



Chairman's Corner:



As it's been a while since our last newsletter, I wanted to take the time to bring you all up to date with developments over the last 12 months. As we all know well, COVID has been the greatest health crisis in living memory. But as the world begins to emerge from this devastating pandemic, we can also be thankful for the power of science and innovation. Not only has science led to the development of the vaccines that are allowing the world to emerge out of the crisis, but it has also enabled the life science sector to continue to support the Danish economy and now accounts for 22% of all exports. The Danish biotech community is also playing its part in the crisis, with our members developing COVID vaccines, tests, and treatments.

Despite the pandemic, in many respects, 2020 was a transformative year for Danish biotech and we've made an impressive start to 2021! Importantly, in the last 12 months several products from Danish companies were approved for marketing and reaching patients.

In November 2020, Y-mabs' DANYELZA (naxitamab-gqgk) was approved for the treatment of pediatric patients one year of age and older and adult patients with relapsed or refractory high-risk neuroblastoma in the bone or bone marrow who have demonstrated a partial response, minor response, or stable disease to prior therapy.

Most recently, Zealand Pharma received approval from the FDA for Zegalogue® (dasiglucagon) injection for the treatment of severe hypoglycemia in people with diabetes. Zealand is planning to launch Zegalogue in the U.S. in late June.

Genmab received two approvals in that timeframe. In January 2020, Genmab's partner Horizon received FDA approval for Tepezza ((teprotumumab-trbw) for the treatment of adults with thyroid eye disease, a rare condition where the muscles and fatty tissues behind the eye become inflamed, causing the eyes to be pushed forward and bulge outwards (proptosis). More recently, the European Commission (EC) granted Genmab's partner Novartis marketing authorization for Kesimpta® (ofatumumab) in the treatment of relapsing forms of multiple sclerosis (RMS) in adults.

On the financing front, a record three Danish biotechs, Orphazyme, Galecto and Evaxion executed IPOs on Nasdaq New York. This could also be the next step for one of the many companies that raised significant financing rounds:

- IO Biotech (EUR 107 million Series B)
- ResoTher Pharma (DKK 38.8 million)
- MinervaX (EUR 47.4 million Series B)
- ADCendo (EUR 51 million Series A)
- Reapplix (DKK 150 million)
- Cytoki (EUR 38 million Series A)

- Medtrace (DKK 21 million)
- CathVision (EUR 13 million)
- Union Therapeutics (EUR 21 million Series B)

Supporting these innovative companies, a new Scandinavian VC fund, Eir Ventures, has been established with funding from EIF, Vækstfonden and Novo Holdings. The fund has already made several investments, including IO Biotech, Galecto, Sortina Pharma and Synklino.

Illustrating the strength of the sector, two major pharma acquisitions of Danish companies were closed in 2020. Symphogen and Azanta sold to Servier and Norgine, respectively.

Life science and biotech on the radar

Working with the Danish government and Parliament (Folketinget), DANSK BIOTEK is continuing to push for a better framework for life science and biotech companies in Denmark. We participated in the Government's 'genstartsteam' for life science and biotech, chaired by Lars Fruergaard, Novo Nordisk and is a founding member of a new Danish life science cluster.

Recently, a new life science strategy was approved by Folketinget. It is a step forward from the previous government strategy and has several good elements, most importantly recognizing the value of life science for Denmark. However, the strategy did not include many proposals relevant early-stage biotech, entrepreneurship, and financing. It's therefore good to see that new proposals are emerging in Folketinget, including converting the R&D deduction to a permanent solution, improved "Skattekredit" and stimulation of pension-funds to invest in DK companies. The conservative party had proposed to remove "Fantomskatten", i.e. the inexplicable upfront taxation of uncertain future milestone payments. Unfortunately, the proposal was voted down due to fierce resistance from the Ministry of Taxation. We are, however, steadfast in our effort to remove the baffling taxation.

Our plan is to continue to talk about the importance of life science and biotech for patients, our economy, high paying jobs, the environment, and the welfare-based society – and how we need better conditions for starting and running biotech companies in Denmark.

Included in the life science strategy is an initiative on SME's access to scientific literature, as this is costly in terms of both money and time for small R&D-based companies. The initiative includes a mapping of the need for free and easy access to scientific literature as well as a formulation of a technical decision proposal, which the parties behind the life science strategy can assess at a later date. The Ministry for Higher Education and Science will conduct the mapping, and DANSK BIOTEK will follow this process closely.

Finally, I would like to thank departing DANSK BIOTEK board member, Henrik Dalbøge, who served for 6 years and has been a strong representative for industrial (white and green) biotech. We would also like to welcome Lone Dybdal Nilsson, Vice President, Applied Research - Agriculture & Industrial Biosolutions at Novozymes, who was elected as a new member of the board. I look forward to working with Lone not least on making sure that DANSK BIOTEK remains a strong advocate for all aspects of biotech.

We look forward to meeting our members in person again soon. Have a great summer!

Hans Schambye, Chairman, DANSK BIOTEK

Upcoming DANSK BIOTEK meetings

15 September 2021 from 14:30-17:30 at Lundgrens Advokatpartnerselskab, Tuborg Boulevard 12, 2900 Hellerup, Denmark. Final theme to be confirmed.

Read more news at www.danskbiotek.dk

All members are welcome to submit news and press releases to DANSK BIOTEK, which we publish at www.danskbiotek.dk. Topics of relevance are financing rounds, licensing deals, mergers and acquisitions, research and development news, people news, etc. As a member, feel free to submit your news to office@danskbiotek.dk.

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