


DANISH BIO - DANSK BIOTEK

Ole Maaløes Vej 3, DK-2200 Copenhagen N

CVR no. 28 43 65 72

Annual report 2023

Godkendt 28. maj 2024

Dirigent:

T. H. LAURSEN

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Statement by Management

Today the Board of Directors and Executive Management have discussed and approved the annual report of DANISH BIO - DANSK BIOTEK for the financial year 2023.

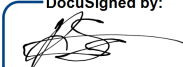
The annual report has been presented in accordance with generally accepted accounting principles as described in the accounting policies on page 9.

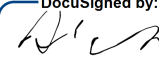
Copenhagen, 28 May 2024

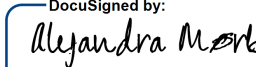
Executive Management:


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Morten Engsbye
CEO

Board of Directors:

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Hans Schambye
Chair

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Adam Steensberg

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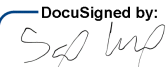
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Søren Møller

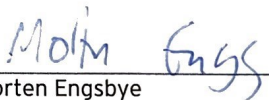
Statement by Management

Today the Board of Directors and Executive Management have discussed and approved the annual report of DANISH BIO - DANSK BIOTEK for the financial year 2023.

The annual report has been presented in accordance with generally accepted accounting principles as described in the accounting policies on page 9.

Copenhagen, 28 May 2024

Executive Management:


Morten Engsbye
CEO

Board of Directors:



Hans Schambye
Chair

Adam Steensberg

Alejandra Mørk

Thomas Kongstad Petersen

Henrik Blou

Lone Dybdal Nilsson

Mai-Britt Zocca

Søren Møller

Independent auditor's report

To the Board of Directors of DANISH BIO - DANSK BIOTEK

Opinion

We have audited the financial statements of DANISH BIO - DANSK BIOTEK ("the Association") for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with generally accepted accounting principles, as described in the accounting policies on page 9.

In our opinion, the financial statements of DANISH BIO - DANSK BIOTEK for 1 January - 31 December 2023 are prepared, in all material respects, in accordance with generally accepted accounting principles, as described in the accounting policies on page 9.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements in accordance with generally accepted accounting principles, as described in the accounting policies on page 9 and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.


In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements. We did not identify any material misstatement of the Management's review.

Copenhagen 28 May 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Christian Schwenn Johansen
State Authorised
Public Accountant
mne33234



Rasmus Bloch Jørgensen
State Authorised
Public Accountant
mne35503

Management's review

Association details

Name	DANISH BIO - DANSK BIOTEK
Address, P.O. Box, city	Ole Maaløes Vej 3 DK-2200 Copenhagen N
CVR no.	28 43 65 72
Registered office	Copenhagen
Financial year	1 January - 31 December
Objective	The objective of the Association is to create opportunities for biotech research, development and production in Denmark and to safeguard the joint interests of biotech companies in this regard, both nationally and internationally.
Website	www.danskbiotek.dk
E-mail	office@danskbiotek.dk
Executive Management	Morten Engsbjerg
Telephone	+45 41 87 08 23
Board of Directors	Hans Schambye, Chair Adam Steensberg Alejandra Mørk Thomas Kongstad Petersen Henrik Blou Lone Dybdal Nilsson Mai-Britt Zocca Søren Møller
Auditor	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, DK-2000 Frederiksberg
Bank	Danske Bank

Management's review

Association overview

The objective of the Association is to create opportunities for biotech research, development and production in Denmark and to safeguard the joint interests of biotech companies in this regard, both nationally and internationally.

Financial review

The income statement for 2023 shows a profit for the year of DKK 208,149 against a loss of DKK 117,311 for the year 2022. The balance sheet at 31 December 2023 shows equity of DKK 1,209,366.

Annual membership fee 2023

The annual membership fee is based on the membership category the respective members belong to and depends on the number of employees of the respective member company. At the extraordinary general meeting on 27 June 2022, a resolution to increase the annual membership fee, starting 1 January 2023, was approved. The updated membership fees for 2023 for the respective membership categories is made available on the webpage of the association at www.DanskBiotek.dk.

Appointment of CEO in 2023

As of 1 April 2023, DANISH BIO-DANSK BIOTEK appointed CEO, Morten Engsbjerg.

Comments from the Chair

2023 was another strong year for the Danish biotech sector. Several companies held large financial rounds, including only the second IPO on Nasdaq Copenhagen since 2010. We also saw a new record for life sciences exports, which has grown by 227 percent since 2008 - now it contributes to more than 19 percent of all Danish Exports making it by far our largest trading good.

From an organizational perspective we have had very satisfactory results, with a net gain of roughly 20 percent in our membership base. At the same time, we have seen satisfactory increase in attendance for our events.

DANISH BIO - DANSK BIOTEK held its annual Biotech Spring Gala in May of 2023 and handed out awards in the following categories:

- ▶ Biotech company of the year (2022) - Minervax
- ▶ Rising star - EvodiaBio
- ▶ CEO/Special person - Benny Sørensen, Hemab
- ▶ Lifetime achievement - Lotte Bjerre Knudsen.

With Danish Bio in a strong position, we are expecting 2024 to reflect the growth we are experiencing, including a further strengthening of our organizational setup and political results, starting with the entrepreneurial and life science strategies, which are expected to be presented by the government during the year.

Event after the balance sheet date

No events materially affecting the Association's financial position have occurred after the balance sheet date.

Financial statements 1 January - 31 December

Income statement

Note	DKK	<u>2023</u>	<u>2022</u>
	Income		
2	Membership fees	2,025,417	1,016,167
3	Other income	253,485	1,950
	Total income	<u>2,278,902</u>	<u>1,018,117</u>
	Costs		
4	Salaries and wages	778,038	0
	Operation of website and newsletter	15,277	17,708
	Membership fee, incl. rent, Dansk Erhverv	327,874	380,536
	Biotech Spring Gala	300,691	87,259
	Speakers	19,031	60,469
	Office supplies	17,180	7,804
	Rent, including consumption	21,214	16,724
	Communication, marketing, and advertisements	25,055	34,038
	Audit and accounting assistance	25,379	18,438
	Bookkeeping assistance	60,411	45,453
	Back office	362,945	373,146
	Entertainment	13,807	5,907
	Fees, etc.	17,880	3,360
	Subscriptions	22,135	32,993
	Office equipment and IT equipment	15,439	9,996
	Meetings	18,592	12,079
	Minor acquisitions	0	7,038
	Provision for bad debts	35,000	21,500
	Total costs	<u>2,075,948</u>	<u>1,134,448</u>
	Profit/loss before net financials	202,954	-116,331
	Financial income	5,195	-983
	Profit/loss for the year	<u>208,149</u>	<u>-117,314</u>

Profit/loss for the year is transferred to equity.

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	31 December 2023	31 December 2022
	ASSETS		
	Current assets		
	Receivables		
	Membership fees	410,667	20,000
	Total receivables	410,667	20,000
5	Cash	1,048,530	1,073,631
	Total current assets	1,459,197	1,093,631
	TOTAL ASSETS	1,459,197	1,093,631
	EQUITY AND LIABILITIES		
	Equity		
6	Capital account	1,209,366	1,001,217
	Total equity	1,209,366	1,001,217
	Liabilities		
	Current liabilities		
	Trade payables	18,137	73,264
7	Other payables	231,694	19,150
	Total current liabilities	249,831	92,414
	Total liabilities	249,831	92,414
	TOTAL EQUITY AND LIABILITIES	1,459,197	1,093,631

1 Accounting policies

8 Contractual obligations and contingencies, etc.

Financial statements 1 January - 31 December

Notes

1 Accounting policies

General information

The financial statements of DANISH BIO - DANSK BIOTEK are presented in accordance with generally accepted accounting principles as described in detail below.

The accounting policies used are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Income

Income includes membership fees from the Association's members. Revenue related to annual membership fees is recognised in revenue when there is no significant uncertainty about their recoverability. Membership fees are recognised on a straight-line basis over the membership period, which typically follows the calendar year.

Other income also includes participation fees, grants and donations. Grants and donations are recognised as income at the time of receipt of such grants and donations.

Costs

Costs include staff costs, membership fees, back-office costs, meeting costs, administration and depreciation on property, plant and equipment, etc.

Net financials

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses and realised and unrealised foreign exchange gains and losses.

Balance sheet

Receivables

Receivables are measured at amortised cost, which is usually equivalent to the nominal value. The value is reduced by provisions for anticipated bad debt losses.

Cash

Cash includes bank balances.

Liabilities other than provisions

Liabilities are measured at amortised cost, which in all material respects corresponds to nominal value.

Financial statements 1 January - 31 December

Notes

DKK	<u>2023</u>	<u>2022</u>
2 Membership fees		
Medical & Industrial Biotech/Pharma, and Investors	1,127,800	666,167
Associate members	<u>897,617</u>	<u>350,000</u>
	<u>2,025,417</u>	<u>1,016,167</u>
<p>The annual membership fee is based on the membership category the respective members belong to and depends on the number of employees of the respective member company. At an extraordinary general meeting on 27 June 2022, a resolution to increase the annual membership fee, starting 1 January 2023, was approved.</p>		
3 Other income		
Participation fees, Spring Gala	213,485	1,950
Sponsorships, Spring Gala	<u>40,000</u>	<u>0</u>
	<u>253,485</u>	<u>1,950</u>
4 Salaries and wages		
Salaries	675,000	0
Pension	56,250	0
Social security costs	4,051	0
Other staff costs	<u>42,737</u>	<u>0</u>
	<u>778,038</u>	<u>0</u>
5 Cash		
Danske Bank - Operational account	319,639	300,381
Danske Bank - Savings account	<u>728,891</u>	<u>773,250</u>
	<u>1,048,530</u>	<u>1,073,631</u>
6 Equity		
Balance at 1 January	1,001,217	1,118,528
Result for the year	<u>208,149</u>	<u>-117,311</u>
Balance at 31 December	<u>1,209,366</u>	<u>1,001,217</u>
7 Other payables		
Audit, accounting assistance, and bookkeeping assistance	12,000	19,150
Payroll related payables	155,700	0
Other payables	<u>63,994</u>	<u>0</u>
	<u>231,694</u>	<u>19,150</u>
8 Contractual obligations and contingencies, etc.		
<p>Contractual obligations relating to non-cancellable lease terms under rent and services contracts amounted to DKK 143,500 at 31 December 2023.</p>		