LFI Equity A/S
Annual Report 2024

Scherfigsvej 7, DK–2100 Copenhagen Ø
CVR no. 37 31 12 51
Approved at the annual general meeting on 12 March 2025

Lene Skole
Chair of the meeting

LUNDBECK FOUNDATION

Contents and company information

Contents

Five-year summary	3
Management review	4
Income statement	5
Balance sheet	6
Statement of changes in equity	7
Notes	8
Management statement	11
Independent Auditor's Report	12

Company information

LFI Equity A/S
Scherfigsvej 7
DK-2100 Copenhagen Ø

Phone +45 39 12 80 00
Homepage: www.lundbeckfonden.com
E-mail: mail@lundbeckfonden.com
Business Registration No. 37 31 12 51
Place of residence: Copenhagen

Owner
LFI Equity A/S is 100% owned by Lundbeckfond Invest A/S

Board of Directors
Lene Skole, Chair
Arne Due-Hansen
Peter Rothausen

Executive Management
Poul la Cour

Auditor
PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab

Five–year summary

DKKm	2024	2023	2022	2021	2020
Gross profit from investment activities	234.0	26.5	–131.5	536.3	76.5
Profit for the year	233.8	26.4	–131.7	536.2	76.3
Equity	1,690.3	1,606.5	1,580.1	1,711.8	1,175.6
Total assets	2,784.5	2,230.4	1,809.8	1,883.7	1,175.7
Key figure					
Return on equity	14.2%	1.7%	–8.0%	37.1%	6.6%

Management review

Purpose

The purpose of LFI Equity A/S is to operate investment business activities by investment in securities.

The company was established on 16 December 2015.

Financial result and financial position

2024 was another turbulent year for financial markets with continued geopolitical instability and turbulence on the political front.

The investment portfolio of private equities generated a profit of DKK 255.4m (profit of DKK 25.6m in 2023) which was considered satisfactory.

The profit for the year amounted to a profit of DKK 233.8m (profit of DKK 26.4m in 2023).

An interim dividend of DKK 150m was distributed during 2024. Consequently, the equity at 31 December 2024 amounted to DKK 1.690.3m (DKK 1.606.5m at 31 December 2023).

The company is financially supported by the parent company, Lundbeckfond Invest A/S.

Risk factors

The most important risks relate to the business risks of the company's investments.

Reports on business and risk-related issues are provided monthly to the company's Board of Directors.

The Board of the parent company defines the company's investment policy, while compliance with the policy is monitored by the Investment Committee.

Weekly portfolio performance reports are prepared for the CEO and detailed monthly reports are prepared for the Board of Directors.

Income statement

For the period 1 January – 31 December

DKKm	Note	2024	2023
Financial income	1	295.6	122.2
Financial expenses	2	–61.6	–95.7
Gross profit from investment activities		234.0	26.5
Other external costs		–0.2	–0.1
Profit/(loss) before tax		233.8	26.4
Withholding taxes, etc.		–	–
Profit for the year		**233.8**	**26.4**
Proposed distribution of profit			
Interim dividend		150.0	–
Retained earnings		83.8	26.4
Profit for the year		**233.8**	**26.4**

Balance sheet

At 31 December, Assets

DKKm	Note	2024	2023
Financial assets	3	2,665.4	2,171.5
Non-current assets		**2,665.4**	**2,171.5**
Prepayments		**30.4**	–
Cash and bank balances		**88.7**	**58.9**
Current assets		**119.1**	**58.9**
Assets		**2,784.5**	**2,230.4**

Balance sheet

At 31 December, Equity and liabilities

DKKm	Note	2024	2023
Share capital	4	12.0	12.0
Retained earnings		1,678.3	1,594.5
Equity		**1,690.3**	**1,606.5**
Payables to affiliates		1,061.1	623.8
Trade payables		0.1	0.1
Other payables		33.0	–
Current liabilities		**1,094.2**	**623.9**
Liabilities		**1,094.2**	**623.9**
Equity and liabilities		**2,784.5**	**2,230.4**

Contractual obligations 5
Staff conditions 6
Related parties 7
Accounting policies 8
Events after the balance sheet date 9

Statement of changes in equity

For the period 1 January – 31 December

DKKm	Share capital	Retained earnings	Equity
Equity at 1 January 2024	12.0	1,594.5	1,606.5
Interim dividend	–	–150.0	–150.0
Profit for the year	–	233.8	233.8
Equity at 31 December 2024	**12.0**	**1,678.3**	**1,690.3**

DKKm	Share capital	Retained earnings	Equity
Equity at 1 January 2023	12.0	1,568.1	1,580.1
Profit for the year	–	26.4	26.4
Equity at 31 December 2023	**12.0**	**1,594.5**	**1,606.5**

Notes

1. Financial income

DKKm	2024	2023
Gains on financial assets measured at fair value	288.2	120.4
Interest income	3.2	1.8
Exchange gains	4.2	–
Total financial income	**295.6**	**122.2**

2. Financial expenses

DKKm	2024	2023
Losses on financial assets measured at fair value	21.2	79.5
Other financial expenses	11.6	15.3
Interest expense on payables to affiliates	28.8	–
Exchange losses	–	0.9
Total financial expenses	**61.6**	**95.7**

3. Financial assets

DKKm	2024	2023
Carrying amount at 1 January	2,171.5	1,777.5
Additions	493.5	534.6
Disposals	–266.6	–181.5
Value adjustments, year–end	267.0	40.9
Carrying amount at 31 December	**2,665.4**	**2,171.5**

The financial investments classified as financial assets at fair value through profit or loss relate to the company's portfolio investments, through private equity funds.

The private equity funds are valued at the latest reported net asset value (NAV) adjusted for capital calls, capital returns and pricing development (if relevant).

4. Share capital

DKKm	2024	2023
Share capital at 1 January	12.0	12.0
Share capital at 31 December	**12.0**	**12.0**

The share capital consists of 12,000,000 shares of DKK 1. The shares are not divided in classes.

Capital base, DKKm	2024	2023	2022	2021	2020
Capital base at 1 January	12.0	12.0	12.0	12.0	11.0
Increase in capital base	0.0	0.0	0.0	0.0	1.0
Capital base at 31 December	**12.0**	**12.0**	**12.0**	**12.0**	**12.0**

5. Contractual obligations

The company has contractual capital contribution obligations amounting to DKK 1,772m at 31 December 2024 (DKK 1,573m at 31 December 2023).

6. Staff

The company has no employees besides the executive management.

7. Related parties

Related parties exercising controlling interest on LFI Equity A/S:

- Lundbeckfond Invest A/S, Scherfigsvej 7, DK–2100 Copenhagen Ø

The ultimate owner is Lundbeckfonden, Scherfigsvej 7, DK–2100 Copenhagen Ø.

Related parties exercising significant influence on LFI Equity A/S:

- The Board of Directors and Executive Management
- Companies in which the company's Executive Management and Board of Directors exercise controlling interest

LFI Equity A/S has not entered into any transactions with related parties that were not on an arm's length basis.

Consolidated financial statements
LFI Equity A/S is included in the consolidated financial statements for Lundbeckfonden, Copenhagen, Denmark, Business Registration No. 11 81 49 13.

8. Accounting policies

The annual report for LFI Equity A/S for 2024 has been prepared in accordance with the Danish Financial Statements Act for enterprises of reporting class B with selection of certain options from class C.

The annual report is presented in Danish kroner (DKK), which also is the functional currency of LFI Equity A/S. Amounts in DKK are rounded to DKK millions by one decimal place.

The accounting policies are unchanged from last year.

Translation of foreign currency
On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Exchange differences arising between the exchange rates at the transaction date and the exchange rates at the date of payment are recognised in the income statement under financial items.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

The differences between the exchange rates at the time of recognition and the exchange rates at the balance sheet date or settlement are recognised in the income statement under financial items in respect of unhedged items and under the same item in respect of hedged items.

8. Accounting policies (continued)

Income statement
Financial items
Financial income and financial expenses comprise:

- Interest income and expenses
- Dividend from portfolio investments
- Realised and unrealised fair value adjustments of financial assets and liabilities including short–term securities that are included in the company's documented investment strategy
- Exchange gains and losses
- Other financial income and expenses

Other external costs
Other external costs comprise expenses for administration and investment activities.

Tax
LFI Equity A/S applies section 19 of the Danish Share Premium Tax Act ("Aktieavancebeskatningsloven") and is therefore not an independent entity liable to pay Danish corporate income tax and consequently, no provision for tax on profit for the year has been made.

However, taxes withheld on the payment of dividends by the portfolio investments are recognised in the income statement.

Balance sheet
Financial assets
Securities that are included in the company's investment strategy are recognised on the basis of the settlement date fair value and are subsequently measured at market price or estimated fair value at the balance sheet date. Both realised and unrealised gains and losses are recognised in the income statement under financial items.

Prepayments
Prepayments comprise of prepaid investments.

Equity
Dividends are recognised as a liability at the time of adoption of the dividend resolution at the Annual General Meeting (time of declaration).

Financial liabilities
Financial liabilities are measured at amortised cost.

Cash flow statement
With reference to section 86(4) of the Danish Financial Statements Act and the consolidated financial statements of Lundbeckfonden, LFI Equity A/S has not prepared a Cash Flow Statement.

Key Figure
The key figure is calculated as follows:

Return on equity: Profit for the year x 100 / Average equity

9. Events after the balance sheet date

No events of importance to the annual report have occurred during the period from the balance sheet date until the presentation of the financial statements

Management statement

The Executive Management and the Board of Directors have today considered and adopted the annual report of LFI Equity A/S for the financial year 1 January – 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the financial position at 31 December 2024 of the company and of the results of the company's operations for 2024.

In our opinion, Management review includes a true and fair account of the development in the company's operations and financial circumstances, of the result for the year and of the financial position of the company.

We recommend that the annual report be adopted at the Annual General Meeting.

Copenhagen, 12 March 2025

Executive Management

Poul la Cour

Board of Directors

Lene Skole
Chair

Arne Due-Hansen

Peter Rothausen

Independent Auditor's Report

To the Shareholder of LFI Equity A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of LFI Equity A/S for the financial year 1 January – 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management Review
Management is responsible for Management Review.

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

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

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

Based on the work we have performed, in our view, Management Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management Review.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 12 March 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
mne18651

André Nielsen
State Authorised Public Accountant
mne46624