

# **DANISH BIO - DANSK BIOTEK**

Ole Maaløes Vej 3, DK-2200 Copenhagen N

CVR no. 28 43 65 72

Annual report 2022

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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 2022.

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

Copenhagen, 11 May 2023


Executive Management:

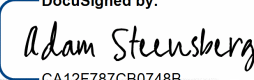
  
Morten Engsbjerg  
CEO


Board of Directors:

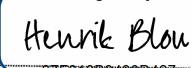
  
Hans Schambye  
Chair

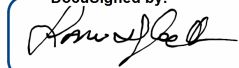
  
Thomas Kongstad Petersen


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Mai-Britt Zocca  
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Adam Steensberg

  
Alejandra Mørk

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Henrik Blou

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Lone Dybdal Nilsson

  
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 2022, 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 2022 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 11 May 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

  
Christian Schwenn Johansen  
State Authorised  
Public Accountant  
mne33234

  
Rasmus Bloch Jespersen  
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	<a href="http://www.danskbiotek.dk">www.danskbiotek.dk</a>
E-mail	<a href="mailto:office@danskbiotek.dk">office@danskbiotek.dk</a>
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 2022 shows a loss of DKK 117,311 against a loss of DKK 318,669 last year. The balance sheet at 31 December 2022 shows equity of DKK 1,001,217.

A 50% reduction of membership fees in 2021 was approved by the Board of Directors, as a compensation for low activities in the association during the COVID-19 pandemic, which drives the increase in membership fees from DKK 489,667 in 2021 to DKK 1,040,167 in 2022.

### Comments from the Chair

2022 was another strong year for the Danish biotech sector. Multiple new companies were established, and several companies raised large financing rounds, continuing the trend from previous years. At the same time the life science export from Denmark continued its record breaking streak and reached a massive DKK 175 bn. In exports in 2022, becoming the most important export sector in Denmark. At the same time, technological advances have shown that biotechnology may deliver some of the key answers to the climate crisis, from recombinantly produced cement to CO2 binding techniques - all the more reason for Denmark to help companies setup, finance and operate in the country.

DANISH BIO - DANSK BIOTEK held its inaugural Biotech Spring Gala in May of 2022 and handed out awards in the following categories:

- ▶ Biotech company of the year (2021) - Ascendis Pharma
- ▶ Rising star - Sundew
- ▶ CEO/Special person - Henrik Stage
- ▶ Lifetime achievement - Søren Carlsen

As of 1 April 2023, DANISH BIO-DANSK BIOTEK has employed a new CEO, Morten Engsbye, and has started the process of establishing an Administrative Unit. The Unit will be further expanded over the coming years.

### *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](http://www.DanskBiotek.dk).

### 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	2022	2021
	<b>Income</b>		
2	Membership fees	1,016,167	489,667
3	Other income	1,950	4,500
	<b>Total income</b>	<u>1,018,117</u>	<u>494,167</u>
	<b>Costs</b>		
	Operation of website and newsletter	17,708	4,304
	Membership fee, Dansk Erhverv	380,536	368,737
	Biotech Spring Gala 2022, net of entrance fees	87,259	0
	Speakers	60,469	3,281
	Office supplies	7,804	1,469
	Rent, including consumption	16,724	7,869
	Communication, marketing and advertisements	34,038	24,319
	Audit and accounting assistance	18,438	14,750
	Bookkeeping assistance	45,453	16,623
	Back office	373,146	270,139
	Entertainment	5,907	13,269
	Fees, etc.	3,360	3,529
	Subscriptions	32,993	40,472
	Postage	0	45
	Office equipment and IT equipment	9,996	8,307
	Meetings	12,079	31,475
	Minor acquisitions	7,038	0
	Provision for bad debts	21,500	4,000
	<b>Total costs</b>	<u>1,134,445</u>	<u>812,588</u>
	<b>Profit/loss before net financials</b>	-116,328	-318,421
	Financial expenses	-983	-248
	<b>Profit/loss for the year</b>	<u>-117,311</u>	<u>-318,669</u>
	Profit/loss for the year is transferred to equity		



## Financial statements 1 January - 31 December

## Balance sheet

Note	DKK	31 December 2022	31 December 2021
	<b>ASSETS</b>		
	Current assets		
	Receivables		
	Membership fees	20,000	7,382
	Prepayments	0	1,987
	<b>Total receivables</b>	<b>20,000</b>	<b>9,369</b>
4	Cash	1,073,631	1,147,114
	<b>Total current assets</b>	<b>1,093,631</b>	<b>1,156,483</b>
	<b>TOTAL ASSETS</b>	<b>1,093,631</b>	<b>1,156,483</b>
	<b>EQUITY AND LIABILITIES</b>		
	Equity		
5	Capital account	1,001,217	1,118,528
	<b>Total equity</b>	<b>1,001,217</b>	<b>1,118,528</b>
	Liabilities		
	Current liabilities		
	Trade payables	73,264	18,805
6	Other payables	19,150	19,150
	<b>Total current liabilities</b>	<b>92,414</b>	<b>37,955</b>
	<b>Total liabilities</b>	<b>92,414</b>	<b>37,955</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,093,631</b>	<b>1,156,483</b>

1 Accounting policies

7 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	2022	2021
<b>2 Membership fees</b>		
Members with less than 10 employees, DKK 4,000	113,667	56,333
Members with between 10 and 200 employees, DKK 10,000	662,500	293,333
Members with between 200 and 1,000 employees, DKK 20,000	120,000	50,000
Members with more than 1,000 employees, DKK 30,000	120,000	90,000
	<u>1,016,167</u>	<u>489,666</u>
<p>The increase in membership fees in 2022 compared to 2021 is primarily due to the 50% reduction of membership fees in 2021, approved by the Board of Directors, as a compensation for low activities in the Association during the COVID-19 pandemic.</p>		
<b>3 Other income</b>		
Participation fees	1,950	4,500
	<u>1,950</u>	<u>4,500</u>
<b>4 Cash</b>		
Danske Bank - Operational account	300,381	373,864
Danske Bank - Savings account	773,250	773,250
	<u>1,073,631</u>	<u>1,147,114</u>
<b>5 Equity</b>		
Balance at 1 January	1,118,528	1,437,197
Result for the year	-117,311	-318,669
<b>Equity at 31 December</b>	<u>1,001,217</u>	<u>1,118,528</u>
<b>6 Other payables</b>		
Audit and accounting assistance	13,750	13,750
Bookkeeping assistance	5,400	5,400
	<u>19,150</u>	<u>19,150</u>
<b>7 Contractual obligations and contingencies, etc.</b>		
<p>Contractual obligations relating to non-cancellable lease terms under rent contracts amounted to DKK 8,300 at 31 December 2022.</p>		