
MAJ INVEST HOLDING A/S

ANNUAL REPORT 2023

CVR NO. 28 29 54 80

MAJ
INVEST



COMPANY INFORMATION

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Executive Board
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CEO
Marianne Settnes,
Managing Director
Jens Aaløse,
Managing Director,
Managing Partner

*elected by staff



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IN THE EVENT OF ANY INCONSISTENCIES BETWEEN THE DANISH AND ENGLISH VERSIONS OF MAJ INVEST HOLDING'S ANNUAL REPORT 2023, THE DANISH VERSION SHALL PREVAIL





CEO LETTER

Jeppe Christiansen
CEO

In a surprising turn of events, the global economy has emerged from the past year in a stronger position than many anticipated. Fears of a recession subsided as central banks wisely navigated the challenges of inflation, energy price shocks, and rising interest rates. This resilience underscores the continued effectiveness of market mechanisms in the free world. The US economy is spearheading the global recovery, propelled by robust corporate investment and the Biden administration's record-breaking green infrastructure push. This surge in US growth creates positive spillover effects, pulling both the EU and Asia along.

Unfortunately, the EU is caught in a structural energy crisis with imports from the Middle East accounting for almost half of the EU's energy needs. Further complicating matters is a lack of understanding of the importance of both nuclear and natural gas – crucial sources for bridging the gap to a fully green energy future. For many years and until we can produce enough green energy, the EU continues to depend on energy from fossil fuels. The solution is not to reduce fossil fuels, but to introduce CO2 taxes and support green energy technology to the maximum. The EU should soon match the green subsidy schemes that the US and China have introduced.

The global outlook is not without its risks. Geopolitical tensions remain elevated, particularly in flashpoints like Ukraine, Gaza, and Taiwan. This underscores the need for European policymakers to reassess the EU's energy and security strategy, with a focus on reducing dependence on potentially volatile regions.

Focus on Liquidity and Risk Diversification

While the past 50 years have witnessed tremendous prosperity built on global free trade, the EU must navigate the geopolitical realities of 2024. This necessitates EU energy self-sufficiency, reduced dependence on China, a strengthened NATO and robust military defense.

Against this backdrop, investors must define or adjust their investment strategies. At Maj Invest, this is a key focus as we advise our clients. The major challenge for many investors is mitigating financial and geopolitical risks. This is no easy task. The best advice is to leverage historical experience and investment expertise. This entails focusing on liquidity, avoiding debt, and ensuring broad diversification across global investment categories. Here, it is important to highlight traditional bond investments, which can serve as a solid counterweight to the volatility of stocks, private equity, and real estate. At Maj Invest, we have always focused on investing in bond markets, even during periods of extremely low interest rates, which presented significant challenges. In 2024, we will continue to focus on bond investments.

Green Hope

A bright spot in recent years has been the surge in corporate investment in green energy. Danish companies are leading the charge, spearheading innovation, and investment in green energy technology. Vestas' wind turbine sales alone, combined with Topsoe's green chemical technology sales, have resulted in annual global CO2 savings exceeding 100 million tons. This is more than double Denmark's entire annual CO2 footprint of 42 million tons.

Danish businesses have surpassed the country's national climate goals well ahead of the 2030 target. And this momentum shows no signs of abating.

For investors, this green wave falls under the umbrella of ESG (Environmental, Social, and Governance) policy. ESG has become a critical focal point driving reporting and portfolio management strategies. At Maj Invest, we have worked with ESG principles for over a decade, and in 2023, we've further intensified our efforts. Previously, ESG considerations were primarily factored into investment analysis and due diligence, emphasising responsible management practices within our investment portfolio. Today, ESG plays a central and transformative role in our investment approach. We prioritise in-depth analysis of initiatives in green climate policy, diversity, and inclusion. We embrace the "triple bottom line" concept as the guiding principle for this work.

Triple Bottom Line

Today, we demand equal representation of women and men in the management of companies where we have a significant ownership stake. We also expect companies to adopt an active inclusion policy and, especially for larger companies, to join "science-based targets" to ensure compliance with the net zero 2050 requirement.

Looking ahead, Maj Invest plans to intensify its focus on inclusion. Recognising the significant labor shortages Denmark faces in the coming decade, the company sees a crucial role for integrating individuals on the periphery of the workforce. In 2023, Maj Invest conducted a comprehensive analysis of this challenge and explored potential solutions. The public sector cannot handle this challenge alone - there is a great need for private companies to get involved. Inclusion will be one of our ESG value targets in the new Maj Invest Equity investment fund, which we will launch in 2024.

On the product development front, Maj Invest has launched "Green Bonds" and "Net Zero 2050" investment funds. While these funds have faced headwinds from rising interest rates and financing difficulties in the green sector, their long investment horizon necessitates a longer-term view. Maj Invest remains confident in the long-term demand for these sustainable investments and believes the investment thesis remains sound. This conviction is reflected in our participation in establishing the "Energy Transition" green investment fund alongside PKA and the Glentra fund, with a combined commitment of DKK 2 billion in 2023.

Maj Invest's core asset management business maintains its focus on global value stocks, a proven and enduring product for the company. Share prices have performed well in the past year, recovering from the challenges posed by the COVID-19 pandemic and the Ukraine crisis. Danish equities and bond funds have also shown satisfying progress. Overall, 2023 was a successful year for Maj Invest, except for green equity investments.

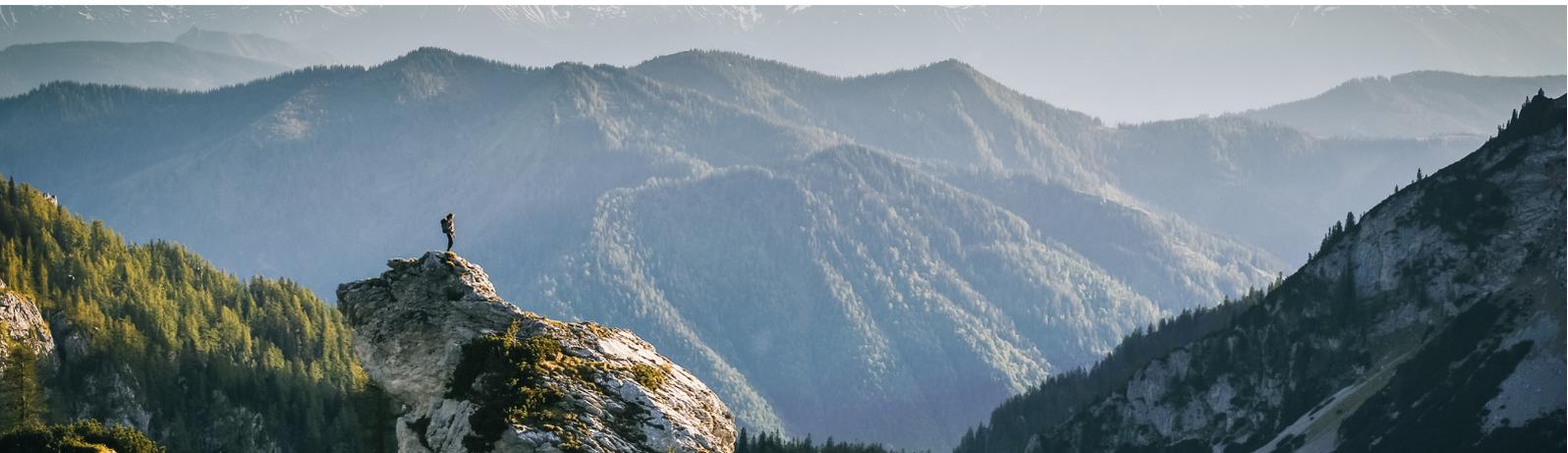
Maj.dk - We Help you Invest

In the coming years, Maj Invest will be focusing resources on strengthening our analytic capabilities. This will include utilising the many new AI tools available. We will focus on macroeconomics, climate analysis, and investment understanding. All our analysis will be accessible to clients and interested users through the maj.dk portal, which will launch in the middle of the year. The ambition is that all of Maj Invest's clients and interested users will be able to acquire such a level of knowledge, analysis and inspiration on this platform that they can invest their savings themselves and at the same time achieve a better return at a lower cost.

March 4, 2024

MANAGEMENT'S REVIEW

OVERVIEW



DANISH FINANCIAL GROUP WITH INTERNATIONAL ACTIVITIES

The Maj Invest group advises institutional, professional and private investors on investment management and securities.

Headquarters are located in Copenhagen, and the group employs 111 people in three countries. Assets under management total DKK 82 billion, including assets in Maj Bank. The client base is global and diversified.

Among others, the group advises:

- The mutual fund *Investeringsforeningen Maj Invest*.
- Private equity funds investing in Danish companies.
- Investment funds with global minority shares.
- International private equity funds within microfinance and financial inclusion.
- Institutional clients in Denmark and internationally.
- Retail clients in Maj Bank on investment.

FINANCIAL HIGHLIGHTS - GROUP

INCOME STATEMENT

DKK thousand	2019	2020	2021	2022	2023
Total gross income	400,150	368,154	579,432	502,360	427,407
- Net interest and fee income	333,944	357,852	524,892	464,311	410,904
- Market value and currency translation adjustments	56,374	(65)	48,988	33,341	12,579
- Other operating income	9,832	10,367	5,552	4,708	3,924
Staff costs and administrative expenses	(215,062)	(218,664)	(232,745)	(239,276)	(247,896)
Profit before tax	166,288	142,560	341,641	252,475	172,222

BALANCE SHEET

Shareholders' equity	368,808	382,941	464,032	367,837	368,669
Total assets	637,137	712,957	764,318	727,494	1,110,685

RATIOS AND KEY FIGURES

Return on equity before tax	42.2%	37.9%	80.7%	60.7%	46.8%
Cost/income ratio	1.74	1.64	2.44	2.03	1.67
Cost to income ratio	57.4%	61.1%	41.1%	49.3%	60.0%
Capital ratio	21.4%	23.0%	21.4%	21.8%	21.0%
Own funds in relation to minimum capital requirements	2.7	2.9	2.7	2.7	2.6

Ratios and key figures were drawn up in accordance with the definitions of the Danish Financial Supervisory Authority (FSA).

HIGHLIGHTS AND MAJOR EVENTS 2023

The group achieved a satisfactory result in 2023 in line with the expectations outlined in the 2022 annual report. The following key points can be highlighted:

- Profit before tax amounted to DKK 172 million, corresponding to a return on average equity of 47%. Profit after tax was DKK 125 million. In 2022, profit after tax was DKK 211 million.
- With a capital ratio of 21.0% and own funds of DKK 291 million at the end of the year, the group is well capitalised.
- Good results in the mutual fund *Investeringsforeningen Maj Invest*, where nine out of fifteen funds achieved very satisfactory returns in 2023. Only one investment strategy resulted in an unsatisfactory return.
- Establishment of the fund *Maj Invest Energy Transition I*, focusing on green transition with investments in the intersection between private equity and infrastructure.
- *Maj Invest Equity* advised *Maj Invest Minorities I* on six new investments. By the end of 2023, a total of fourteen investments had been made in the fund. The fund was established in 2021.
- *Maj Invest Equity* advised *Maj Invest Equity 4* on the successful sale of the last company in the portfolio, *Sticks'n'Sushi*. The sale was announced in early 2024.
- Good returns in 2023 on both stocks and bonds positively impacted *Maj Bank*. A high deposit rate contributed to a large influx of clients in 2023, and the total assets under management were at the highest level in the bank's history at the end of the year.

MAJ INVEST MILESTONES

Milestones for the Maj Invest group

- 2005** *Fondsmæglerselskabet Maj Invest A/S* established. *Investeringsforeningen Maj Invest* (mutual fund) and first Danish private equity fund established.
- 2008** *Investeringsforeningen Maj Invest* (mutual fund) shows three years of results. Is rated by Morningstar for the first time.
- 2010** First microfinance private equity fund established.
- 2014** Representation in London established and establishment of *Maj Invest South America*, Peru.
- 2015** *Maj Bank* established. Second microfinance private equity fund established.
- 2016** Private equity fund *Maj Invest Equity 5* established.
- 2017** Registration in the US (SEC) and with the authorities in Canada.
- 2018** Company in India established related to microfinance.
- 2019** Establishment of two investment funds in the US. Establishment of third private equity fund within microfinance and financial inclusion.
- 2020** Establishment of the fund *Grønne Obligationer* (green bonds) in the mutual fund *Investeringsforeningen Maj Invest*.
- 2021** Establishment of the fund *Private Equity Minorities I*. Authorisation as portfolio manager in four provinces in Canada.
- 2022** Establishment of the fund *Net Zero 2050* in the mutual fund *Investeringsforeningen Maj Invest*.
- 2023** Establishment of the fund *Maj Invest Energy Transition I*.



BUSINESS ACTIVITIES OF THE GROUP

The group's main business areas include advisory services on listed securities through Maj Invest Asset Management and advisory services on unlisted investments through Maj Invest Equity.

The business areas have activities both in Denmark and internationally, extending services to institutional and professional clients in Denmark and abroad. Maj Bank advises retail clients in Denmark on investment.

Maj Invest Asset Management provides advice on the composition of securities portfolios as well as management of listed stocks and bonds. The client base consists of institutional clients in Denmark as well as internationally.

In both stocks and bonds, both classic products and products focusing on climate-related investments are offered.

The products in Asset Management are offered both as discretionary management agreements and through the mutual fund Investeringsforeningen Maj Invest in Denmark as well as the international mutual fund Maj Invest Funds. Additionally, two investment funds in the USA are advised.

Maj Invest Equity provides investment advice within both broad and specialised funds. Maj Invest Equity Denmark advises private equity funds primarily investing in unlisted stocks in Denmark. At year-end 2023, the private equity funds had ten companies in their portfolios.

Maj Invest Financial Inclusion advises three funds on investments in microfinance and financial inclusion in Asia, Latin America, and Africa. At year-end 2023, the funds had twelve companies in their portfolios.

Maj Invest Minorities advises a private equity fund with a broad focus on minority investments and the fund Maj Invest Energy Transition.

Maj Bank provides investment advice to retail clients through the platform Maj World.

BUSINESS STRUCTURE - THE MAJ INVEST GROUP

MAJ INVEST HOLDING A/S

FONDSMÆGLERSELSKABET MAJ INVEST A/S	MAJ BANK A/S	MAJ INVEST EQUITY A/S
<p>Asset management Advisory services to professional clients on asset allocation and listed assets in Denmark and globally.</p> <p>Investment funds</p> <ul style="list-style-type: none"> Investeringsforeningen Maj Invest, Denmark Maj Invest Funds, Luxembourg Maj Invest Global Value Equities Fund LP, USA Maj Invest Collective Investment Trust, USA 	<p>Bank Investment advisory services to Danish retail clients through the platform Maj World.</p> <p>Client groups</p> <ul style="list-style-type: none"> Digital advisory services for clients with assets over DKK 100,000. Personal and individualised advisory services for clients with assets over DKK 1.5 million. 	<p>Private equity Advisory services to private equity funds on investments in unlisted companies in Denmark and globally.</p> <p>Business areas</p> <ul style="list-style-type: none"> Danish private equity Minorities & Ventures Energy Transition Financial Inclusion

MAJ INVEST ASSET MANAGEMENT

Maj Invest Asset Management offers advice on portfolio and investment decisions as well as asset management of listed products. The products are offered in the form of discretionary portfolio agreements, investment advisory agreements, and through investment funds.

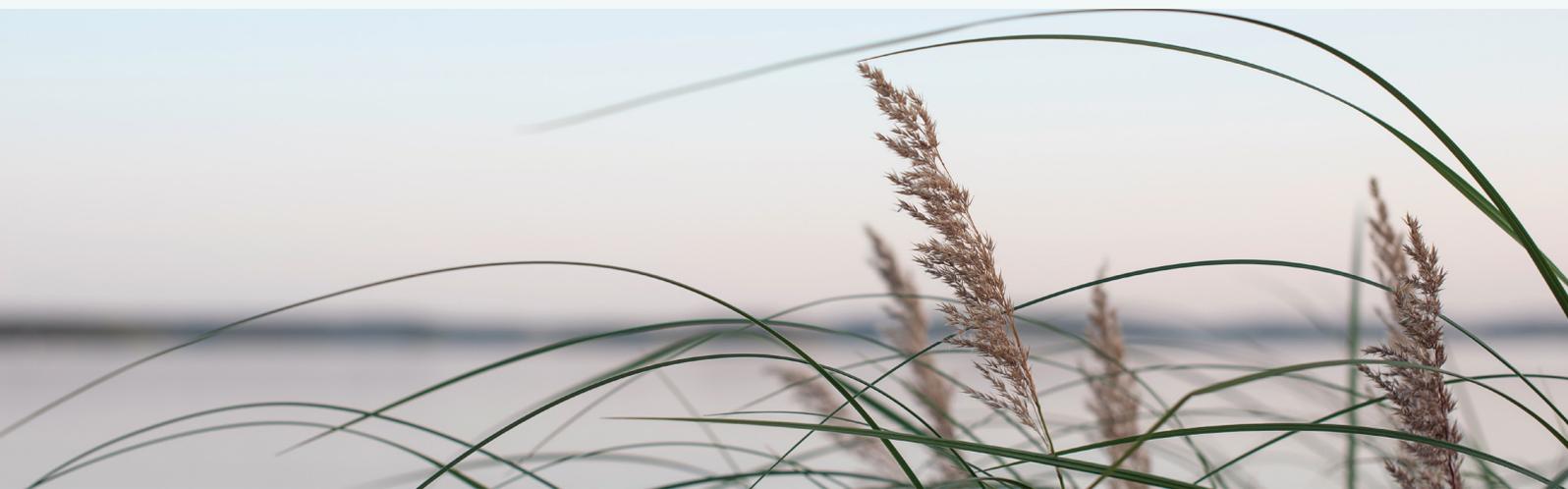
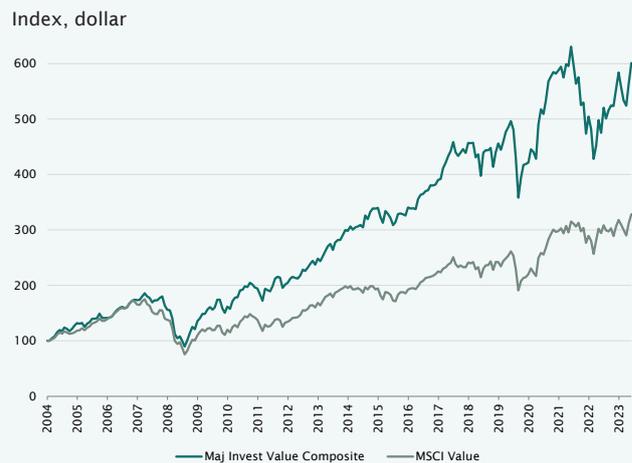
Within both stocks and bonds, advice is provided on broad strategies with a long track record and newer, more specialised strategies.

The Danish mutual fund, Investeringsforeningen Maj Invest, offers fifteen funds, where Maj Invest Asset Management is the manager. Among other channels, the products are distributed to professional clients in Maj Invest Asset Management and through distribution agreements with Danish banks. Maj Invest Asset Management also advises Luxembourg-based Maj Invest Funds, targeting European clients, and two investment funds in the USA.

Several discretionary agreements have been made regarding the value equity product with international investors directly and through funds. The value equity product is the company's largest product, and the combined assets of foreign investors in the value equity product constitute a significant portion of the total assets under management. Maj Invest Asset Management is approved as a non-resident portfolio manager in four provinces in Canada and is registered in Australia and the USA.

Maj Invest Asset Management has been working for several years on developing new products with a focus on climate. Among other things, this has led to the launch of the products Maj Invest Grønne Obligationer (green bonds) in 2020 and Maj Invest Net Zero 2050 in 2022 through the mutual fund Investeringsforeningen Maj Invest. Maj Invest Asset Management has been actively involved in climate and environmental investments since 2008.

Returns for the value strategy relative to the MSCI World Value index





INVESTERINGSFORENINGEN MAJ INVEST (MUTUAL FUND)

Maj Invest Asset Management is the portfolio manager for the mutual fund Investeringsforeningen Maj Invest. The mutual fund consists of fifteen funds and has been available to both private and professional investors for eighteen years.

Among the mutual fund's fifteen funds, nine achieved particularly satisfactory returns in 2023, while only one investment strategy resulted in unsatisfactory returns. For a detailed description of individual products and results, please refer to the mutual fund's website, majinvest.dk.

Product range with climate focus

All mutual funds in Investeringsforeningen Maj Invest adhere to the fund's general policy for responsible investments and are thus also subject to a norm-based screening and process for active ownership. Twelve of the mutual funds of Investeringsforeningen Maj Invest are classified under "Article 8" of the EU Regulation on sustainability-related disclosures (EU) 2019/2088, which means that they incorporate sustainability into the investment process itself.

Investeringsforeningen Maj Invest recently launched the mutual fund Maj Invest Net Zero 2050 in 2022. The fund invests in companies with a climate focus and in companies and resources involved in the green transition. This means that the fund can invest in the entire value chain around electric cars. From the extraction of necessary metals to the development of technologies and the production of cars and components. The fund can also invest in metals and commodities.

Investeringsforeningen Maj Invest has continuously offered new mutual funds focusing on sustainability, and the first fund with a climate focus was launched in 2008.

New products on the way

The product offering is continuously assessed, and in 2023, work began on establishing new ETF products characterised by low costs and a portfolio composition closely aligned with a market index. ETFs have been gaining popularity internationally and among Danish private investors for many years. Historically, the most well-known ETFs have aimed to provide the same return as a selected stock index - for example, the entire global stock market, a region, a country, or a sector. In recent years, ETFs have been seen investing in a subset of the stock market with a thematic focus, such as artificial intelligence or energy transition. It is planned to launch products within this category in 2024.

MAJ INVEST EQUITY DANMARK



Maj Invest Equity Denmark is among the largest private equity advisors in the segment of small and medium-sized companies in Denmark. Maj Invest Equity operates as part of the Maj Invest group based on the UN Principles for Responsible Investment (UN PRI) concerning human rights, labor rights, the environment, and anti-corruption, among other things.

Maj Invest Equity 4 K/S

In 2023, Maj Invest Equity 4 K/S initiated a structured sales process for the last company in the portfolio, Sticks'n'Sushi. The market showed significant interest in the company, and in January 2024, it was announced that Sticks'n'Sushi had been sold to the English capital fund McWin Capital Partners, specializing in investing in unique, scalable restaurant chains. The sale was successful with a good return. The overall return for Maj Invest Equity 4 K/S was very satisfactory, placing the fund in the top quartile among comparable funds.

Maj Invest Equity 5 K/S

Maj Invest Equity 5 K/S is fully invested and had nine investments in the portfolio by the end of 2023. In 2023, the focus was on developing portfolio companies and navigating them through the current financial and geopolitical turbulence.

The fund invests in small and medium-sized Danish companies with growth and value potential and with a value ranging from DKK 200-600 million. Investments are made broadly across various industries, but port-

folio companies must have a strong market position or the potential to create a strategic position in a growing market. The fund typically takes a leading role in investments but differs by having a flexible ownership model, investing in both minority and majority stakes. This is done through an active partnership approach in collaboration with other shareholders, management, and business partners. There is a focus on aligning expectations with investment partners by presenting ambitions and transparent intentions, as well as plans for key initiatives to be carried out under the fund's ownership. Value creation is based on long-term value enhancement driven by permanent improvements, targeted organic growth, or growth through acquisitions.

The investment philosophy is long-term ownership supported by experienced business partners who can contribute to business improvements. Business partners typically work through board positions and co-investments. A significant prerequisite for investment is that management itself invests in the company to ensure the best possible alignment of interests between the fund and management.

Establishment of a new fund

A new fund is being established to, like funds 4 and 5, invest in and develop small and medium-sized Danish companies. In the work of developing the companies, sustainability and ESG factors will be a central focus. The fund will be categorised as Article 8 under the regulation on sustainability-related disclosures, promoting diversity, inclusion, climate, and recycling.

TRIPLE BOTTOM LINE

In Maj Invest Equity Denmark, there is an increasing focus on investing in companies where a key element is to focus on achieving the best possible return while also positively contributing to a range of other important parameters. Concrete objectives are also set for how companies and thus investors can positively contribute to the surrounding society and the company's stakeholders in the form of employees and customers. This approach is defined as the triple bottom line.

Objectives include, among others, creating growth in companies to generate new jobs in Denmark and abroad, ensuring good and healthy working environments for employees, reducing companies' carbon footprint, and ensuring diversity in management and boards.

As a particular focus area, the objective is to contribute to better inclusion in the labor market by creating opportunities and improved conditions for people on the edge of the labor market.

The upcoming fund from Maj Invest Equity Denmark will have clear objectives for both the fund and portfolio companies to deliver on this triple bottom line.





MAJ INVEST FINANCIAL INCLUSION

Maj Invest Financial Inclusion has provided advice on investments in financial inclusion since 2010 and advises three private equity funds with the same investment strategy.

The funds invest in financial institutions and banks that offer services such as loans, savings, payments, insurance, and money transfers, etc. to the poor part of the population, who are outside the formal economy. In the active portfolio companies of the funds, there are more than 41 million customers, approximately half of whom are women. The funds invest in selected countries in Latin America, Africa, and Asia - the latter with a focus on India.

Advancing Sustainable Development Goals

In all the funds, Maj Invest Financial Inclusion works to promote the positive impact of investments for the benefit of customers, investors, and the respective countries' economies.

At the same time, Maj Invest Financial Inclusion seeks to promote several of the UN's Sustainable Development Goals, especially No. 1 (No Poverty), No. 5 (Gender Equality), and No. 8 (Economic Growth), in its investment efforts. The funds invest in well-established financial institutions with a solid strategy to promote social sustainability and create an inclusive financial infrastructure in the respective country. The funds typically invest alongside other respected and like-minded investors.

Access to financial services provides the large customer base of the lower middle class with the opportunity for economic advancement. Typically, loans for working capital for small family businesses are one of the main products. These loans often have a higher interest rate than what is customary in the developed world. This is a direct result of financial institutions making many small loans in local currency, which are time- and resource-intensive to distribute, while capital costs are high. Additionally, there is often relatively high inflation in these countries. Customers consider access to these essential financial services to be very positive compared to the only other alternative, namely the black market.



Many of the financial institutions also have initiatives that help part of the customer base improve their economic lives. This may include education in running a business with a focus on creating economic stability, tools to make small businesses more profitable, budgeting, or planning savings for small family businesses. The funds also seek to promote environmental factors, including reducing and adapting to climate change, as well as good corporate governance in the individual portfolio companies.

Copenhagen, Mumbai, Lima

To assist the team in Denmark of four people, there are six employees in the group companies in Peru and India. The team conducts very thorough investigations of potential investments before implementation and works very actively with the companies during the ownership period. The funds typically have board representation.

Financial Inclusion Fund III K/S

Most recently, Maj Invest Financial Inclusion Fund III K/S was established in December 2019, and the total investment commitment was USD 183 million at the fund's final closing in March 2022. By the end of 2023, the fund had completed five out of an expected seven investments.

Triple bottom line

The investment team works diligently on investing in companies where a key element is to focus on achieving the best possible return, while also positively contributing to a range of other important parameters. Concrete objectives are also set for how companies and thus investors can contribute positively to the surrounding society and the company's stakeholders in the form of employees and customers. This approach is defined as the triple bottom line.

It is therefore a significant goal for investments to contribute to improving the economic opportunities for the portfolio companies' customers and support economic growth in the respective countries. In doing so, the investments contribute to improving conditions in a way that is inclusive and fairer for all. When setting such goals, the UN's defined Sustainable Development Goals serve as a basis.

Sustainability report

Maj Invest Financial Inclusion publishes a sustainability report every year, detailing individual investments. The sustainability report can be read at majinvest.com/en/about-financial-inclusion/sustainability.

MAJ INVEST MINORITIES

Maj Invest Minorities has advised two funds in 2023: Maj Invest Minorities I K/S and Maj Invest Energy Transition I K/S.

MAJ INVEST MINORITIES I K/S

The fund was established in the second half of 2021. The investment strategy focuses on minority investments within the asset classes of private equity and venture capital, with a primary focus on the life science and technology sectors.

The fund is categorised as Article 8 under the regulation (EU) 2019/2088 on sustainability-related disclosures. ESG factors and sustainability are central focal points.

The fund invests in privately owned companies and typically holds ownership stakes ranging from 10-30%, geographically limited to developed markets. By the end of 2023, the fund had assets under management of DKK 5 billion, and investments are often structured as syndicated investments with reputable professional investors with a documented investment history.

The year 2023 presented several opportunities, resulting in six new investments totalling around DKK 290 million, including investment commitments and follow-up investments of around DKK 215 million. By the end of 2023, a total of fourteen investments had been made by the fund. The majority of the capital is allocated to larger, defensive companies with structural growth opportunities within the life science sector. Additionally, capital is allocated to two specialised venture funds operating in deep-tech in Israel and healthcare startups in the USA. The remaining capital is allocated to smaller startups.

A representative sample of investments made by the fund includes:

- Magnus Medical, a US-based company working on developing revolutionary and fast-acting brain stimulation technology designed to assist those suffering from severe depression (Major Depressive Disorder - MDD) who have not had success with current treatments.
- Tingo, an Israeli company dedicated to developing advanced continuous glucose monitoring systems aimed at improving diabetes management.
- Luminescent, an Israeli company specialising in developing innovative technology to convert waste heat into clean electricity, with a vision to generate environmentally friendly power in the most polluting industries.
- Ritedose, a US-based contract manufacturer of pharmaceutical liquids using a special sterilising technology.

The fund is 80% invested and is expected to conclude its investment period in 2024 with the exception of follow-up investments in existing portfolio companies.



MAJ INVEST ENERGY TRANSITION



MAJ INVEST ENERGY TRANSITION I K/S

The Maj Invest Energy Transition I K/S fund was established in the second half of 2023. The investment strategy focuses on green transition with investments in the intersection between private equity and infrastructure. The fund has a total capital commitment of DKK 2 billion, of which DKK 1,125 million is allocated to fund investments and DKK 875 million is allocated to direct investments.

The fund is built around a strategic partnership with Glentra Fund I, a newcomer in the green transition sector. Glentra has a differentiated investment profile and can be described as a hybrid between private equity and infrastructure. The fund is company-focused, and instead of investing in standalone assets such as transmission, solar, and wind, it primarily invests in the development and value chain behind these assets.

Maj Invest Energy Transition I K/S is categorised as an Article 8 fund under the regulation on sustainability-related disclosures. Sustainable transition is a central focus of the fund's investments. The focus is on minority investments with ownership stakes of 5-15% in primarily privately owned companies in developed markets.

Despite the fund first being launched in the second half of 2023, the initial period has been eventful. The fund has closed two investments and invested a total of DKK 1.3 billion, including investment commitments:

- Maj Invest Energy Transition I was established in parallel with the investment in Glentra Fund I of DKK 1.1 billion. Maj Invest Energy Transition I K/S has secured access to co-investments as a founding investor in Glentra Fund 1.
- In the fourth quarter, the fund made its first direct investment in the company EnergyRe LLC in a syndicate with Glentra, Novo Holdings, and publicly traded Elia Group. The total investment from the syndicate was DKK 4.8 billion, of which Maj Invest Energy Transition I's direct investment commitment was DKK 240 million. EnergyRe LLC is a leading US developer of renewable energy projects and is a key player in ensuring the electrification of New York.

The fund's pipeline is active, and 2024 is expected to be an active year on the transaction front.

MAJ

BANK

MAJ BANK

Maj Bank provides investment advisory services to clients and solely offers accounts and custody accounts for savings and investment purposes. The bank provides advice on funds placed in free savings, pensions, and business ventures. Maj Bank is an investment bank and serves as a supplement to clients' daily banking connections.

The good returns in 2023 on both stocks and bonds positively influenced Maj Bank, and a high interest rate on deposits contributed to a large influx of clients during the year.

Maj Bank emphasises long-term investments and aims for a high degree of accessibility for clients. Total assets under management were at the highest level in the bank's history at year-end.

Maj World, Maj Bank's advisory and client platform, was continuously updated with new features and a new digital concept. With the new digital concept, Maj Bank can advise clients with amounts starting from DKK 100,000 and above. Development work continues in 2024 with a focus on the customer experience.

Maj Bank's advisory services are built on three principles:

Big Picture

- Identifies long-term trends
- Assesses current economic events
- Separates news from noise
- Recommends investment strategy



Investment approach

- Five risk profiles
- Portfolio weights
- Product selection
- Portfolio trading



Fair costs and client bonus

- Do-it-yourself clients free of charge
- Advisory clients pay DKK 200 per month
- Client bonus dependent on investment volume



MAJ BANK - INVESTMENT BANK FOR PRIVATE CLIENTS

Maj Invest for private clients

Maj Bank is the Maj Invest group's offer to private clients. We offer a bank that exclusively focuses on savings and investment. Simplicity and accessibility are keywords for our work. Maj Bank offers accounts and custody accounts for all types of savings and investment. As an investment bank, we do not offer loans, current accounts, debit cards, or payment services.

Sustainable choices

Clients who not only demand high quality but also require sustainability are offered a group of specially selected products from both the mutual fund *Investeringsforeningen Maj Invest* and other reputable providers.

Sustainable investments are defined as investments that contribute to environmental goals, such as reducing CO2 footprint, or to social goals such as combating inequality or promoting social integration.

Knowledge in focus - not news

History shows that it pays off to think long-term when investing. This requires sufficient knowledge and an understanding of risks in order to keep calm when volatility in financial markets increases. Therefore, we focus on long-term economic trends. We analyse and eliminate unnecessary noise and distraction. This knowledge is shared with clients in Maj World. Simplicity and focus are crucial for creating an overview. Having an overview is a good starting point for long-term investment.

The importance of savings

Saving and investing create security and opportunities in the future. A good savings plan provides freedom. Perhaps that's why there has been an increasing trend in savings among Danes over the past 25 years. The more important savings are to the individual, the more important it is to focus on ways to handle savings.



MANAGEMENT AND OWNERSHIP

Maj Invest Holding A/S is the parent company of the Maj Invest group. Fondsmæglerselskabet Maj Invest A/S and Maj Invest Equity A/S carry out a sizeable portion of the group's activities. In addition to this, the Maj Invest group consists of Maj Bank A/S and companies related to the group's activities in the Maj Invest Equity business area. The group overview is outlined on the company's website at majinvest.com/en/structure.

BOARD OF DIRECTORS

The Board of Directors has eight members, three of whom are elected by the employees. Among the members elected at the general assembly, the most recent changes occurred in 2022. The last election among employees took place in 2021. In the first quarter of 2023, an employee-elected member stepped down from the board, and the alternate stepped in. The directorships and executive functions of the Board of Directors are listed on page 30.

EXECUTIVE BOARD

The Executive Board consists of Jeppe Christiansen, Marianne Settnes, and Jens Aaløse. Henrik Parkhøi resigned from the Executive Board at the end of 2023.

In addition, the group management includes Managing Director Klaus Godiksen responsible for the asset management activities at Fondsmæglerselskabet Maj Invest and Managing Director Kasper Svarrer, who serves as Managing Partner for Maj Invest Financial Inclusion. The directorships and executive functions of the Executive Board are listed on page 31.

Several of the board members and the members of the Executive Board are also represented on the boards and/or the Executive Board of several other companies within the group.

DIVERSITY

In March 2022, the Board of Directors set 40% targets for the share of the underrepresented gender among the members of the Board of Directors elected at the general assembly and other management levels. The targets have been set for a period up until 2026. The fulfillment of targets for the proportion of the underrepresented gender was last assessed in March 2023.

5-YEAR OVERVIEW OF THE GENDER COMPOSITION OF THE TOP MANAGEMENT BODY AND OTHER MANAGEMENT LEVELS

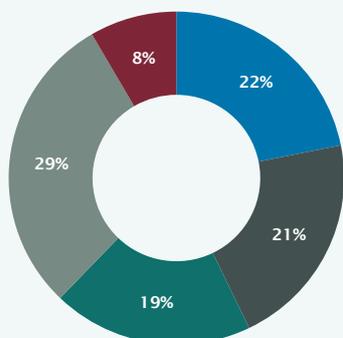
	2023	2024	2025	2026	2027
Top management body					
Total number of management members	5				
Underrepresented gender in percent	40				
Target in percent	Fulfilled*				
Year of target fulfillment					
Other management levels					
Total number of members	10				
Underrepresented gender in percent	50				
Target in percent	Fulfilled*				
Year of target fulfillment					

The requirement for a 5-year overview came into effect from 2023, hence figures for 2024-2027 are not shown.

*Maj Invest Holding had gender equality on the balance sheet date.

AGE DISTRIBUTION

Employees and management, year-end 2023



- 20-29 years (26 people)
- 30-39 years (25 people)
- 40-49 years (23 people)
- 50-59 years (35 people)
- 60+ years (10 people)

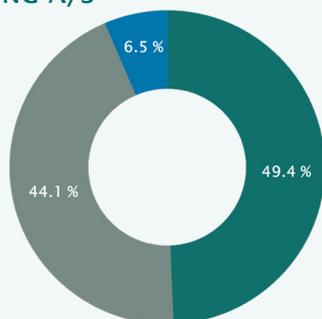
GENDER DISTRIBUTION

Year-end 2023



*Elected at the general assembly

DISTRIBUTION OF SHARES IN MAJ INVEST HOLDING A/S



- Board of Directors and Executive Board
- Staff
- Others, incl. own shares

With the current composition of the Board of Directors of five members, equal gender representation has been achieved on the balance sheet date in the top management body.

With the current composition of the top management body, equal gender representation has been achieved on the balance sheet date.

Maj Invest is aware that gender is one of several relevant parameters for diversity, and that there is still a need to promote diversity in general.

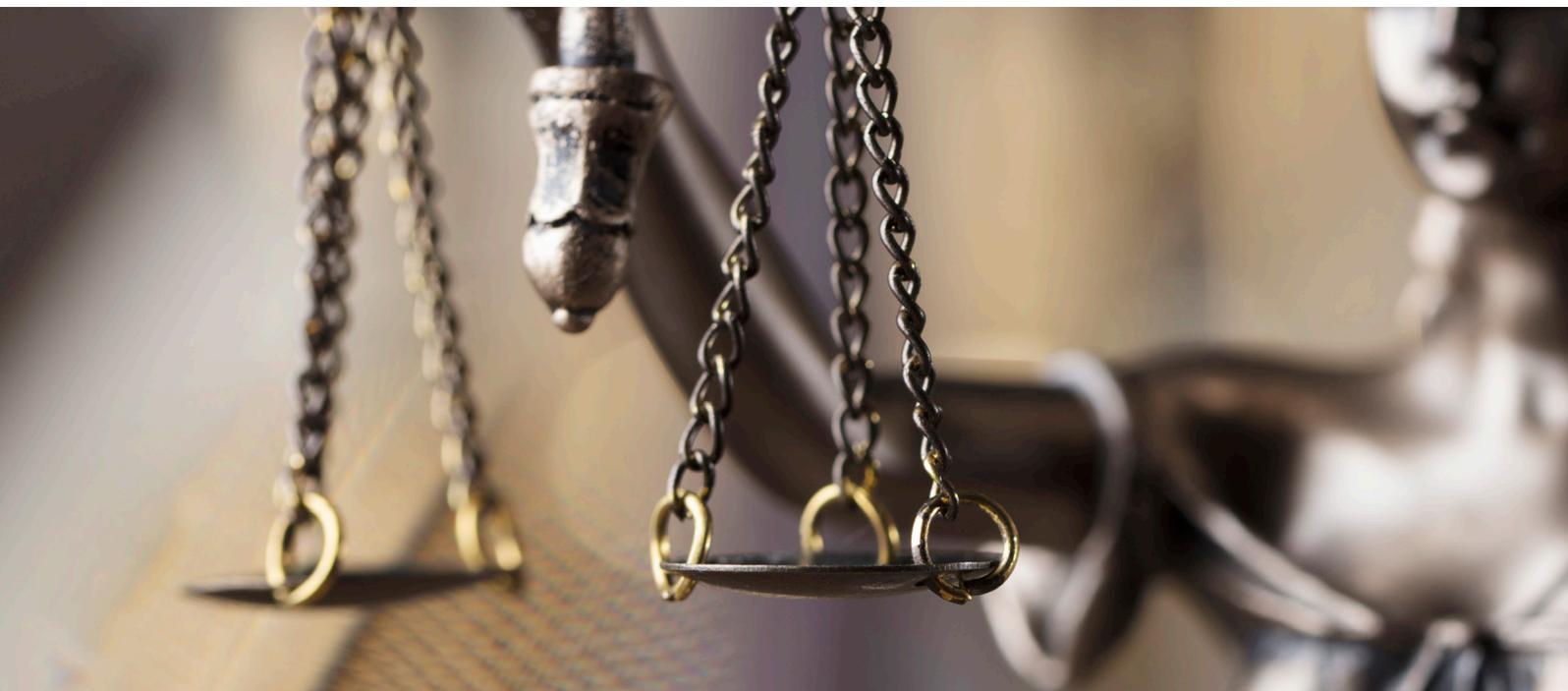
The Board of Directors of Maj Invest Holding A/S as well as the Board of Directors of the subsidiaries Fondsmæglerselskabet Maj Invest A/S, Maj Invest Equity A/S, and Maj Bank A/S have developed policies to achieve gender balance in the Board of Directors and at other management levels within the companies, while also promoting diversity in general.

The strategy remains unchanged, focusing on filling management positions based on qualifications while simultaneously promoting diversity where possible. The long-term goal is for the group to reflect the surrounding society, thereby making the company an attractive choice for both clients and current and future employees. Generally, diversity is a challenge in asset management, see page 24.

OWNERSHIP

Group employees have currently received an offer to buy shares in Maj Invest Holding A/S. This offer to employees should be viewed as an element in furthering shareholders' common interest, retaining the expertise and qualifications in the organisation and thus reinforcing the commitment of employees in a competitive financial group. The Board of Directors, the Executive Board and the majority of group employees own shares in Maj Invest Holding A/S. The shareholder distribution in Maj Invest Holding A/S as of year-end 2023 is shown in the figure.

STAFF CONDITIONS, POLICIES, ETC.



The Maj Invest group continuously works on developing and enhancing the workplace to make the group an attractive place to work. As described on page 21, the management focuses on diversity and the ability to attract and retain the best leaders and employees. The distribution of management and employees by gender and age is illustrated in the figures.

KNOWLEDGE RESOURCES

The business foundation of the group is based on providing advisory services regarding trading and investing in both listed and unlisted securities and financial instruments. This places exacting demands on the qualifications and specialist expertise of the employees. A very high proportion of the employees possess specialised expertise in specific investment areas as well as extensive experience within the financial sector.

SALARY AND REMUNERATION POLICY AND PRACTICE

Once a year, the Board of Directors revises the company's salary and remuneration policy and practice. The Board of Directors has decided not to appoint a remuneration committee because of the group's size. Remuneration policy and remuneration report are available on the group's website at majinvest.com/juridisk (in Danish).

Note 8 in the financial statements provides further information on the remuneration and salaries of the Board of Directors, the Executive Board and the employees whose activities have a significant impact on the company's risk profile by fixed and variable remuneration.

RESEARCH AND DEVELOPMENT ACTIVITIES

The group has not engaged in research activities, but during the financial year, it has collaborated with external suppliers to further develop Maj World, an IT knowledge platform used by Maj Bank A/S.

CLIMATE AND SOCIAL RESPONSIBILITY

The group aims to encourage social and climate sustainability. This applies both directly and through the majority of the investment strategies and products offered by the group.

INVESTMENTS, CLIMATE AND SOCIAL RESPONSIBILITY

As early as 2010, Fondsmæglerselskabet Maj Invest A/S and Maj Invest Equity A/S joined the PRI and adhere to the UN Principles for Responsible Investment (UN PRI). For several years, the Maj Invest group has been working on investment strategies to promote and facilitate investors' contributions to social and climate sustainability. The Maj Invest group endeavours to adhere to internationally recognised standards and principles for sustainability screening and goals in its sustainability-related work.

- All investments in listed securities in Maj Invest Asset Management are screened to ensure that companies comply with the group's responsible investment policy. This is done with an internationally recognised third party on screening and engagement.
- The Maj Invest group offers investment strategies and specific investments that contribute directly and indirectly to the green transition.
- Maj Invest advises three private equity funds within financial inclusion in developing countries particularly (see page 14). Through these funds, millions of customers from the poorer segments of the population in developing countries gain access to micro-loans, allowing them, for example, to start a business. The active portfolio companies of the funds serve more than 41 million customers, approximately half of whom are women.
- The aim is for a majority of new products and funds to promote sustainability, and that investors through transparent reporting can see how ESG factors are integrated into the investment process. New products are often offered as Article 8 products.
- Fondsmæglerselskabet Maj Invest A/S advises the mutual fund Investeringsforeningen Maj Invest on a range of products that promote sustainability (see page 11). Twelve out of fifteen funds in the mutual fund Investeringsforeningen Maj Invest are classified as Article 8 funds.

The Maj Invest group advises and manages investments for clients. Clients' sustainability preferences are included in the advisory services provided.

COMMITTEES WITH PURPOSE

The group has introduced a number of initiatives to directly contribute to social responsibility and climate solutions as a business. This work is anchored in three permanent employee committees.

Committee for social purposes

The committee works with donations to socially disadvantaged groups in Denmark. For several years, the Maj Invest group has provided financial support to various projects helping socially disadvantaged individuals and supporting charitable causes. From 2016 to 2023, contributions totalling DKK 9.2 million were made to more than 30 different projects, some of which received support for several years. In 2023, contributions were made to eleven projects.

The goal is to donate DKK 10 million over a five-year period (2023-2027), focusing on both socially disadvantaged groups and nature and climate.

Climate committee

The permanent employee committee works on options internally within the company to choose less climate-damaging solutions, among other things, to reduce the CO2 footprint. The work encompasses all processes in the group's operations.

Diversity and inclusion committee

This employee committee focuses on promoting diversity and inclusion within the group. Diversity is a general challenge both in Denmark and abroad in the asset management sector, where there is a lack of women, among other things. The recognised organisation SASB, which works on ESG reporting for 77 industries, has identified it as a material issue. SASB is part of IFRS, International Financial Reporting Standards.

The challenge, also for Maj Invest, is that it can be difficult to hire women since many applicants are men. The committee works, among other things, to generate interest in asset management among women at bachelor and master levels and to highlight the opportunities of working in the financial sector.

OUR PRIORITIES FOR CLIMATE AND SOCIAL RESPONSIBILITY

Maj Invest aims to channel capital towards sustainable and long-term growth and strives to contribute to addressing sustainability challenges, promoting ethical practices, and creating long-term value for the group's stakeholders.

Climate focus and social focus

The group offers products that invest in the green transition and renewable energy, as well as products with a strong focus on diversity and inclusion.

As part of the investment processes, Maj Invest evaluates how companies manage climate-related risks, diversity, and inclusion, and Maj Invest engages when relevant.

Together with the group's clients, Maj Invest seeks to create a positive impact on climate, the environment, diversity, and inclusion.

Maj Invest holds itself to at least the same standards as others and has therefore established an employee-driven climate committee dedicated to raising awareness of climate-related issues. To contribute to diversity, an employee-driven committee has been established to increase awareness of diversity and inclusion-related issues.

Knowledge sharing

Maj Invest seeks to support the above through active knowledge sharing among clients and portfolio companies, particularly in Denmark.



FINANCIAL REVIEW

RECOGNITION AND MEASUREMENT RISKS AND UNCERTAINTIES

The major risk pertaining to recognition and measurement relates to market and liquidity-related transactions, performance fees, and to the valuation of unlisted equity investments and assessment of intangible assets.

The market and liquidity-related positions are predominantly placed in Danmarks Nationalbank (central bank), in Danish listed bonds, and in larger financial institutions in Denmark. Moreover, there are both listed and unlisted equity investments, the latter primarily relating to Maj Invest Equity, and the group's treasury activities. The value of equity investments is measured at fair value and adjusted accordingly. The unlisted equity investments, where the share of votes results in the companies being associated, are recognised using the equity method. Note 29 provides information on equity holdings, etc. distributed among the various types of shares.

Intangible assets pertain to development costs for the IT platform Maj World and software in general. These assets are written off continuously, and the useful value of Maj World and the value of software are assessed on an ongoing basis. Consequently, there is, in our opinion, a modicum of uncertainty associated with the measurement of these assets at year-end 2023.

Furthermore, there have been no extraordinary events in the period under review that could have affected recognition or measurement.

MAJ INVEST HOLDING A/S

The net interest income amounted to an expense of DKK 4.1 million in 2023 compared to an expense of DKK 1.0 million in 2022. The rising interest rates have resulted in increased interest expenses for the company's overdraft facility.

In 2023, there were negative market value and currency translation adjustments totalling DKK 1.1 million. Of this amount, currency translation adjustments related to private equity funds were negative by DKK 1.0 million. In 2022, there were negative market value and currency translation adjustments totalling DKK 3.7 million.

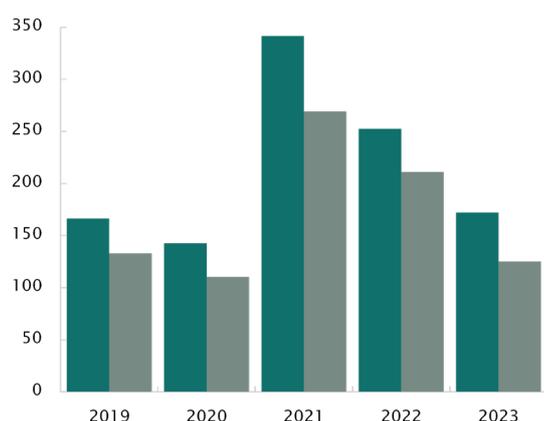
The company had other operating income of DKK 8.1 million in 2023 compared to DKK 5.9 million in 2022. Other operating income relates to the administration of certain private equity funds and revenue from the sale of services to other group companies.

Staff costs and administrative expenses amounted to DKK 16.7 million in 2023. Of this amount, salary-related costs were DKK 13.1 million and other administrative expenses were DKK 3.6 million. In 2022, staff costs and administrative expenses amounted to DKK 16.2 million.

TRENDS IN PROFIT (GROUP)

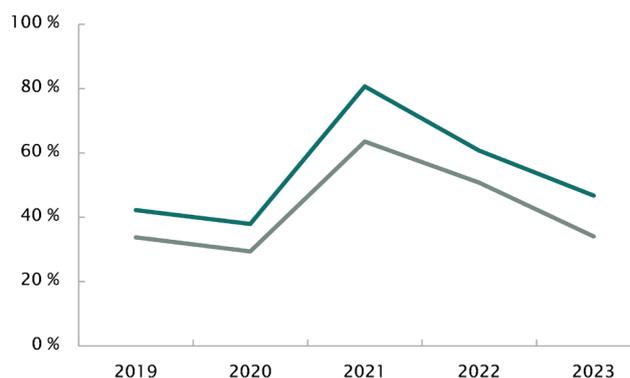
- Profit before tax
- Profit after tax

DKK million



RETURN ON EQUITY

- Return on equity before tax
- Return on equity after tax



Depreciation on intangible and tangible assets increased by DKK 2.9 million to DKK 5.9 million in the year. The increase in depreciation relates to depreciation on a leased asset concerning the group's lease agreements.

Results of interests in associated companies amounted to a profit of DKK 2.9 million in 2023. Results were positively impacted by a gain from the sale of one of the company's two associated companies. In 2022, results were a loss of DKK 4.5 million. Associated companies can be attributed to the company's Treasury investments and should be considered together with the company's other Treasury investments, referred to under market value and currency translation adjustments.

Results of interests in group enterprises amounted to DKK 140.2 million in 2023, which is lower than the previous year's DKK 224.5 million. Results of interests in group enterprises is further discussed in the section "Significant subsidiaries".

Net profit for the year was DKK 125.3 million compared to DKK 211.0 million in 2022. Net profit for 2023 is satisfactory and aligns with the expectations stated in the latest annual report, reiterated in the 2023 interim report.

At year-end 2023, shareholders' equity amounted to DKK 368.7 million compared to DKK 367.8 million at the end of 2022. Dividends for 2022 and interim dividends for 2023 totalling DKK 125.4 million were distributed during the year.

The balance sheet total amounted to DKK 500.7 million at the end of 2023 compared to DKK 478.7 million at the end of 2022.

SIGNIFICANT SUBSIDIARIES

Fondsmæglerselskabet Maj Invest A/S had net fee income of DKK 346.9 million, a decrease of DKK 62.3 million from the previous year's DKK 409.2 million. This decrease is related to a decline in assets under management. Positive market value and currency translation adjustments of DKK 9.4 million were recorded in 2023, while negative adjustments of DKK 13.2 million were recorded in 2022 due to financial market turmoil. Staff costs and administrative expenses increased by DKK 6.7 million to DKK 174.2 million compared to the previous year. Profit after tax for 2023 was DKK

135.8 million, down from DKK 175.5 million in 2022. Shareholders' equity was DKK 195.9 million at the end of 2023, with total assets of DKK 247.9 million.

Maj Invest Equity A/S had gross income of DKK 55.6 million, which is a decrease of DKK 47.2 million compared to 2022, where gross income amounted to DKK 102.8 million. Gross income in 2022 was positively impacted by a high level of carried interest due to good returns for investors in one of the private equity funds advised. Carried interest recognised in 2023 has been at a more modest level. Staff costs and administrative expenses increased by DKK 1.6 million to DKK 46.7 million. Net profit for the year amounted to DKK 6.2 million compared to DKK 56.6 million in 2022. Shareholders' equity amounted to DKK 26.7 million at year-end 2023, and total assets amounted to DKK 74.8 million.

Maj Bank A/S had net interest and fee income of gross DKK 13.0 million compared to DKK 11.5 million the previous year. The increase was due to large growth in the number of clients and deposits, particularly in the last quarter of the year. The decrease in interest rates during 2023 resulted in capital gains of DKK 2.1 million, whereas the negative market development in 2022 led to a loss of DKK 5.3 million in the bank's own portfolio. The after-tax result was a loss of DKK 2.9 million in 2023 compared to a loss of DKK 8.4 million in 2022. Shareholders' equity was DKK 65.3 million at the end of 2023, with total assets of DKK 598.8 million.

For a complete overview of the subsidiaries' results and shareholders' equity, see note 27.

COMMENTS ON SELECTED ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

Rising interest rates resulted in the group having positive net interest of DKK 1.7 million compared to a net expense of DKK 0.5 million in 2022. Much of this development can be attributed to Maj Bank's growth in client deposits.

Net fee income was DKK 407.2 million in 2023 compared to DKK 462.9 million in 2022. This decrease is related to a lower level of managed assets in 2023 compared to the previous year.

In 2023, total market value and currency translation adjustments showed a gain of DKK 12,6 million com-

pared to a gain of DKK 33.3 million the previous year. Market value adjustments of bonds resulted in a gain of DKK 6.8 million in 2023 compared to a loss of DKK 21.5 million in 2022 due to rising market rates. Market value adjustments of equities resulted in a gain of DKK 6.7 million, with carried interest contributing a small portion. In 2022, market value adjustments of equities totalled DKK 55.2 million due to significant carried interest from unlisted equities in a Danish private equity fund advised by the group. Other market value and currency translation adjustments, including currency and hedging transactions, resulted in a modest loss of DKK 0.9 million in 2023 compared to a loss of DKK 0.4 million in 2022.

Consolidated staff costs and administrative expenses increased from DKK 239.3 million in 2022 to DKK 247.9 million in 2023, primarily due to staff-related costs.

As part of the Treasury activities, loans are provided, albeit to a limited extent. During the year, the group provided a loan with a slightly larger write-down than for other loans, as a precaution. Net loan write-downs, after reversals from previous years, amounted to DKK 1.4 million in 2023, up from DKK 0.1 million in 2022.

For Treasury investments classified as associated companies due to ownership and/or voting rights, the result was income of DKK 2.9 million in 2023 compared to a loss of DKK 4.5 million in 2022. One of the group's two associated companies was divested in 2023, resulting in an accounting gain. The other company had a negative impact on the overall result of associated companies. Results from interests in associated companies should be considered together with the group's other Treasury investments.

Consolidated profit before tax was DKK 172.2 million in 2023, representing a return on equity of 46.8%. This is down from DKK 252.5 million in 2022. Profit after tax was DKK 125.3 million in 2023 compared to DKK 211.0 million the previous year. The 2023 result aligns with the expectations set.

Total consolidated assets amounted to DKK 1,110.7 million at the end of the year compared to DKK 727.5 million at the end of 2022. The majority of the increase is due to Maj Bank's growth in client deposits. Deposits have increased by DKK 357.0 million during the year and amounted to DKK 530.8 million at year-end. A significant part of the increase in deposits is offset by

corresponding changes in deposits at Danmarks Nationalbank. At year-end 2023, deposits amounted to DKK 526.2 million, ensuring a very high liquidity reserve in the event of significant changes in customer deposits.

At the end of the year, shareholders' equity amounted to DKK 368.7 million compared to DKK 367.8 million at the end of the previous year. In 2023, dividends totalling DKK 68.1 million were distributed for 2022 and DKK 57.3 million as interim dividends for 2023. Net purchases and sales of own shares amounted to DKK 1.5 million, with other equity items at DKK -0.5 million.

CAPITAL AND CAPITAL RATIOS

The group's own funds totalled DKK 290.9 million at year-end 2023 compared to DKK 289.6 million at year-end 2022. Note 26 of the financial statements provides a breakdown of the relationship between shareholders' equity and own funds.

The group's capital ratio was 21.0% at year-end 2023 compared to 21.8% at year-end 2022, indicating a good coverage of the capital base relative to legal minimum requirements.

The group's total risk exposures amounted to DKK 1,386.6 million at year-end 2023 compared to DKK 1,327.2 million at year-end 2022. Credit risk exposures increased by DKK 23.1 million to DKK 398.3 million at year-end 2023. Market risk exposures were DKK 105.0 million compared to DKK 100.5 million at year-end 2022. The group's operational risk items increased by DKK 31.8 million to DKK 883.3 million at year-end. Operational risk items are calculated according to a simple method (basic indicator approach) using the average income over the previous three years. The increase in consolidated income entails a computationally rise in capital requirements even though the development does not reflect an actual increase in the group's operational risks.

The parent company had own funds of DKK 292.3 million at year-end compared to DKK 290.9 million at year-end 2022. With total risk exposures of DKK 629.2 million, the capital ratio was 46.5% at year-end 2023, down from 47.8% at year-end 2022.

With the current level of own funds, both the Group and the Parent company have adequate excess cover in terms of the sufficient level of own funds set by the Board of Directors to meet the capital adequacy re-

quirements.

VARIOUS RISKS

As a financial business, the group undertakes various risks relating to credit, market, liquidity and operations. Risk management is a crucial activity given full attention by management because uncontrolled development of such risks could adversely impact consolidated profit and the level of capital.

For a detailed description of risks, see note 29 (Financial instruments and risks).

DISTRIBUTION OF PROFIT

The Board of Directors recommends to the general meeting that a dividend of DKK 1.8 per share of DKK 1 be distributed. In August 2023, the company distributed an interim dividend of DKK 1.6 per share of DKK 1, resulting in a total dividend for the financial year 2023 of DKK 3.4 per share of DKK 1, which is almost equivalent to net profit for the year.

OUTLOOK FOR 2024

The majority of the group's income is variable and directly depends on the size of the assets under management, and thus, on the development in the financial markets. Continued turbulence in the financial markets and the geopolitical situation increase the risk of fluctuations in the financial markets and thus the uncertainty about future income.

It is expected that gross income in 2024 will be on par with the realised income in 2023. A portion of the expected gross income from private equity activities is performance-related. The level of performance-related gross income is subject to uncertainty, although developments in early 2024 indicate that performance-related income will be significantly higher than the realised level in 2023.

Costs are expected to increase due to additional staff and higher activity levels, as well as investment in new business activities.

For 2024, profit after tax is expected to be lower than the realised result for the most recent financial year.

EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred after the balance sheet date and before the signing of the annual report that are thought to materially affect the assessment of our annual report.



EXECUTIVE FUNCTIONS AND DIRECTORSHIPS

Executive functions and directorships in commercial enterprises

BOARD OF DIRECTORS

TOMMY PEDERSEN

Chairman of the board of:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Equity A/S
Maj Invest Holding A/S
Bodum Invest AG, Schweiz

Vice-chairman of the board of:

Bodum Holding AG, Switzerland
Bodum Land A/S
Peter Bodum A/S

Directorships:

Løvenholm Fonden
Pharmacosmos Holding A/S

Managing Director:

TP Advisers ApS

NILS BERNSTEIN

Directorships:

Fondsmæglerselskabet Maj Invest A/S
Maj Bank A/S
Maj Invest Equity A/S
Maj Invest Holding A/S

MARIA HELENE HJORTH

Chairman of the board of:

Thylander Gruppen A/S

Directorships:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Equity A/S
Maj Invest Holding A/S
Adform A/S
Asetek A/S
Top-Danmark-Fonden
Topdanmark A/S
Topdanmark Forsikring A/S
Trifork Holding AG, Switzerland

Managing Director:

Nolu Holding ApS

BRITTA KORRE STENHOLT

Chairman of the board of:

Electro Energy A/S

Vice chairman of the board of:

Dansk Industri
DI Byggeri

Directorships:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Equity A/S
Maj Invest Holding A/S
Foreningen Byggeriets Diversitetsdag
IG TopCo ApS

Managing Director:

C.F. Richs Vej 115 ApS
Fragtvej 7-9 ApS
Jarlsberggade 10 ApS
Korre Holding ApS
Stark Danmark A/S

Other offices:

DI Handel, chairman of the board

JØRGEN TANG-JENSEN

Chairman of the board of:

Tænketanken Europa

Vice chairman of the board of:

Rockwool A/S

Directorships:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Equity A/S
Maj Invest Holding A/S
Villum Fonden
VKR Holding A/S

TOMAS MUNKSGARD HOFF

Directorships:

Maj Invest Holding A/S

SØREN KRAG JACOBSEN

Directorships:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Holding A/S

KIRSTEN SLOT

Directorships:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Holding A/S

Executive board members' directorships according to section 80 of the Danish Financial Business Act.

EXECUTIVE BOARD

JEPPE CHRISTIANSEN **Chairman of the board of:**

EMLIKA Holding ApS with one subsidiary and one subs subsidiary
Haldor Topsøe A/S
JEKC Holding ApS

Directorships:

A/S United Shipping & Trading Company
Bellabeat, Inc., USA
Kirkbi A/S
Lone Dybkjær Fonden
Novo Holdings A/S
Pluto Naturfonden
Randers Regnskov (the Randers Regnskov fund)

CEO:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Equity A/S
Maj Invest Holding A/S

Other offices:

Investment committee member

- Danish Microfinance Partners K/S
- Maj Invest Energy Transition I K/S
- Maj Invest Equity 5 K/S
- Maj Invest Equity Southeast Asia II K/S
- Maj Invest Equity Vietnam I K/S
- Maj Invest Financial Inclusion Fund II K/S
- Maj Invest Financial Inclusion Fund III K/S
- Maj Invest Minorities I K/S
- Maj Invest Minorities II K/S

MARIANNE SETTNES **Chairman of the board of:**

Den Danske Fondsmæglerforening
Female Invest ApS

Directorships:

Maj Bank A/S
Maj Invest South America S.A., Peru
Boardmeter ApS
Female Invest Inc.

Managing Director:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Equity A/S
Maj Invest Holding A/S

JENS AALØSE **Chairman of the board of:**

Blue Ocean Robotics Holding ApS with one subsidiary
Fonden LDE 3 GP

Vice chairman of the board of:

Topdanmark A/S
Topdanmark Forsikring A/S

Directorships:

Dansk Erhverv
FDM Travel A/S
Fonden Maj Invest Equity General Partner
Gerda og Victor B. Strands Fond/Toms Gruppens Fond
Gerda og Victor B. Strands Holding A/S
Good Food Group A/S
Icotera A/S
MIE5 Datterholding 6 ApS
Top-Danmark-Fonden

Managing Director:

Fondsmæglerselskabet Maj Invest A/S
Maj Invest Equity A/S
Maj Invest Holding A/S
MIE5 Holding 6 ApS
Mietra GP ApS
MOMA Capital ApS
PE Minorities GP ApS

Other offices:

Investment committee member

- Maj Invest Equity 5 K/S
- Maj Invest Minorities I K/S
- Maj Invest Minorities II K/S



FINANCIAL STATEMENTS

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

DKK thousand	Note	Group		Parent	
		2023	2022	2023	2022
Interest income	3	13,727	3,432	1,160	848
Interest expense	4	(11,990)	(3,962)	(5,220)	(1,872)
Net interest income		1,737	(530)	(4,059)	(1,024)
Dividend on equities etc.		1,977	1,906	1,550	1,243
Fee and commission income		421,296	482,891	-	-
Fee and commission expense		(14,106)	(19,957)	(94)	(124)
Net interest and fee income	6, 7	410,904	464,311	(2,603)	95
Market value and currency translation adjustments	5, 6, 7	12,579	33,341	(1,121)	(3,652)
Other operating income		3,924	4,708	8,054	5,936
Staff costs and administrative expenses	8	(247,896)	(239,276)	(16,731)	(16,230)
Depreciation, amortisation and impairment of intangible and tangible assets	17, 18, 19	(8,444)	(5,687)	(5,931)	(3,065)
Other operating costs		(310)	(321)	(4)	-
Write-down on loans	9	(1,387)	(125)	(1,387)	(125)
Results of interests in associated companies and group enterprises	15, 16	2,852	(4,475)	143,003	220,023
Profit before tax		172,222	252,475	123,280	202,981
Tax	10	(46,924)	(41,475)	2,019	8,019
Net profit for the year		125,298	211,000	125,298	211,000
Other comprehensive income					
Translation of results of foreign entities		(527)	(332)	(527)	(332)
Other comprehensive income, total		(527)	(332)	(527)	(332)
Comprehensive income for the year, total		124,771	210,668	124,771	210,668

DISTRIBUTION OF PROFIT

Proposed dividend	65,430	69,065
Interim dividends distributed in the financial year	57,318	141,114
Provision for "Reserve for net revaluation using the equity method"	142,984	232,896
Provision for equity under "Retained earnings"	(140,434)	(232,075)
Distributed amount, total	125,298	211,000

BALANCE SHEET

DKK thousand	Note	Group		Parent	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
ASSETS					
Cash in hand and demand deposits with central banks		526,251	100,081	5	5
Due from credit institutions	11	165,697	175,870	14,512	11,686
Loans and other receivables at fair value	9,12	14,185	4,230	13,850	3,897
Bonds at fair value	13	134,281	193,088	59	4,942
Equities etc.	14	140,864	138,868	122,243	120,207
Interests in associated companies	15	7,273	23,855	7,273	23,855
Interests in group enterprises	16	-	-	303,702	302,078
Intangible assets	17	4,942	7,129	3,703	5,894
Land and buildings	18	27,970	-	27,970	-
Other tangible assets	19	3,762	3,959	151	127
Current tax assets		-	-	975	3,080
Deferred tax assets		23	127	-	-
Other assets	20	74,756	72,613	4,327	2,384
Prepaid expenses		10,683	7,673	1,921	505
Total assets		1,110,685	727,494	500,691	478,660

BALANCE SHEET

DKK thousand	Note	Group		Parent	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
LIABILITIES					
Debt					
Due to credit institutions	22	80,713	89,932	80,713	89,932
Deposits	23	530,822	173,781	-	-
Current tax liabilities		5,866	4,363	-	-
Other liabilities	24	85,640	54,016	47,694	17,792
Prepaid income		37,938	35,872	2,901	1,552
Total debt		740,979	357,964	131,307	109,277
Provisions					
Provisions for deferred tax		1,037	1,693	715	1,546
Total provisions		1,037	1,693	715	1,546
Shareholders' equity					
Share capital		36,350	36,350	36,350	36,350
Accumulated value adjustments					
Accumulated currency translation of subsidiaries		(2,266)	(1,739)	(2,266)	(1,743)
Other reserves					
Net revaluation using the equity method		-	-	42,816	40,837
Other reserves		42,514	41,007	100,422	98,915
Retained earnings		226,641	223,153	125,917	124,413
Proposed dividend		65,430	69,065	65,430	69,065
Total shareholders' equity		368,669	367,837	368,669	367,837
Total liabilities		1,110,685	727,494	500,691	478,660

Notes not referred to: 1, 2, 21, 25, 26, 27, 28 and 29.

STATEMENT OF CAPITAL - GROUP

2023						
DKK thousand	Share capital	Other reserves	Currency translation reserve	Retained earnings	Proposed dividend	Total
Shareholders' equity, year-end 2022	36,350	41,007	(1,739)	223,153	69,065	367,837
Net profit for the year	-	-	-	59,868	65,430	125,298
Other comprehensive income						
Translation of results of foreign entities	-	-	(527)	-	-	(527)
Other comprehensive income	-	-	(527)	-	-	(527)
Other comprehensive income, total	-	-	(527)	59,868	65,430	124,771
Equity items						
Dividend for 2022	-	-	-	-	(68,127)	(68,127)
Non-distributed dividend, own shares 2022	-	-	-	938	(938)	-
Interim dividend 2023	-	-	-	(58,160)	-	(58,160)
Non-distributed dividend, own shares 2023	-	-	-	842	-	842
Acquisition of own shares	-	(3,355)	-	-	-	(3,355)
Sale of own shares	-	4,861	-	-	-	4,861
Equity items, total	-	1,506	-	(56,381)	(69,065)	(123,939)
Shareholders' equity, year-end 2023	36,350	42,514	(2,266)	226,641	65,430	368,669

STATEMENT OF CAPITAL - GROUP

2022	Share capital	Other reserves	Currency translation reserve	Retained earnings	Proposed dividend	Total
DKK thousand						
Shareholders' equity, year-end 2021	36,350	46,934	(1,406)	218,579	163,575	464,032
Net profit for the year	-	-	-	141,935	69,065	211,000
Other comprehensive income						
Translation of results of foreign entities	-	-	(332)	-	-	(332)
Other comprehensive income	-	-	(332)	-	-	(332)
Other comprehensive income, total	-	-	(332)	141,935	69,065	210,668
Equity items						
Dividend for 2021	-	-	-	-	(159,822)	(159,822)
Non-distributed dividend, own shares 2021	-	-	-	3,753	(3,753)	-
Interim dividend 2022	-	-	-	(141,765)	-	(141,765)
Non-distributed dividend, own shares 2022	-	-	-	651	-	651
Acquisition of own shares	-	(72,642)	-	-	-	(72,642)
Sale of own shares	-	66,715	-	-	-	66,715
Equity items, total	-	(5,927)	-	(137,361)	(163,575)	(306,863)
Shareholders' equity, year-end 2022	36,350	41,007	(1,739)	223,153	69,065	367,837

STATEMENT OF CAPITAL - PARENT

2023							
DKK thousand	Share capital	Reserve for net revalua- tion using equity method	Other translation reserves	Currency reserve	Retained earnings	Proposed dividend	Total
Shareholders' equity, year-end 2022	36,350	40,837	98,915	(1,743)	124,413	69,065	367,837
Net profit for the year	-	142,984	-	-	(83,115)	65,430	125,298
Other comprehensive income							
Translation of results of foreign entities	-	(4)	-	(523)	-	-	(527)
Other comprehensive income	-	(4)	-	(523)	-	-	(527)
Other comprehensive income, total	-	142,980	-	(523)	(83,115)	65,430	124,771
Equity items							
Dividend 2022	-	-	-	-	-	(68,127)	(68,127)
Non-distributed dividend, own shares 2022	-	-	-	-	938	(938)	-
Interim dividend from subsidiaries 2023	-	(62,000)	-	-	62,000	-	-
Expected dividend from subsidiaries*	-	(79,000)	-	-	79,000	-	-
Interim dividend 2023	-	-	-	-	(58,160)	-	(58,160)
Non-distributed dividend, own shares 2023	-	-	-	-	842	-	842
Acquisition of own shares	-	-	(3,355)	-	-	-	(3,355)
Sale of own shares	-	-	4,861	-	-	-	4,861
Equity items, total	-	(141,000)	1,506	-	84,619	(69,065)	(123,939)
Shareholders' equity, year-end 2023	36,350	42,816	100,422	(2,266)	125,917	65,430	368,669

*Dividend will be approved at the annual general meeting in the spring 2024.

STATEMENT OF CAPITAL - PARENT

2022							
DKK thousand	Share capital	Reserve for net revalua- tion using equity method	Other reserves	Currency translation reserve	Retained earnings	Proposed dividend	Total
Shareholders' equity, year-end 2021	36,350	58,936	104,843	(1,406)	101,735	163,575	464,032
Net profit for the year	-	232,896	-	-	(90,961)	69,065	211,000
Other comprehensive income							
Translation of results of foreign entities	-	4	-	(336)	-	-	(332)
Other comprehensive income	-	4	-	(336)	-	-	(332)
Other comprehensive income, total	-	232,900	-	(336)	(90,961)	69,065	210,668
Equity items							
Dividend 2021	-	-	-	-	-	(159,822)	(159,822)
Non-distributed dividend, own shares 2021	-	-	-	-	3,753	(3,753)	-
Interim dividend from subsidiaries 2022	-	(165,000)	-	-	165,000	-	-
Expected dividend from subsidiaries*	-	(86,000)	-	-	86,000	-	-
Interim dividend 2022	-	-	-	-	(141,765)	-	(141,765)
Non-distributed dividend, own shares 2022	-	-	-	-	651	-	651
Acquisition of own shares	-	-	(72,642)	-	-	-	(72,642)
Sale of own shares	-	-	66,715	-	-	-	66,715
Equity items, total	-	(251,000)	(5,927)	-	113,639	(163,575)	(306,863)
Shareholders' equity, year-end 2022	36,350	40,837	98,915	(1,743)	124,413	69,065	367,837

*Dividend was approved at the annual general meeting in the spring 2023.

STATEMENT OF CAPITAL - PARENT

The company's share capital consists of 36,350,000 shares of DKK 1 (year-end 2022: 36,350,000 shares), i.e. a total nominal value of DKK 36,350,000 (year-end 2021: DKK 36,350,000). No shares have special rights.

The company had issued 998,186 options which were exercised after the annual general meeting in March 2022. The strike price of the issued options was the fair value at the time of issue. At year-end 2022, there were no outstanding options (year-end 2021: 998,186 options).

Own shares 2023	Shares		In % of capital
	Number	Nom. value	
Own shares 1 January	493,539	493,539	1.4%
Acquisition of own shares	223,050	223,050	0.6%
Sale of own shares	(324,500)	(324,500)	(0.9%)
Own shares 31 December	392,089	392,089	1.1%

Own shares have been acquired in connection with employees leaving the group. Sales of own shares have been made in connection with new hires of employees as well as an extraordinary offer to certain employees in the group. The value of purchases and sales of own shares in 2023 amounted to a net of DKK 1,506 thousand.

Own shares 2022	Shares		In % of capital
	Number	Nom. value	
Own shares 1 January	834,049	834,049	2.3%
Acquisition of own shares	5,167,096	5,167,096	14.2%
Sale of own shares	(5,507,606)	(5,507,606)	(15.1%)
Own shares 31 December	493,539	493,539	1.4%

Own shares have been acquired in connection with employees leaving the group in the current year and in previous years. Sales of own shares have been made in connection with new hires of employees as well as an extraordinary offer to certain employees in the group. In addition, shares have been sold in connection with the exercise of options. The value of purchases and sales of own shares amounted to a net of DKK -5,927 thousand.

NOTES

Note 1 Accounting principles

GENERAL

The annual report, which comprises the group and its parent, Maj Invest Holding A/S, has been prepared in compliance with the Danish Financial Business Act, including the Executive Order on Financial Reporting for Credit Institutions and Investment Companies etc.

The accounting principles are the same as last year.

Consolidation

The consolidated financial statements comprise the parent, Maj Invest Holding A/S, and the entities, in which the parent directly or indirectly holds more than 50% of the voting rights, or in which the parent has a controlling interest through its holding of shares or in some other manner.

The consolidated financial statements are prepared by aggregating uniform income, costs, assets and liabilities. Intra-group income and expenses, accounts and intra-group profit or loss arising from transactions between consolidated entities are eliminated.

The financial statements included in the consolidated financial statements have been prepared in compliance with the group's accounting policies.

The parent's interests in consolidated subsidiaries are eliminated against the parent's share of the particular subsidiary's equity value.

Recognition and measurement

All income and expenses relating to the reporting period are recognised in the income statement regardless of time of payment.

Retrocession fees are recognised after deduction of fees which contractually are to be settled with the client.

Assets are recognised in the balance sheet, if, in all probability, future economic benefits will flow to the company, and the values of such assets can be measured reliably.

Liabilities are recognised in the balance sheet, if, in all probability, future economic benefits will flow out of the company, and the values of such liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement of assets and liabilities after initial recognition is made as described below for each accounting item.

Recognition and measurement of assets and liabilities have taken into account any information available after the balance sheet date but before the presentation of the annual report, either affirming or not affirming conditions existing on the balance sheet date.

Foreign currency

Transactions in foreign currency are translated into Danish Kroner at the exchange rates prevailing on the transaction date.

Monetary items in currencies other than Danish Kroner are translated into Danish Kroner at the closing rates of the particular currencies on the balance sheet date.

Non-monetary items in currencies other than Danish Kroner recognised at cost are translated into Danish Kroner at the exchange rates on the transaction date.

Non-monetary items in currencies other than Danish Kroner recognised at fair value are translated into Danish Kroner at the closing rates on the balance sheet date.

Any currency translation adjustments are recognised in the income statement. Any currency translation adjustments relating to foreign entities are recognised in other comprehensive income.

Derivatives

On initial recognition, derivatives are recognised at cost in the balance sheet and subsequently measured at fair value. Any changes in the fair values of derivatives are recognised currently in the income statement.

Intra-group transactions

Intra-group transactions are made on an arm's length basis or settled on the basis of actual costs.

Translation of foreign entities

The profits or losses of foreign associated companies or subsidiaries, which are independent units, are translated at the rates on the transaction date or corresponding average rates.

Balance sheet items are translated at the rates on the balance sheet date. Any currency translation adjustments arising from the translation of equity at the beginning of the year and any currency translation adjustments arising from the translation into Danish Kroner (DKK) of profits or losses of foreign entities' functional rates are recognised directly in other comprehensive income.

NOTES

Note 1 continued

Tax

Tax on the year's results consisting of current tax and deferred tax for the reporting period is recognised in the income statement with the portion that is attributable to the results for the year and directly via equity with the portion that is attributable to equity transactions. Any changes in deferred tax due to tax rate adjustments are recognised in the income statement.

Provisions are made for both current and deferred taxes for the period under review in respect of the jointly taxed consolidated entities. The company is jointly taxed with all its subsidiaries residing in Denmark. The tax effect of joint taxation is allocated to profit or loss in the consolidated entities in proportion to their taxable incomes. The jointly taxed entities are included in the Danish tax prepayment scheme.

Provisions for deferred tax on any temporary differences between the tax base of assets and liabilities and their carrying amounts are measured using the balance-sheet liability method. If a temporary difference is negative, a deferred tax asset will be recognised if, in all probability, it can be applied to reduce any future tax liability.

Any deferred tax is measured in compliance with current tax rules and at the tax rate likely to be applicable once any temporary differences have been eliminated. Any deferred tax assets or liabilities are presented after offsetting in the same legal entity.

INCOME STATEMENT

Interest, dividends, fees and commissions

Interest, fees and commissions are accrued and recorded in the period they are earned and recognised in the income statement at the amounts relevant to the period under review.

Interests are presented gross, i.e. negative interests on due from credit institutions and bonds are presented under interest expenses, and negative interests on deposits are presented under interest income.

Commissions and fees etc., which are an integral part of the effective interest rate, are recognised as part of amortised cost. Commissions and fees etc., which are considered an integral part of the effective interest rate, are accrued and recognised over the term to maturity.

Dividends are recognised in the income statement at the time of declaration or on the distribution of interim dividends.

Performance-related investment management fees are recorded as income once the management service has been provided and the company, in all probability, will be entitled to such fees.

Fees and commissions received will include income from services vis-a-vis clients.

Market value adjustments

Any differences between the fair values and the carrying amounts of securities are recognised as market value adjustments.

Carried interest comprises a share of the return exceeding an agreed level and is recognised as market value adjustments. Non-recognised carried interest is mentioned under the section "Contingent assets".

Other operating income

Other operating income includes items of a nature secondary to the company's core activity, including fees from entities for which we carry out administrative tasks. Other operating income is accrued when earned and recognised in the income statement at the amounts relevant to the period under review.

Staff costs and administrative expenses

Staff costs and administrative expenses include salaries, pensions and social costs, rent, IT costs, legal and audit fees and other administrative expenses. Costs relating to benefits and other payments payable to employees, including holiday pay etc., are recognised in step with employees performing the work entitling them to such benefits and other payments.

Results of interests in associated companies and group enterprises

The proportionate shares of net profits or losses for the reporting period in associated companies and subsidiaries are recognised as results of interests in associated companies and group enterprises.

BALANCE SHEET

Assets

Cash in hand and demand deposits with central banks

Cash in hand and demand deposits with central banks are initially recognised at their fair values and subsequently at amortised cost.

NOTES

Note 1 continued

Receivables from credit institutions and central banks

On initial recognition, receivables from credit institutions and central banks are recognised at their fair values and subsequently at amortised cost.

Loans and other receivables

Loans and other receivables are recognised at amortised cost. Loans and other receivables are not held for trading purposes and only include loans where the borrower has no contractual right to repay the loan with tradable bonds issued by the company.

Loans and receivables, where there has not been a significant increase in credit risk since the first recognition, are written down by an amount corresponding to the statistically expected loss in the coming 12 months, while loans and receivables which have seen a significant increase in credit risk are written down by an amount corresponding to the expected loss over the remaining term of the loan/receivable. For loans and receivables that are impaired (non-performing), only interest on the written-down amount is recognised as income. As part of the group's treasury activities, Maj Invest Holding A/S has provided limited loans to commercial enterprises. Maj Bank A/S also has a very limited number of deposit accounts that are overdrawn due to payment of fees. The group has therefore not developed models for the write-down of loans and receivables. Write-downs are based on individual valuations and estimates.

Securities

Securities are recognised at their fair values on the balance sheet date. The fair values of unlisted investments are the transaction prices that would result from a trade between independent parties. The fair values of interests in private equity funds are computed at the fair values of the underlying investments in compliance with the International Private Equity and Venture Capital Valuation Guidelines drawn up by the IPEV Board. The settlement date is used as the date of recognition. Any change in value between the trade date and the settlement date is recognised as a financial asset or a financial liability.

Interests in associated companies and group enterprises

Interests in associated companies and subsidiaries are recognised and measured using the equity method. The proportionate interests in the equity values of associated compa-

nies or group enterprises computed on the basis of the fair values of identifiable net assets at the time of acquisition are recognised in "Interests in associated companies and group enterprises".

Goodwill is not amortised, but tested for impairment – at a minimum once annually. Writedowns as a result of impairment are included in the profit and loss account under "Investments in associated companies and group enterprises".

The total net revaluation of investments in associated and group enterprises is allocated via the distribution of profits to the reserve for net revaluation using the intrinsic value method under the equity's statutory reserves. Reserves are reduced by dividend payments to the parent company and are adjusted by other equity movements in the subsidiaries.

Exchange rate adjustments for translation of foreign entities are recognised under other comprehensive income.

Intangible assets

Intangible assets consist of a trading system, a portfolio management system and computer software. Intangible assets are measured at cost with the deduction of any amortisation or impairment losses. These assets are amortised on a straight-line basis over their estimated useful lives or over the relevant contractual periods:

- Trading system: 60 months
- IT software and portfolio management system: 36 months

Land and buildings

A lease asset and a lease liability have been recognised in the balance sheet regarding the right of use of Gammeltorv 18, 1457 Copenhagen K, based on the contractual non-cancellable period. The lease contract is initially measured at the present value of the future lease payments discounted using an alternative borrowing rate. After initial recognition, lease contracts are measured at cost less accumulated depreciation and impairment losses. The assets are depreciated on a straight-line basis over their expected useful lives, which are set as follows:

Leased office buildings: 66 months

NOTES

Note 1 continued

The lease liability is remeasured when there are changes in the underlying contractual cash flows due to changes in an index or a rate, or if the company changes its assessment of whether a purchase, extension, or termination option is reasonably expected to be exercised.

Other tangible assets

Other tangible assets are measured at cost with the deduction of any depreciation or impairment losses. These assets are depreciated on a straight-line basis over their estimated useful lives:

- IT hardware: 36 months
- Furnitures, fixtures and equipment: 36 months

Recoverable amounts

The carrying amounts of intangible assets and other tangible assets are reviewed annually to determine whether there is an indication for impairment in addition to any depreciation or amortisation charges. If so, an impairment test will determine whether the recoverable amount is lower than the carrying amount, and the asset will subsequently be recorded at the lower recoverable amount. The recoverable amount of an asset is calculated as the higher of its net selling price or its value in use.

Other assets

Income falling due after year-end and any interest receivable will be recognised in other assets. Any significant amounts receivable and falling due more than 12 months after the period in which they were earned are discounted at their present values on the balance sheet date. The discounting rate used matches the market rate of return of the particular amounts receivable.

Any positive fair values of derivatives, including spot transactions, are recognised in other assets.

Prepaid expenses

Prepayments incurred on or before the balance sheet date, but concerning subsequent reporting periods are recorded as prepaid expenses. Prepaid expenses are measured at cost.

LIABILITIES

Deposits

Deposits include debts to private people and counterparties, not being credit institutions and central banks, including or-

dinary demand deposits and special deposits. On initial recognition, deposits are recognised at their fair values and subsequently at amortised cost.

Debts to credit institutions

On initial recognition, debts to credit institutions are measured at their fair values and subsequently at amortised cost.

Other liabilities

Other liabilities are measured at their net realisable values.

Expenses falling due after year-end and any interest payable are recorded in other liabilities. Any negative fair values of derivatives, including spot transactions, are recognised in other liabilities.

Prepaid income

Income received before the balance sheet date, but concerning subsequent reporting periods are recorded as prepaid income. Prepaid income is measured at cost.

Shareholders' equity

Any obligation to buy back shares in the event of an employee leaving the company's employment is deducted from equity and recorded as debt in other liabilities. The debt is computed at the amount of shares that the company is obliged to buy back in compliance with the shareholders' agreement duly considering the capital requirements of the group and the company.

Any purchases or sale of own shares are recognised directly at the transaction value and recognised as a change directly in equity via "Other reserves".

Any proposed dividends are recognised as a liability at the time of adoption at the annual general meeting (time of declaration). Dividends to be paid for the period under review will be recorded as a separate item in shareholders' equity.

NOTES

Note 2 Financial highlights - Group (5-year overview)

INCOME STATEMENT

DKK thousand	2023	2022	2021	2020	2019
Net interest and fee income	410,904	464,311	524,892	357,852	333,944
Market value and currency translation adjustments	12,579	33,341	48,988	(65)	56,374
Staff costs and administrative expenses	(247,896)	(239,276)	(232,745)	(218,664)	(215,062)
Impairment charges on loans and receivables, etc.	(1,387)	(125)	64	(89)	(4,286)
Results of interests in associated companies and group enterprises	2,852	(4,475)	249	(1,739)	(9,706)
Net profit for the year	125,298	211,000	269,064	110,271	132,943

BALANCE SHEET

Loans	4,230	2,980	10,178	2,407	6,346
Shareholders' equity	367,837	464,032	382,941	368,808	418,455
Total assets	727,494	764,318	712,957	637,137	665,740

RATIOS AND KEY FIGURES

Return on equity before tax	46.8%	60.7%	80.7%	37.9%	42.2%
Return on equity after tax	34.0%	50.7%	63.5%	29.3%	33.8%
Cost/income ratio	1.67	2.03	2.44	1.64	1.74
Cost to income ratio	60.0%	49.3%	41.1%	61.1%	57.4%
Tier 1 capital ratio	21.0%	21.8%	21.4%	23.0%	21.4%
Capital ratio	21.0%	21.8%	21.4%	23.0%	21.4%
Own funds in relation to minimum capital requirements	2.6	2.7	2.7	2.9	2.7
Return on assets expressed as the ratio between net profit for the year and total assets	11.3%	29.0%	35.2%	15.5%	20.9%

Ratios and key figures were drawn up in accordance with the definitions of the Danish Financial Supervisory Authority (FSA).

NOTES

Note 2 Financial highlights - Parent (5-year overview)

INCOME STATEMENT

DKK thousand	2023	2022	2021	2020	2019
Net interest and fee income	(2,603)	95	630	273	(325)
Market value and currency translation adjustments	(1,121)	(3,652)	26,995	(9,653)	40,237
Staff costs and administrative expenses	(16,731)	(16,230)	(15,555)	(14,105)	(12,898)
Impairment charges on loans and receivables, etc.	(1,387)	(125)	64	(89)	(4,286)
Results of interests in associated companies and group enterprises	143,003	220,023	258,224	123,942	103,762
Net profit for the year	125,298	211,000	269,064	110,271	132,943

BALANCE SHEET

Loans	3,897	2,646	9,844	2,398	6,340
Shareholders' equity	367,837	464,032	382,941	368,808	418,455
Total assets	478,660	580,649	531,681	491,184	517,821

RATIOS AND KEY FIGURES

Return on equity before tax	33.5%	48.8%	64.8%	28.2%	34.2%
Return on equity after tax	34.0%	50.7%	63.5%	29.3%	33.8%
Cost/income ratio	6.13	11.45	16.32	7.63	8.48
Cost to income ratio	16.3%	8.7%	6.1%	13.1%	11.8%
Tier 1 capital ratio	46.5%	47.8%	38.6%	36.7%	35.2%
Capital ratio	46.5%	47.8%	38.6%	36.7%	35.2%
Own funds in relation to minimum capital requirements	5.8	6.0	4.8	4.6	4.4
Return on assets expressed as the ratio between net profit for the year and total assets	25.0%	44.1%	46.3%	20.7%	27.1%

Ratios and key figures were drawn up in accordance with the definitions of the Danish Financial Supervisory Authority (FSA).

NOTES

DKK thousand	Group		Parent	
	2023	2022	2023	2022
Note 3 Interest income				
Due from credit institutions and central banks	10,285	867	313	25
Loans and other receivables	614	314	614	175
Bonds	2,891	2,472	80	397
Negative interest from deposits	-	386	-	-
Derivatives	(722)	(940)	(30)	(47)
Of which foreign exchange contracts represent	(722)	(940)	(30)	(47)
Other interest income	658	332	183	298
Total interest income	13,727	3,432	1,160	848
Note 4 Interest expenses				
Credit institutions	(4,501)	(1,771)	(4,501)	(1,771)
Negative interest from credit institutions and central banks	(0)	(1,227)	-	(74)
Interest from deposits	(6,221)	(330)	-	-
Negative interest from bond holdings	-	(65)	-	-
Other interest expenses	(1,268)	(568)	(719)	(27)
Total interest expenses	(11,990)	(3,962)	(5,220)	(1,872)
Note 5 Market value and currency translation adjustments				
Bonds	6,817	(21,459)	(18)	(184)
Equities, etc.	6,660	55,193	(121)	(5,037)
Currency	(446)	(739)	(986)	1,573
Derivatives	(452)	346	4	(4)
Total market value and currency translation adjustments	12,579	33,341	(1,121)	(3,652)
Note 6 Net interest, fee income and market value and currency translation adjustments by business area				
Net interest and fee income				
Asset Management	312,527	376,580	-	-
Equity	28,272	25,432	-	-
Equity Minorities & Ventures	20,476	11,741	-	-
Equity International	36,690	39,698	-	-
Treasury	1,845	256	(2,603)	95
Maj Bank	11,095	10,603	-	-
Total net interest and fee income	410,904	464,311	(2,603)	95
Market value and currency translation adjustments				
Asset Management	3,798	3,914	-	-
Equity	2,033	56,300	-	-
Equity International	(2)	(5)	-	-
Treasury	6,750	(26,868)	(1,121)	(3,652)
Total market value and currency translation adjustments	12,579	33,341	(1,121)	(3,652)

NOTES

DKK thousand	Group		Parent	
	2023	2022	2023	2022
Note 7 Geographical segmentation				
Net interest and fee income				
Denmark	224,121	241,815	(2,681)	(299)
Other Europe	85,278	95,795	-	-
Asia	347	313	-	-
North America	94,157	112,773	78	394
South America	(5)	(6)	-	-
Oceania	7,006	13,621	-	-
Total net interest and fee income	410,904	464,311	(2,603)	95
Market value and currency translation adjustments				
Denmark	11,527	35,030	(810)	(3,793)
Other Europe	141	(573)	32	(35)
Asia	1,297	(580)	-	631
North America	(344)	(455)	(344)	(455)
South America	(43)	(82)	-	-
Total market value and currency translation adjustments	12,579	33,341	(1,121)	(3,652)
Note 8 Staff costs and administrative expenses				
Directors				
Directors, fixed remuneration	(2,125)	(2,069)	(500)	(488)
Directors, variable remuneration	-	-	-	-
Total	(2,125)	(2,069)	(500)	(488)
Executive board				
Executive board, fixed remuneration	(21,249)	(18,985)	(2,916)	(2,638)
Executive board, variable remuneration	-	-	-	-
Total	(21,249)	(18,985)	(2,916)	(2,638)
Other significant risk takers				
Risk takers, fixed remuneration	(30,887)	(31,833)	(1,669)	(1,567)
Risk takers, variable remuneration	(475)	(1,465)	(30)	(30)
Total	(31,362)	(33,298)	(1,699)	(1,597)
Staff costs				
Salaries	(92,458)	(84,789)	(5,919)	(5,827)
Pensions	(7,181)	(6,942)	(535)	(452)
Social security costs and payroll tax	(21,391)	(20,763)	(1,601)	(1,560)
Total	(121,030)	(112,494)	(8,055)	(7,839)
Other administrative expenses	(72,130)	(72,430)	(3,560)	(3,669)
Total staff costs and administrative expenses	(247,896)	(239,276)	(16,731)	(16,230)

Number of people (incl. resigned): Board of Directors 8 (2022: 8), Executive Board 3 (2022: 3). Other significant risk takers group 15 (2021: 15), parent 2 (2022: 2).

Information about management members' individual compensation details will be disclosed in a remuneration report, which will be available on the company's website, majinvest.com, following the annual general meeting.

NOTES

Note 8 continued

Executive board members' investment commitment/employment contracts involving performance bonus/carried interest.

2023	Jeppe Christiansen		Henrik Parkhøi		Jens Aaløse	
	Perfor- mance bonus	Carried interest	Perfor- mance bonus	Carried interest	Perfor- mance bonus	Carried interest
- = No commitment or not included						
+ = Included in scheme						
Maj Invest Equity 4 K/S	-	+	-	-	-	+
Maj Invest Equity 5 K/S	-	+	-	-	-	+
Maj Invest Equity Vietnam I K/S	-	+	-	+	-	-
Danish Microfinance Partners K/S	-	-	-	-	-	-
Maj Invest Equity Southeast Asia II K/S	-	+	-	-	-	-
Maj Invest Financial Inclusion Fund II K/S	-	+	-	+	-	-
Maj Invest Financial Inclusion Fund III K/S	-	+	-	+	-	-

Marianne Settnes is not included in the overview, as Marianne Settnes only joined the Executive Board in 2024.

2022	Jeppe Christiansen		Henrik Parkhøi		Jens Aaløse	
	Perfor- mance bonus	Carried interest	Perfor- mance bonus	Carried interest	Perfor- mance bonus	Carried interest
- = No commitment or not included						
+ = Included in scheme						
Maj Invest Equity 4 K/S	-	+	-	-	-	+
Maj Invest Equity 5 K/S	-	+	-	-	-	+
Maj Invest Equity Vietnam I K/S	-	+	-	+	-	-
Danish Microfinance Partners K/S	-	-	-	-	-	-
Maj Invest Equity Southeast Asia II K/S	-	+	-	-	-	-
Maj Invest Financial Inclusion Fund II K/S	-	+	-	+	-	-
Maj Invest Financial Inclusion Fund III K/S	-	+	-	+	-	-

DKK thousand	Group		Parent	
	2023	2022	2023	2022
Number of employees				
Average number of employees (full-time equivalent)	111	110	9	9
Auditors appointed by the general meeting, fees				
Statutory audit of financial statements	(1,049)	(955)	(201)	(174)
Other assurance services	(573)	(586)	(55)	(54)
Tax consultancy services	(63)	-	-	-
Non-audit services	(510)	(528)	-	-
Total audit and non-audit fees	(2,195)	(2,069)	(256)	(228)

NOTES

Note 9 Write-down on loans

PARENT

Gross loans and guarantees amount to DKK 15,389 thousand (2022: DKK 4,052 thousand) and DKK 0 thousand (2022: DKK 252 thousand). Based on a specific assessment of the credit risk, DKK 0 thousand (2022: DKK 3,064 thousand) are allocated to stage 1, and DKK 15,389 thousand (2022: DKK 1,240 thousand) are allocated to stage 2. Total write-down on loans for 2023 amounts to DKK 1,539 thousand (2022: DKK 125 thousand), and in addition, there are reversals of write-downs totalling DKK 152 thousand (DKK 2022: 0 thousand). Of the write-downs for the year, DKK 0 thousand (2022: DKK 1 thousand) are allocated to stage 1 and DKK 1,539 thousand (2022: DKK 124 thousand) to stage 2, whereas reversals of write-downs of DKK 28 thousand (2022: DKK 0 thousand) are allocated to stage 1 and DKK 124 thousand (2022: DKK 0 thousand) to stage 2. The total write-down of loans on the balance sheet amounts to DKK 1,539 thousand (2022: DKK 155 thousand), of which DKK 0 thousand (2022: DKK 31 thousand) are allocated to stage 1 and DKK 1,539 thousand (2022: DKK 124 thousand) are allocated to stage 2. Loans after write-downs recognised in the balance sheet amount to DKK 13,850 thousand (2022: DKK 3,897 thousand), and guarantees after write-downs amount to DKK 0 thousand (2022: DKK 252 thousand). Of these, DKK 0 thousand (2022: DKK 3,033 thousand) are allocated to stage 1, and DKK 13,850 thousand (2022: DKK 1,116 thousand) are allocated to stage 2.

GROUP

Gross loans and guarantees amount to DKK 15,728 thousand (2022: DKK 4,386 thousand) and DKK 744 thousand (2022: DKK 836 thousand). Based on a specific assessment of the credit risk, DKK 1,083 thousand (2022: DKK 3,982 thousand) are allocated to stage 1, and DKK 15,389 thousand (2022: DKK 1,240 thousand) are allocated to stage 2. Total write-down on loans for 2023 amounts to DKK 1,539 thousand (2022: DKK 125 thousand), and in addition, there are reversals of write-downs totalling DKK 152 thousand (2022: DKK 1 thousand). Of the write-downs for the year, DKK 0 thousand (2022: DKK 1 thousand) are allocated to stage 1 and DKK 1,539 thousand (2022: DKK 124 thousand) to stage 2, whereas reversals of write-downs of DKK 28 thousand (2022: DKK 0 thousand) are allocated to stage 1 and DKK 124 thousand (2022: DKK 0 thousand) to stage 2. The total write-down of loans on the balance sheet amounts to DKK 1,542 thousand (2022: DKK 155 thousand), of which DKK 3 thousand (2021: DKK 31 thousand) are allocated to stage 1, and DKK 1,539 thousand (2022: DKK 124 thousand) are allocated to stage 2. Loans after write-downs recognised in the balance sheet amount to DKK 14,185 thousand (2022: DKK 4,230 thousand), and guarantees after write-downs amount to DKK 744 thousand (2022: DKK 836 thousand). Of these, DKK 1,079 thousand (2022: DKK 3,950 thousand) are allocated to stage 1, and DKK 13,850 thousand (2022: DKK 1,116 thousand) are allocated to stage 2.

DKK thousand	Group		Parent	
	2023	2022	2023	2022
Note 10 Tax				
Tax on profit for the year	(48,143)	(46,022)	637	2,808
Adjustment of prior-year tax charges	563	5,264	551	5,766
Adjustment of deferred tax	424	(456)	594	(317)
Adjustment of deferred tax due to a change in tax rate	233	(260)	238	(238)
Total tax	(46,924)	(41,475)	2,019	8,019
Effective tax rate				
Current tax rate	22.0%	22.0%	22.0%	22.0%
Adjustment of group enterprises subject to the financial special tax (Arne tax)*	3.2%	-	-	-
Adjustment of non-taxable items	2.4%	(4.0%)	2.5%	0.6%
Adjustment of results of interests in associated companies and group enterprises	0.1%	0.5%	(25.5%)	(23.8%)
Adjustment of prior-year tax charges	(0.3%)	(2.1%)	(0.4%)	(2.8%)
Adjustment of deferred tax due to a change in tax rate	(0.1%)	0.1%	(0.2%)	0.1%
Total effective tax rate	27.2%	16.4%	(1.6%)	(4.0%)

*The financial special tax includes the companies Maj Bank A/S, Maj Invest Equity A/S and Fondsmæglerselskabet Maj Invest A/S.

Deferred tax relates to intangible and other tangible assets.

There is no provision for deferred tax in respect of interests in associated companies and group enterprises.

NOTES

DKK thousand	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Note 11 Due from credit institutions				
Demand deposits	159,172	169,416	14,512	11,686
Due up to 3 months	6,525	6,454	-	-
Due from credit institutions, total	165,697	175,870	14,512	11,686
Note 12 Loans				
By current maturity				
On demand	9	3	-	-
Up to 3 months	-	1,116	-	1,116
More than 3 months and up to 1 year	327	3,111	-	2,781
Over 1 year and up to 5 years	13,850	-	13,850	-
Loans, total	14,185	4,230	13,850	3,897
Note 13 Bonds at fair value				
Government bonds	8,327	41,277	-	-
Other mortgage bonds	125,954	146,934	59	65
Other bonds	-	4,877	-	4,877
Bonds at fair value, total	134,281	193,088	59	4,942
At year-end 2023, the group had provided bonds at a market value of DKK 24.1 million (2022: DKK 23.1 million) in collateral for trading in derivatives and securities.				
Interest rate risk	6,228	6,971	3	14
Note 14 Equities, etc.				
Equities/mutual funds listed on Nasdaq Copenhagen A/S	41,645	29,135	31,938	19,411
Equities/mutual funds listed on other stock exchanges	208	172	208	172
Unlisted equities at fair value	99,011	109,561	90,096	100,624
Total equities etc.	140,864	138,868	122,243	120,207
Note 15 Interests in associated companies				
Total acquisition cost at 1 January	38,717	36,682	38,717	36,682
Additions	2,108	2,035	2,108	2,035
Disposals	(20,723)	-	(20,723)	-
Total acquisition cost at 31 December	20,101	38,717	20,101	38,717
Revaluations at 1 January	(14,862)	(10,386)	(14,862)	(10,386)
Profit for the year	(338)	(4,475)	(338)	(4,475)
Amortisation and impairment charges for the year	3,190	-	3,190	-
Reversals of revaluations	(819)	-	(819)	-
Revaluations at 31 December	(12,828)	(14,862)	(12,828)	(14,862)
Carrying amount at 31 December	7,273	23,855	7,273	23,855
Carrying amount at 1 January	23,855	26,295	23,855	26,295

NOTES

DKK thousand	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Note 16 Interests in group enterprises				
Total acquisition cost at 1 January	-	-	241,759	232,601
Additions	-	-	10,000	10,000
Disposals	-	-	-	(842)
Total acquisition cost at 31 December	-	-	251,759	241,759
Revaluations at 1 January	-	-	60,320	154,439
Currency translation adjustments	-	-	(527)	(332)
Profit for the year	-	-	140,151	224,499
Dividend	-	-	(148,000)	(319,000)
Reversals of revaluations	-	-	-	714
Revaluations at 31 December	-	-	51,944	60,320
Carrying amount at 31 December	-	-	303,702	302,078
Carrying amount at 1 January	-	-	302,078	387,040
Note 17 Intangible assets				
Total cost at 1 January	22,303	25,802	14,021	9,594
Additions	1,763	4,427	874	4,427
Disposals	(45)	(7,927)	(18)	-
Total cost at 31 December	24,021	22,303	14,876	14,021
Amortisation and impairment charges at 1 January	(15,173)	(19,272)	(8,127)	(5,113)
Amortisation charges for the year	(3,951)	(3,828)	(3,064)	(3,014)
Reversals of amortisation charges	45	7,927	18,000	-
Amortisation and impairment charges at 31 December	(19,079)	(15,173)	(11,173)	(8,127)
Carrying amount at 31 December	4,942	7,129	3,703	5,894
Carrying amount at 1 January	7,129	6,530	5,894	4,481
Note 18 Land and buildings (leasing assets)				
Cost at 1 January	-	-	-	-
Additions during the year	30,767	-	30,767	-
Cost at 31 December	30,767	-	30,767	-
Depreciation and impairment charges at 1 January	-	-	-	-
Depreciation charges for the year	(2,797)	-	(2,797)	-
Depreciation and impairment charges at 31 December	(2,797)	-	(2,797)	-
Carrying amount at 31 December	27,970	-	27,970	-
Carrying amount at 1 January	-	-	-	-

NOTES

DKK thousand	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Note 19 Other tangible assets				
Total cost at 1 January	20,029	18,534	682	624
Currency translation adjustments	(6)	63	-	-
Additions	1,517	2,354	99	110
Disposals	(1,032)	(921)	(61)	(53)
Total cost at 31 December	20,507	20,029	719	682
Depreciation and impairment charges at 1 January	(16,070)	(15,024)	(555)	(557)
Currency translation adjustments	5	(58)	-	-
Depreciation charges for the year	(1,696)	(1,859)	(71)	(51)
Reversals of depreciation charges	1,015	871	58	53
Depreciation and impairment charges at 31 December	(16,746)	(16,070)	(568)	(555)
Carrying amount at 31 December	3,762	3,959	151	127
Carrying amount at 1 January	3,959	3,509	127	68
Note 20 Other assets				
Various debtors	67,550	62,640	2,591	204
Positive fair value of derivatives, etc.	677	3,171	-	276
Interest due and commission	4,646	5,160	36	485
Other assets	1,882	1,641	1,700	1,419
Other assets, total	74,756	72,613	4,327	2,384
'Other assets, total' include accounts with group enterprises worth	-	-	964	203
Note 21 Contingent assets				
Fondsmæglerselskabet Maj Invest A/S and Maj Invest Equity A/S have made a number of investment management agreements involving payment of a performance-based management fee/carried interest. This means that if a return exceeds an agreed level, the companies will earn a share of such return by way of a performance-based management fee/carried interest. Such fees are typically computed on a quarterly basis and may also fall due for quarterly payment. However, the payment of such fees cannot exceed the fee to which the companies are certain to be entitled.				
At 31 December 2023, the performance-based fee/carried interest, to which the company is not yet entitled, amounted to DKK 56 million (at 31 December 2022: approx. DKK 30 million) after provisions.				
Note 22 Due to credit institutions				
By current maturity				
Up to 3 months	80,713	89,932	80,713	89,932
Due to credit institutions, total	80,713	89,932	80,713	89,932

NOTES

DKK thousand	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Note 23 Deposits				
By current maturity				
Demand deposits	494,554	143,895	-	-
Up to 3 months	5,118	3,926	-	-
Over 3 months and up to 1 year	645	172	-	-
Over 1 year and up to 5 years	6,054	1,151	-	-
Over 5 years	24,450	24,638	-	-
Deposits, total	530,822	173,781	-	-
By type of deposit				
Demand deposits	494,554	143,895	-	-
Special forms of deposits	36,268	29,887	-	-
Deposits, total	530,822	173,781	-	-
Note 24 Other liabilities				
Various creditors	15,360	12,308	2,901	1,550
Negative fair values of derivatives, etc.	170	171	-	-
Accrued interest and commissions	3,163	3,935	154	122
Buyback obligation, own shares	15,000	15,000	15,000	15,000
Leasing liability of property lease*	28,479	-	28,479	-
Other liabilities	23,469	22,602	1,160	1,121
Other liabilities, total	85,640	54,016	47,694	17,792
* Covers a period running until the end of 2028.				
'Other liabilities, total' include accounts with group enterprises worth				
	-	-	-	48
Note 25 Guarantees and contingent liabilities				
Guarantees, etc.:				
Other guarantees	744	836	-	252
Total guarantees, etc.	744	836	-	252
Other contingent liabilities				
Other liabilities (commitments to invest in capital funds)	42,968	46,391	42,824	46,240
Other contingent liabilities, total	42,968	46,391	42,824	46,240
Other binding agreements				
The group has entered into a tenancy agreement for a virtual representative office in England. This agreement runs until 29 April 2024.				
The total rent obligations in the non-terminable period are:				
In year one	14	44	-	-
Between one and five years	-	7	-	-
Total rent obligations	14	52	-	-

NOTES

DKK thousand	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022

Note 25 continued

Maj Invest Holding A/S has entered into an agreement concerning IT software. A share of the costs is paid by other group companies, but the obligation rests with Maj Invest Holding A/S. The agreement runs until March 2026. The group has entered into an agreement concerning a securities trading system. The agreement runs until 30 September 2024. The group has entered into an agreement concerning IT operations. The agreement is terminable at 12 months' notice by either party.

The total IT obligations in the non-terminable period are:

In year one	634	818	68	57
Between one and five years	79	721	79	147
Other binding agreements, total	713	1.539	147	204

The company is jointly registered concerning VAT and payroll tax with Fondsmæglerselskabet Maj Invest A/S, Maj Invest Equity A/S and Maj Bank A/S and jointly liable for any payments in respect thereof. The company is also jointly taxable with all group entities residing in Denmark.

Being the administration company, we are jointly and severally liable with the other entities in the joint taxation scheme in respect of Danish corporation tax and withholding taxes on dividends, interest income and royalties. For 2023, the jointly taxed entities have a current tax liability of DKK 5,111 thousand (31 December 2022: tax liability of DKK 4,028 thousand).

DKK thousand	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Note 26 Own funds				
Share capital	36,350	36,350	36,350	36,350
Currency translation reserve (other comprehensive income)	(2,266)	(1,739)	(2,266)	(1,743)
Other reserves	42,514	41,007	143,238	139,752
Retained earnings	292,071	292,218	191,347	193,478
Shareholders' equity	368,669	367,837	368,669	367,837
Proposed dividend	(65,430)	(69,065)	(65,430)	(69,065)
Total tier 1 capital before primary deductions	303,239	298,772	303,239	298,772
Primary deductions				
Unused limits for own share purchase	(7,146)	(1,514)	(7,146)	(1,514)
Intangible assets	(4,942)	(7,129)	(3,703)	(5,894)
Deferred tax assets	(23)	(127)	-	-
Valuation based on prudence	(275)	(356)	(122)	(451)
Total common equity tier 1 capital after primary deductions	290,854	289,646	292,268	290,913
Total eligible capital	290,854	289,646	292,268	290,913

NOTES

Note 27

DKK thousand	Company activity	Ownership interest	Shareholders' equity	Profit after tax
Note 27 Group overview				
Consolidated subsidiaries				
Fondsmæglerselskabet Maj Invest A/S, Copenhagen	Asset management company	100%	195,910	135,835
Maj Bank A/S, Copenhagen	Bank	100%	65,269	(2,882)
Maj Invest Equity A/S, Copenhagen	Alternative investment fund manager	100%	26,707	6,200
Danish Microfinance Partners Management ApS, Copenhagen	Private equity management	100%	237	(4)
Management Equity Vietnam I ApS, Copenhagen	Private equity management	100%	518	10
Maj Invest South America S.A., Lima, Peru*	Consulting company	100%	1,661	49
MJIC Consultancy Private Limited Mumbai, India*	Consulting company	100%	13,403	942
MI (US) GP LLC, Delaware, USA	General partner	100%	-	-

* *Owned jointly by two group companies, with Maj Invest Holding A/S owning the majority.

Shareholders' equity and results are based on the companies' most recently approved annual reports. Shareholders' equity and results of foreign subsidiaries are based on non-audited financial statements. Subsidiaries of consolidated subsidiaries are not included in the group overview but their results are included in the results of the consolidated subsidiaries.

From a materiality point of view, associated companies are not included.

Note 28 Related parties and ownership

Intra-group transactions

The company has entered into a licensing agreement with Maj Bank A/S on the use of Maj World. The licensing agreement has been entered into on an arm's-length basis and totalled DKK 0.9 million in the financial year.

The company has entered into an agreement regarding administrative tasks, including compensation for property lease, with Maj Bank A/S. These services are settled on a cost-covered basis and totalled DKK 1.7 million in the financial year.

The company has entered into an agreement on administrative tasks with Maj Invest Equity A/S and Management Equity Vietnam I ApS on administrative tasks concerning private equity funds. These services are settled on an arm's-length basis and totalled DKK 3.2 million in the financial year.

Other related parties

Related parties to the group include members of the Board of Directors and the Executive Board and their family members. Related parties also comprise companies in which the persons mentioned above hold significant interests.

NOTES

Note 28 continued

The Executive Board members and/or companies related to them participate as special limited partners on equal terms with any other special limited partners in one or more private equity funds under the group's management.

The members of the Board of Directors and the Executive Board and/or companies that are considered related parties to such members own shares in Maj Invest Holding A/S.

Some of the members of both the Executive Board and the Board of Directors and their family members are clients of Maj Bank A/S. Except for a few fees applicable to the bank's clients, transactions with the above-mentioned group of related parties are made on market terms and in accordance with current business conditions.

The group has not provided any loans, collateral, charges, or any other form of guarantee or security to any members of the Executive Board or the Board of Directors, any related family members of such members, or companies in which such members have significant interests.

In 2023, there were no extraordinary transactions with related parties.

Ownership

In compliance with the Danish Companies Act, sections 55 and 56, the following shareholders have been entered in the company's register of shareholders as holding minimum 5% of the company capital or minimum 5% of the voting rights:

JEKC Holding ApS, DK-2100 Copenhagen Ø
 Henrik Parkhøj, Ellevadsvej 35, DK-2920 Charlottenlund
 Kurt Türker Kara, Tyrnbakke 1, DK-2840 Holte
 Lind Invest ApS, DK-8000 Aarhus C

Note 29 Financial instruments and risks

Objectives and risk policies

The Board of Directors has provided guidelines in respect of the types of risk that the group may be exposed to. These guidelines include identification, management, control and reporting of risks. The guidelines are supported by a number of routines, and in the subsidiaries Fondsmæglerselskabet Maj Invest A/S, Maj Invest Equity A/S and Maj Bank A/S also by a number of business procedures. Moreover, the Directors of Fondsmæglerselskabet Maj Invest A/S, Maj Invest Equity A/S and Maj Bank A/S have in addition formulated corporate policies relevant to the companies relating to market risks, liquidity, credit, insurance cover of risks, and operational risks. Together with the corporate policies established by the subsidiaries Fondsmæglerselskabet Maj Invest A/S, Maj Invest Equity A/S and Maj Bank A/S, the guidelines and procedures constitute the group's risk policy. The risk policy includes a decentralised function identifying risks at various levels in the group enabling a current assessment of any consequences as well as ensuring that the group's capital and capital ratio requirements always comply with statutory requirements and identified risks.

To ensure efficient management of the risk policy, we have segregated the function in charge of business and the function responsible for managing and monitoring the various types of risk.

Market and liquidity risks

The group's market risks are related to the activities in Markets in the subsidiary Fondsmæglerselskabet Maj Invest A/S and to the group's shareholders' equity, surplus liquidity investments and foreign exchange fees.

The Directors have set up a general framework in respect of market risks.

NOTES

Note 29 continued

The framework for investing consolidated liquidity is wide in areas where the risk is considered small and narrow in less liquid areas of investment and/or investments involving larger credit risks. The framework is used in combination with the positive lists drawn up by the Directors as regards approved financial institutions and countries. Exposures outside these positive lists have a higher risk weighting and a lower investment frame than do exposures on the positive lists. This helps reduce the market risks and ensure that we have liquid assets in the form of a large holding of securities that are easily realisable.

Liquidity risks

The group's liquidity must always be sufficient. There is a framework determining the portion of consolidated liquidity that may be placed in fixed-term deposits and the maximum term.

The Board of Directors of the subsidiaries Fondsmæglerselskabet Maj Invest A/S, Maj Invest Equity A/S and Maj Bank A/S have drawn up liquidity plans (contingency and emergency plans) for any liquidity crises. These liquidity plans may also be applied at group level. The liquidity plans have not yet been applied.

Interest rate risks

Interest rate risks are primarily a result of the investments of consolidated liquidity in the form of exposure in bond markets. The Directors have set up a maximum framework in respect of interest rate risks. In the current management and monitoring of interest rate risks, a duration model based on the Danish FSA's guidelines is used. A large portion of investments are short-term investments. Interest rate risks are shown in the following table.

Interest rate risks	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Interest rate risks (DKK thousand)	6,239	6,804	3	(165)
In percentage of year-end shareholders' equity	1.7%	1.8%	0.0%	(0.0%)
In percentage of year-end own funds	2.1%	2.3%	0.0%	(0.1%)

Equity risks

The framework in respect of equity risks is limited by positions in single equities, types of equities, including mutual funds, and a total limit on equity exposures. A few positions in unlisted equities are included as interests in associated companies due to the percentage of ownership.

Via separate investment frameworks, the group can also invest in private equity products for which the group acts as investment advisor. This provides investors with a high degree of corporate commitment concerning the products we offer. The group's holdings of interests are seen below.

31.12.2023	Group			Parent		
	DKK thousand	In % of year-end equity	In % of year-end own funds	DKK thousand	In % of year-end equity	In % of year-end own funds
Equities etc.						
Mutual fund units in the trading portfolio	9,706	2.6%	3.3%	-	-	-
Listed equities outside the trading portfolio	32,147	8.7%	11.1%	32,147	8.7%	11.0%
Unlisted equity holdings	27,890	7.6%	9.6%	19,396	5.3%	6.6%
Holdings in private equity funds	71,121	19.3%	24.5%	70,700	19.2%	24.2%
Associated companies	7,273	2.0%	2.5%	7,273	2.0%	2.5%
Equities etc., total	148,137	40.2%	50.9%	129,516	35.1%	44.3%

NOTES

Note 29 continued

31.12.2022	Group			Parent		
	DKK thousand	In % of year-end equity	In % of year-end own funds	DKK thousand	In % of year-end equity	In % of year-end own funds
Equities etc.						
Mutual fund units in the trading portfolio	9,724	2.6%	3.4%	-	-	-
Listed equities outside the trading portfolio	19,583	5.3%	6.8%	19,583	5.3%	6.7%
Unlisted equity holdings	39,717	10.8%	13.7%	31,223	8.5%	10.7%
Holdings in private equity funds	69,844	19.0%	24.1%	69,401	18.9%	23.9%
Associated companies	23,855	6.5%	8.2%	23,855	6.5%	8.2%
Equities etc., total	162,723	44.2%	56.2%	144,062	39.2%	49.5%

Currency risks

Currency risks relate to the group's liquidity investments in cash deposits, securities and to fees from international clients.

Forward exchange contracts are used for hedging of certain positions.

We have a framework for unhedged foreign exchange positions, and a framework for currency positions combined with foreign exchange hedging. This provides an upper limit for currency positions even if risks are hedged.

As a result of the Danish fixed rate policy vis-a-vis the euro, we do not have any framework as regards the euro.

The group's currency risks are limited and shown in the table below.

Currency risks	Group		Parent	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Currency risks (DKK thousand)*	9,575	8,224	7,534	7,265
In percentage of year-end shareholders' equity	2.6%	2.2%	2.0%	2.0%
In percentage of year-end own funds	3.3%	2.8%	2.6%	2.5%

*Change of 2.25% for EUR and 15% for other currencies.

Counterparty risks

The corporate securities brokers (Markets) in Fondsmæglerselskabet Maj Invest A/S trade daily on behalf of our clients and for our own portfolios. Our counterparties are therefore other securities brokers or market participants and/or clients. Transactions in Markets are exclusively spot transactions. Trade in listed derivatives is limited and exclusively for hedging of our own positions. The group has modest counterparty risk on forward exchange contracts used for hedging of certain currency positions.

Maj Bank A/S provides investment advice and facilitates transactions on behalf of its clients. No transactions are made on its own account. Client transactions are settled as commission transactions through a business partner via the client's online banking account. The company has no trading portfolio.

Credit risks

The group's credit risks primarily concern receivables from clients and market and liquidity-related transactions. Credit risks are subject to a framework given by the board of directors. The size of the credit risk framework is lower than the framework allowed by law both as regards individual transactions and the group's overall credit exposure.

NOTES

Note 29 continued

The group's clients are institutional investors and wealthy clients and thus financially solid clients. Clients are regulated by fixed payment intervals. The credit risk in respect of clients is considered limited.

As part of the group's treasury activities, the group has to a limited extent provided loans for companies. In addition, Maj Bank A/S has to a very limited extent deposit accounts that have been overdrawn due to payment of fees.

Reporting and monitoring of risks

The group's financial positions are recorded in a trading system for activities in Markets in Fondsmæglerselskabet Maj Invest A/S. Maj Bank A/S has financial positions registered in BEC Financial Technologies' (BEC) basic systems. The other own positions are registered in a standard portfolio system.

We have invested substantial resources in computer systems for the management and identification of risks in order to currently monitor and control such risks.

Accounting & Risk Management and Middle Office have access to the trading system and are able to see transactions and positions in the system. The trading and finance systems are integrated, the latter being responsible for bookkeeping of transactions.

Middle Office administers a portfolio management system, which includes transactions and positions in respect of own portfolio activities not associated with Markets.

Control, reconciliation and bookkeeping are made on a day-to-day basis in both computer systems and checked against the company's finance system. Transactions are recorded and reconciled to the settled transactions and the group's custody accounts in external banks and bank accounts.

There are also regular checks of the prices of positions which the group has with external parties such as depository banks, stock exchanges or similar institutions.

Based on the risk management module of the trading system and withdrawals from accounts and custody accounts, a daily report is prepared showing earnings, positions, risks and utilisation of lines concerning the Markets activities of Fondsmæglerselskabet Maj Invest A/S. This report is submitted to Markets and the Executive Board of Fondsmæglerselskabet Maj Invest A/S.

Middle Office delivers currently reconciled data from the portfolio management system to Accounting & Risk Management, which monitors the corporate investment framework.

On the basis of data from the trading system, the portfolio management system, the finance system and BEC, Accounting & Risk Management currently reports to the executive board on the overall market risks, credit risks and liquidity. Directors receive reports once every three months.

STATEMENTS

STATEMENT BY MANAGEMENT

The Board of Directors and the Executive Board have today considered and approved the annual report for Maj Invest Holding A/S for the period 1 January 2023 - 31 December 2023.

The Board of Directors and the Executive Board hereby declare that we are of the opinion that:

- The annual report has been prepared in accordance with legal requirements and any requirements outlined in the articles of association.
- The financial statements and the consolidated financial statements give a true and fair view of the Company's and the Group's assets, liabilities and financial position at 31 December 2023 and of the results.
- The management's review includes a fair report of developments in the Company's and the Group's activities and financial position and describes the significant risks and any uncertainty factors that may affect the Company or the Group.

The annual report will be submitted to the general meeting for approval.

Copenhagen, 4 March 2024

BOARD OF DIRECTORS

Jeppe Christiansen
CEO

Marianne Settnes
Managing Director

Jens Aaløse
Managing Director, Managing Partner

BOARD OF DIRECTORS

Tommy Pedersen
Chairman

Nils Bernstein

Maria Helene Hjorth

Britta Korre Stenholt

Jørgen Tang-Jensen

Tomas Munksgard Hoff
Elected by staff

Søren Krag Jacobsen
Elected by staff

Kirsten Slot
Elected by staff

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Maj Invest Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Maj Invest Holding A/S for the financial year 1 January – 31 December 2023, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Business Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Business Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Business 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 Group's and the Parent 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 Group or the Parent 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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's 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 the Management's review and, in doing so, consider whether the Management's 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 the Management's review provides the information required under the Danish Financial Business Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Business Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 4 March 2024

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Lars Rhod Søndergaard
State Authorised Public Accountant
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Rasmus Berntsen
State Authorised Public Accountant
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