

LFI SILVA INVESTMENTS A/S

ANNUAL REPORT 2025

SCHERFIGSVEJ 7, DK-2100 COPENHAGEN Ø

CVR NO. 39 16 29 97

APPROVED AT THE ANNUAL GENERAL MEETING 26 MARCH 2026

CHAIR OF THE MEETING

ARNE DUE-HANSEN



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COMPANY INFORMATION

LFI Silva Investments A/S
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DK-2100 Copenhagen Ø

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Homepage: www.lundbeckfonden.com
E-mail: mail@lundbeckfonden.com
Business Registration No. 39 16 29 97
Place of residence: Copenhagen

OWNER

LFI Silva Investments A/S is owned by Lundbeckfond Invest A/S (97%) and Cresco Capital A/S (3%)

BOARD OF DIRECTORS

Carsten With Thygesen, Chair
Arne Due-Hansen
Louise Lind Ladegaard

EXECUTIVE MANAGEMENT

Clara Guttman Belling

AUDITOR

PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab

MANAGEMENT REVIEW

PURPOSE

The purpose of LFI Silva Investments A/S (the Company) is to make investments in commercial forest assets, land, renewable energy and related activities.

ACTIVITIES IN THE FINANCIAL YEAR

Following a period of value appreciation driven by rising timber prices and historically low interest rates, UK forest properties experienced a decline in value from end of 2022 to end of 2024. In terms of pricing, the UK forest property and timber market has remained broadly flat in 2025 compared with 2024, however, more productive sites have been in higher demand than lower-yielding mixed woodlands. Transaction volumes for commercial UK forest properties in 2025 were the highest since the onset of the COVID-19 pandemic, although they remain at the lower end of the range observed over the preceding decade.

In 2025, the focus was on developing and optimising the value of the Subsidiary's forest and land assets. This included the successful execution of a market-adapted harvesting programme, the upgrading and extension of the forest road network, the establishment of new management agreements with local forestry management companies, and the ongoing maintenance of new plantings under the Forestry Grant Scheme. Subsidies related to the maintenance of new planted areas were received accordingly.

In 2025, the Subsidiary entered into a new Heads of Terms for an Option and Lease Agreement with a wind turbine development company in respect of a property acquired in 2023. In addition, the Subsidiary received its third option payment under an Option and Lease Agreement with a wind turbine developer signed in 2022 in respect of a property bought in 2019.

The Subsidiary was involved in the production of renewable energy via its ownership and operation of a hydroelectric power station which generated 704,422 kW in 2025. This was lower than in 2024 due to lower precipitation rates in 2025, and since the power station was out of service during a shorter period of the third quarter of 2025 due to material system upgrades.

The Subsidiary did not acquire or divest investment properties in 2025. At the end of 2025, the Subsidiary owns above 3,400 hectares of forest and land in Scotland.

FINANCIAL RESULT AND FINANCIAL POSITION

The loss for the year amounted to DKK -9,123 thousand (DKK -21,564 thousand in 2024) and the equity at 31 December 2025 amounted to DKK 530,276 thousand (DKK 565,704 thousand at 31 December 2024).

In 2025, the Subsidiary generated a positive operating profit driven by the successful execution of the timber harvest programme. However, the net loss of the year is primarily attributable to the fair value adjustment of the investment properties in the Subsidiary. As income from timber harvesting is recognised, it is offset by a corresponding fair value adjustment of the investment in the Subsidiary, mainly reflecting the reduction in standing timber stock. Furthermore, smaller depreciations on lower-yielding mixed woodlands and exchange losses affect the result negatively.

There has been no operating income in the Company due to a new cash flow structure in the group, which has been decided by the Board. The decrease in the Company's equity can primarily be attributed to exchange losses and, secondarily, to the fair value adjustment of the investment in the Subsidiary. In that context, the Board of Directors finds the result as expected.



INCOME STATEMENT

FOR THE PERIOD 1 JANUARY – 31 DECEMBER

DKK'000	Note	2025	2024
Other operating income		-	3,497
Other external costs		-259	-3,816
Gross profit		-259	-319
Income/loss from investments in subsidiary	1	-8,862	-21,491
Financial income	2	46	214
Financial expenses	3	-122	-
Profit/(loss) before tax		-9,197	-21,596
Tax on profit for the year	4	74	32
Profit/(loss) for the year		-9,123	-21,564
Proposed distribution of profit/(loss):			
Reserve for net revaluation according to equity method		-8,862	-21,491
Retained earnings		-261	-73
Profit/(loss) for the year		-9,123	-21,564

BALANCE SHEET

AT 31 DECEMBER, ASSETS

DKK'000	Note	2025	2024
Investment in subsidiary	1	527,697	562,864
Non-current assets		527,697	562,864
Receivables from group enterprises		-	875
Other receivables		-	235
Tax receivables		211	23
Deferred tax		-	353
Receivables		211	1,486
Cash and bank balances		2,465	2,642
Current assets		2,676	4,128
Assets		530,373	566,992

BALANCE SHEET

AT 31 DECEMBER, EQUITY AND LIABILITIES

DKK'000	Note	2025	2024
Share capital		899	899
Reserve for net revaluation according to equity method		170,953	206,120
Retained earnings		358,424	358,685
Equity		530,276	565,704
Other payables		97	1,288
Current liabilities		97	1,288
Liabilities		97	1,288
Equity and liabilities		530,373	566,992
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STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 1 JANUARY – 31 DECEMBER

DKK'000	Share capital	Reserve for net revaluation according to equity method	Retained earnings	Equity
Equity at 1 January 2025	899	206,120	358,685	565,704
Profit/loss for the year	-	-8,862	-261	-9,123
Currency adjustments	-	-26,305	-	-26,305
Equity at 31 December 2025	899	170,953	358,424	530,276

DKK'000	Share capital	Reserve for net revaluation according to equity method	Retained earnings	Equity
Equity at 1 January 2024	899	200,483	358,758	560,140
Profit/loss for the year	-	-21,491	-73	-21,564
Currency adjustments	-	27,128	-	27,128
Equity at 31 December 2024	899	206,120	358,685	565,704

NOTES

1. Investment in subsidiary

DKK'000	2025	2024
Cost at 1 January	356,744	356,744
Cost at 31 December	356,744	356,744
Adjustments at 1 January	206,120	200,483
Profit/loss for the year	-8,862	-21,491
Currency adjustments	-26,305	27,128
Adjustments at 31 December	170,953	206,120
Carrying amount at 31 December	527,697	562,864
Company name:	Interest (%)	
LFI Silva Investments Ltd., UK	100%	

2. Financial income

DKK'000	2025	2024
Exchange gains	6	90
Other financial income	40	124
Total financial income	46	214

3. Financial expenses

DKK'000	2025	2024
Exchange losses	122	-
Total financial expenses	122	-

4. Tax on profit for the year

DKK'000	2025	2024
Change in deferred tax for the year	-74	-23
Prior-year adjustments	-	-9
Tax on profit for the year	-74	-32

5. Contractual obligations

LFI Silva Investments A/S is jointly taxed with Lundbeckfond Invest A/S, ALK-Abelló A/S, Falck A/S, H. Lundbeck A/S, and Vesper Bio ApS, and their respective Danish subsidiaries. The companies have partly a joint and several liability and partly a secondary liability with respect to income taxes etc. for the jointly taxed companies. The companies in the tax pool have partly a joint and several liability and partly a secondary liability with respect to any obligations to withholding tax on interests, royalties and dividends for the jointly taxed companies. However, in both cases the secondary liability is capped at an amount equal to the share of the capital of the companies directly or indirectly owned by Lundbeckfond Invest A/S.

6. Staff

The company has no employees besides the Executive Management. Fees to the Board of Directors amount to DKK nil in 2025 (DKK nil in 2024).

7. Related parties

Related parties exercising controlling interest on LFI Silva Investments 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 Silva Investments 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 Silva Investments A/S has not entered into any transactions with related parties that were not on an arm's length basis, cf. section 98 c of the Danish Financial Statements Act.

CONSOLIDATED FINANCIAL STATEMENTS

LFI Silva Investments 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 Silva Investments A/S for 2025 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 Silva Investments A/S. Amounts in DKK are rounded to DKK thousands.

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.

INCOME STATEMENT

Other operating income

Other operating income comprise administrative fees.

Other external costs

Other external costs comprise expenses for administration.

Financial items

Financial income and financial expenses comprise:

- Interest income and expenses
- Exchange gains and losses
- Other financial income and expenses

Income/loss from investment in subsidiary

Income/loss from investment in subsidiary comprises the proportionate share of profit/loss after tax.

Tax

Danish subsidiaries are jointly taxed with Lundbeckfond Invest A/S as the administration company. The current Danish corporate income tax liability is allocated among the companies of the tax pool in proportion to their taxable income (full allocation subject to reimbursement in respect of tax losses).

Tax for the year, which consists of the year's current tax and the change in deferred tax, is recognised in the income statement as regards the amount that can be attributed to the net profit or loss for the year.

Current tax for the year is calculated based on the income tax rates and rules applicable at the balance sheet date.

BALANCE SHEET

Investment in subsidiary

Investment in subsidiary is measured by the equity method at the proportionately owned share of the equity of the company.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to 'Reserve for net revaluation under the equity method' under equity. The reserve is reduced by dividends distributed to the parent company and adjusted for other equity movements in subsidiaries.

8. Accounting policies (continued)

Receivables

On initial recognition, receivables are measured at fair value and subsequently at amortised cost. Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made based on an individual assessment.

Equity

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

Corporate income tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet, computed as tax calculated on the taxable income for the year, adjusted for provisional tax paid.

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities and their tax base. However, deferred tax is not recognised on temporary differences arising either on initial recognition of goodwill or from a transaction that is not a business combination if the temporary difference ascertained at the time of the initial recognition affects neither the financial result nor the taxable income. The tax value of the assets is calculated based on the planned use of each asset.

Deferred tax assets are recognised in the balance sheet at the value at which the assets are expected to be realised, either through an offset against deferred tax liabilities or as net tax assets to be offset against future positive taxable income.

Balances calculated according to the provision of the Danish Corporate Tax Act on interest deductibility limitations are allocated between the jointly taxed companies according to a joint taxation agreement and are allocated between the companies that are subject to deductibility limitation in proportion to their share of the total limitation. Deferred tax liabilities in respect of these balances are recognised in the balance sheet, whereas deferred tax assets are recognised only if the criteria for recognition of deferred tax assets are met.

Debt

Other payables are measured at amortised cost.

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 Silva Investments A/S for the financial year 1 January - 31 December 2025.

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 2025 of the company and of the results of the company's operations for 2025.

In our opinion, the management's review includes a fair review of developments in the company's activities and finances, result for the year and the company's financial position in general.

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

Copenhagen, 5 March 2026

EXECUTIVE MANAGEMENT

Clara Guttman Belling

BOARD OF DIRECTORS

Carsten With Thygesen
Chair

Arne Due-Hansen

Louise Lind Ladegaard

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of LFI Silva Investments 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 2025, and of the results of the Company's operations for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of LFI Silva Investments A/S for the financial year 1 January - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the Financial Statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

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, 5 March 2026

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Statsautoriseret Revisionspartnerselskab
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