Financial report for the period January 1 to September 30, 2022

Lundbeck's sales increased by 11% (+6% in local currencies) to DKK 13.6 billion in the first nine months of 2022

HIGHLIGHTS

Growth of Lundbeck's strategic brands accelerates further growing 30% (+19% in local currencies) in the first nine months of 2022 thereby reaching DKK 8.8 billion, representing 65% of overall revenue.

- Brintellix®/Trintellix®: +24% reported to DKK 3,177 million (+15% in local currencies)
- Rexulti®/Rxulti®: +33% reported to DKK 2,817 million (+19% in local currencies)
- Abilify Maintena®: +20% reported to DKK 2,164 million (+13% in local currencies)
- Vyepti®: +105% reported to DKK 672 million (+82% in local currencies)

All markets contribute to revenue momentum with total revenue growing 11% (+6% in local currencies to DKK 13,566 million

- United States: +19% reported to DKK 6,585 million (+6% in local currencies)
- International Markets: +13% reported to DKK 4,023 million (+5% in local currencies)
- Europe: +11% reported to DKK 3,154 million (+11% in local currencies)

Currency favorability on product sales partially offset by negative hedging effects of DKK 401 million. Individual cost items significantly impacted by exchange rates. However, Core EBIT margin improved from 24.3% to 24.9% for the first nine months of 2022 and further improved from 20.6% to 27.5% in the third quarter despite investments in marketing and sales costs underpinning the launch of Vyepti in several markets during 2022.

- EBITDA: +14% reported to DKK 3,753 million
- EBIT: +22% reported to DKK 2,449 million
- Core EBIT: +13% reported to DKK 3,372 million
- EPS: +22% reported to DKK 1.62
- Core EPS: +24% reported to DKK 2.61

In connection with the financial report, Lundbeck's President and CEO, Deborah Dunsire said:
"Reporting 11% growth in our total revenues with our strategic brands themselves growing 30% underlines the strong momentum in the Lundbeck business. Our R&D transformation is advancing strongly. Lundbeck has substantial growth ahead and we will invest behind those opportunities."

2022 GUIDANCE

Guidance in reported currency for 2022 updated ahead of this quarterly release to account for strong organic revenue momentum in strategic brands and appreciation of Lundbeck's main currencies while considering generally increased activity level and concurrent investments in acceleration and global launch of Vyepti

- Revenue expected at DKK 17.9 – 18.2 billion
- EBITDA expected at DKK 4.4 – 4.6 billion
- Core EBIT expected at DKK 3.9 – 4.1 billion
- EBIT expected at DKK 2.6 – 2.8 billion

Key figures:

DKK million	9M 2022	9M 2021	*Growth*	Q3 2022	Q3. 2021	*Growth*
Core Revenue[1]	**13,566**	12,246	*11%*	4,719	4,013	*18%*
Core EBIT[1]	**3,372**	2,973	*13%*	1,299	826	*57%*
Core EPS[1],[2]	**2.61**	2.10	*24%*			
Core EBIT-margin[1]	**24.9%**	24.3%		27.5%	20.6%	
Reported Revenue	**13,566**	12,246	*11%*	4,719	4,013	*18%*
Reported EBIT	**2,449**	2,004	*22%*	952	526	*81%*
Reported EPS[2]	**1.62**	1.33	*22%*	0.69	0.32	*116%*
Reported EBIT-margin	**18.1%**	16.4%		20.2%	13.1%	

1 For definition of the measures "Core Revenue", "Core EBIT", "Core EPS" and "Core EBIT-margin", see note 4 *Core reporting*.
2 The calculation of EPS is based on a share denomination of DKK 1 as a result of the share split completed on June 8, 2022. Comparative figures have been restated to reflect the change in trading unit from a nominal value of DKK 5 to DKK 1.

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FINANCIAL HIGHLIGHTS AND KEY FIGURES

	9M 2022	9M 2021	Q3 2022	Q3 2021	FY 2021
Financial highlights (DKK million)					
Core revenue	**13,566**	12,246	**4,719**	4,013	16,299
Core profit from operations (core EBIT)	**3,372**	2,973	**1,299**	826	3,517
Reported revenue	**13,566**	12,246	**4,719**	4,013	16,299
Operating profit before depreciation and amortization (EBITDA)	**3,753**	3,280	**1,414**	933	3,720
Reported profit from operations (EBIT)	**2,449**	2,004	**952**	526	2,010
Net financials, expenses	**392**	311	**70**	114	429
Profit before tax	**2,057**	1,693	**882**	412	1,581
Tax	**452**	373	**194**	91	263
Profit for the period	**1,605**	1,320	**688**	321	1,318
Equity	**20,919**	18,083	**20,919**	18,083	18,279
Assets	**39,305**	35,119	**39,305**	35,119	34,653
Cash flows from operating and investing activities (free cash flow)	**872**	1,557	**1,388**	1,081	1,662
Purchase of property, plant and equipment, gross	**230**	244	**87**	100	410
Key figures					
EBITDA-margin (%)	**27.7**	26.8	**30.0**	23.2	22.8
Core EBIT margin (%)	**24.9**	24.3	**27.5**	20.6	21.6
EBIT margin (%)	**18.1**	16.4	**20.2**	13.1	12.3
Return on equity (%)	**8.2**	7.5	**3.4**	1.8	7.5
Return on equity (%) – rolling four quarters	**8.2**	10.8	**8.2**	10.8	7.5
Return on capital invested (%) – rolling four quarters	**8.9**	9.9	**8.9**	9.9	7.9
Net debt/EBITDA (x) – rolling four quarters	**0.7**	0.8	**0.7**	0.8	0.9
Share data					
Number of shares for the calculation of EPS (millions)[1]	**992.9**	993.3	**992.8**	993.2	993.3
Number of shares for the calculation of DEPS (millions)[1]	**992.9**	993.3	**992.8**	993.2	993.3
Earnings per share, basic (EPS) (DKK)[1]	**1.62**	1.33	**0.69**	0.32	1.33
Earnings per share, diluted (DEPS) (DKK)[1]	**1.62**	1.33	**0.69**	0.32	1.33
Other					
Number of employees (FTE) – end of period	**5,452**	5,588	**5,452**	5,588	5,348

1 The calculation of EPS is based on a share denomination of DKK 1 as a result of the share split completed on June 8, 2022. Comparative figures have been restated, to reflect the change in trading unit from a nominal value of DKK 5 to DKK 1.

MANAGEMENT REVIEW

Financial guidance and forward-looking statements

Financial guidance

DKK	FY 2021 actual	2022 guidance
Revenue	16,299 million	**DKK 17.9 – 18.2 billion**
EBITDA	3,720 million	**DKK 4.4 – 4.6 billion**
Core EBIT	3,517 million	**DKK 3.9 – 4.1 billion**
Profit from operations (EBIT)	2,010 million	**DKK 2.6 – 2.8 billion**

Lundbeck's financial guidance for 2022 which was raised on November 8, 2022 is maintained. Lundbeck's revenue is driven by continued strong underlying positive momentum in the strategic brands (Abilify Maintena®, Brintellix®/Trintellix®, Rexulti® and Vyepti®). Revenue is also benefitting significantly from the appreciation of Lundbeck's main currencies and especially the U.S. Dollar.

Profitability gains due to underlying demand will be largely offset by hedging effects, normalization of promotional activity levels and investments in global development and launch of Vyepti.

Lundbeck has foreign currency risk mainly in USD, CNY and CAD. The financial guidance for 2022 is based on the exchange rates by the end of the third quarter. The hedging rates for the main currencies, i.e., USD/DKK (6.45), CNY/DKK (1.01) and CAD/DKK (5.08) and the financial guidance include an expected hedging loss of approximately DKK 600 million compared to a hedging gain of DKK 53 million for the full year of 2021.

Based on the assumptions for product and geographical mix, it is estimated that a 5% change of the USD/DKK exchange rate will impact revenue by around DKK 85 million.

The Russian war against Ukraine has had limited impact on Lundbeck's financial results for the first nine months of 2022. Lundbeck has ceased new investments and further spend in clinical trials as well as diminished promotional activities in Russia. The situation has increased general uncertainty and Lundbeck continues to monitor any potential impact on an ongoing basis.

Forward-looking statements

Forward-looking statements are subject to risks, uncertainties, and inaccurate assumptions. This may cause actual results to differ materially from expectations. Various factors may affect future results, including interest rates and exchange rate fluctuations, delay or failure of development projects, production problems, unexpected contract breaches or terminations, governance-mandated or market-driven price decreases for products, introduction of competing products, Lundbeck's ability to successfully market both new and existing products, exposure to product liability and other lawsuits, changes in reimbursement rules and governmental laws, and unexpected growth in expenses.

Revenue

Revenue reached DKK 13,566 million in the first nine months of 2022 compared to DKK 12,246 million in the first nine months of 2021, representing a growth of 6% in local currencies (11% reported). The strategic brands (Abilify Maintena, Brintellix/Trintellix, Rexulti/Rxulti and Vyepti) grew 30% (+19% in local currencies) and reached DKK 8,830 million or 65% of total revenue. Lundbeck's biggest markets for the strategic brands are the U.S., Canada, Spain, Italy and Australia.

The growth in total sales is primarily due to strong growth of the strategic brands and appreciation of main currencies which to some extent has been offset

by the negative effect from hedging. Lundbeck's biggest markets are the U.S., China, Canada, Spain, Italy and Japan.

Hedging

Lundbeck hedges a significant part of the currency risk for a period of 12 - 18 months. Hedging had a negative impact of DKK 401 million for the first nine months of 2022, compared to a positive impact of DKK 78 million for the first nine months of 2021.

Revenue - products and regions

DKK million	9M 2022	9M 2021	Growth	Growth in local currencies	Q3 2022	Q3 2021	Growth	Growth in local currencies	Q2 2022
Brintellix/Trintellix	**3,177**	2,565	*24%*	*15%*	**1,126**	909	*24%*	*13%*	1,061
Rexulti	**2,817**	2,112	*33%*	*19%*	**1,046**	734	*43%*	*23%*	940
Abilify Maintena	**2,164**	1,810	*20%*	*13%*	**771**	613	*26%*	*16%*	716
Vyepti	**672**	328	*105%*	*82%*	**282**	151	*87%*	*60%*	220
Strategic brands	**8,830**	6,815	*30%*	*19%*	**3,225**	2,407	*34%*	*20%*	2,937
Cipralex/Lexapro	**1,874**	1,835	*2%*	*0%*	**620**	600	*3%*	*0%*	572
Sabril	**482**	487	*(1%)*	*(12%)*	**160**	151	*6%*	*(9%)*	170
Onfi	**317**	382	*(17%)*	*(26%)*	**108**	97	*11%*	*(4%)*	127
Other pharmaceuticals	**2,259**	2,438	*(7%)*	*(13%)*	**756**	724	*4%*	*(3%)*	691
Other revenue	**205**	211	*(3%)*	*(4%)*	**49**	58	*(16%)*	*(16%)*	91
Effects from hedging	**(401)**	78			**(199)**	(24)			(113)
Total revenue	**13,566**	**12,246**	***11%***	***6%***	**4,719**	**4,013**	***18%***	***11%***	**4,475**
United States	**6,585**	5,533	*19%*	*6%*	**2,453**	1,828	*34%*	*15%*	2,214
International Markets	**4,023**	3,572	*13%*	*5%*	**1,329**	1,185	*12%*	*4%*	1,239
Europe	**3,154**	2,852	*11%*	*11%*	**1,087**	966	*13%*	*12%*	1,044

Products

Brintellix/Trintellix (vortioxetine) is Lundbeck's largest product and is approved for the treatment of major depressive disorder (MDD). Sales grew 15% in local currencies (24% reported) and reached DKK 3,177 million following continued strong demand especially in markets outside the U.S. The regional distribution of sales was 37%, 33% and 30% in the U.S., International Markets and Europe, respectively. The largest markets for the product are the U.S., Canada, Spain, Italy and China.

Rexulti/Rxulti (brexpiprazole) is Lundbeck's second largest product and is approved as an adjunctive therapy for the treatment of adults with MDD and as a treatment for adults with schizophrenia in markets such as the U.S., Canada and Saudi Arabia. In Australia and Europe, the product is approved for schizophrenia. Lundbeck's share of revenue reached DKK 2,817 million for the first nine months of 2022 representing a growth of 19% in local currencies (33% reported). The regional distribution of sales was 94%, 5% and 1% in the U.S., International Markets and Europe, respectively. The largest markets are the U.S., Canada, Brazil, Australia and Mexico.

Abilify Maintena (aripiprazole once-monthly injection) is approved for the treatment of schizophrenia in the EU and for both schizophrenia and bipolar I disorder in the U.S., Canada and Australia. Sales reached DKK 2,164 million representing a growth of 13% in local currencies (20% reported). The regional distribution of sales was 36%, 18% and 46% in the U.S., International Markets

and Europe, respectively. The largest markets are the U.S., Spain, Canada, Australia and Italy.

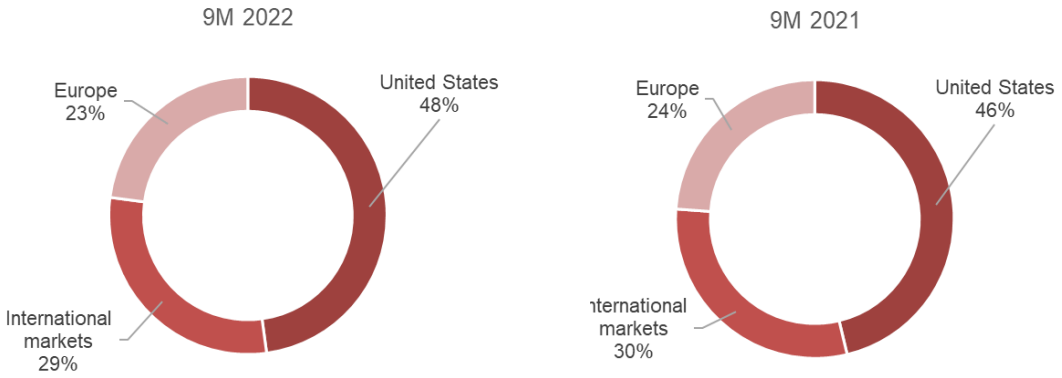
Vyepti (eptinezumab) doubled in sales and reached sales of DKK 672 million in the first nine months of 2022 compared to the same period last year mainly following strong demand. The product is approved in around 40 markets including the U.S., Australia, Canada and Europe for the preventive treatment of migraine in adults. Vyepti was launched in April 2020 in the U.S. and it has since been launched in Australia, Finland, Germany, Kuwait, Singapore, Switzerland and United Arab Emirates (U.A.E.) For the remainder of 2022, Vyepti is expected to be launched in around 5 markets.

Cipralex®/Lexapro® (escitalopram) is approved for the treatment of MDD. Sales reached DKK 1,874 million in the first nine months of 2022. The regional distribution of sales was 73% and 27% in International Markets and Europe, respectively. The largest markets are Japan, China, South Korea, Italy and Brazil.

Revenue from **Other pharmaceuticals**, which comprise the remainder of Lundbeck's products, reached DKK 2,259 million compared to DKK 2,438 million in the first nine months of 2021 following lower sales of mature products such as Northera. Northera lost exclusivity in February 2021 and is reported together with Other pharmaceuticals. Sales of Northera reached DKK 361 million compared to DKK 536 million in the first nine months of 2021. The largest markets for Other pharmaceuticals are China, the U.S., France, South Korea and Mexico.

Other revenue, which mainly consists of contract manufacturing, reached DKK 205 million compared to DKK 211 million in the first nine months of 2021.

Figure 1 – Revenue per region 9M 2022 vs 9M 2021 (excluding Other revenue and Effects from hedging)



Key developments in the third quarter of 2022

In the third quarter of 2022, revenue reached DKK 4,719 million compared to DKK 4,013 million in 2021. The strategic brands grew by 20% in local currencies (+34% reported) for the period, thereby reaching DKK 3,225 million or 68% of total revenue.

United States

Revenue reached DKK 6,585 million in the first nine months of 2022 compared to DKK 5,533 million for the same period in 2021. The strategic brands increased by 17% in local currency (33% reported) and reached DKK 5,237 million or 80% of sales. The sales growth was driven by strong demand but also positively impacted by the appreciation of the USD.

Revenue – United States

DKK million	9M 2022	9M 2021	Growth	Growth in local currencies	Q3 2022	Q3 2021	Growth	Growth in local currencies	Q2 2022
Rexulti	**2,636**	1,982	*33%*	*18%*	**983**	688	*43%*	*23%*	879
Trintellix	**1,178**	1,036	*14%*	*0%*	**442**	379	*17%*	*(2%)*	387
Abilify Maintena	**766**	607	*26%*	*12%*	**279**	209	*33%*	*14%*	255
Vyepti	**657**	327	*101%*	*78%*	**270**	150	*80%*	*55%*	220
Strategic brands	**5,237**	3,952	*33%*	*17%*	**1,974**	1,426	*38%*	*18%*	1,741
Sabril	**482**	487	*(1%)*	*(12%)*	**160**	151	*6%*	*(9%)*	170
Onfi	**317**	382	*(17%)*	*(26%)*	**108**	97	*11%*	*(4%)*	127
Other pharmaceuticals	**549**	712	*(23%)*	*(31%)*	**211**	154	*37%*	*19%*	176
Total revenue	**6,585**	**5,533**	***19%***	***6%***	**2,453**	**1,828**	***34%***	***15%***	**2,214**

Products

Rexulti is Lundbeck's largest product in the U.S. Lundbeck's share of revenue reached DKK 2,636 million following a growth of 18% in local currency (33% reported). Rexulti has a stable volume market share of 2.3% by July 2022 (source: IQVIA). Patient data suggest that more than 3/4 of prescriptions are for major depression (MDD).

Trintellix sales reached DKK 1,178 million in revenue for Lundbeck representing a growth of nil in local currency (14% reported). Prescribing dynamics in the MDD market in the US have changed following the pandemic which may be attributed to several factors including the continued increased use of telehealth among psychiatrists, lower impact on generics from the pandemic compared to branded products and medications for adjunct MDD and total NBRx that remains at a lower level for the total market than pre-pandemic. While Lundbeck and our partner Takeda have optimized the promotional efforts for Trintellix to a lower level over recent years we are actively addressing the changed prescribing patterns in the US. The volume market share has been stable around 0.9% by July 2022 (source: IQVIA). The value market share of the total anti-depressant market has increased from 24.2% by January 2021 to 30.0% by July 2022 (source: IQVIA).

Abilify Maintena revenue reached DKK 766 million, representing Lundbeck's share of total net sales. Abilify Maintena has a stable volume market share of around 23% by July 2022 (source: IQVIA).

Vyepti was approved by the U.S. Food and Drug Administration (FDA) on February 21, 2020, for the preventive treatment of migraine in adults. The product was made available on April 6, 2020 and reached a doubling of sales to DKK 657 million in the first nine months of 2022 compared to the first nine months of 2021.

Sabril® revenue is stable and reached DKK 482 million and **Onfi®** revenue reached DKK 317 million. In Other pharmaceuticals, **Northera** sales reached DKK 361 million for the period compared to DKK 536 million for the same period last year following the launch of several generic versions in February 2021.

Key developments in the third quarter of 2022

In the third quarter of 2022, revenue reached DKK 2,453 million compared to DKK 1,828 million for the same period last year. The strategic brands grew by 18% in local currency (+38% reported) for the period thereby reaching DKK 1,974 million or 80% of total revenue. Trintellix declined by 2% in local currency (+17% reported) as a consequence of continued general lower brand prescriptions post-COVID19 and also reduced promotion efforts as Lundbeck and Takeda have adjusted their commercial organization.

International Markets

Revenue from International Markets, which as of January 1, 2022, also includes Canada (see note 1 *Accounting policies)* and therefore comprises all Lundbeck's markets outside of Europe and the U.S., reached DKK 4,023 million in the first nine months of 2022. The revenue growth of 5% in local currencies

(13% reported) was mainly driven by Brintellix and Rexulti. The biggest markets are China, Canada, Japan, Brazil and Australia. China and Japan constitute approximately 33% of regional revenue.

The strategic brands increased by 25% in local currencies (+35% reported) and reached DKK 1,592 million or 40% of sales.

Revenue – International Markets

DKK million	9M 2022	9M 2021	Growth	Growth in local currencies	Q3 2022	Q3 2021	Growth	Growth in local currencies	Q2 2022
Brintellix	**1,034**	752	*38%*	*28%*	**349**	269	*30%*	*20%*	345
Abilify Maintena	**397**	314	*26%*	*17%*	**148**	103	*44%*	*28%*	131
Rexulti	**151**	110	*37%*	*26%*	**53**	37	*43%*	*30%*	52
Vyepti	**10**	1	*900%*	*800%*	**7**	1	*600%*	*500%*	-
Strategic brands	**1,592**	1,177	*35%*	*25%*	**557**	410	*36%*	*24%*	528
Cipralex/Lexapro	**1,361**	1,316	*3%*	*(1%)*	**444**	417	*6%*	*1%*	406
Other pharmaceuticals	**1,070**	1,079	*(1%)*	*(8%)*	**328**	358	*(8%)*	*(16%)*	305
Total revenue	**4,023**	**3,572**	***13%***	***5%***	**1,329**	**1,185**	***12%***	***4%***	**1,239**

Products

Brintellix/Trintellix is Lundbeck's second largest product in the region. Sales reached DKK 1,034 million or an increase of 28% in local currencies (+38% reported). Brintellix realized solid growth across several markets including Japan, China, Brazil and Canada, but the growth is also impacted by quarterly fluctuations in shipments. Canada, China, Brazil, Japan and South Korea are the largest markets for Brintellix in the region. In Japan, Trintellix is showing a strong momentum and has reached a volume and value market share of 7.5% and 9.1%, respectively by September 2022 (source: IQVIA). In December 2021, Trintellix had a value share of 5.8%. Brintellix is not included in the National Reimbursement Drug List (NRDL) in China and is not reimbursed, but the product is showing strong growth.

Abilify Maintena reached DKK 397 million in revenue representing a growth of 17% in local currencies (+26% reported). Sales are mainly derived from Australia and Canada, where Abilify Maintena shows robust sales performance in spite of pandemic-related restrictions last year. In Australia, the volume share has reached 31% and in Canada, it has reached 34.1% by July 2022 (source: IQVIA). Countries such as Saudi Arabia, U.A.E. and Kuwait also contributed positively.

Rexulti reached DKK 151 million in sales and grew by 26% in local currencies. In International Markets, the product has its highest sales in Canada followed by Brazil and Australia. In Canada, Rexulti's volume share has reached 3.2% by July 2022 unchanged compared to 3.2% in December 2021 (source: IQVIA). In Australia, Rexulti has maintained a market share of around 2.2% in volume by July 2022 (source: IQVIA). In Brazil, Rexulti has reached a volume share of 1.8% compared to 1.6% by December 2021 (source: IQVIA) and most of the product growth in the region came from Brazil during the period.

Vyepti was launched in U.A.E. and in Kuwait in the second half of 2021. In the beginning of 2022, Vyepti has been launched in Singapore and Australia. Additional launches including Canada are planned for the remainder of 2022. Sales reached DKK 10 million in the first nine months of 2022. In the U.A.E., Vyepti has achieved a 13% volume market share among all CGRP products in the market (source: IQVIA).

Cipralex/Lexapro continues to be Lundbeck's largest product in the region. The product generated revenue of DKK 1,361 million representing a growth of 3% (down 1% in local currencies). Japan, China, South Korea, Brazil and Canada are the largest markets for Cipralex/Lexapro in the region.

Other pharmaceuticals generated revenue of DKK 1,070 million. **Azilect** is promoted by Lundbeck in some countries in Asia. Azilect generated revenue of DKK 146 million while **Ebixa** generated revenue of DKK 329 million.

Key developments in the third quarter of 2022

In the third quarter of 2022, revenue increased 4% in local currencies (+12% reported) and reached DKK 1,329 million. The strategic brands grew by 24% in local currencies (+36% reported) for the period, thereby reaching DKK 557 million or 42% of total revenue.

Europe

Revenue reached DKK 3,154 million in the first nine months of 2022 compared to DKK 2,852 million in 2021, which represents a growth of 11%. In general, Europe continues to realize very robust underlying demand countering a continuous negative average price development and continued generic erosion on the mature product portfolio. The strategic brands increased by 18% in local currencies (+19% reported) and reached DKK 2,001 million or 63% of sales. The largest markets in Europe are Spain, Italy, France, Switzerland and Greece.

Revenue – Europe

DKK million	9M 2022	9M 2021	Growth	Growth in local currencies	Q3 2022	Q3 2021	Growth	Growth in local currencies	Q2 2022
Abilify Maintena	**1,001**	889	*13%*	*12%*	**344**	301	*14%*	*14%*	330
Brintellix	**965**	777	*24%*	*24%*	**335**	261	*28%*	*27%*	329
Rexulti/Rxulti	**30**	20	*50%*	*45%*	**10**	9	*11%*	*11%*	9
Vyepti	**5**	-	-	-	**5**	-	-	-	-
Strategic brands	**2,001**	1,686	*19%*	*18%*	**694**	571	*22%*	*20%*	668
Cipralex	**513**	519	*(1%)*	*1%*	**176**	183	*(4%)*	*(3%)*	166
Other pharmaceuticals	**640**	647	*(1%)*	*(1%)*	**217**	212	*2%*	*1%*	210
Total revenue	**3,154**	**2,852**	***11%***	***11%***	**1,087**	**966**	***13%***	***12%***	**1,044**

Products

Abilify Maintena is Lundbeck's largest product in the region. Sales uptake of Abilify Maintena is robust with revenue reaching DKK 1,001 million, a growth of 12% in local currencies compared to the first nine months of 2021. Driven by increasing demand from patients, sales of Abilify Maintena are growing across Europe. The market share is still increasing in some markets and the product has achieved 25% or more market share (volume) in most markets (source: IQVIA). In some markets including Italy and Switzerland, the volume market share in July 2022 is approaching or has exceeded 35% (source: IQVIA). Abilify Maintena is the second most prescribed long-acting injectable treatment for patients with schizophrenia in many markets. Spain, Italy and France are the largest European markets for Abilify Maintena.

Brintellix revenue grew 24% reaching DKK 965 million. Brintellix is Lundbeck's second largest product in Europe and realized solid growth across many markets. In main countries, Spain, Italy and France, the product has increased value market shares to 13.4%, 11.0% and 11.4%, respectively by July 2022 (source: IQVIA). The volume shares have increased to around 4.9%, 4.3% and 4.6%, respectively (source: IQVIA).

Rexulti/Rxulti revenue reached DKK 30 million following a growth of 45% in local currencies. The product was launched in Italy in 2021 where it has a stable volume share of around 0.7% by July 2022 (source: IQVIA). Rexulti/Rxulti is in most markets co-promoted with Otsuka Pharmaceuticals.

Vyepti was granted marketing authorization in the European Union (EU) in January 2022 for the prophylactic treatment of migraine in adults who have at least four migraine days per month. The formal EU approval means that the milestone for the Contingent Value Rights (CVRs) of USD 2 per share relating to the acquisition of Alder BioPharmaceuticals, Inc. in

2019 was met. The amount payable by Lundbeck to the CVR holders was totaling approximately USD 230 million (DKK ~1.5 billion) and was paid in the first quarter of 2022. Vyepti is now launched in Finland, Germany and Switzerland. Lundbeck plans to launch in additional markets in EU in 2022 and many more markets from 2023 and onwards following pricing and market access discussions in each market. Sales reached DKK 5 million in the first nine months of 2022. Early launch experiences from the markets indicate that the launches are going well and in Switzerland where the product was first launched in Europe the volume market share among the CGRP products have reached almost 4%.

Cipralex generated revenue of DKK 513 million in the first nine months of 2022. The product has been quite resilient. Sales are generally also impacted by quarterly fluctuations.

Revenue from **Other pharmaceuticals** was DKK 640 million, a decline of 1% in local currencies compared to 2021, as a result of continued generic erosion of mature products.

Key developments in the third quarter of 2022

In the third quarter of 2022, revenue increased by 12% in local currencies (+13% reported) and reached DKK 1,087 million compared to DKK 966 million for the same period in 2021. The strategic brands grew by 20% in local currencies for the period, thereby reaching DKK 694 million or 64% of total revenue. Spain and Italy are key drivers of growth and especially Brintellix benefits from continued strong growth in these markets.

Expenses and profit

In the first nine months of 2022, total costs increased by 9% to DKK 11,117 million compared to DKK 10,242 million for the same period in 2021. Revenue increased 11% in the same period.

Distribution of costs

DKK million	9M 2022	9M 2021	*Growth*	Q3 2022	Q3 2021	*Growth*	Q2 2022
Cost of sales	**2,772**	2,648	*5%*	**961**	851	*13%*	966
COS-ratio	***20.4%***	*21.6%*		***20.4%***	*21.2%*		*21.6%*
Sales and distribution costs	**4,740**	4,103	*16%*	**1,653**	1,391	*19%*	1,652
S&D-ratio	***34.9%***	*33.5%*		***35.0%***	*34.7%*		*36.9%*
Administrative expenses	**756**	663	*14%*	**247**	238	*4%*	273
G&A-ratio	***5.6%***	*5.4%*		***5.2%***	*5.9%*		*6.1%*
Research & development costs	**2,849**	2,828	*1%*	**906**	1,007	*(10%)*	962
R&D-ratio	***21.0%***	*23.1%*		***19.2%***	*25.1%*		*21.5%*
Total costs	**11,117**	**10,242**	***9%***	**3,767**	**3,487**	***8%***	**3,853**

Cost of sales increased by 5% to DKK 2,772 million in the first nine months of 2022 and the **gross margin** was 79.6% compared to 78.4% for the same period in 2021. The increase in gross margin was impacted by product mix and reduced royalty costs on the mature neurology products in the U.S partially offset by FX appreciation and slightly higher utility costs due to inflation. Part of cost of sales relates to amortization of product rights which was DKK 971 million for the period compared to DKK 969 million for the same period in 2021. **Core gross margin** increased from 86.3% to 86.7%.

Sales and distribution costs were DKK 4,740 million in the first nine months of 2022, an increase of 16% compared to the same period in 2021 driven by FX appreciation and generally increasing activity level especially for Vyepti development and launch preparation and patient activation programs in the U.S. Sales and distribution costs corresponded to

34.9% of revenue in the first nine months of 2022, compared to 33.5% for the same period in 2021.

Administrative expenses compared to 2021 increased by 14% to DKK 756 million, corresponding to 5.6% of total revenue. The increase is mainly a result of cloud-based software that is recognized directly in the income statement, FX development and a donation to Red Cross communicated in the financial report for the first half of 2022.

Research & development costs were DKK 2,849 million in the first nine months of 2022 with an R&D ratio of 21.0%. R&D costs are mainly impacted by timing of payments and the completion of phase IV study on vortioxetine.

Total **operational costs** (OPEX) reached DKK 8,345 million in the first nine months of 2022 compared to DKK 7,594 million the same period in 2021 corresponding to an increase of 10%.

Key developments in the third quarter of 2022

In the third quarter of 2022, total costs amounted to DKK 3,767 million, representing an increase of 8% compared to 2021. **Core gross margin** increased from 86.3% to 87.0%.

Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses, which are included in the individual expense categories, amounted to DKK 1,304 million in the first nine months of 2022 compared to DKK 1,276 million in 2021 driven by FX and increased Vyepti amortizations.

Amortization of product rights was DKK 971 million in the first nine months of 2022 compared to DKK 969 million in 2021.

Depreciation, amortization and impairment charges

DKK million	9M 2022	9M 2021	*Growth*	Q3 2022	Q3 2021	*Growth*	Q2 2022
Cost of sales	1,150	1,111	*4%*	409	348	*18%*	373
Sales and distribution cost	77	71	*8%*	30	24	*25%*	24
Administrative expenses	12	22	*(45%)*	4	11	*(64%)*	4
Research & development costs	65	72	*(10%)*	19	24	*(21%)*	26
Total depreciation, amortization and impairment charges	**1,304**	**1,276**	***2%***	**462**	**407**	***14%***	**427**

EBITDA and Profit from operations (EBIT and core EBIT)

Following the solid growth in revenue and prudent cost spend, **EBITDA** increased 14% thereby reaching DKK 3,753 million. **EBITDA-margin** increased from 26.8% to 27.7%.

Reported **EBIT** grew by 22% thereby reaching DKK 2,449 million in the first nine months of 2022. The **EBIT margin** reached 18.1% for the period compared to 16.4% the same period in 2021. **Core EBIT** increased by 13% to DKK 3,372 million compared to the same period in 2021 and **Core EBIT margin** was 24.9% compared to 24.3% in 2021.

In the third quarter of 2022, **EBITDA** reached DKK 1,414 million representing a growth of 52% compared to the same period in 2021 due to lower R&D costs and slower growth in administration costs in the quarter. The **EBITDA margin** increased from 23% to 30%. **EBIT** reached DKK 952 million and **Core EBIT** reached DKK 1,299 million. The **Core EBIT margin** increased from 20.6% to 27.5%.

For definitions of the measures “Core Revenue”, “Core EBIT”, “Core EPS” and “Core EBIT margin”, see note 4 *Core reporting*.

Net financials, expenses

Lundbeck generated a net financial expense of DKK 392 million for the first nine months of 2022 compared to a net financial expense of DKK 311 million for the first nine months of 2021.

The expenses are primarily derived from the fair value adjustments on contingent consideration for the European Medicines Agency's (EMA) approval of Vyepti amounting to DKK 319 million in the first quarter of 2022, along with interest costs on the debt portfolio (including interest rate swaps), and banking costs.

Tax

The effective tax rate for the first nine months of 2022 is 22.0%. The tax rate is negatively impacted by the non-deductible CVR payment regarding Vyepti EMA approval but offset by the Danish research and development incentive.

Profit and EPS

Profit reached DKK 1,605 million for the first nine months of 2022 compared to DKK 1,320 million for the same period in 2021. The reported net profit corresponded to an **EPS** of DKK 1.62 versus an EPS of DKK 1.33 in 2021. **Core EPS** reached DKK 2.61 in the first nine months of 2022, compared to a Core EPS of DKK 2.10 in 2021. The calculation of EPS is based on a share denomination of DKK 1 as a result of the share split completed on June 8, 2022. Comparative figures have been restated to reflect the change in trading unit from a nominal value of DKK 5 to DKK 1.

Cash flows

Cash flows from operating activities amounted to an inflow of DKK 2,232 million in the first 9 months of 2022 compared to an inflow of DKK 1,889 million in the first nine months of 2021. The development compared to 2021 is impacted by higher EBITDA, offset by the realized financial expense in connection with the payment of the contingent consideration for the EMA approval of Vyepti. The EMA approval of Vyepti triggered a payment to former Alder shareholders of USD 2 per share. This resulted in a payment of DKK 1,566 million, consisting of DKK 490 million in operating activities and DKK 1,076 million in investing activities.

Lundbeck's **net cash flows from investing activities** were an outflow of DKK 1,360 million in the first nine months of 2022 compared to an outflow of DKK 332 million in the first 9 months of 2021. In 2022, the cash flow was driven by the payment of contingent consideration related to the EMA approval of Vyepti and CAPEX investments.

The **cash flows from financing activities** were an inflow of DKK 169 million in the first nine months of 2022 compared to an outflow of DKK 2,995 million in the first nine months of 2021. The cash inflow mainly related to the drawing on the RCF needed for the payment triggered by the EMA approval of Vyepti.

In the first nine months of 2022, the **net cash inflow** reached DKK 1,041 million compared to an outflow of DKK 1,438 million in 2021 which included repayment of DKK 2.0 billion loan. The net cash flow in 2022 is impacted by the EMA approval of Vyepti and the dividend payout of DKK 397 million which was approved at the Annual General Meeting in March 2022.

Selected cash flow figures

DKK million	9M 2022	9M 2021	Q3 2022	Q3 2021
Profit from operations (EBIT)	**2,449**	**2,004**	**952**	**526**
Cash flows from operating activities	2,232	1,889	1,521	1,219
Cash flows from investing activities	(1,360)	(332)	(133)	(138)
Cash flows from operating and investing activities (free cash flow)	**872**	**1,557**	**1,388**	**1,081**
Cash flows from financing activities	169	(2,995)	(311)	(272)
Net cash flow for the period	**1,041**	**(1,438)**	**1,077**	**809**

Financial position

At September 30, 2022, Lundbeck's **total assets** amounted to DKK 39,305 million compared to DKK 34,653 million at the end of 2021.

At September 30, 2022, Lundbeck's **equity** amounted to DKK 20,919 million, corresponding to an **equity ratio** of 53.2% compared to 52.7% at the end of 2021.

Net debt has been reduced from DKK 3,214 million at the end of September 2021 to DKK 3,021 million at September 30, 2022. **Interest bearing debt** was DKK 6,427 million at the end of September 2022 compared to DKK 5,718 million at the end of September 2021. Interest bearing debt is driven by drawings on loans, higher cash balance and loans partly being USD-denominated.

Selected balance sheet figures

DKK million	9M 2022	9M 2021	FY 2021
Total assets	**39,305**	**35,119**	**34,653**
Lundbeck's share of equity	20,919	18,083	18,279
Net-interest bearing debt	3,021	3,214	3,189
Invested capital, end of period	**15,365**	**13,822**	**13,185**

Lundbeck's development portfolio

Lundbeck is developing several new and promising medicines for the treatment of brain diseases.

Pipeline developments are summarized below.

Project	Area	Phase I	Phase II	Phase III	Filing/ Launch
Hormonal / neuropeptide signaling:					
Eptinezumab (anti-CGRP)[1)]	Migraine prevention				*PROMISE 1 & 2*
	Migraine prevention (Asia)[2)]			*SUN-studies*	
	Episodic cluster headache			*ALLEVIATE*	
	Chronic cluster headache[3)]			*CHRONICLE*	
Lu AG09222 (anti-PACAP mAb)[4)]	Migraine prevention		*HOPE*		
Circuitry / neuronal biology:					
Brexpiprazole[5)]	Agitation in Alzheimer's disease				
	PTSD				
Aripiprazole 2-months injectable	Schizophrenia/bipolar I disorder				
Lu AG06466[6)]	MS spasticity[7)], PTSD				
Lu AF28996 (D_1/D_2 agonist)	Parkinson's disease				
Protein aggregation, folding and clearance:					
Lu AF82422 (anti-α-synuclein mAb)	Multiple system atrophy		*AMULET*		
Lu AF87908 (anti-Tau mAb)	Tauopathies				
Neuroinflammation / neuroimmunology:					
Lu AG22151 (CD40L inhibitor)	Neurology				

1) CGRP: Calcitonin gene-related peptide. 2) Two phase III clinical trials, supporting registration in Asia, including China and Japan: *SUNRISE*, and *SUNSET* trials. 3) Long-term safety study. 4) PACAP: Pituitary adenylate cyclase activating peptide. 5) Acts as a partial agonist at 5-HT_{1A} and dopamine D_2 receptors at similar potency, and an antagonist at 5-HT_{2A} and noradrenaline alpha$_{1B/2C}$ receptors. 6) Monoacylglycerol lipase inhibitor ("MAGlipase"). 7) Spasticity in participants with Multiple Sclerosis.

Hormonal / neuropeptide signaling:

Eptinezumab - development and regulatory status

Eptinezumab is a monoclonal antibody (mAb) that binds to calcitonin gene-related peptide (CGRP), a neuropeptide believed to play a key role in mediating and initiating migraines, with high specificity and

potency. Eptinezumab is administered as a 30-minute intravenous (IV) infusion, providing immediate and complete bioavailability.

In February 2020, Vyepti (eptinezumab-jjmr) was approved by the U.S. Food and Drug Administration (FDA) as the first FDA-approved IV treatment for the treatment of migraine in adults. In January 2022, Lundbeck announced that the European Commission has granted marketing authorization for Vyepti in the European Union (EU) for the prophylactic treatment of migraine in adults who have at least four migraine days per month. The approval follows the positive opinion on November 11, 2021, from the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP). The EU marketing authorization is valid in all EU Member States, Iceland, Norway, and Liechtenstein.

Furthermore, Vyepti has been approved in U.A.E. (December 2020), Canada (January 2021), Kuwait (May 2021), Australia (June 2021), Singapore (September 2021), Switzerland (October 2021), Israel (December 2021), Great Britain (January 2022), Brazil (February 2022), Indonesia (May 2022), Mexico (July 2022), Saudi Arabia (August 2022) and Hong Kong (September 2022).

Eptinezumab has been submitted for regulatory review in several additional markets.

During 2021, Lundbeck initiated three phase III clinical trials, supporting registration in Asia, including China and Japan. The *SUNLIGHT* trial (NCT04772742) is a smaller trial designed to test the efficacy of eptinezumab to prevent migraine and headache in patients with the combined diagnosis of chronic migraine and medication overuse headache. This first trial including Asian patients was conceived as an accelerated path to launch in China. Patients are randomly allocated to placebo or eptinezumab 100 mg given by IV infusion (n=182). The total study duration is approximately 36 weeks and includes a Screening Period (28-30 days), a Placebo-controlled Period (12 weeks), an Open-Label Period (12 weeks), and a Safety Follow-up Period (8 weeks). The placebo-controlled period has completed. While the outcomes numerically favored the eptinezumab arm for the primary and key secondary endpoints, the study did not reach statistically significant separation from placebo for the primary endpoint. Further analyses are ongoing and the open label and safety follow-up portions of the study continue.

The *SUNRISE* trial (NCT04921384) evaluates the efficacy of eptinezumab to prevent migraine and headache in patients with chronic migraine. This study forms the base case for Asian approval across Japan, China and Korea. Patients will be randomly allocated to placebo or two treatment groups: eptinezumab 100 mg or 300 mg given by IV infusion (n=513). The total study duration is either approximately 36 weeks, including screening period and safety follow-up; or 24 weeks for patients in Japan that enter a separate open label extension trial, the *SUNSET* trial (NCT05064371). The *SUNSET* study will enroll approximately 100 patients with a total study duration of approximately 68 weeks. Based on the outcome of the *SUNLIGHT* trial, Lundbeck is increasing the sample size of the *SUNRISE* trial.

In December 2020, Lundbeck initiated a phase III clinical study investigating the efficacy of eptinezumab in patients with episodic cluster headache (*ALLEVIATE*). The study (NCT04688775) is planned to recruit around 300 patients that will be randomly assigned to receive treatment consisting of two infusions of either eptinezumab or placebo in a cross-over manner. The total duration of the study is 24 weeks, including a safety follow up period of 8 weeks. During 2021, Lundbeck further initiated a 1-year safety and tolerability trial in participants with chronic cluster headache (*CHRONICLE*). The study (NCT05064397) recently completed recruitment.

In 2022, Lundbeck has initiated an explorative, randomized, pragmatic open label study to evaluate the comparative effectiveness of eptinezumab against other advanced preventive medications in a real-world community setting in adult participants with episodic or chronic migraine (*EVEC*, NCT05284019). The objectives include exploring the comparative effectiveness on patient-reported outcomes. The study is planned to enroll 200 patients.

Also, in 2022, Lundbeck has initiated a phase IV study investigating the add-on efficacy of eptinezumab treatment to brief educational intervention, for the preventive treatment of migraine in patients with a dual diagnosis of migraine and medication overuse headache (*RESOLUTION*). The study (NCT05452239) is planned to recruit around 570 patients that will be randomly assigned to receive either eptinezumab or placebo given by IV infusion. The total study duration is approximately 36 weeks including screening period and safety follow-up.

Lu AG09222 – phase II

Lu AG09222 represents a potential new therapeutic option for the treatment of migraine, which unlike the recently available calcitonin gene-related peptide (CGRP) migraine treatment drug class, targets pituitary adenylate cyclase-activating polypeptide (PACAP). PACAP and its receptors are broadly expressed in the nervous system, including at sites implicated in migraine pathophysiology. In pre-clinical and clinical studies in healthy subjects, Lu AG09222 has shown to bind with high affinity to PACAP, thereby preventing PACAP from activating its receptors.

In 2021, Lundbeck completed a study confirming the target engagement of Lu AG09222 with PACAP (NCT04976309). In this study, the preventive effect of Lu AG09222 on vasodilation induced by PACAP was investigated and confirmed. Subsequently, in November 2021, Lundbeck initiated the *HOPE*-study, a randomized, double-blind, phase II, proof of concept study to assess efficacy, safety, and tolerability of Lu AG09222 as a treatment for the prevention of migraine (NCT05133323) which is currently ongoing. A total of 230 patients, recruited from specialist settings, will be randomly allocated to one of three treatment groups: high/low dose of Lu AG09222 or placebo. In parallel with this, in 2021, Lundbeck initiated a multiple dose safety, pharmacokinetic (PK) and pharmacodynamic (PD) trial in subjects with allergic rhinitis (NCT05126316) to explore effects of Lu AG09222 in patients with elevated, circulating inflammatory biomarkers. Participants receive Lu AG09222 high dose, low dose, or placebo. The study has completed enrollment.

Circuitry / neuronal biology:

Brexpiprazole – phase III in Alzheimer's agitation

In June 2022, Lundbeck and Otsuka Pharmaceutical reported positive results showing reduced agitation in patients with Alzheimer's dementia treated with brexpiprazole. In the study, the improvements from baseline on the primary endpoint of CMAI for patients receiving brexpiprazole or 2 mg/day or 3 mg/day were statistically greater than for those receiving placebo (p=0.0026). This result was supported by a statistically superior improvement on the key secondary endpoint of CGI-S, as related to agitation (p=0.0055).

Brexpiprazole was generally well tolerated, and no new safety signals were observed. The only Treatment Emergent Adverse Event (TEAE) with more than 5% incidence in patients treated with brexpiprazole was headache (6.6% vs. 6.9% for placebo). The following TEAEs occurred at an incidence of at least 2% in brexpiprazole treatment group and greater than that of placebo: somnolence, nasopharyngitis, dizziness, diarrhea, urinary tract infection, and asthenia. There was one death observed in the 3 mg/day treatment group, assessed by the investigator as not related to treatment.

Based on this outcome, Lundbeck and Otsuka are planning a regulatory filing to the FDA in the fourth quarter of 2022. The Supplemental New Drug Application will be comprised of this study as well as two earlier trials. In February 2016, the FDA granted fast track designation for brexpiprazole for the treatment of agitation in patients with Alzheimer's dementia.

Brexpiprazole – phase III in Post-Traumatic Stress Disorder (PTSD)

PTSD is a psychiatric disorder that can develop as a response to traumatic events, such as interpersonal violence, combat, life-threatening accidents or natural disasters. Core features of PTSD include a variety of symptoms, such as re-experiencing phenomena (i.e., flashbacks and nightmares), avoidance behavior, numbing (i.e., amnesia, anhedonia, withdrawal, negativism) and increased arousal (i.e., insomnia, irritability, poor concentration,

hypervigilance). Psychiatric co-morbidities are common, and PTSD sufferers can also present with substance abuse, mood and other anxiety disorders, impulsive and dangerous behavior, and self-harm.

In November 2018, Lundbeck and Otsuka Pharmaceutical reported data from an explorative phase II study in PTSD, with positive findings from the treatment arm that examined a combination treatment of brexpiprazole and sertraline. On basis of these data, Lundbeck and Otsuka Pharmaceutical initiated two pivotal phase III trials (NCT04124614; n=577 and NCT04174170; n=733), investigating the use of brexpiprazole in combination with sertraline in the treatment of PTSD, subsequent to an End of Phase II meeting with the U.S. FDA in May 2019. The execution of those two ongoing studies was challenged by the COVID-19 pandemic, primarily impacting enrollment rates. Therefore, Lundbeck and Otsuka Pharmaceutical have been seeking phase III program advice from the U.S. FDA. Given the obtained FDA guidance, the program will continue, however with reduced sample size and with estimated headline results in the second half of 2023.

Aripiprazole – 2-Month Injectable (LAI) formulation

In July 2019, Lundbeck and Otsuka Pharmaceutical initiated a pivotal phase Ib study (NCT04030143) to determine the safety, tolerability, and pharmacokinetics of multiple-dose administrations of aripiprazole to adult participants with schizophrenia or bipolar I disorder. The study was an open-label, multiple-dose, randomized, parallel-arm, multicenter study. In addition to assessment of safety and tolerability, the objective was to establish the similarity of aripiprazole concentrations on the last day of the dosing interval and the exposure in the last dosing interval following the final administration of aripiprazole into the gluteal muscle site. The study showed that the new 2-month formulation provided effective plasma concentrations of aripiprazole for two months, while being safe and tolerable.

A long-acting injectable formulation ensures continuous exposure to medication and through a simplified treatment regimen, many of the challenges with poor treatment adherence may be mitigated, resulting in a potential positive impact on patient outcomes.

The new 2-month formulation is an innovative addition to the LAI franchise and has patent protection until the early part of the next decade.

Lundbeck and Otsuka Pharmaceutical have submitted the Marketing Authorisation Application (MAA) for aripiprazole as a 2-month ready-to-use (RTU) long-acting injectable (LAI) for the maintenance treatment of schizophrenia in adult patients stabilized with aripiprazole to the European Medicines Agency (EMA) as well as to the U.S FDA and Health Canada for the treatment of schizophrenia and bipolar disorder. The MAA was submitted May 26, 2022. The U.S. NDA was submitted June 27, 2022 – PDUFA date April 27, 2023.

Lu AG06466 – phase Ib

Lu AG06466 (formerly ABX1431) is an inhibitor of the monoacylglycerol lipase (MAGL) and selective modulator of the endocannabinoid system, and thereby works to reduce excessive neuro-transmission and neuroinflammation that are known pathophysiological hallmarks for a range of psychiatric and neurological disorders. A phase Ib study was initiated in September 2020 with the purpose to investigate the effect of Lu AG06466 after multiple doses in patients with PTSD (NCT04597450). Another phase Ib investigational study was initiated in multiple sclerosis spasticity in September 2021 (NCT04990219).

Lu AF28996 – phase I

Lu AF28996 is a small molecule with agonistic properties towards D1 and D2 receptors. Continuous D1 and D2 dopamine receptor stimulation may play an important role in motor control of Parkinson's disease patients. A phase Ib study was initiated in February 2020 with the purpose to investigate the safety and tolerability as well as pharmacokinetics of Lu AF28996 in patients with Parkinson's disease (NCT04291859).

Protein aggregation, folding and clearance:

Lu AF82422 – phase II

Lu AF82422 is a monoclonal antibody (mAb) targeting the pathological form of the protein alpha-synuclein that is believed to play a pivotal role in the development and progression of neurodegenerative diseases such as multiple system atrophy (MSA), Parkinson's disease (PD), and other synucleinopathies. By targeting pathological alpha-synuclein with an antibody that will inhibit aggregation and potentially clear pathological alpha-synuclein from the brain, the project aims to demonstrate delay of disease progression and therapeutic effect on disease burden and function. Lu AF82422 has been demonstrated to be well-tolerated in a phase I single-ascending dose study, which was completed in July 2021. A phase II study (*AMULET*) was initiated in November 2021 (NCT05104476) and is presently ongoing in the U.S. and Japan. The primary objective of the study is to evaluate the efficacy of Lu AF82422 versus placebo on disease progression in patients with MSA.

A natural history study (*TALISMAN*) for early MSA patients has been initiated in China in June 2022, and opened for recruitment in the EU (France, Germany, Italy) in October 2022.

Orphan drug designation for MSA was granted by EMA in April 2021.

Lu AF87908 – phase I

Lu AF87908 is a monoclonal antibody (mAb) targeting the pathological form of the hyper-phosphorylated tau protein, which is believed to play a pivotal role in the development and progression of Alzheimer's disease and other tau-driven neurodegenerative disorders (primary tauopathies). Lu AF87908 binds to a specific tau epitope (pS396-tau) which is a dominating phosphorylation site in pathological tau. A phase I program on Lu AF87908 was initiated in September 2019 to investigate the safety and tolerability as well as pharmacokinetics of a single dose of Lu AF87908, in healthy subjects and patients with Alzheimer's Disease (NCT04149860). Trial execution has been delayed as accrual of patients has been impacted by COVID-19.

Neuroinflammation / neuroimmunology:

In October 2021, Lundbeck acquired an exclusive license to Lu AG22515 (formerly APB-A1) from AprilBio Co. Ltd in South Korea. Lu AG22515 is a CD40L/serum-albumin bispecific antibody-fragment that blocks the CD40L/CD40 pathway through direct neutralization of CD40L, thereby affecting adaptive and innate immune responses. Lu AG22515 holds strong promise in the treatment of a wide range of autoimmune-related CNS disorders and neurological diseases with autoreactive T-cells, B-cells and marked presence of autoantibodies and inflammation. A First-in-Human study (NCT05136053) testing single ascending doses of Lu AG22515 in healthy volunteers was initiated in the U.S. in March 2022.

Sustainability update

Climate and energy

In the first nine months of 2022, energy consumption decreased by 0.8% compared to same period last year. This is attributed to energy reduction initiatives at the Padova site (Italy) and the Valby site (Denmark).

GHG emissions from our sites have increased by 15% due to limited supply of biooil leading to increased consumption of gasoil. However, our overall Scope 1 emissions decreased by 7% due to a 15% decrease in emissions from our company cars which constitute 2/3 of our Scope 1 GHGs.

Scope 2 GHG emissions have decreased by 69% due to the power purchase agreement supplying the Danish sites with renewable solar electricity since the start of the year. In total we have achieved a 17% reduction in Scope 1 and 2 GHG emissions.

Health & Safety

The number of work-related accidents with absence is 17 in the first nine months of 2022, the same as in

2021, giving a frequency of 6.3 which is above our target of 5.0. Three of the 17 accidents are categorized as high consequence, which means that the employee is not expected to recover fully to pre-injury health status within six months. Our target is to have no more than 4 such accidents per year. One third of all the accidents are related to ergonomic and back injuries. Action plans are in place to minimize accidents and risks on all sites, including retraining in lifting techniques.

Business Ethics

62 new Compliance Hotline reports were received in the first nine months of 2022. The increase compared to the same period last year is largely attributed to an update in the accounting policies to more accurately reflect the number of reports received. From 2022, Lundbeck records each report separately, regardless of whether they are found to be substantially duplicative or out of scope. 23 cases would have been reported so far in 2022 if the accounting policies had not been updated, this is compared to 15 cases in the same period in 2021.

In the first nine months of 2022, Due Diligence assessments of 102 potential third parties were conducted, which identified 9 potential cases where one of more issues will be mitigated and monitored if the collaboration agreement is executed. This is compared to 99 assessments conducted in the first nine months of 2021.

Lundbeck's annual Code of Conduct training has been prepared in the third quarter of 2022, to be launched companywide in fourth quarter of 2022. Under the theme of 'Doing the right thing', the training covers key aspects of the Code of Conduct such as anticorruption and bribery, social media, HCP interactions and data privacy. The training is mandatory for all to complete and we report on the completion rate in our annual sustainability report.

Sustainability Key Performance Indicators

Category	9M 2022	9M 2021	*Change (%)*
Energy consumption (MWh)[1]	78,180	78,825	(0.8%)
Scope 1 GHGs (Tonne CO_2e)	16,965	18,194	(7.2%)
Scope 2 GHGs – market based (Tonne CO_2e)	3,328	5,638	(69%)
Scope 1+2 GHGs (Tonne CO_2e)	20,293	23,832	(17%)
Frequency of lost time accidents (Frequency)	6.3	6.3	0%
Work-related accidents with absence (Number)	17	17	0%
Compliance Hotline reports (Number)[2]	62	16	N/A
Due Diligence screenings of suppliers and third parties (Number)	102	99	2.9%

Note: See Lundbeck Sustainability Report 2021 for accounting policies and definitions
1 The 2021 energy consumption data updated
2 Update in accounting policies for number of Compliance Hotline reports

General corporate matters

Pending legal proceedings

Lundbeck is involved in a number of legal proceedings, including patent disputes, the most significant of which are described below. The outcome of these proceedings is not expected to have a material impact on the Group's financial position or cash flows beyond the amount already provided for in the financial statements, or it is too uncertain to make a reliable provision. Such proceedings will, however, develop over time, and new proceedings may occur which could have a material impact on the Group's financial position and/or cash flows.

In June 2013, Lundbeck received the European Commission's decision that agreements concluded with four generic competitors concerning citalopram violated competition law. The decision included fining Lundbeck EUR 93.8 million (approximately DKK 700 million). Lundbeck paid and expensed the fine in the third quarter of 2013. In March 2021 the European

Court of Justice rejected Lundbeck's final appeal of the European Commission's decision. So-called "follow-on claims" for reimbursement of alleged losses, resulting from alleged violation of competition law, often arise when decisions and fines issued by the European Commission are upheld by the European Court of Justice. Health authorities in the UK and an umbrella organization of Dutch health insurance companies have taken formal protective steps against Lundbeck with the principal purpose of preventing potential claims from being time-barred under the applicable statutes of limitation. In September 2021, the UK proceedings were transferred from the High Court to the Competition Appeal Tribunal at the request of the parties. In early October 2022 Lundbeck received a required 8 weeks' notice, which means that the UK health authorities may submit its claim to the court after 25 November 2022. Lundbeck expects that the UK health authorities will now pursue their alleged claims. Further, in late October 2021, Lundbeck received a writ of summons from a German health care company claiming compensation for an alleged loss of profit plus interest payments, allegedly resulting from Lundbeck's conclusion of agreements with two of the four generic competitors, which were comprised by the EU Court of Justice ruling. Lundbeck has filed its first defense in May 2022 and the parties have subsequently exchanged additional pleadings. It may take several years before a final conclusion is reached by the German courts. Finally, in March and April 2022 Lundbeck received letters from several regional health authorities in Spain specifically stating that they are intended to interrupt the statute of limitation. It is still uncertain whether the health authorities in Spain will actively pursue any claims. Lundbeck disagrees with all claims and intends to defend itself against them.

In Canada, Lundbeck is involved in three product liability class-action lawsuits relating to Cipralex/Celexa® (two cases alleging various Celexa-induced birth defects and one case against several SSRI manufacturers (incl. Lundbeck) alleging that SSRI (Celexa/Lexapro) induces autism birth defect), three relating to Abilify Maintena (alleging i.a. failure to warn about compulsive behavior side effects) and one relating to Rexulti (also alleging i.a. failure to warn about compulsive behavior side effects). The cases are in the preliminary stages and as such there is significant uncertainty as to how these lawsuits will be resolved. Lundbeck strongly disagrees with the claims raised.

In 2018, Lundbeck entered into settlements with three of four generic companies involved in an Australian federal court case, in which Lundbeck was pursuing patent infringement and damages claims over the sale of escitalopram products in Australia. Lundbeck received AUD 51.7 million (DKK 242 million) in 2018. In Lundbeck's case against the last of the four generic companies, Sandoz Pty Ltd, the Federal Court found that Sandoz Pty Ltd had infringed Lundbeck's escitalopram patent between 2009 and 2012 and awarded Lundbeck AUD 26.3 million in damages. Sandoz' appeal of the decision was heard in May 2019 and the Full Federal Court has in August 2020 allowed Sandoz' appeal and decided that Sandoz is not liable for damages. The High Court of Australia has now allowed Lundbeck's appeal and overturned the Full Federal Court decision on all major issues. The case will be sent back to the Federal Court for recalculation of damages and Lundbeck's appeal of the Australian Patent Office's decision to grant Sandoz a license will be restarted.

Together with Takeda, Lundbeck instituted patent infringement proceedings against 16 generic companies in response to their filing of Abbreviated New Drug Applications ("ANDAs") with the U.S. FDA seeking to obtain marketing approval for generic versions of Trintellix in the U.S. Two opponents have since withdrawn and Lundbeck has settled with eight opponents. As communicated by Lundbeck in company release no. 706 dated October 1, 2021, the cases against the six remaining opponents (the "ANDA Filers") has been decided by the U.S. District Court for the District of Delaware (the 'Court'). The Court found that Lundbeck's patent protecting the active ingredient in Trintellix, vortioxetine (U.S. Patent No. 7,144,884) is valid. The active ingredient patent expires on June 17, 2026, with an expected six-month pediatric exclusivity period extending to December 17, 2026. Assuming the ruling is confirmed at appeal, final approval will not be granted to the relevant ANDA Filers until after expiration of the

active ingredient patent, including any extension or additional periods of exclusivity. A total of seven other patents asserted at trial were found by the Court to be valid or their validity was not challenged during the trial. The Court decided that none of the seven other patents were infringed by the relevant ANDA Filers, except that Lupin was found to infringe a patent covering Lundbeck's process for manufacturing vortioxetine. Unless and until the Court's ruling is reversed on appeal, the patents found not infringed by a particular ANDA Filer will not prevent that ANDA Filer from receiving final approval. For details on each of the patents comprised by the case, please see the company release no. 706. The Court's decision has been appealed by Lundbeck to the U.S. Court of Appeals for the Federal Circuit. Lupin has appealed with respect to the process patent and the ANDA Filers have cross appealed with respect to the validity of two of the seven other patents. The validity of the compound patent has not been challenged under the appeal.

Together with Otsuka Pharmaceutical, Lundbeck has instituted patent infringement proceedings against several generic companies that have applied for marketing authorization for generic versions of Rexulti (brexpiprazole) in the U.S. The proceedings have now been resolved. The compound patent remains valid until June 23, 2029, including expected pediatric extensions.

Lundbeck received a Civil Investigative Demand ("CID") from the U.S. Department of Justice ("DOJ") in March 2020. The CID seeks information regarding the sales, marketing, and promotion of Trintellix. Lundbeck is cooperating with the DOJ.

Lundbeck and Otsuka have received a Paragraph IV certification from Mylan Pharmaceuticals with respect to certain of the patent listed for Abilify Maintena in the U.S., and Otsuka and Lundbeck have instituted patent infringement proceedings against Mylan and Viatris Inc. The U.S. FDA cannot grant marketing authorization in the U.S. to Mylan or Viatris Inc. before the patents expire unless they receive a decision in their favor. A District Court decision is currently expected by August 2024. Abilify Maintena is covered by several US patents relating to specific forms of the active ingredient, formulations, processes, devices, indications and methods of use, which will expire in different years, with the latest patent expiry date in the United States being in 2034.

In June 2022 in the U.S., several entities created for the purpose of receiving assignment of claims from payors providing health insurance coverage pursuant to Medicare Parts C and D and Medicaid filed a complaint against Lundbeck and others. The complaint alleges that Lundbeck and the other defendants conspired to increase the unit price and quantity dispensed of Xenazine. Lundbeck denies the allegations in the complaint and intends to defend itself.

Conference call

Today at 13.00 CET, Lundbeck will be hosting a conference call for the financial community. You can find dial-ins and a link for webcast online at www.lundbeck.com under the Investor section.

STATEMENT OF THE BOARD OF DIRECTORS AND THE REGISTERED EXECUTIVE MANAGEMENT

The Board of Directors and the Registered Executive Management have discussed and adopted the interim report of H. Lundbeck A/S for the period January 1 to September 30, 2022. The interim report is presented in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies.

We consider the accounting policies applied to be appropriate. Accordingly, the interim report gives a true and fair view of the Group's assets, liabilities and financial position as of September 30, 2022, and of the results of the Group's operations and cash flows for the period, which ended on September 30, 2022.

In our opinion, the Management's Review gives a true and fair view of activity developments, the Group's general financial position and the results for the period. It also gives a fair view of the significant risks and uncertainty factors that may affect the Group relative to the disclosures in the Annual Report 2021.

The interim report has not been subject to audit or reviewed by the company's independent auditors.

Valby, November 9, 2022

Registered Executive Management

Deborah Dunsire President and CEO	Lars Bang Executive Vice President, Product Development & Supply	Joerg Hornstein Executive Vice President, CFO	Per Johan Luthman Executive Vice President, Research & Development
Jacob Tolstrup Executive Vice President, Commercial Operations			

Board of Directors

Lars Søren Rasmussen Chairman of the Board	Lene Skole-Sørensen Deputy Chairman of the Board	Santiago Arroyo	Jeffrey Berkowitz
Lars Erik Holmqvist	Jeremy Max Levin	Ilse Dorothea Wenzel	
Hossein Armandi Employee representative	Dorte Clausen Employee representative	Lasse Skibsbye Employee representative	Camilla Gram Andersson Employee representative

CONDENSED FINANCIAL STATEMENTS

Condensed statement of profit or loss

DKK million	9M 2022	9M 2021	Q3 2022	Q3 2021	FY 2021
Revenue	13,566	12,246	4,719	4,013	16,299
Cost of sales	2,772	2,648	961	851	3,648
Gross profit	**10,794**	**9,598**	**3,758**	**3,162**	**12,651**
Sales and distribution costs	4,740	4,103	1,653	1,391	5,885
Administrative expenses	756	663	247	238	933
Research and development costs	2,849	2,828	906	1,007	3,823
Profit from operations (EBIT)	**2,449**	**2,004**	**952**	**526**	**2,010**
Net financials, expenses	392	311	70	114	429
Profit before tax	**2,057**	**1,693**	**882**	**412**	**1,581**
Tax on profit for the period	452	373	194	91	263
Profit for the period	**1,605**	**1,320**	**688**	**321**	**1,318**
Earnings per share, basic (EPS) (DKK)	1.62	1.33	0.69	0.32	1.33
Earnings per share, diluted (DEPS) (DKK)	1.62	1.33	0.69	0.32	1.33

Statement of comprehensive income

DKK million	9M 2022	9M 2021	Q3 2022	Q3 2021	FY 2021
Profit for the period	**1,605**	**1,320**	**688**	**321**	**1,318**
Actuarial gains/losses	-	-	-	-	(1)
Tax	-	-	-	-	-
Items that will not be reclassified subsequently to profit or loss	**-**	**-**	**-**	**-**	**(1)**
Exchange rate gains/losses on investments in foreign subsidiaries	1,819	637	802	283	960
Exchange rate gains/losses on additions to net investments in foreign subsidiaries	(69)	(103)	(21)	(18)	(157)
Hedging of net investments in foreign subsidiaries	(295)	(104)	(127)	(37)	(127)
Deferred gains/losses on cash flow hedge, exchange rate	(739)	(206)	(331)	(65)	(340)
Deferred gains/losses on cash flow hedge, interest rate	46	46	7	4	63
Deferred gains/losses on cash flow hedge, price	188	-	48	-	-
Exchange gains/losses, hedging (transferred to the hedged items)	401	(78)	199	24	(53)
Tax	106	99	51	21	137
Items that may be reclassified subsequently to profit or loss	**1,457**	**291**	**628**	**212**	**483**
Other comprehensive income	**1,457**	**291**	**628**	**212**	**482**
Comprehensive income	**3,062**	**1,611**	**1,316**	**533**	**1,800**

Condensed statement of financial position

DKK million	30.09.2022	30.09.2021	31.12.2021
Assets			
Intangible assets	23,765	22,725	22,750
Property, plant and equipment	2,920	2,789	2,907
Other financial assets	199	64	57
Other receivables	154	131	134
Deferred tax assets	233	278	193
Non-current assets	**27,271**	**25,987**	**26,041**
Inventories	3,984	2,756	2,775
Receivables	4,644	3,872	3,558
Cash and bank balances	3,406	2,504	2,279
Current assets	**12,034**	**9,132**	**8,612**
Assets	**39,305**	**35,119**	**34,653**
Equity and liabilities			
Share capital	996	996	996
Foreign currency translation reserve	2,412	611	874
Hedging reserve	(243)	(91)	(162)
Retained earnings	17,754	16,567	16,571
Equity	**20,919**	**18,083**	**18,279**
Retirement benefit obligations	285	284	288
Deferred tax liabilities	2,057	1,615	1,448
Provisions	149	81	92
Bank debt and bond debt	5,762	5,080	4,783
Lease liabilities	430	418	453
Other payables	567	474	492
Non-current liabilities	**9,250**	**7,952**	**7,556**
Retirement benefit obligations	1	2	1
Provisions	1,386	1,269	1,405
Trade payables	4,603	4,271	3,914
Lease liabilities	88	78	86
Income taxes payable	553	581	519
Other payables	2,505	2,883	2,893
Current liabilities	**9,136**	**9,084**	**8,818**
Liabilities	**18,386**	**17,036**	**16,374**
Equity and liabilities	**39,305**	**35,119**	**34,653**

Statement of changes in equity

DKK million	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Total equity
Equity at January 1, 2022	**996**	**874**	**(162)**	**16,571**	**18,279**
Profit for the period	-	-	-	1,605	1,605
Other comprehensive income	-	1,538	(81)	-	1,457
Comprehensive income	-	**1,538**	**(81)**	**1,605**	**3,062**
Distributed dividends, gross	-	-	-	(398)	(398)
Dividends received, treasury shares	-	-	-	1	1
Buyback of treasury shares	-	-	-	(45)	(45)
Incentive programs	-	-	-	20	20
Tax on other transactions in equity	-	-	-	-	-
Other transactions	-	-	**-**	**(422)**	**(422)**
Equity at September 30, 2022	**996**	**2,412**	**(243)**	**17,754**	**20,919**

DKK million	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Total equity
Equity at January 1, 2021	**996**	**134**	**95**	**15,748**	**16,973**
Profit for the period	-	-	-	1,320	1,320
Other comprehensive income	-	477	(186)	-	291
Comprehensive income	**-**	**477**	**(186)**	**1,320**	**1,611**
Distribution of dividends, gross	-	-	-	(498)	(498)
Dividends received, treasury shares	-	-	-	1	1
Buyback of treasury shares	-	-	-	(34)	(34)
Incentive programs	-	-	-	30	30
Tax on other transactions in equity	-	-	-	-	-
Other transactions	**-**	**-**	**-**	**(501)**	**(501)**
Equity at September 30, 2021	**996**	**611**	**(91)**	**16,567**	**18,083**

Condensed statement of cash flows

DKK million	9M 2022	9M 2021	Q3 2022	Q3 2021	FY 2021
Profit from operations (EBIT)	**2,449**	**2,004**	**952**	**526**	**2,010**
Adjustments for non-cash items	1,110	636	474	317	1,148
Change in working capital	(691)	(214)	125	514	(305)
Cash flows from operations before financial receipts and payments	**2,868**	**2,426**	**1,551**	**1,357**	**2,853**
Financial receipts and payments	(484)	(30)	4	65	(132)
Cash flows from ordinary activities	**2,384**	**2,396**	**1,555**	**1,422**	**2,721**
Income taxes paid	(152)	(507)	(34)	(203)	(449)
Cash flows from operating activities	**2,232**	**1,889**	**1,521**	**1,219**	**2,272**
Contingent consideration pmt. from acquisitions of company	(1,076)	-	-	-	-
Purchase and sale of intangible assets and property, plant and equipment	(284)	(332)	(133)	(138)	(610)
Cash flows from investing activities	**(1,360)**	**(332)**	**(133)**	**(138)**	**(610)**
Cash flows from operating and investing activities (free cash flow)	**872**	**1,557**	**1,388**	**1,081**	**1,662**
Proceeds from loans and issue of bonds	1,234	400	-	-	400
Repayment of bank loans and borrowings	(552)	(2,802)	(286)	(250)	(3,123)
Dividends paid in the financial year, net	(397)	(497)	-	-	(497)
Other financing activities	(116)	(96)	(25)	(22)	(116)
Cash flows from financing activities	**169**	**(2,995)**	**(311)**	**(272)**	**(3,336)**
Net cash flow for the period	**1,041**	**(1,438)**	**1,077**	**809**	**(1,674)**
Cash and bank balances at beginning of period	2,279	3,924	2,298	1,691	3,924
Unrealized exchange gains/losses on cash and bank balances	86	18	31	4	29
Net cash flow for the period	1,041	(1,438)	1,077	809	(1,674)
Cash and bank balances at end of period	**3,406**	**2,504**	**3,406**	**2,504**	**2,279**
Interest-bearing debt, cash, bank balances and securities, net, is composed as follows:					
Cash and bank balances	**3,406**	**2.504**	**3.406**	**2,504**	**2,279**
Interest-bearing debt	(6,427)	(5.718)	(6.427)	(5,718)	(5,468)
Net cash/(net debt)	**(3,021)**	**(3.214)**	**(3.021)**	**(3,214)**	**(3,189)**

Statement of profit or loss – Core results reconciliation (9M)

9M 2022

DKK million	Reported result	Amortization of product rights	Impairment and inventory valuation	Major restructuring	Acquisition and integration costs	Legal fees and settlements	Divestments / sales milestones	Core result
Revenue	13,566	-	-	-	-	-	-	13,566
Cost of Sales	2,772	(971)	-	-	-	-	-	1,801
Gross profit	**10,794**	**971**	**-**	**-**	**-**	**-**	**-**	**11,765**
Sales and distribution costs	4,740	-	-	43	-	-	-	4,783
Administrative expenses	756	-	-	-	-	-	-	756
Research and development costs	2,849	-	-	5	-	-	-	2,854
Profit from operations (EBIT)	**2,449**	**971**	**-**	**(48)**	**-**	**-**	**-**	**3,372**
Net financials, expenses	392	-	-	-	-	-	(278)	114
Profit before tax	**2,057**	**971**	**-**	**(48)**	**-**	**-**	**278**	**3,258**
Tax on profit for the period	452	224	-	(10)	-	-	-	666
Profit for the period	**1,605**	**747**	**-**	**(38)**	**-**	**-**	**278**	**2,592**
Earnings per share, basic (EPS)	1.62	0.75	-	(0.04)	-	-	0.28	2.61

9M 2021

DKK million	Reported result	Amortization of product rights	Impairment and inventory valuation	Major restructuring	Acquisition and integration costs	Legal fees and settlements	Divestments / sales milestones	Core result
Revenue	12,246	-	-	-	-	-	-	12,246
Cost of sales	2,648	(969)	-	-	-	-	-	1,679
Gross profit	**9,598**	**969**	**-**	**-**	**-**	**-**	**-**	**10,567**
Sales and distribution costs	4,103	-	-	-	-	-	-	4,103
Administrative expenses	663	-	-	-	-	-	-	663
Research and development costs	2,828	-	-	-	-	-	-	2,828
Profit from operations (EBIT)	**2,004**	**969**	**-**	**-**	**-**	**-**	**-**	**2,973**
Net financials, expenses	311	-	-	-	-	-	-	311
Profit before tax	**1,693**	**969**	**-**	**-**	**-**	**-**	**-**	**2,662**
Tax on profit for the period	373	206	-	-	-	-	-	579
Profit for the period	**1,320**	**763**	**-**	**-**	**-**	**-**	**-**	**2,083**
Earnings per share, basic (EPS)[1]	1.33	0.77	-	-	-	-	-	2.10

1 The calculation of EPS is based on a share denomination of DKK 1 as a result of the share split completed on June 8, 2022. Comparative figures have been restated, to reflect the change in trading unit from a nominal value of DKK 5 to DKK 1.

Statement of profit or loss – Core results reconciliation (Q3)

Q3 2022

DKK million	Reported result	Amortization of product rights	Impairment and inventory valuation	Major restructuring	Acquisition and integration costs	Legal fees and settlements	Divestments / sales milestones	Core result
Revenue	4,719	-	-	-	-	-	-	4,719
Cost of Sales	961	(347)	-	-	-	-	-	614
Gross profit	**3,758**	**347**	**-**	**-**	**-**	**-**	**-**	**4,105**
Sales and distribution costs	1,653	-	-	-	-	-	-	1,653
Administrative expenses	247	-	-	-	-	-	-	247
Research and development costs	906	-	-	-	-	-	-	906
Profit from operations (EBIT)	**952**	**347**	**-**	**-**	**-**	**-**	**-**	**1,299**
Net financials, expenses	70	-	-	-	-	-	-	70
Profit before tax	**882**	**347**	**-**	**-**	**-**	**-**	**-**	**1,229**
Tax on profit for the period	194	80	-	-	-	-	-	274
Profit for the period	**688**	**267**	**-**	**-**	**-**	**-**	**-**	**955**
Earnings per share, basic (EPS)	0.69	0.27	-	-	-	-	-	0.96

Q3 2021

DKK million	Reported result	Amortization of product rights	Impairment and inventory valuation	Major restructuring	Acquisition and integration costs	Legal fees and settlements	Divestments / sales milestones	Core result
Revenue	4,013	-	-	-	-	-	-	4,013
Cost of sales	851	(300)	-	-	-	-	-	551
Gross profit	**3,162**	**300**	**-**	**-**	**-**	**-**	**-**	**3,462**
Sales and distribution costs	1,391	-	-	-	-	-	-	1,391
Administrative expenses	238	-	-	-	-	-	-	238
Research and development costs	1,007	-	-	-	-	-	-	1,007
Profit from operations (EBIT)	**526**	**300**	**-**	**-**	**-**	**-**	**-**	**826**
Net financials, expenses	114	-	-	-	-	-	-	114
Profit before tax	**412**	**300**	**-**	**-**	**-**	**-**	**-**	**712**
Tax on profit for the period	91	69	-	-	-	-	-	160
Profit for the period	**321**	**231**	**-**	**-**	**-**	**-**	**-**	**552**
Earnings per share, basic (EPS)[1]	0.32	0.24	-	-	-	-	-	0.56

1 The calculation of EPS is based on a share denomination of DKK 1 as a result of the share split completed on June 8, 2022. Comparative figures have been restated, to reflect the change in trading unit from a nominal value of DKK 5 to DKK 1.

Notes

Note 1: Accounting policies

The interim condensed consolidated financial statements for the nine months ended September 30, 2022, have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2021, published February 9, 2022. The accounting policies, judgements and significant estimates are consistent with those applied in the Annual Report 2021.

A number of new amendments came into effect from January 1, 2022. None of the amendments have a material impact on the accounting policies and/or on the condensed consolidated financial statements.

Lundbeck's geographical structure was changed effective January 1, 2022. Following the change, the geographical split of revenue has been subject to modifications. With the new geographical structure, Canada moved from North America to International Markets and smaller entities were moved between International Markets and Europe. The North America region has been renamed United States to better reflect its new composition. Comparative figures for 2021 have been adjusted following the new geographical structure.

On June 8, 2022, the Company's shareholders approved a share split of Lundbeck's existing shares. The approval entailed that each existing Lundbeck-share with a nominal value of DKK 5 was split into one A share with a nominal value of DKK 1 and four B shares each with a nominal value of DKK 1. The A-share is carrying ten votes and the B-share is carrying one vote. The A-shares and the B-shares are ordinary, fully paid shares carrying equal economic rights in all respects. As a result, all share and per share information has been retrospectively adjusted for all periods presented to reflect the impacts of the share split transaction.

Note 2: Fair value measurement

Financial assets and financial liabilities measured or disclosed at fair value	**Level 1** (DKKm)	**Level 2** (DKKm)	**Level 3** (DKKm)
September 30, 2022:			
Financial assets			
Other financial assets[1]	50	-	31
Derivatives[1]	-	306	188
Total	**50**	**306**	**219**
Financial liabilities			
Contingent consideration[1]	-	-	473
Derivatives[1]	-	798	
Bank debt[2]	-	2,060	-
Bond debt[2]	3,142	-	-
Total	**3,142**	**2,858**	**473**
December 31, 2021:			
Financial assets			
Other financial assets[1]	22	-	35
Derivatives[1]	-	41	-
Total	**22**	**41**	**35**
Financial liabilities			
Contingent consideration[1]	-	-	1,623
Derivatives[1]	-	243	-
Bank debt[2]	-	1,083	-
Bond debt[2]	3,755	-	-
Total	**3,755**	**1,326**	**1,623**

1) Measured at fair value. 2) Disclosed at fair value.

The fair value of securities is based on publicly quoted prices of the invested assets. The fair value of derivatives is calculated by applying recognized measurement techniques, whereby assumptions are based on the market conditions prevailing at the balance sheet date. The fair value of contingent consideration is calculated as the discounted cash outflows (DCF method) from future milestone payments, taking probability of success into consideration.

During the first quarter of 2022, the Vyepti EMA approval triggered a payment of CVR to former Alder shareholders (consequently changed to Lundbeck Seattle BioPharmaceuticals, Inc.). The CVR payment amounted to DKK 1,566 million.

The fair value adjustment of contingent consideration amounted to a net loss of DKK 320 million as a result of changes in the fair value of the CVR of which DKK 278 million relates to the update of the probability of success of milestone payments occurred in the first quarter 2022.

Total contingent consideration amounted to DKK 473 million at September 30, 2022 (DKK 1,623 million at December 31, 2021). Besides the CVR payment and fair value adjustment, the only change in contingent consideration is exchange rate adjustments of DKK 96 million.

The carrying amount of other receivables, trade receivables, prepayments, other debt, trade payables and other payables is believed to be equal to or close to fair value.

Note 3: EBITDA calculation

DKK million	9M 2022	9M 2021	Q3 2022	Q3 2021	FY 2021
EBIT	2,449	2,004	952	526	2,010
+ Depreciation, amortization and impairment losses	1,304	1,276	462	407	1,710
= EBITDA	**3,753**	**3,280**	**1,414**	**933**	**3,720**

Note 4: Core reporting

As a general rule, Lundbeck adjusts for amortization of product rights and for each non-recurring item that Management deems exceptional and/or which accumulates or is expected to accumulate to an amount exceeding a DKK 100 million threshold. Lundbeck's core reporting is a non-IFRS performance measurement. Lundbeck's core results, including core operating income (core EBIT) and core EPS, exclude:

Amortization of product rights

Impairment of intangible assets and property, plant and equipment as well as inventory valuation adjustments

Major restructurings

Acquisition and integration costs, including:

- Accounting adjustments relating to the consolidation of material acquisitions and disposals of associates, products and businesses
- Costs associated with the integration of newly acquired companies
- Retention costs
- Transaction costs

Legal fees and settlements, including:

- Legal costs (external), charges (net of insurance recoveries) and expenses related to settlement of litigations, government investigations and other disputes
- Income from settlements of litigations and other disputes

Divestments/milestones, including:

- Income/expenses from discontinued operations
- Gains/losses on divestments of assets
- Received or expensed upfront sales and development milestones
- Adjustments in probability of success embedded in milestone calculations

The adjusted core result is taxed at the underlying corporate tax rate.

FINANCIAL CALENDAR 2023

February 6, 2023:	Deadline for the company's receipts of shareholder proposals for the Annual General Meeting 2023
February 8, 2023:	Financial statements for the full year 2022
February 8, 2023:	Annual Report 2022 (PDF)
March 21, 2023:	Lundbeck Annual General Meeting 2022
March 24, 2023:	Dividends for 2022 at the disposal of shareholders
May 10, 2023:	Financial statements for the first three months of 2023
August 16, 2023:	Financial statements for the first six months of 2023
November 8, 2023:	Financial statements for the first nine months of 2023

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About Lundbeck

H. Lundbeck A/S (LUN.CO, LUN DC, HLUYY) is a global pharmaceutical company specialized in brain diseases. For more than 70 years, we have been at the forefront of neuroscience research. We are tirelessly dedicated to restoring brain health, so every person can be their best.

Too many people worldwide live with brain diseases – complex conditions often invisible to others that nonetheless take a tremendous toll on individuals, families and societies. We are committed to fighting stigma and discrimination against people living with brain diseases and advocating for broader social acceptance of people with brain health conditions. Every day, we strive for improved treatment and a better life for people living with brain disease.

We have approximately 5,600 employees in more than 50 countries, and our products are available in more than 100 countries. Our research programs tackle some of the most complex challenges in neuroscience, and our pipeline is focused on bringing forward transformative treatments for brain diseases for which there are few, if any therapeutic options. We have research facilities in Denmark and the United States, and our production facilities are

located in Denmark, France, and Italy. Lundbeck generated revenue of DKK 16.3 billion in 2021 (EUR ~2.2 billion; USD ~2.6 billion).

For additional information, we encourage you to visit our corporate site www.lundbeck.com and connect with us on Instagram (h_lundbeck), Twitter at @Lundbeck and via LinkedIn.