslation	19	38	57
31 December 2024	1,024	4,097	5,121
Accumulated depreciation			
1 January 2024	(384)	(2,351)	(2,735)
Depreciation charge for the year	(22)	(242)	(264)
Disposal and other movements	3	188	191
Hyperinflationary adjustment	(6)	(52)	(58)
Currency retranslation	(8)	(24)	(32)
31 December 2024	(417)	(2,481)	(2,898)
Net book value 31 December 2024[a]	607	1,616	2,223
Includes capital expenditures for assets under construction	10	26	36

Movements during 2023	Land and buildings	Plant and equipment	Total
		(€ million)	
Cost			
1 January 2023	954	3,842	4,796
Additions through business combinations	—	1	1
Additions	47	231	278
Disposals and other movements	(4)	(175)	(179)
Hyperinflationary adjustment	9	25	34
Currency retranslation	(24)	(84)	(108)
31 December 2023	982	3,840	4,822

Accumulated depreciation			
1 January 2023	(371)	(2,319)	(2,690)
Depreciation charge for the year	(21)	(225)	(246)
Disposal and other movements	2	158	160
Hyperinflationary adjustment	(1)	(8)	(9)
Currency retranslation	7	43	50
31 December 2023	(384)	(2,351)	(2,735)
Net book value 31 December 2023[(a)]	598	1,489	2,087
Includes capital expenditures for assets under construction	8	21	29

Movements during 2022	Land and buildings	Plant and equipment	Total
		(€ million)	
Cost			
1 January 2022	834	3,632	4,466
Additions	65	228	293
Disposals and other movements	(7)	(235)	(242)
Hyperinflationary adjustment	49	217	266
Currency retranslation	13	—	13
31 December 2022	954	3,842	4,796
Accumulated depreciation			
1 January 2022	(334)	(2,158)	(2,492)
Depreciation charge for the year	(21)	(230)	(251)
Disposal and other movements	6	205	211
Hyperinflationary adjustment	(17)	(135)	(152)
Currency retranslation	(5)	(1)	(6)
31 December 2022	(371)	(2,319)	(2,690)
Net book value 31 December 2022[(a)]	583	1,523	2,106
Includes capital expenditures for assets under construction	6	16	22

(a) Includes €32 million (2023: €28 million, 2022: €31 million, 1 January 2022: €33 million) of freehold land.

The Ice Cream Business has commitments to purchase property, plant and equipment of €43 million (2023: €53 million, 2022: €45 million, 1 January 2022: €54 million).

8B Leased assets

Movements during 2024	Land and buildings	Plant and equipment	Total
		(€ million)	
Cost			
1 January 2024	317	60	377
Additions	23	17	40
Disposals and other movements	(30)	(24)	(54)
Hyperinflationary adjustment	—	(1)	(1)
Currency retranslation	5	(3)	2
31 December 2024	**315**	**49**	**364**
Accumulated depreciation			
1 January 2024	(195)	(35)	(230)
Depreciation charge for the year	(34)	(13)	(47)
Disposal and other movements	25	23	48
Currency retranslation	(3)	—	(3)
31 December 2024	**(207)**	**(25)**	**(232)**
Net book value 31 December 2024	**108**	**24**	**132**

Movements during 2023	Land and buildings	Plant and equipment	Total
		(€ million)	
Cost			
1 January 2023	332	59	391
Additions through business combinations	2	—	2
Additions	56	15	71
Disposals and other movements	(69)	(14)	(83)
Hyperinflationary adjustment	—	2	2
Currency retranslation	(4)	(2)	(6)
31 December 2023	317	60	377
Accumulated depreciation			
1 January 2023	(215)	(36)	(251)
Depreciation charge for the year	(39)	(11)	(50)
Disposal and other movements	57	12	69

Movements during 2023	Land and buildings	Plant and equipment	Total
Hyperinflationary adjustment	—	(1)	(1)
Currency retranslation	2	1	3
31 December 2023	(195)	(35)	(230)
Net book value 31 December 2023	122	25	147

Movements during 2022	Land and buildings	Plant and equipment	Total
		(€ million)	
Cost			
1 January 2022	344	57	401
Additions	25	10	35
Disposals and other movements	(41)	(9)	(50)
Hyperinflationary adjustment	—	1	1
Currency retranslation	4	—	4
31 December 2022	332	59	391
Accumulated depreciation			
1 January 2022	(205)	(32)	(237)
Depreciation charge for the year	(40)	(12)	(52)
Disposal and other movements	32	8	40
Currency retranslation	(2)	—	(2)
31 December 2022	(215)	(36)	(251)
Net book value 31 December 2022	117	23	140

The Ice Cream Business's leases mainly comprise land and buildings and plant and equipment. The Ice Cream Business leases land and buildings for manufacturing, warehouse facilities and office space and also subleases some of the properties under operating leases. The Ice Cream Business has leases for vehicles and equipment.

The Ice Cream Business has recognised in the income statement an expense of €9 million (2023: €12 million, 2022: €11 million) for short term leases.

During the year, the Ice Cream Business recognised income of €nil million (2023: €1 million, 2022: €1 million) from sublet properties.

The total cash outflow for leases were €46 million (2023: €52 million, 2022: €54 million).

Lease liabilities are shown in note 13.

9 Other non-current assets

	31 December			1 January
	2024	2023	2022	2022
		(€ million)		
Long-term trade and other receivables[(a)]	26	60	67	39
Other non-current assets[(b)]	3	3	4	3
	29	63	71	42

(a) Including indirect tax receivable where the Ice Cream Business does not have the contractual right to receive payment within 12 months.

(b) Includes financial assets.

10 Inventories

Inventories are valued at the lower of weighted average cost and net realisable value. Cost comprises direct costs and, where appropriate, a proportion of attributable production overheads. Net realisable value is the estimated selling price less the estimated costs necessary to make the sale.

Inventories	31 December			1 January
	2024	2023	2022	2022
		(€ million)		
Raw materials and consumables	242	221	243	182
Finished goods and goods for resale	726	750	802	607
Total inventories	968	971	1,045	789
Provision for inventories	(48)	(56)	(54)	(38)
	920	915	991	751

Provision for inventories	2024	2023	2022
		(€ million)	
1 January	56	54	38
Charge to income statement	16	23	32
Reduction/releases	(23)	(14)	(14)
Currency retranslation	(1)	(7)	(2)
31 December	48	56	54

Inventories with a value of €28 million (2023: €30 million, 2022: €18 million, 1 January 2022: €16 million) are carried at net realisable value, this being lower than cost. During 2024, €32 million (2023: €53 million, 2022: €46 million) was charged to the income statement for damaged and lost inventories.

11 Trade and other current receivables

Trade and other current receivables are initially recognised at fair value plus any directly attributable transaction costs. Subsequently, these assets are held at amortised cost, using the effective interest method and net of any impairment losses. Discounts payable to customers are shown as a reduction in trade receivables when there is a legal right and intent to settle them on a net basis.

The Ice Cream Business does not consider the fair values of trade and other receivables to be significantly different from their carrying values. Concentrations of credit risk with respect to trade receivables are limited due to the Ice Cream Business's customer base being large and diverse. The Ice Cream Business's historical experience of collecting receivables, supported by the level of default, is that credit risk is low across territories and so trade receivables are considered to be a single class of financial assets. Impairment for trade receivables is calculated for specific receivables with known or anticipated issues affecting the likelihood of recovery and for balances past due with a probability of default based on historical data as well as relevant forward-looking information.

Trade and other current receivables	31 December			1 January
	2024	2023	2022	2022
	(€ million)			
Due within one year				
Trade receivables	391	391	343	306
Prepayments and accrued income	22	36	90	4
Other receivables	222	110	141	100
Trading and other receivables due from Unilever	—	3	13	15
	635	540	587	425

Included within trade receivables are discounts due to the Ice Cream Business's customers of €360 million (2023: €352 million, 2022: €321 million, 1 January 2022: €286 million). Other receivables comprises financial assets of €109 million (2023: €7 million, 2022: €9 million, 1 January 2022: €13 million) and non-financial assets of €113 million (2023: €103 million, 2022: €132 million, 1 January 2022: €87 million). Financial assets include derivatives, royalty receivables, and employee advances. Non-financial assets mainly related to reclaimable sales tax of €95 million (2023: €83 million, 2022: €108 million, 1 January 2022: €66 million).

Ageing of trade receivables	31 December			1 January
	2024	2023	2022	2022
	(€ million)			
Not overdue	355	364	301	276
Past due less than three months	30	29	43	33
Past due more than three months but less than six months	11	6	8	7
Past due more than six months but less than one year	3	4	1	4
Past due more than one year	16	19	20	15

Ageing of trade receivables	**31 December**			**1 January**
	2024	**2023**	**2022**	**2022**
Total trade receivables	415	422	373	335
Impairment provision for trade receivables	(24)	(31)	(30)	(29)
	391	391	343	306

The total impairment provision includes €24 million (2023: €31 million, 2022: €30 million, 1 January 2022: €29 million) for current trade receivables, €1 million (2023: €1 million, 2022: €1 million, 1 January 2022: €1 million) for other current receivables and €2 million (2023: €4 million, 2022: €1 million, 1 January 2022: €1 million) for non-current trade and other receivables.

Impairment provision for trade and other receivables	**2024**	**2023**	**2022**
		(€ million)	
1 January	36	32	30
Charge to income statement	5	9	10
Reduction/releases	(11)	(7)	(8)
Currency retranslations	(3)	2	—
31 December	27	36	32

12 Trade payables and other liabilities

Trade payables

Trade payables are initially recognised at fair value less any directly attributable transaction costs. Trade payables are subsequently measured at amortised cost, using the effective interest method.

Other liabilities

Other liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent measurement depends on the type of liability:

- Accruals are subsequently measured at amortised cost, using the effective interest method.
- Social security and sundry taxes are subsequently measured at amortised cost, using the effective interest method.
- Deferred consideration is subsequently measured at fair value with changes in the income statement as explained below; and
- Others are subsequently measured either at amortised cost, using the effective interest method or at fair value, with changes being recognised in the income statement.

Deferred consideration

Deferred consideration represents any payments to the sellers of a business that occur after the acquisition date. These typically comprise contingent consideration and fixed deferred consideration:

- Fixed deferred consideration is a payment with a due date after acquisition that is not dependent on future conditions; and
- Contingent consideration is a payment which is dependent on certain conditions being met in the future and is often variable.

All deferred consideration is initially recognised at fair value as at the acquisition date, which includes a present value discount. Subsequently, deferred consideration is measured to reflect the unwinding of discount on the liability, with changes recognised in finance cost within the income statement. In the balance sheet, it is remeasured to reflect the latest estimate of the achievement of the conditions on which the consideration is based; changes in value other than the discount unwind are recognised as acquisition and disposal-related costs in the income statement.

The Ice Cream Business does not consider the fair values of trade payables and other liabilities to be significantly different from their carrying values.

Trade payables and other liabilities	**31 December**			**1 January**
	2024	**2023**	**2022**	**2022**
	(€ million)			
Current: due within one year				
Trade payables	1,182	1,155	1,211	1,078
Accruals	471	469	497	468
Social security and sundry taxes	43	47	51	38
Deferred consideration	—	59	—	—
Others	124	95	104	99
Trade and other payables balances due to Unilever	(2)	1	1	7
	1,818	1,826	1,864	1,690
Non-current: due after more than one year				
Accruals	3	3	6	6
Others	5	6	3	3
Total trade payables and other liabilities	8	9	9	9
	1,826	1,835	1,873	1,699

Included within trade payables and other liabilities are discounts due to customers of €319 million (2023: €354 million, 2022: €327 million, 1 January 2022: €284 million).

Included within others are IT, consulting services and VAT tax payable.

Deferred consideration

At 31 December 2023, the total balance of deferred consideration was €59 million, relating to contingent consideration from the Yasso acquisition, this was subsequently settled in 2024 at the same value in US dollars. This contingent consideration payment was dependent on acquired businesses achieving contractually agreed financial targets (mainly relates to cumulative increases in revenue and adjusted profit measures) until 2023, with a maximum contractual amount of €90 million.

Supplier financing arrangements for trade payables

A number of suppliers elect to factor a portion of the receivables balance from the Ice Cream Business with financial institutions. In some instances, the Ice Cream Business provides suppliers and/or banks with visibility of invoices approved for payment, which helps suppliers receive cash from the bank before the invoice due date, if they choose to do so. Payment dates and terms for Unilever do not vary based on whether the supplier chooses to factor their receivable.

If a receivable is purchased by a third-party bank, that third-party bank does not benefit from additional security when compared to the security originally enjoyed by the supplier.

The Ice Cream Business evaluates these arrangements to assess if the payable holds the characteristics of a trade payable or should be classified as a financial liability. At 31 December 2024 and 31 December 2023, all such liabilities were classified as trade payables.

	2024
Carrying amount of trade payables	
Presented in trade and other payables (€ million)	254
of which suppliers have received payment from finance provider (€ million)	222
Range of payments due dates	
Liabilities that are part of the arrangements (days)	180 days
Comparable trade payables that are not part of the arrangement (days)	180 days

In its liquidity assessment, the Ice Cream Business does not consider any supplier financing arrangements as these arrangements are non-recourse to the Ice Cream Business and supplier payment dates and terms for the Ice Cream Business do not vary based on whether the supplier chooses to use such financing arrangements.

13 Capital and funding

Net parent investment

As the Ice Cream Business is not a separate legal group and has not previously prepared standalone financial statements, it is not meaningful to disclose share capital or an analysis of reserves. The net assets of the Ice Cream Business are represented by the cumulative investment of Unilever in the Ice Cream Business and disclosed as Net parent investment.

Other reserves

Other reserves include the foreign currency translation reserve, the cash flow hedge reserve, and the remeasurement of defined benefit pension plans.

Share-based compensation

Unilever operates a number of share-based compensation plans involving options and awards of ordinary shares of Unilever PLC. The Ice Cream Business received an allocation of shared based compensation charges with respect to corporate employees of Unilever (note 4C).

Derivative financial instruments

The Ice Cream Business's use of, and accounting for, derivative instruments is explained in note 14.

Dividends

The legal entities within the Ice Cream Business paid dividends to Unilever of €11 million in 2024 (2023: €nil and 2022: €nil).

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not yet paid at the start of the lease term. This is discounted using an appropriate borrowing rate determined by the Ice Cream Business, where none is readily available in the lease contract. The lease liability is subsequently reduced by cash payments and increased by interest costs. The lease liability is remeasured when the Ice Cream Business assesses that there will be a change in the amount expected to be paid during the lease term.

13A Net parent investment

Basis of consolidation

The Magnum Ice Cream Company N.V. will become the majority shareholder of all transferring legal entities and will have control in all cases. Information in relation to these legal entities is provided in note 21 on page [240].

Non-controlling interests

The Ice Cream Business includes a number of legal entities in which non-controlling interests exist. The share of third parties' ownership interests in the Ice Cream Business combined carve-out balance sheet and combined carve-out income statement for these legal entities has been recognised and separately included. The most significant non-controlling interests are held in Indonesia and the Philippines.

Net parent investment

Transactions with Unilever are included within Net parent investment from the combined carve-out statements of changes in Net parent investment and within financing activities in the combined carve-out cash flow statement and represent the net effect of transactions between the Ice Cream Business and Unilever. The components of Net parent investment are as follows:

	2024	2023	2022
		(€ million)	
Transactions with Unilever as reflected in the combined carve-out cash flow statement	(676)	7	(437)
Net monetary loss arising from hyperinflationary economies	—	10	2
Non-cash allocated depreciation and amortisation	63	59	67
Transactions with owners of the non-controlling interests	19	16	19
Transactions with Unilever as reflected in the combined carve-out statement of changes in Net parent investment	(594)	92	(349)

Other reserves

Other reserves include the cash flow hedge reserve, net of tax of €81 million (2023: €(7) million, 2022: €(9) million, 1 January 2022: nil million), the remeasurement of defined benefit pension plans of €70 million (2023: €32 million, 2022: €32 million, 1 January 2022: nil million), and the foreign currency translation reserve of €242 million (2023: €106 million, 2022: €155 million, 1 January 2022: nil million).

13B Financial Liabilities

Financial liabilities[a]	**Current 2024**	**Non-current 2024**	**Total 2024**	**Current 2023**	**Non-current 2023**	**Total 2023**
			(€ million)			
Bank loans and overdrafts[b]	35	—	35	32	—	32
Lease liabilities	41	103	144	41	115	156
Related party loans with Unilever	9	—	9	—	9	9
Other financial liabilities[c]	—	145	145	—	151	151
Total	85	248	333	73	275	348

Financial liabilities[a]	**Current 2022**	**Non-current 2022**	**Total 2022**	**Current 1 January 2022**	**Non-current 1 January 2022**	**Total 1 January 2022**
			(€ million)			
Bank loans and overdrafts[b]	35	—	35	21	—	21
Lease liabilities	38	106	144	41	122	163
Related party loans with Unilever	—	9	9	—	—	—
Other financial liabilities[c]	—	151	151	—	129	129
Total	73	266	339	62	251	313

(a) Financial liabilities exclude trade payables and other liabilities which are covered in note 12.

(b) Bank loans and overdrafts do not include any secured liabilities.

(c) Other financial liabilities includes an option to acquire non-controlling interests from RFM Corporation, the Philippines Joint Venture. The Ice Cream Business owns 50%+1 share and, under the terms of the shareholder agreement dating back to March 1999, each year within one month of 31 December, RFM Corporation has the right to require The Ice Cream Business to purchase all or a proportion of RFM's shares in the joint venture at a price defined in the shareholder agreement.

Reconciliation of liabilities arising from financing activities:

			Non-cash movement				
Movements in 2024	**Opening balance as at 1 January**	**Cash movement**	**Business acquisitions /disposals**	**Fair value changes**	**Other non-cash movements**	**Foreign exchange changes**	**Closing balance at 31 December**
				(€ million)			
Bank loans and overdrafts[a]	(32)	(3)	—	—	—	—	(35)
Lease liabilities[b]	(156)	39	—	—	(26)	(1)	(144)
Related party loans with Unilever	(9)	—	—	—	—	—	(9)
Total[c]	(197)	36	—	—	(26)	(1)	(188)

			Non-cash movement				
Movements in 2023	**Opening balance as at 1 January**	**Cash movement**	**Business acquisitions /disposals**	**Fair value changes**	**Other non-cash movements**	**Foreign exchange changes**	**Closing balance at 31 December**
				(€ million)			
Bank loans and overdrafts[a]	(35)	2	—	—	—	1	(32)
Lease liabilities[b]	(144)	45	(2)	—	(59)	4	(156)
Related party loans with Unilever	(9)	—	—	—	—	—	(9)
Total[c]	(188)	47	(2)	—	(59)	5	(197)

			Non-cash movement				
Movements in 2022	**Opening balance as at 1 January**	**Cash movement**	**Business acquisitions /disposals**	**Fair value changes**	**Other non-cash movements**	**Foreign exchange changes**	**Closing balance at 31 December**
				(€ million)			
Bank loans and overdrafts[a]	(21)	(15)	—	—	—	1	(35)
Lease liabilities[b]	(163)	49	—	—	(29)	(1)	(144)
Related party loans with Unilever	—	(9)	—	—	—	—	(9)
Total[c]	(184)	25	—	—	(29)	—	(188)

(a) These cash movements are included within the following lines in the combined cash flow statement: net change in short-term borrowings, additional financial liabilities and repayment of financial liabilities. The difference of €3 million (2023: €2 million, and 2022: €1 million) represents cash movements in overdrafts that are not included in financing cash flows.

(b) Lease liabilities cash movement is included within capital element of lease payments in the combined carve-out cash flow statement.

(c) The reconciliation of liabilities arising from financing activities excludes the put option of €145m in 2024 (2023: €151m, 2022: €151m and 1 January 2022: €129m) as this arises from an option to acquire non-controlling interests (as detailed above) which if exercised would classify as arising from investing activity.

14 Treasury Risk Management

Derivatives and Hedge accounting

Derivatives are measured at fair value with any related transaction costs expensed as incurred. The treatment of changes in the value of derivatives depends on their use as explained below.

(i) **Cash flow hedges**[(a)]

Certain derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in Net parent investment. Cost of hedging, where material and opted for, is recorded within Net parent investment. Any ineffective elements of the hedge are recognised in the income statement. If the hedged cash flow relates to a non-financial asset, the amount accumulated in Net parent investment is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts deferred in Net parent investment are taken to the Income Statement at the same time as the related cash flow.

When a derivative no longer qualifies for hedge accounting, any cumulative gain or loss remains in Net parent investment until the related cash flow occurs. When the cash flow takes place, the cumulative gain or loss is taken to the Income Statement. If the hedged cash flow is no longer expected to occur, the cumulative gain or loss is taken to the income statement immediately.

(ii) **Derivatives for which hedge accounting is not applied**

Derivatives not classified as hedges are held in order to hedge certain balance sheet items and commodity exposures. No hedge accounting is applied to these derivatives, which are carried at fair value with changes being recognised in the Income Statement.

Unilever's Treasury provides central deposit taking, funding and foreign exchange management services for the Unilever's operations, including those of the Ice Cream Business. The department is governed by standards and processes which are approved by the Unilever Leadership Executive ("ULE"). In addition to guidelines and exposure limits, a system of authorities and extensive independent reporting covers all major areas of activity. Performance of Unilever treasury department is monitored closely by senior management and reviews are undertaken periodically by corporate audit.

Unilever's Treasury activities in relation to the Ice Cream Business are designed to:

- protect the Ice Cream Business's financial results and position from the financial risks mentioned below;
- maintain market risks within acceptable parameters, while optimising returns (see note 14B); and

[(a)] Applying hedge accounting has not led to material ineffectiveness being recognised in the income statement for 2024, 2023 and 2022.

- provide adequate and sufficient funding to the Ice Cream Business.

Unilever's Treasury maintains a list of approved financial instruments. The use of any new instrument must be approved by the Unilever Chief Financial Officer. The use of leveraged instruments is not permitted.

Unilever's central Commodity Risk Management (CRM) team provide commodity risk services for the Unilever's operations, including those of the Ice Cream Business. Commodity hedging is undertaken by the CRM team who monitor commodity exposures for the whole Unilever business. The primary objective of the CRM policy is to delay the (gross) margin impact of commodity market volatility and allow time to take corrective pricing action.

The Ice Cream Business's capital requirements have been centrally managed by Unilever, who has provided funding to safeguard the Ice Cream Business's ability to continue as a going concern and to optimise returns to Unilever. The Ice Cream Business is not subject to financial covenants in any of its significant financing agreements.

The Ice Cream Business does not have its own credit rating.

The Ice Cream Business is exposed to the following financial risks that arise from its use of financial instruments, the management of which is described in the following sections:

- liquidity risk (see note 14A);
- market risk (see note 14B); and
- credit risk (see note 15B).

14A Management of liquidity risk

Liquidity risk is the risk that the Ice Cream Business will face in meeting its obligations associated with its financial liabilities. In conjunction with Unilever Treasury, the Ice Cream Business's approach to managing liquidity is to ensure that it has sufficient funds to meet its liabilities when due without incurring unacceptable losses. The Ice Cream Business is reliant on Unilever Treasury to meet its obligations associated with its financial liabilities in both normal and stressed conditions.

The financial liabilities of the Ice Cream Business at the balance sheet date are mainly lease liabilities and other financial liabilities (note 13) and trade payables (note 12) which are mostly short term in nature. The financial assets of the Ice Cream Business at the balance sheet date are mainly trade receivables (note 11) from reputable customers which are short term in nature.

The Ice Cream Business has maintained a positive cash balance throughout 2022, 2023 and 2024. This was the result of cash delivery from the business, coupled with the proceeds from loans provided by the Unilever Group.

The following table shows contractually based undiscounted cash flows, including expected interest payments, which are payable under financial liabilities at the balance sheet date:

Undiscounted cash flows	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due after 5 years	Total	Net carrying amount as shown in balance sheet
				(€ million)				
31 December 2024								
Non-derivative Financial liabilities:								
Bank loans and overdrafts......................	(35)	—	—	—	—	—	(35)	(35)
Related party loans with Unilever........................	(9)	—	—	—	—	—	(9)	(9)
Lease liabilities.............	(57)	(35)	(26)	(18)	(34)	(32)	(202)	(144)
Other financial liabilities	—	(145)	—	—	—	—	(145)	(145)
Trade payables excluding social security and sundry taxes..............................	(1,775)	(8)	—	—	—	—	(1,783)	(1,783)
	(1,876)	(188)	(26)	(18)	(34)	(32)	(2,174)	(2,116)
Derivative Financial liabilities:								
Commodity derivatives:								
Derivative contracts - receipts..........................	105	—	—	—	—	—	105	105
	(1,771)	(188)	(26)	(18)	(34)	(32)	(2,069)	(2,011)

Undiscounted cash flows	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due after 5 years	Total	Net carrying amount as shown in balance sheet
				(€ million)				
31 December 2023								
Non-derivative Financial liabilities:								
Bank loans and overdrafts......................	(32)	—	—	—	—	—	(32)	(32)
Related party loans with Unilever........................	—	(9)	—	—	—	—	(9)	(9)
Lease liabilities.............	(63)	(49)	(30)	(21)	(30)	(42)	(235)	(156)

Undiscounted cash flows	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due after 5 years	Total	Net carrying amount as shown in balance sheet
				(€ million)				
Other financial liabilities	—	(151)	—	—	—	—	(151)	(151)
Trade payables excluding social security and sundry taxes	(1,779)	(9)	—	—	—	—	(1,788)	(1,788)
	(1,874)	(218)	(30)	(21)	(30)	(42)	(2,215)	(2,136)
Derivative Financial liabilities:								
Commodity derivatives:								
Derivative contracts - payments	(1)	—	—	—	—	—	(1)	(1)
	(1,875)	(218)	(30)	(21)	(30)	(42)	(2,216)	(2,137)

Undiscounted cash flows	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due after 5 years	Total	Net carrying amount as shown in balance sheet
				(€ million)				
31 December 2022								
Non-derivative Financial liabilities:								
Bank loans and overdrafts	(35)	—	—	—	—	—	(35)	(35)
Related party loans with Unilever	—	—	(9)	—	—	—	(9)	(9)
Lease liabilities	(45)	(41)	(30)	(19)	(27)	(33)	(195)	(144)
Other financial liabilities	—	(151)	—	—	—	—	(151)	(151)
Trade payables excluding social security and sundry taxes	(1,813)	(9)	—	—	—	—	(1,822)	(1,822)
	(1,893)	(201)	(39)	(19)	(27)	(33)	(2,212)	(2,161)
Derivative Financial liabilities:								

Undiscounted cash flows	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due after 5 years	Total	Net carrying amount as shown in balance sheet
				(€ million)				
Commodity derivatives:								
Derivative contracts - payments	(4)	—	—	—	—	—	(4)	(4)
	(1,897)	(201)	(39)	(19)	(27)	(33)	(2,216)	(2,165)

Undiscounted cash flows	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due after 5 years	Total	Net carrying amount as shown in balance sheet
				(€ million)				
1 January 2022								
Non-derivative Financial liabilities:								
Bank loans and overdrafts	(21)	—	—	—	—	—	(21)	(21)
Lease liabilities	(49)	(41)	(31)	(25)	(28)	(38)	(212)	(163)
Other financial liabilities	—	(129)	—	—	—	—	(129)	(129)
Trade payables excluding social security and sundry taxes	(1,652)	(9)	—	—	—	—	(1,661)	(1,661)
	(1,722)	(179)	(31)	(25)	(28)	(38)	(2,023)	(1,974)
Derivative Financial liabilities:								
Commodity derivatives:								
Derivative contracts - receipts	8	—	—	—	—	—	8	8
	(1,714)	(179)	(31)	(25)	(28)	(38)	(2,015)	(1,966)

These contractually agreed undiscounted cash flows reflect the portion of total Unilever cash flows relevant to the Ice Cream Business.

14B Management of market risk

The Ice Cream Business's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- **Currency risk (see table below)**

  The Ice Cream Business is exposed to movements in the underlying currency of the Ice Cream Business's sales and purchases as well as transacted commodity prices that are mainly denominated in USD.

- **Commodity price risk (see table below)**

  The key commodities used by the Ice Cream Business are sugar, dairy, cocoa. Management aims to minimise the impact of commodity market volatility on (gross) margin and allow time to take corrective pricing action ('pricing horizons'). Commodity hedging is undertaken based on 100% of the volume exposure around the pricing horizon, although hedging can be undertaken up to 52 weeks with approval and within limits.

- **Interest rate risk (see table below)**

  The above risks may affect the Ice Cream Business's income and expenses, or the value of its financial instruments. The Ice Cream Business's objective in managing market risk is to maintain it within acceptable parameters, while optimising returns. Generally, the Ice Cream Business applies hedge accounting, of which is managed by Unilever, to mitigate the volatility in profit and loss arising from market risks (including the Ice Cream Business's exposures to market risks).

  The Ice Cream Business's exposure to, and management of, these risks is explained below.

Potential impact of risk	Management policy and hedging strategy	Sensitivity to the risk
(i) Commodity Price Risk The Ice Cream Business is exposed to the risk of changes in commodity prices in relation to its purchase of certain raw materials. At 31 December 2024, the Ice Cream Business had hedged its exposure to future commodity purchases with commodity derivatives valued at €296 million (2023: €83 million, 2022: €83 million, 1 January 2022: €116 million).	The Ice Cream Business uses commodity forwards, futures, swaps and option contracts to hedge against this risk. All commodity forward contracts hedge future purchases of raw materials and the contracts are settled either in cash or by physical delivery. The Ice Cream Business also hedges risk components of commodities where it is not possible to hedge the commodity in full. This is done with reference to the contract to purchase the hedged commodity. Commodity derivatives are generally designated as hedging instruments in cash flow hedge accounting relations. All	A 10% increase in commodity prices as at 31 December 2024 would have led to a €42 million gain on the commodity derivatives in Net Parent Investment (2023: €9 million gain, 2022: €8 million gain in Net Parent Investment). A decrease of 10% in commodity prices on a full-year basis would have the equal but opposite effect. In 2024, the pricing of cocoa experienced unprecedented fluctuations which resulted in the significant increase in the fair value which used to be immaterial in prior years. A 20% (30%) increase in cocoa prices as at 31 December 2024 would have led to a €58 million (€86 million) gain on the commodity

Potential impact of risk	Management policy and hedging strategy	Sensitivity to the risk
	commodity derivative contracts were done in line with approvals from the Global Commodity Executive which is chaired by the Unilever Chief Business Operations Officer (CBOO) or the Global Commodity Operating Team which is chaired by the Chief Procurement Officer.	derivatives in Net Parent Investment. A decrease of 20% (30%) in cocoa prices on a full-year basis would have the equal but opposite effect.
(ii) Currency Risk Because of the Ice Cream Business's global reach, it is subject to the risk that changes in foreign currency rate impact the Ice Cream Business's sales and purchases. The Ice Cream Business is also exposed to movements in the underlying currency of transacted commodity prices that are mainly denominated in USD. The exposure to the Ice Cream Business from companies holding financial assets and liabilities other than their functional currency is not significant.	Unilever treasury manages currency exposures in the Ice Cream Business within prescribed limits, mainly through the use of forward foreign currency exchange contracts. Operating companies manage foreign exchange exposures within prescribed limits. The aim of the approach to management of currency risk is to leave the Ice Cream Business with no material residual risk. This aim has been achieved in all years presented. Forward contracts are used and executed by Unilever but are not brought into the carve-out financial statements.	The foreign exchange risk impact on the Income Statement and Net parent investment with respect to financial instruments is not significant.
(iii) Interest Rate Risk The Ice Cream Business is exposed to market interest rate fluctuations on its floating rate debt. Increases in benchmark interest rates could increase the interest cost of the floating-rate debt and increase the cost of future borrowings. At 31 December 2024, interest rates were fixed on 72.58% of the expected financial liabilities (excluding lease liabilities), 71.90% at December 2023, 76.72% at December 2022 and 99.69% at 1 January 2022.	The Ice Cream Business's interest rate management approach aims for an optimal balance between fixed and floating-rate interest rate exposures on expected net debt. The objective of this approach is to minimise annual interest costs after tax. No derivatives were used to hedge the interest rate on the debt of the Ice Cream Business.	The interest rate risk impact on the income statement is not significant.

14C Derivatives and hedging

The Ice Cream Business does not use derivative financial instruments for speculative purposes. The uses of derivatives and the related values of derivatives are summarised in the following table. Derivatives used to hedge:

	Trade and other receivables	Trade payables and other liabilities	Total
		€ million	
31 December 2024			
Commodity contracts			
Cash flow hedges[(a)]	105	—	105
Total assets	105	—	105
31 December 2023			
Commodity contracts			
Cash flow hedges	—	(1)	(1)
Total liabilities	—	(1)	(1)
31 December 2022			
Commodity contracts			
Cash flow hedges	—	(4)	(4)
Total liabilities	—	(4)	(4)
1 January 2022			
Commodity contracts			
Cash flow hedges	8	—	8
Total assets	8	—	8

(a) Ice Cream Business makes use of cocoa futures and options to hedge their forward physical purchases of cocoa and other chocolate products. At 31 December 2024, the Ice Cream Business had hedged its exposure to future cocoa purchases with notional amount at 26,290 metric tons and contract price at €6,451 per metric tonne. Cash flow hedge accounting is applied to these derivatives with the fair value gain/loss being recognised in the hedge reserve and then being released in line with the underlying physical purchases. At 31 December 2024, the Ice Cream Business had a €115 million gain in cash flow hedge reserve, including a €10 million gain on settlement associated with the underlying physical purchases within 12 months.

The derivatives in the cash flow hedging relationships are expected to have an impact on the profit and loss within 12 months. A €2 million debit (2023: €4 million debit; 2022: €8 million credit) was recycled from the Net parent investment to the income statement during the year.

15 Investment and return

Cash and cash equivalents

Cash and cash equivalents in the combined carve-out balance sheet include deposits and short-term deposits. To be classified as cash and cash equivalents, an asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

Cash and cash equivalents in the cash flow statement also include bank overdrafts and are recorded at amortised cost.

15A Financial assets

The Ice Cream Business aims to protect the value of financial investments while maximising returns. The fair value of financial assets is the same as the carrying amount for 31 December 2024, 31 December 2023, 31 December 2022, 1 January 2022. The Ice Cream Business's cash resources are shown below.

Financial assets[(a)]	**31 December**			**1 January**
	2024	**2023**	**2022**	**2022**
		€ million		
Cash and cash equivalents				
Cash at bank and in hand	53	47	40	49
Short-term deposits with maturity of less than three months	17	5	4	2
	70	52	44	51

(a) For the purposes of note 15A, financial assets exclude trade and other current receivables which are covered in note 11.

Cash and cash equivalents reconciliation to the cash flow	**31 December**			**1 January**
	2024	**2023**	**2022**	**2022**
		€ million		
Cash and cash equivalents per balance sheet	70	52	44	51
Less: bank overdrafts	(3)	(2)	(1)	—
Cash and cash equivalents per cash flow statement	67	50	43	51

15B Credit Risk

Credit risk is the risk of financial loss to the Ice Cream Business if a customer or counterparty fails to meet its contractual obligations. The Ice Cream Business's trade receivables are short term in nature and largely comprise amounts receivable from reputable customers. Additional information in relation to credit risk on trade receivables is given in note 11. Credit risk related to the use of treasury instruments is managed on a total Unilever basis. This risk arises from transactions with financial institutions involving cash and cash equivalents and deposits. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. To reduce this risk, Unilever has concentrated its main activities with a limited number of counterparties which have secure credit ratings. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by Unilever's treasury department. Netting agreements are also put in place by Unilever with Unilever's principal counterparties. In the case of a default, these arrangements would allow Unilever to net assets and liabilities across transactions with that counterparty. However, these netting agreements are not relevant to the Ice Cream Business.

Further details in relation to the Ice Cream Business's exposure to credit risk are shown in notes 11 and 15A.

16 Financial instruments fair value risk

Assets and liabilities carried at fair value

Derivatives and other cash equivalents are valued using valuation techniques with market observable inputs (level 2). There are no derivatives and other cash equivalents valued at quoted prices for identical instruments (level 1) or not based on observable market data (level 3). The models incorporate various inputs including the credit quality of counter-parties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodities.

The Put option has been valued at the redemption value with subsequent changes in finance costs (level 3). The redemption value is derived from a formula defined in the shareholder agreement which uses historical financial information, multipliers, and CPI adjustments. The impact in 2024 income statement due to the Put option is a gain of €6 million (2023: €0 million, 2022: loss of €(22) million).

Other financial assets and liabilities

Cash and short-term deposits, trade and other current receivables, overdrafts, trade payables and other current liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Related party loans with Unilever, lease liabilities and non-current receivables and payables have a fair value considered to be materially equal to the carrying value based on the net present value of the anticipated future cash flows associated with these instruments using rates currently available for debt on similar terms, credit risk and remaining maturities.

17 Provisions

Provisions are recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable.

Provisions	**31 December**			**1 January**
	2024	**2023**	**2022**	**2022**
		€ million		
Due within one year	102	31	43	29
Due after one year	39	72	69	66
Total provisions	141	103	112	95

Movements during 2024	**Restructuring**	**Legal**	**Brazil indirect taxes**	**Other**	**Total**
			€ million		
1 January 2024	18	30	30	25	103
Income Statement:					
Charges	75	7	2	10	94
Releases	(1)	(4)	—	(4)	(9)
Utilisation	(9)	(6)	(22)	(7)	(44)
Currency retranslation	2	(1)	(4)	—	(3)
31 December 2024	85	26	6	24	141

Movements during 2023	**Restructuring**	**Legal**	**Brazil indirect taxes**	**Other**	**Total**
			€ million		
1 January 2023	36	21	27	28	112
Income Statement:					
Charges	4	18	2	11	35
Releases	(4)	(1)	—	(6)	(11)
Utilisation	(20)	(8)	—	(10)	(38)
Currency retranslation	2	—	1	2	5
31 December 2023	18	30	30	25	103

Movements during 2022	**Restructuring**	**Legal**	**Brazil indirect taxes**	**Other**	**Total**
			€ million		
1 January 2022	21	15	24	35	95
Income Statement:					
Charges	31	10	2	4	47
Releases	(3)	(3)	(1)	(5)	(12)
Utilisation	(16)	(3)	(2)	(6)	(27)
Currency retranslation	3	2	4	—	9
31 December 2022	36	21	27	28	112

Restructuring provisions primarily include people costs such as redundancy costs and the cost of compensation where manufacturing, distribution, service or selling agreements are to be terminated. The Ice Cream Business expects these provisions to be substantially utilised within the next few years.

The Ice Cream Business is involved from time to time in legal and arbitration proceedings arising in the ordinary course of business. These proceedings and investigations are at various stages and concern a variety of product markets. Where specific issues arise, provisions are made to the extent appropriate. Due to the nature of the legal cases, the timing of utilisation of these provisions is uncertain.

Provisions for Brazil indirect taxes are separate from the matters listed as contingent liabilities in note 18. The Ice Cream Business does not have provisions and contingent liabilities for the same matters. Due to the nature of disputed indirect taxes, the timing of utilisation of these provisions is uncertain.

Other includes provisions for indirect taxes in countries other than Brazil, interest on tax provisions and provisions for various other matters. The timing of utilisation of these provisions is uncertain.

Subject to the final separation agreements, the Ice Cream Business expects to indemnify Unilever for the outflow of resources against the above provisions in situations where they cannot be legally transferred to the Ice Cream Business.

18 Commitments and contingent liabilities

Commitments

Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets, leases which are less than twelve months, variable leases, extension and termination options and leases not yet commenced but which the Ice Cream Business has committed to.

Other commitments principally comprise commitments under contracts to purchase materials and services. They do not include commitments to purchase property, plant and equipment, which are reported in note 8.

	31 December						1 January	
	2024		2023		2022		2022	
Other commitments fall due as follows:	**Leases**	**Other commitments**	**Leases**	**Other commitments**	**Leases**	**Other commitments**	**Leases**	**Other commitments**
				€ million				
Within 1 year	7	13	6	11	5	14	2	16
Later than 1 year but not later than 5 years	15	5	11	6	10	14	3	9
Later than 5 years	1	2	3	—	2	—	—	—
	23	20	20	17	17	28	5	25

Contingent liabilities

Contingent liabilities are either possible obligations that will probably not require a transfer of economic benefits, or present obligations that may, but probably will not, require a transfer of economic benefits. It is not appropriate to make provisions for contingent liabilities, but there is a chance that they will result in an obligation in the future. Assessing the amount of liabilities that are not probable is highly judgemental, so contingent liabilities are disclosed on the basis of the known maximum exposure.

Contingent liabilities arise in respect of litigation against Ice Cream Business companies, investigations by competition, regulatory and fiscal authorities and obligations arising under environmental legislation. In many markets, there is a high degree of complexity involved in the local tax regimes. The majority of contingent liabilities are in respect of fiscal matters in Brazil, with no other contingent liability being individually material. The Company is involved in processes for which management, based on the evaluation of its legal advisors, both internal and external, judged the risk of loss as possible. The obligations arising from these processes are considered contingent liabilities, as it is not more likely than not an outflow of resources embodying economic benefits will be required to settle the obligation.

In the case of fiscal matters, the known maximum exposure is the amount included in a tax assessment.

Summary of contingent liabilities	**31 December**			**1 January**
	2024	**2023**	**2022**	**2022**
	€ million			
Brazil tax assessments	98	117	100	79
Other contingent liabilities	5	5	10	10
Total contingent liabilities	103	122	110	89

The contingent liabilities reported for indirect taxes relating to disputes with the Brazilian authorities are separate from the provisions listed in note 17. The Ice Cream Business does not hold provisions and contingent liabilities for the same matters. Subject to the final separation agreements, the Ice Cream Business expects to indemnify Unilever for the above mentioned contingent liabilities.

19 Acquisitions and disposals

Business combinations are accounted for using the acquisition accounting method as at the acquisition date, which is the date at which control is transferred to the Ice Cream Business.

Goodwill is measured at the acquisition date as the fair value of consideration transferred, plus non-controlling interests and the fair value of any previously held equity interests less the net recognised amount (which is generally fair value) of the identifiable assets and liabilities assumed. Goodwill is subject to an annual review for impairment (or more frequently if necessary) in accordance with the accounting policies of the Ice Cream Business. Any impairment is charged to the income statement as it arises. Detailed information relating to goodwill is provided in note 7.

Transaction costs are expensed as incurred.

In 2023, the Ice Cream Business completed the Yasso acquisition listed below. The net consideration for the Yasso acquisition in 2023 is €645 million. The fair value of net assets recognised on the balance sheet is €346 million. The main asset acquired was the brand intangible valued (€389m) using an income approach model by estimating future cash flows generated by the brand and discounting them to present value using rates in line with a market participant expectation. The key assumptions in the brand valuation are revenue growth, discount rates and royalty rate which sensitivity is as follows:

	Change	
	1%	-1%
Revenue growth	+€27m	-€26m
Royalty rate	+€28m	-€29m
Discount rate	-€48m	+€40m

A net deferred tax liability primarily related to the brand intangibles estimated at €78 million was also recognised.

As part of the acquisition, goodwill of €299 million has been recognised and is not deductible for tax purposes. Since the acquisition date and as of the end of 2023, the goodwill balance has decreased by €2 million as a result of foreign exchange. More information related to the 2023 acquisitions is provided below.

Deal completion date	Acquired/disposed business
1 August 2023	Acquired 100% of Yasso Holdings, Inc. (‘Yasso’), a premium frozen Greek yogurt brand in the United States offering a high-quality range of low-calorie yet indulgent products. The acquisition is aligned to the premiumisation strategy of the Ice Cream Business.

There were no acquisitions for the years ended 2024 and 2022.

Effect on combined carve-out income statement

The acquisition deal completed in 2023 has contributed €72 million to the Ice Cream Business revenue and €23 million to the Ice Cream Business operating profit since the date of acquisition until 31 December 2023. If the acquisition deal completed in 2023 had all taken place at the beginning of the year, the Ice Cream Business revenue would have been €7,723 million, and the Ice Cream Business operating profit would have been €764 million.

Effect on combined carve-out balance sheet

Acquisitions

The following table sets out the overall impact of the Yasso acquisition in 2023 on the combined balance sheet.

	31 December 2023
	€ million
Net assets acquired	346
Goodwill	299
Total consideration	645

In 2023, the fair value of net assets acquired and total payment for acquisitions consists of:

	2023
	€ million
Intangible assets	389
Other non-current assets	2
Trade and other receivables	22
Other current assets(a)	33
Non-current liabilities(b)	(81)
Current liabilities	(19)
Net assets acquired	346
Goodwill	299
Total consideration	645
Of which:	
Cash consideration paid	622
Deferred consideration	23
Total consideration	645

(a) Other current assets include inventories of €16 million and cash and cash equivalents of €18 million.

(b) Non-current liabilities include net of deferred tax of €78 million.

Goodwill represents the future value that the Ice Cream Business believes it will obtain through operational synergies and the application of acquired company ideas to existing Unilever channels and businesses. Detailed information relating to goodwill is provided in note 7.

Disposals

There were no disposals during the years ended 2024, 2023 and 2022.

20 Related party transactions

Transactions and balances between the Ice Cream Business and the rest of the Unilever Group represent third-party transactions and are considered to be related parties from the perspective of the Ice Cream Business. Related party transactions are made on terms equivalent to those that prevail in arm's length transactions.

The ultimate controlling party of the Ice Cream Business is Unilever PLC. Related party transactions are defined as transactions with Unilever Group, which includes Unilever's Ice Cream business in Russia, India and Unilever's investments in associates and joint ventures of Unilever Group that include Ice Cream activity (Unilever FIMA LDA, Al Gurg Unilever (LLC), Thani Murshid Unilever LLC and Unilever Bahrain W.L.L.).

There are a number of indirect central costs that have been allocated to these combined carve-out financial statements to reflect the fact that the Ice Cream Business operated as part of the wider Unilever Group. These costs primarily relate to general marketing and corporate expenses including finance, legal, information technology, human resources, communications, and audit. These expenses have been allocated to the Ice Cream Business on the basis of direct usage where identifiable, or by using allocation drivers based on the nature of the expense and are recorded in Cost of Sales and Selling & administrative expenses. On a go forward basis, this will be replaced by a combination of TSA charges or recruitment of new staff, with certain TSA costs being subject to a 5% margin.

Transactions with Unilever can be summarised as follows:

Transactions with related parties	**2024**	**2023**	**2022**
		€ million	
Ice Cream sales to Unilever	42	56	58
Ice Cream purchases from Unilever	27	24	21
Indirect and general corporate expenses – allocations from Unilever	191	177	192
Allocated depreciation and amortisation	63	59	67
Royalty and service fees from Unilever	27	27	18

Interest expense on related party loans is considered to be immaterial and therefore not presented in the related party transactions above.

The following related party balances existed between the Ice Cream Business and Unilever Group:

	31 December			**1 January**
Period end balances with Unilever	**2024**	**2023**	**2022**	**2022**
		€ million		
Loan balances payable to Unilever	9	9	9	—
Trading and other receivables balances due from Unilever	12	9	17	20
Trading and other payables balances due to Unilever	7	6	11	15

Certain transactions with the Ice Cream Business are deemed to be settled directly through the Net parent investment line - please see the disclosure underneath the combined carve-out statement of changes in Net parent investment on page [169].

Loan balances payable to Unilever

Loan balances payable to Unilever consist of loans between Ice Cream legal entities and Unilever. These loans are unsecured, repayable within 2 years and are interest bearing with rates as set out below.

Loan balances as at 31 December 2024:

Borrowing entity	Currency	Maturity date	Interest rate %	31 December 2024
				€ million
Unilever Ice Cream Bulgaria EOOD	BGN	09/05/25	EURIBOR 6M + 4.188%, floored at 0%	9
Total				9

Loan balances as at 31 December 2023:

Borrowing entity	Currency	Maturity date	Interest rate %	31 December 2024
				€ million
Unilever Ice Cream Bulgaria EOOD	BGN	09/05/25	EURIBOR 6M + 4.188%, floored at 0%	9
Total				9

Loan balances as at 31 December 2022:

Borrowing entity	Currency	Maturity date	Interest rate %	31 December 2024
				€ million
Unilever Ice Cream Bulgaria EOOD	BGN	09/05/25	EURIBOR 6M + 4.188%, floored at 0%	9
Total				9

No loan balances were outstanding as at 1 January 2022.

21 Legal entities

The Ice Cream Business is not operated on a worldwide basis from within separate legal entity structures. As such these combined carve-out financial statements include balances from Unilever legal entities to the extent that they are attributable to the Ice Cream Business, as set out in the Basis of Preparation. The percentage of share capital shown below represents the aggregate percentage of equity capital directly or indirectly held by Unilever PLC in the Ice Cream Business. The companies are incorporated and principally operated in the countries under which they are shown except where stated otherwise.

The following legal entities are transferring to the Ice Cream Business:

Country of Incorporation	Name of Undertaking	Shareholding %
Australia	Ben & Jerry's Franchising Australia Limited	100%

Country of Incorporation	Name of Undertaking	Shareholding %
Austria	Delico Handels GmbH	100%
Brazil	Unilever Brasil Gelados Ltda	100%
Bulgaria	Unilever Ice Cream Bulgaria EOOD	100%
China	Wall`s (China) Co. Limited	100%
France	Cogesal-Miko S.A.S.	100%
France	Unilever Retail Operations France SAS (UROF)	100%
Israel	Glidat Strauss Ltd.	100%
Italy	GROMART S.r.l.	100%
Lithuania	UAB Unilever Lietuva ledu gamyba	100%
Netherlands	Ben en Jerry's Hellendoorn B.V.	100%
New Zealand	Ben & Jerry's Franchising New Zealand Ltd	100%
Philippines	Magnum RFM Ice Cream, Inc.	50% + 1 share
Philippines	Selecta Walls Land Corp Inc.	50%
Philippines	WS Holdings Inc.	40%
Romania	Betty Ice SRL	100%
Romania	Betty Ice Distributie SRL*	100%
Sweden	Unilever Produktion AB	100%
United States of America	Ben & Jerry's Franchising, Inc*	100%
United States of America	Yasso, Inc	100%
United States of America	Ben and Jerry's Gift Card LLC*	100%
United States of America	Yasso Holdings, Inc., a Delaware corporation*	100%
United States of America	Ben & Jerry's Homemade, Inc.*	100%
Venezuela	Unilever Andina Venezuela, S.A.	100%

*Legal entities that are owned by Ice Cream dedicated entities.

22 Events after the balance sheet date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of these events is adjusted within the financial statements. Otherwise, events after the balance sheet date of a material size or nature are disclosed below.

Incorporation of The Magnum Ice Cream Company

Subsequent to the balance sheet date, on 15 April 2025, The Magnum Ice Cream Company B.V. was incorporated as a private limited company (*Besloten Vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands with its corporate seat in Amsterdam. The entity is intended to act as the future holding company of the Ice Cream Business in connection with the proposed Transaction. Shortly prior to the Transaction the entity will become The Magnum Ice Cream Company N.V., a public company with limited liability (*Naamloze Vennootschap*).

Signing of SPA for the acquisition of the HUL Ice Cream business

Subsequent to the balance sheet date, on 25 June 2025, Unilever PLC and various other Unilever Group subsidiaries signed an agreement to sell their future shareholding (expected to be 61.9%) in the entity which will own Unilever's Ice Cream business in India to The Magnum Ice Cream Company on or after 1 April 2026. This sale will be for a price equal to Unilever's shareholding in that entity at the time of the sale multiplied by the agreed fair market value of that entity of €450 million. The sale will be funded by a term loan facility and is subject to Hindustan Unilever completing a demerger and listing of its Ice Cream business and The Magnum Ice Cream Company completing a mandatory tender offer to the minority shareholders of the new listed India Ice Cream Company for at least an additional 26% of that entity.

Day 0 separation

Subsequent to the balance sheet date, Unilever completed the internal reorganisation necessary to separate its Ice Cream Business into a distinct legal structure in preparation for the planned demerger. Except for certain territories, most notably Indonesia, the Ice Cream Business is now held by a newly established holding structure within the Unilever Group. Unilever completed the transfer of the US Ice Cream Business from the existing US Unilever group structure into the newly established holding structure on 31 October 2025 through a series of steps, including an issuance of shares by The Magnum Ice Cream Company HoldCo Netherlands B.V. to Unilever PLC. The parent company of the Ice Cream Business is currently Magnum HoldCo, incorporated in the Netherlands, which will remain wholly owned by the Unilever Group until the demerger is completed. Upon completion of the demerger steps, the parent company of the Ice Cream Business will be The Magnum Ice Cream Company N.V., also incorporated in the Netherlands.

Total consideration transferred for the separation of the Ice Cream Business between 1 July 2025 and 6 October 2025 was €9.3 billion. For most transfers, the consideration for the transfer was determined based on an independent fair market valuation. The transfers were funded by an intercompany loan which was provided by Unilever. Of the outstanding intercompany balance, €7.5 billion was assigned through issuances of shares on 31 October 2025, including an issuance of shares by The Magnum Ice Cream Company HoldCo Netherlands B.V. to Unilever PLC, and the remaining amount will be repaid. Following the internal reorganisation, the Ice Cream Business expects a net deferred tax asset of approximately €0.5 billion to arise on transfers of assets and liabilities. This includes the impact of tax base adjustments and is subject to completion of the purchase price allocation exercise in certain jurisdictions. This estimate excludes deferred tax for transfer of the Indonesia business. which will be reflected once those calculations are complete.

A Global Transitional Service Agreement will be in place, effective from 1 July 2025, in order to preserve continuity of both businesses.

Board appointments

On 23 September 2025, The Magnum Ice Cream Company B.V. appointed Peter Frank ter Kulve as executive director and CEO, Abhijit Bhattacharya as executive director and CFO and Jean Francois van Boxmeer, as non-executive director and Chair. On 26 September 2025, The Magnum Ice Cream Company B.V. appointed additional non-executive directors as follows: Vice Chair Stacey Cartwright and members Duco Reinout Hooft Graafland, Melissa Bethell, Stefan Andreas Bomhard, Anja Lilian Maria Mutsaers and Reginaldo Ecclissato. On 26 September 2025, Joshua Frank was also approved for appointment as a non-executive director of The Magnum Ice Cream Company B.V. with effect from a future date (expected to be 1 March 2026 or such earlier date as The Magnum Ice Cream Company B.V. and Mr. Frank may agree).

The Magnum Ice Cream Company B.V., The Magnum Ice Cream Company HoldCo Netherlands B.V. and Unilever entered into a demerger agreement on 1 October 2025 to effect the Demerger and to govern aspects of the relationship between the Group and the Unilever Group following completion of the Demerger, including in respect of, among other things, undertakings to proceed with the steps required to give effect to the Demerger, allocation of risk and responsibility for certain liabilities between the Unilever Group and the Group and dealing with separation issues between the Group and the Unilever Group.

Venezuela sale

On 6 June 2025, the Ice Cream Business signed an agreement to sell its Venezuela business (revenue of €12 million for the 12-month period ended 31 December 2024) to a third party and the sale completed on 3 July 2025.

Portugal transaction

Subsequent to the balance sheet date, on 18 October 2025, the shareholders of Unilever Fima, Lda. (“Unilever Fima”) (a Unilever Group company indirectly held 55 per cent. by the Unilever Group) signed an agreement to demerge Unilever Fima’s ice cream marketing and sales operations business in Portugal (the “Portugal MSO Business”) to UL Ice Cream Comercial, Lda. (“IC MSO Portugal”) (the “Portuguese Demerger”) and subsequently sell their shares in IC MSO Portugal (which will then own the Portugal MSO Business) to The Magnum Ice Cream Company HoldCo 1 Netherlands B.V. (“TMICC Holdco 1”). On the same date, a Unilever Group company (indirectly held 55 per cent. by the Unilever Group) signed an agreement to sell (conditional on the completion of the sale of IC MSO Portugal to TMICC Holdco 1) its ice cream sourcing unit business operating at the factory site in Santa Iria de Azóia to a company to be incorporated, expected to be named UL Ice Cream Manufacturing, Lda. (which will be a wholly-owned subsidiary of IC MSO Portugal).

The consideration for these acquisitions will be based on an aggregate enterprise value equal to €165 million, subject to customary completion adjustments. The acquisitions are subject to customary conditions precedent relating to regulatory and other approvals including the completion of the Portuguese Demerger and the admission of The Magnum Ice Cream Company N.V.’s shares to listing and trading on Euronext Amsterdam, to listing on the UK Financial Conduct Authority’s Official List and to trading on the London Stock Exchange’s main market for securities having taken place, as well as the receipt of certain licences. Portugal’s ice cream business reported revenue of €92 million and operating profit of €9 million for the 12-month period ended 31 December 2024.

For the year ended 31 December 2023 and 2022, the Ice Cream Business has evaluated the subsequent events up to the date of signing Unilever PLC’s accounts on 7 March 2024 and 1 March 2023 respectively. For the year ended 31 December 2024, the Ice Cream Business has evaluated the subsequent events through 10 November 2025, the date these financial statements were available for issuance.

The Ice Cream Business has concluded that there are no other material events other than those noted above after the balance sheet dates which require disclosure as part of these financial statements. The Transaction is expected to conclude by the end of 2025.

ABHIJIT BHATTACHARYA

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Signed by Abhijit Bhattacharya
Chief Financial Officer of The Magnum Ice Cream Company B.V.

10 November 2025

……………………………………

Date

KPMG

Independent Auditor's Report

To: The Board of Directors of The Magnum Ice Cream Company B.V.

Report on the Audit of the Combined Carve-out Financial Statements

Our opinion

We have audited the Combined Carve-out Financial Statements of Unilever PLC's Ice Cream Business in certain jurisdictions as set out in note 1 of the Combined Carve-out Financial Statements (the "Ice Cream Business'' or ''Group") for the years ended as at 31 December 2024, 31 December 2023 and 31 December 2022 (the "combined carve-out financial statements"). As included in note 22, The Magnum Ice Cream Company B.V. (the "Company"), is expected to become a public company with limited liability as The Magnum Ice Cream Company N.V., holding the Ice Cream Business.

In our opinion, the accompanying combined carve-out financial statements give a true and fair view of the financial position of the Ice Cream Business as at 31 December, 2024, 31 December 2023 and 31 December 2022, and of its result and its cash flows for the years then ended in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS).

The combined carve-out financial statements comprise:

- the Combined Sarve-Out Balance Sheet as at 31 December 2024, 31 December 2023 and 31 December 2022;
- the following statements for the years ended 31 December 2024, 31 December 2023 and 31 December 2022: the Combined Carve-out Income Statements, the Combined Carve-Out Statements of Comprehensive Income, the Combined Carve-Out Statement of Changes in Net Parent Investments, and the Combined Carve-Out Cash Flow Statements; and
- the notes to the combined carve-out financial statements.

Basis for our opinion

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

We are independent of the Company in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

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

Emphasis of the basis of accounting and restriction on use

We draw attention to note 1 “Basis of preparation, accounting policies, estimates and judgements” of the combined carve-out financial statements, which describes the basis of preparation, including the approach to and the purpose of preparing them. The combined carve-out financial statements may not necessarily be indicative of the financial performance that would have been achieved if the Ice Cream business had operated as an independent entity, nor may they be indicative of the results of operations of the Ice Cream Business for any future period. The combined carve-out financial statements were prepared for the purpose of presenting the financial position, the results and the cash flows of the Ice Cream Business on a stand-alone basis. As a result, the combined carve-out financial statements may not be suitable for another purpose.

This independent auditor’s report is required by the London Stock Exchange’s International Securities Market Rulebook to be included in the Base Admission Particulars in respect of the €8,000,000,000 Euro Medium Term Note Programme and is published for the purpose of complying with that Rulebook. Our opinion is not modified for these matters.

Description of the Responsibilities for the combined carve-out financial statements

Responsibilities of the Directors of the Company (the “Directors”) and Those Charged with Governance for the combined carve-out financial statements

The Directors are responsible for the preparation and fair presentation of the combined carve-out financial statements in accordance with EU-IFRS. Furthermore, the Directors are responsible for such internal control as the Directors determine is necessary to enable the preparation of the combined carve-out financial statements that are free from material misstatement, whether due to errors or fraud.

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

Those Charged with Governance are responsible for overseeing the company’s financial reporting process.

Our responsibilities for the audit of the combined carve-out financial statements

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

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

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the combined carve-out financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

- identifying and assessing the risks of material misstatement of the combined carve-out financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ice Cream Business's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- concluding on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the combined carve-out financial statements, including the disclosures; and
- evaluating whether the combined carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the combined carve-out financial statements.

We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

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

Amstelveen, 10 November 2025

KPMG Accountants N.V.

C.M.L. Priem RA