

PRESS RELEASE

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KIRKBI Group delivered strategic progress and strong results in 2021

Billund, Denmark, 19 April 2022 – Today, the KIRKBI Group published its Annual Report for 2021. The result for the year after tax was DKK 27.0 billion compared to DKK 6.4 billion in 2020. At year-end 2021, total equity was DKK 130.9 billion compared with DKK 105.3 billion in 2020. KIRKBI's overall investment portfolio of Core and Thematic Capital investments amounted to DKK 109.8 billion at year-end 2021 compared with DKK 86.8 billion at year-end 2020.

KIRKBI's 2021 result was driven by strong performance by the LEGO Group and a satisfying investment result, rebounding from last year's challenging markets.

CEO of KIRKBI A/S, Søren Thorup Sørensen, comments:

"2021 was an exceptional year with the KIRKBI Group delivering strategic progress and strong performance in all business areas. Furthermore, it was a year with continued impact from COVID-19 which KIRKBI, the LEGO Group and associated foundations responded to by initiating a number of activities to support children and families impacted by the pandemic, both with support and emergency relief."

Strategic progress

During 2021, KIRKBI continued executing on the 2032 strategy, which is set to build a sustainable future for the family ownership of the LEGO brand, supported by a solid financial foundation and contributing to a sustainable development in the world.

A fundamental part of KIRKBI's strategy is an increased emphasis on thematic capital investments within Energy Transition, Circular Plastics, Land Sustainability and Building Billund. In 2021, focus was on further building organisational capabilities and investing in companies having a positive impact on the sustainable development. The existing thematic investments progressed as planned with KIRKBI's overall renewable energy capacity increasing to 404 MW.

Science-Based Targets

In 2021, KIRKBI committed to reduce its carbon emissions to ensure that the company contributes to reducing the effects of climate changes. KIRKBI's carbon emission reduction targets have now been approved by the Science-Based Targets initiative. The targets, set out in line with levels required to meet the Paris Agreement's 1.5°C trajectory, cover both emissions from own operations as well as holding and investment activities.

The Science-Based Targets are a central part of KIRKBI's active ownership approach towards its investments as well as an important element in meeting own ambitious sustainability goals.





The LEGO Group

The LEGO Group continued its remarkable growth momentum from 2020, which led to an increased market share and a revenue increase of 27% compared to 2020. After significant investments in digital transformation and sustainability, the LEGO Group ended 2021 with a result before tax of DKK 17.0 billion, up 36% compared to 2020 – an extraordinary accomplishment by the more than 20,000 employees. In addition to the strong financial performance, the LEGO Group showed continued high customer satisfaction and strong employee engagement.

Merlin Entertainments

For Merlin Entertainments – including the LEGOLAND Parks – the COVID-19 restrictions continued to impact the number of visitors to parks and attractions. Investments continued in new parks, including LEGOLAND Korea and LEGOLAND Shanghai, while LEGOLAND New York opened in July 2021. LEGOLAND Korea opens in the Spring of 2022.

Investment activities

For KIRKBI's investment activities, a rebound from last year's challenging markets led to a return in the Core Capital portfolio of 23%, positively impacted by a high exposure to equities. The result from investment activities amounted to DKK 15.6 billion against a loss of DKK 1.6 billion in 2020. The total value of KIRKBI's investment portfolio increased to a total of DKK 109.8 billion from DKK 86.8 billion in 2020.

Support and donations

In 2021, KIRKBI, the LEGO Group, the LEGO Foundation and Ole Kirk's Fond maintained a high focus on support and giving back to society. The LEGO Foundation went beyond any previous activity levels with committed grants of DKK 2.8 billion to programmes around the world to help children and families, especially those in need and in crisis. Grants from Ole Kirk's Fond amounted to DKK 292 million to support children and their families primarily throughout Denmark while KIRKBI granted DKK 159 million to support among others vulnerable children in Afghanistan and Haiti.

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About KIRKBI

KIRKBI A/S is the Kirk Kristiansen family's private holding and investment company founded to build a sustainable future for the family ownership of the LEGO® brand through generations. Our work is focused on three fundamental tasks all contributing to enabling the Kirk Kristiansen family to succeed with the mission to inspire and develop the builders of tomorrow: We work to protect, develop and leverage the LEGO brand across all the LEGO branded entities. We are committed to a long-term and responsible investment strategy to ensure a sound financial foundation for the owner family's activities as well as contributing to a sustainable development in the world. And, we are dedicated to support the family members as they prepare for future generations to continue the active and engaged ownership as well as supporting their private activities, companies and philanthropic work.

KIRKBI's strategic activities include 75% ownership of the LEGO Group and 47.5% ownership of Merlin Entertainments. The company's investment activities also include investments in renewable energy, significant long-term investments in companies such as ISS, Nilfisk, Falck, Armacell, Vålinge and Landis+Gyr as well as real estate investments in Denmark, Switzerland, Germany and the UK. See www.KIRKBI.com

