

BioInnovation Institute Fonden

Ole Maaløes Vej 3, DK-2200 Copenhagen N

Annual Report for 2025

CVR No. 41 89 86 66

The Annual Report was presented and adopted at the
Board Meeting of the foundation on 18/03/2026

Mathias Dahlerup Krarup
Chairman of the general meeting

Contents

Management's statement and Auditor's report

Management's statement	1
Independent Auditor's report	2

Management's review

General information about the fund	5
Financial Highlights	6
Management's review	7

Financial Statements

Income statement 1 January - 31 December	16
Balance sheet 31 December	17
Statement of changes in equity	19
Cash flow statement 1 January - 31 December	20
Notes to the Financial Statements	21

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of BioInnovation Institute Fonden for the financial year 1 January - 31 December 2025.

The Consolidated Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2025 of the Foundation and the Group and of the results of the Foundation and Group operations and of consolidated cash flows for 2025 .

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 18 March 2026

Executive Board

Jens Bredal Nielsen
CEO

Board of Directors

Marianne Philip
Chair

Robert Glen Urban
Deputy-chair

Hans Thalsgård Schambye

Martin Bonde

Mads Krogsgaard Thomsen

Regina Hodits

Independent Auditor's report

To the board of BioInnovation Institute Fonden and the Foundation Authority

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Foundation Financial Statements give a true and fair view of the financial position of the Group and the Parent Foundation at 31 December 2025 and of the results of the Group's and the Parent Foundation's operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Foundation Financial Statements of BioInnovation Institute Fonden for the financial year 1 January - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Foundation, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 are independent of the Group 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Foundation Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent foundation financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, 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 Group's and the Parent Foundation'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 Group or the Parent Foundation or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 the 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 these Financial Statements.

As part of an audit conducted in accordance with ISAs and the 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 Group's and the Parent Foundation'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 Group's and the Parent Foundation'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 Group and the Parent Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's report

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.

Hellerup, 18 March 2026

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Tue Stensgård Sørensen

State Authorised Public Accountant

mne32200

Elife Savas

State Authorised Public Accountant

mne34453

General information about the fund

The Foundation

BiInnovation Institute Fonden
Ole Maaløes Vej 3
DK-2200 Copenhagen N
CVR No: 41 89 86 66
Financial period: 1 January - 31 December
Incorporated: 1 December 2020
Financial year: 5th financial year
Municipality of reg. office: Copenhagen

Board of Directors

Marianne Philip, chair
Robert Glen Urban, deputy-chair
Hans Thalsgård Schambye
Martin Bonde
Mads Krogsgaard Thomsen
Regina Hodits

Executive Board

Jens Bredal Nielsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

(TDKK)	Group				
	2025	2024	2023	2022	2021
Key figures					
Profit/loss					
Gross profit	340,316	561,937	434,047	390,912	396,869
Profit of primary operations	192,858	435,577	342,062	330,221	350,181
Financial income and expenses	2,903	9,906	7,798	-811	-1,132
Profit before tax	195,761	445,483	349,860	329,410	349,049
Net profit/loss for the year	191,715	448,772	349,750	329,410	349,049
Balance sheet					
Balance sheet total	901,047	951,609	747,061	556,266	374,607
Investment in property, plant and equipment	13,669	33,449	14,281	11,434	11,239
Equity	738,322	807,705	617,260	473,785	325,360
Cash flows					
Cash flows from:					
- operating activities	342,050	330,973	366,703	313,957	258,322
- investing activities	-67,023	-58,703	-48,656	-43,446	-28,454
- financing activities	-247,933	-248,390	-178,461	-152,458	-92,870
Number of employees	126	105	78	48	31
Ratios					
Return on assets	21.4%	45.8%	45.8%	59.4%	93.5%
Equity ratio	81.9%	84.9%	82.6%	85.2%	86.9%

Management's review

The objectives of the Foundation

The objectives of the BioInnovation Institute Fonden (BII) are with a charitable aim to own and operate the BioInnovation Institute and to promote research, innovation and entrepreneurship for the benefit of people and society by funding and supporting the development of inventions, discoveries and companies operating within deep tech and life science, thus providing a basis for growth and creation of new jobs within biotechnology and life science.

The Foundation can also support other charitable scientific purposes within biotechnology and life science.

The Strategic Objectives and Activities for the Foundation

BII was established by The Novo Nordisk Foundation (NNF) in 2018 with the aim of bridging the gap between research and commercialization in life science innovation. In 2021, BII became an independent commercial foundation with a non-for-profit objective.

BII's **mission** is to accelerate world-class science and catalyze the commercialization of new solutions through early-stage start-ups by using our network, funding, and infrastructure.

BII's **vision** is to drive world-class innovation to the benefit of people and society.

BII is supporting start-ups within these focus areas:

- o **Human Health**, with the focus on: Therapeutics and Health Tech.
- o **Planetary Health**, with the focus on: Food, Agriculture, Chemicals & Materials, Energy, Water and Maritime.
- o **Societal Resilience**, with the focus on: Computing & Communication and Defense.

BII creates value for its start-ups by offering:

- o **Knowledge:** hands-on business development and programs with a strong educational component that supports founders in becoming successful entrepreneurs.
- o **Infrastructure:** access to a unique start-up community in Copenhagen that supports start-up needs.
- o **Network:** access to our network that increases attention and collaboration opportunities for our teams in Denmark and abroad. We currently have +100 VCs in our investor network.
- o **Funding:** being non-profit and able to offer very founder-friendly funding terms.

BII operates four different programs:

Management's review

Program	Purpose	Duration	Funding
Bio Studio	Support world-leading scientists in translating academic research into innovative products and solutions.	Up to 3 years	Grant of 6.42 MDKK per year
Venture Lab	Help newly established start-ups in the early phases	12 months	Convertible loan of 4 MDKK
Venture Lab stage 2	Mature start-ups to attract funding; only for start-ups graduating from Venture Lab	18 months	Convertible loan of up to 10 MDKK
Quantum Lab	Support early-stage companies based on quantum and quantum-enabling technologies with programs tailored for this field.	6 months	Contractual funding of 100 TEUR

BII leverages the life science and deep tech ecosystem within human health, planetary health and societal resilience to attract and develop viable start-ups. This includes collaboration with Danish and European Universities and research institutions to attract the most interesting projects and collaboration with VCs to ensure the right start-ups are selected and early enough on track to get additional funding.

Activities in 2025

BIO STUDIO. In 2025, a formal assessment of the Bio Studio model has been performed leading to the launch of Bio Studio 2.0. This optimized Bio Studio model includes a challenge-based sourcing strategy for new projects with the aim of building up a Bio Studio portfolio within areas of unmet need and defined commercial potential. Further supporting funding structures were developed in the form of a validation grant and booster loan to strengthen the quality of projects taken in and accelerate exceptionally promising projects towards investment readiness, respectively. Bio Studio currently has 12 projects - six new projects have started in the 2025 cohort, while two projects from the earlier cohorts have successfully spun-out and one project was closed. Three additional projects have already been approved and are expected to start in April 2026.

VENTURE LAB. In 2025, BII approved 24 start-ups in Venture Lab stage 1, with one supported by the Francis Crick Institute, and one supported by a special grant from the Villum foundation, to BII. One start-up had to be withdrawn due to eligibility issues. A total of 10 start-ups were approved into Venture Lab stage 2. The follow-on program for stage 2 placed particular emphasis on leadership development as a core element of its support.

The new scalable program - Venture Lab 2.0, that was approved in December '24 - is now fully implemented, with an increased emphasis on customization and sector-specific support. Momentum has grown around BII's vertical summits, which connect start-ups with ecosystem opportunities and alumni networks. The digital offering is also fully established, with over 500 community members onboarded and more than 200 participants attending digital webinars. In 2025 BII hosted the biggest Demo Day in BII's history, with more than 470 attendees. In addition, the first Bio Studio project has joined the Venture Lab program.

Management's review

QUANTUM LAB serves as BII's accelerator site within the DIANA (Defence Innovation Accelerator for the North Atlantic) program, a NATO-backed initiative designed to support start-ups developing dual-use technologies. The Phase 1 program in Denmark concluded with the DIANA Demo Day at the Danish Quantum Community's Quantum Industry Day in May while the Phase 1 program across all accelerator sites wrapped up in London in June. Of the six companies supported by BII during Phase I, two were selected for Phase II of the DIANA acceleration program - twice the average selection rate per accelerator site in this round. In 2025, BII has also been providing tailored support to two U.S.-based companies accepted into Phase II, both of which are considering establishing a presence and fundraising in Denmark. BII's work in this space is not financially supported by NNF, but through the Danish government as part of the NATO initiative.

BII is engaged in several specific strategic activities:

EMERGING MARKETS

The Emerging Markets offering (EM) has contributed to building out the BII acceleration platform by scouting for partners who can support startups on commercialization/deployment into India and Kenya. Additionally, EM has awarded mini grants to two BII health tech startups to validate potential market entry in India. Throughout the year, EM has hosted and facilitated coordination meetings between Indian/Kenyan and BII stakeholders to build startup engagement and understanding of these markets. EM has also played a strong contribution role to enable the first ever Nordic-Africa Startup summit to take place at TechBBQ. The activities in this space are financially supported through a grant from the Gates Foundation.

AI INITIATIVE

In 2025, BII has continued to work on developing the AI Lab, a program designed to establish a thriving ecosystem for AI-driven innovation and position Denmark as a leader in this space. The development of the AI Lab is financially supported through a grant from Industriens Fond.

CENTER OF EXCELLENCES

In response to the competitive funding landscape and start-ups' increasing need for industry know-how, BII has proactively built strong alliances with established industry players and prominent foundations, with a collective aim to support the ecosystem and increase the likelihood of success for BII start-ups. BII establishes partnerships with key industries and foundations to shape our Center of Excellences based on shared strategic interests. The purpose of these partnerships is to increase the size and impact of the BII portfolio, increase and diversify BII funding, gain industry insights, and address critical unmet needs in human and planetary health and societal resilience. In 2025, BII has established four of these Center of Excellences (CoEs) to strategically drive innovation and address critical unmet needs within Women's Health, Brain Health, Biosolutions and Cardiometabolic Diseases.

BII INNOVATION DAY

In 2025, BII continued its partnership with AAAS/Science Magazine for the fourth edition of BII & Science Prize for Innovation. This year BII & Science Translational Medicine Prize for Innovations in Women's Health was also introduced for the first time. The day has evolved into one inspiring day celebrating scientists who transform groundbreaking research into real-world solutions. The prize aims to recognise researchers who have developed innovative advances with translational potential to impact women's health globally. Dr. Marlena Fejzo, Ph.D. from the Center for Genetic Epidemiology at the University of Southern California, was awarded as the first winner of the prize while Xiaojing Gao, a Ph.D. from Stanford University was awarded as grand prize winner of the BII & Science Prize for Innovation. Both winners and prize finalists were celebrated at an event at BII with the participation of 149 key stakeholders from the Danish ecosystem.

Management's review

BII SUMMER SCHOOL

In 2025, BII Summer School hosted 29 participants for a 5-day intensive course on biotech commercialization providing a unique blend of general life science entrepreneurship topics as well as vertical-specific content and mentoring in health tech, therapeutics, and planetary health. There were sponsored spots by the NNF, ReproUnion by Medicon Valley Alliance and Digital Life Norway proving the growing interest from organizations to support the initiative. Bio Studio and Venture Lab also sent participants. BII expanded its investment and engagement by providing mentors and speakers on multiple topics such as commercial models, pitch training and next steps at BII. Notably, several BII portfolio companies shared their experience with the participants and multiple investors and industry experts contributed as well.

CATALYST FUND

In 2025, BII Holding continued to work on establishing a for-profit BII Catalyst Fund, financed by committed Limited Partners (LPs). BII is aiming for accelerating 40-60 European Human & Planetary Health start-ups through the Catalyst Fund. The current scope is United Kingdom, Germany and Italy.

RESIDENCE

BII Holdings' rental activities increased significantly in 2025 and the occupancy rate across the full building has increased. This has been driven by the intake of large private tenants, increasing number of alumni staying as residents after end of BII program and teams that have grown in office and in lab. The community has also grown to a wider population from the ecosystem, seeing IP firms, CROs, lab equipment distributors and investors move in.

BII COMMUNITY

BII has hosted several delegations of important key stakeholders to BII as well as activities such as flag ship events - Demo Day and Innovation Day - monthly town halls, talks at the square, good morning meetings etc. - all to foster a vibrant community and showcase BII and its startups to important key stakeholders in the ecosystem.

Acquisition of Accelerace Management A/S

In September 2025, the final sales and purchase agreement was finalized. Accelerace will become an integrated part of BII's organization in 2026, but Accelerace will continue to operate under its own name and will therefore appear as a separate unit within the organization. The aim of the integration is to create Europe's strongest launchpad for university-based start-ups – not only within biotech and life science, but also within tech, AI, and quantum technology. The merger is a significant step in BII's ambition to strengthen the Danish and European innovation ecosystem. With Accelerace on board, BII gains access to even more expertise and experience with tech start-ups, enabling BII to offer a unified platform that accelerates innovation.

Financial results

The Foundation's financial result for the financial year 2025 is a profit of 191,715 TDKK versus 448,772 TDKK in 2024. The Foundation's equity at 31 December 2025 is 738,322 TDKK versus 807,705 TDKK in 2024.

The result for 2025 is satisfactory and according to expectations. For 2026, a result in the interval of 400,000 TDKK to 415,000 TDKK is expected.

Future development of BII

The next strategic period evolves around the following five dimensions:

1. **Address societal challenges within Human Health, Planetary Health, and Societal Resilience**
2. **Offer world-class support for entrepreneurs and the translation of science**
3. **Support more entrepreneurs in Denmark**

Management's review

4. **Establish BII as an international institute**
5. **Strengthen and leverage the broader ecosystem for value creation**

Through these five dimensions, BII aims to deepen its impact in Denmark while expanding operations across Europe and internationally, contributing to closing the innovation gap and strengthening global competitiveness. By 2035, BII's ambition is to establish itself as a leading European institute for life science and deep tech innovation, recognised for translating science into societal impact, creating jobs, and advancing Denmark's position as a global hub for scientific entrepreneurship and innovation.

Financial risks

The projects and start-ups in BII programs are financed by grants and convertible loans. If the recipients of the convertible loans close the company, the loans will be converted into grants. Financial assets are written down when there is an indication of impairment. Based on the nature of the grant-giving activities, it is assessed that there are no further financial risks involved in the business.

In the case of external investments, the convertible loans are converted to shares at fair value. The values presented in the table below reflect the consolidated fair value at which other financial assets are recognised at 31 December 2025, categorized by the respective year in which the fair value was determined through the corresponding equity round or change in capital structure, shown in segments.

Other investments allocated on segments

Segment	Up to 2023	2024	2025	Total
Health Tech	15,091	0	0	15,091
Therapeutics	25,955	93,258	16,339	135,552
Planetary Health	4,269	12,958	34,381	51,608
Other	0	0	1,099	1,099
Total	45,315	106,216	51,819	203,350

As of 31 December 2025, the foundation's consolidated portfolio comprises 24 companies with a fair value of 203,350 TDKK. 45,315 TDKK of the fair value is based on fair value triggering events coming from the years up to 2023, 106,216 TDKK from the year 2024 and 51,819 TDKK from the year 2025. On a standalone basis, the Foundation's portfolio comprises 1 company with a fair value of 4,045 TDKK and the full value is based on fair value triggering events coming from the year 2025.

Policy on grants

The Board of Directors has in accordance with the Recommendations on Foundation governance and the Danish Commercial Foundations Act, adopted a policy on grants.

Applications and grants awarded will be divided into the following categories:

1) BioInnovation Institute (research, innovation and entrepreneurship grants) by which grants are awarded as part of one or more of the current three funding programs of the BioInnovation Institute: the "Bio Studio", "Venture Lab", and "Venture House". The BioInnovation Institute may change its funding programs over time, e.g. by adding new programs, removing one of the current programs, or redesigning one of the current programs. In addition, grants may be awarded as one-off grants to promote research, innovation or entrepreneurship, typically in connection with the BioInnovation Institute.

Management's review

2) Other charitable scientific purposes within biotechnology and life science granted as strategic one-off grants. National and international experts assess the submitted project applications. Based on the expert assessments of applications or of strategic one-off initiatives, the board decides whether to support the initiatives.

The primary geographical focus of the Foundation's grant-awarding activities will be Denmark, followed by the Nordic countries. The Foundation's commercial activities will be international.

The Foundation's policy on grants is available on the website, <https://bii.dk/about/governance/>.

BII awarded 267,789 TDKK in 2025 split over the following programs:

- Bio Studio 106,175
- Venture Lab stage 2: 76,840
- Venture Lab: 69,040
- CEO & COO grants: 7,244
- Prizes & Awards: 2,900
- Community Grant 5,150
- Quantum Innovation Grants 440
- **Total Awarded 267,789**

For further information on grants and loans, please see the full list of grant recipients: <https://bii.dk/about/governance/>.

This list contains all awarded grants and loans with named recipients and amount.

As stated in the Balance Sheet, the total equity of the Foundation is 738,322 TDKK, of which 500,000 TDKK is available for distribution to new grants in 2026.

Board of Directors

The Board of Directors consists of six members. The Board of Directors has elected a chair and a deputy chair among its members and of the candidates nominated by Novo Nordisk Fonden. The chair and the deputy chair constitute the chairship and the remuneration committee.

The Foundation strives to ensure that the composition of the board is diverse in terms of gender, age, and cultural background, and it is the aspiration to have at least two board members of the underrepresented sex. As of 31 December 2025, two board members were female and 4 were male. Consequently, the Foundation has fulfilled its aspiration in terms of gender composition. The Board of Directors will continue to work on securing the desired diversity among its members.

The members of the Board of Directors are elected for a term of 1 year and eligible for re-election until the age of 75.

Statement of foundation governance

The Danish Committee for good Foundation Governance, has in accordance with the Commercial Foundations Act, drafted the Recommendations for good Foundation governance for the individual commercial Foundation to consider in accordance with the 'comply or explain' principle and subject to reporting in the annual report.

The Foundation complies with all recommendations except the following two.

Management's review

The Committee recommends that members of the Board of Directors be appointed for a period of two to four years. The members of the Board of Directors of the Foundation are elected for a period of one year. It is important to the board to ensure flexibility in the board composition with a view to attracting new talent and the representation of the relevant competences at all times. It is not the intention that all board members are replaced annually.

The Committee recommends that the majority of the members of the Board of Directors of a commercial Foundation are not also members of the Board of Directors or executive board of the Foundation's subsidiary, unless it is a fully owned actual holding company. The members of the Board of Directors of the Foundation are also members of the Board of Directors of the Foundation's wholly owned subsidiary. Most of the Foundation's commercial activities are conducted through the subsidiary. Thus, it is of considerable importance to the board that the Foundation's Board of Directors has a thorough knowledge of and impact on the activities of the subsidiary. The board considers the composition and organisation appropriate in order to ensure an effective and professional management of the subsidiary.

The Foundation's statutory report on Foundation governance is available on the website: <https://bii.dk/about/governance/>.

Principles for communication

The Board of Directors has adopted principles for external communication including by whom public statements on behalf of the Foundation should be made. It is decided that all communication with the general public is undertaken by the chair, the deputy chair or by another board member following authorisation from the board. The chairship has authorised the Executive Management to communicate with the general public in respect of the Foundation's commercial activities or the BioInnovation Institute's activities.

Remuneration

The following remuneration was awarded to the members of the Board of Directors relating to the financial year 2025: DKK 675,000 to the chair, DKK 450,000 to the deputy chair, and DKK 225,000 to each ordinary board member. Further, four times DKK 75,000 was awarded to Robert Glen Urban as travel allowance per visit to Denmark. Mads Krogsgaard did not receive any board fees during the financial year.

Information on the members of the Board of Directors

	Marianne Philip	Robert Glen Urban	Hans Thalsgård Schambye
Position	Chair	Deputy Chair	Member
Age	1957	1962	1964
Gender	Female	Male	Male
Date of original appointment to the board	1 December 2020	1 December 2020	1 December 2020
The member has been re-elected	20 March 2025	20 March 2025	20 March 2025
Expiry of election period	Annual meeting 2026	Annual meeting 2026	Annual meeting 2026
Special competences possessed by the member	Significant experience with start-ups including financing and governance related matters, and with overall management and board membership for both large and small corporations, financial institutions, and foundations. Significant experience with legal affairs including company law and foundation law related matters.	Significant experience with management from large international companies. Experience with financing, entrepreneurship, research and board work in the private and non-profit sectors.	Significant experience with entrepreneurs and management. Experience with financing, research and board work.

Management's review

	Marianne Philip	Robert Glen Urban	Hans Thalsgård Schambye
Other managerial positions	Marianne Philip is the chair of Gerda & Victor B. Strands Fond (Toms Gruppens Fond), Copenhagen Capacity, Fonden til Markedsføring of Erhvervsfremme i Region Hovedstaden, Nordea Funds OY and STG's Gavefond. Deputy Chair of LIFE Fonden, LIFE A/S, and Bitten og Mads Clausens Fond (Danfoss Fonden). She is a board member in Kirsten og Peter Bangs Fond, Erhvervslivets Tænk tank, Axcel Future, Brenntag Nordic A/S, Copenhagen Gaming, Film and Media Fund AS, Den Østdanske Filmfond ApS and Aktieselskabet af 1. Januar 1987. Chair of the Committee on Foundation Governance 2014-2025) and Adj. Professor at the Center for Corporate Governance, CBS. Marianne Philip is a Senior Advisor in Kromann Reumert.	Robert Urban is the Chair of Opening Doors Cambodia. He is board member in Elephant Bio and was board member in Arkuda Therapeutics 2020-2025. He is on both the National and Boston-local Boards of Life Science Cares Inc.	Hans Schambye is president and chief executive officer of Galecto, Inc. He is also Venture Partner at Sunstone, Chair of PreTT, board member at BOOST Pharma and Tribune Therapeutics and Chair of Dansk Biotek.
The member is considered independent	The member is considered independent.	The member is considered independent.	The member is considered independent.
Ownership etc. of shares in subsidiaries and/or associates	None.	None.	None.

	Martin Bonde	Mads Krogsgaard Thomsen	Regina Hodits
Position	Member	Member	Member
Age	1963	1960	1969
Gender	Male	Male	Female
Date of original appointment to the board	1 December 2020	21 March 2023	1 December 2020
The member has been re-elected	20 March 2025	20 March 2025	20 March 2025
Expiry of election period	Annual meeting 2026	Annual meeting 2026	Annual meeting 2026
Special competences possessed by the member	Significant experience within entrepreneurship, company building, management and board work. Experience within financing and research.	Significant experience with management from large international companies, significant experience within research, pharmacology, drug development, medical affairs. Experience with board work in the private and public sectors, including as Chair of University of Copenhagen.	Board work, networking, entrepreneurship, development of companies, investment, capital raising and venture capitalism, inter alia as founding investor in Rigontec, F-star, Jenavalve, and Bicycle Therapeutics, and board member of Minervax, Seamless, Sidekick Health, SNIPR Biome, TRiCares, Themis Bio-science, U3 Pharma, Nitec /Horizon Pharma and Novamed.

Management's review

	Martin Bonde	Mads Krogsgaard Thomsen	Regina Hodits
Other managerial positions	Martin Bonde is the chief executive officer of Akylox Therapeutics Aps. He is chair of the board in Asgard Therapeutics AB and the chair of the board in HepaRegeniX GmbH. Also, Martin is a board member in Visiopharm A/S and a board member in Inthera Bioscience AG.	Mads Krogsgaard Thomsen is the CEO of the Novo Nordisk Foundation. Since 2000, he has served as adjunct professor of pharmacology at the Faculty of Health at University of Copenhagen. He is a board member of BB BioTech, Switzerland.	Regina is Managing Director at Angelini Ventures. She is a board member of ADCytherix, Nuclidium and a US stealth rare disease company, and on the Board of the INiTS incubator in Vienna.
The member is considered independent	The member is considered independent.	The member is considered non-independent.	The member is considered independent.
Ownership etc. of shares in subsidiaries and/or associates	None.	None.	None.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2025 of the Group and the results of the activities and cash flows of the Group for the financial year for 2025 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

(TDKK)	Note	Group		Parent foundation	
		2025	2024	2025	2024
Revenue	1	124,523	89,319	87,901	64,808
Value adjustments of assets held for investment	2	-17,003	118,790	83	28,074
Received Grants	3	354,555	465,797	330,072	451,524
Other external expenses		-121,759	-111,969	-66,471	-79,528
Gross profit		340,316	561,937	351,585	464,878
Staff expenses	4	-125,385	-110,778	-101,869	-105,369
Depreciation on tangible and intangible assets	5	-22,073	-15,582	-4,539	-4,539
Profit before financial income and expenses		192,858	435,577	245,177	354,970
Income/loss from investments in subsidiaries		0	0	-56,059	85,614
Financial income	6	3,700	10,027	2,667	8,270
Financial expenses	7	-797	-121	-70	-65
Profit before tax		195,761	445,483	191,715	448,789
Tax on profit/loss for the year	8	-4,046	3,289	0	-17
Net profit for the year	9	191,715	448,772	191,715	448,772

Balance sheet 31 December

Assets

(TDKK)	Note	Group		Parent foundation	
		2025	2024	2025	2024
Development projects		10,937	15,476	10,937	15,476
Intangible assets	10	10,937	15,476	10,937	15,476
Equipment		33,665	21,622	0	0
Leasehold improvements		18,712	15,447	0	0
Assets under construction		13,371	32,544	0	0
Property, plant and equipment	11	65,748	69,613	0	0
Investments in subsidiaries	12	0	0	359,182	394,889
Investments in associates	13	3,874	0	3,874	0
Other financial investments	14	203,350	199,132	4,044	4,013
Convertible loans	14	137,309	109,050	135,363	109,050
Fixed asset investments		344,533	308,182	502,463	507,952
Fixed assets		421,218	393,271	513,400	523,428
Trade receivables		6,956	435	208	0
Receivables from group enterprises		0	0	0	2,380
Other receivables		6,707	110,805	1,464	103,709
Deferred tax asset		0	4,736	0	0
Prepayments		20,255	23,545	1,896	3,545
Receivables		33,918	139,521	3,568	109,634
Cash at bank and in hand		445,911	418,817	365,225	311,214
Current assets		479,829	558,338	368,793	420,848
Assets		901,047	951,609	882,193	944,276

Balance sheet 31 December

Liabilities and equity

(TDKK)	Note	Group		Parent foundation	
		2025	2024	2025	2024
Capital base		10,000	10,000	10,000	10,000
Reserve for Grants in the future		500,000	325,000	500,000	325,000
Retained earnings		228,322	472,705	228,322	472,705
Equity		738,322	807,705	738,322	807,705
Trade payables		13,809	30,632	5,696	14,001
Payables to group enterprises		0	0	639	3,918
Corporation tax		109	507	0	0
Other payables		23,542	10,809	15,266	18,349
Grants payable	15	109,859	96,694	109,859	96,694
Deferred income		15,406	5,262	12,411	3,609
Short-term debt		162,725	143,904	143,871	136,571
Debt		162,725	143,904	143,871	136,571
Liabilities and equity		901,047	951,609	882,193	944,276
Contingent assets, liabilities and other financial obligations	16				
Related parties	17				
Subsequent events	18				
Accounting Policies	19				

Statement of changes in equity

Group

(TDKK)	Capital base	Reserve for future Grants	Retained earnings	Total
Equity at 1 January	10,000	325,000	472,705	807,705
Grants, net	0	-261,098	0	-261,098
Transfers, reserves	0	175,000	-175,000	0
Net profit/loss for the year	0	261,098	-69,383	191,715
Equity at 31 December	10,000	500,000	228,322	738,322

Parent foundation

(TDKK)	Capital base	Reserve for future Grants	Retained earnings	Total
Equity at 1 January	10,000	325,000	472,705	807,705
Grants, net	0	-261,098	0	-261,098
Transfers, reserves	0	175,000	-175,000	0
Net profit/loss for the year	0	261,098	-69,383	191,715
Equity at 31 December	10,000	500,000	228,322	738,322

Cash flow statement 1 January - 31 December

(TDKK)	Note	Group	
		2025	2024
Result of the year		191,715	448,772
Adjustments		40,219	- 116,403
Change in working capital		106,921	-10,252
Cash flow from operations before financial items		338,855	322,117
Financial income		3,700	10,027
Financial expenses		-797	-121
Cash flows from ordinary activities		341,758	332,023
Corporation tax paid		292	-1,050
Cash flows from operating activities		342,050	330,973
Purchase of property, plant and equipment		-30,672	86,468
Fixed asset investments made etc		-36,351	-145,171
Cash flows from investing activities		-67,023	-58,703
Grants		-247,933	-248,390
Cash flows from financing activities		-247,933	-248,390
Change in cash and cash equivalents		27,094	23,880
Cash and cash equivalents at 1 January		418,817	394,937
Cash and cash equivalents at 31 December		445,911	418,817
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		445,911	418,817
Cash and cash equivalents at 31 December		445,911	418,817

Notes to the Financial Statements

1. Revenue

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Sale of services	102,994	68,572	87,901	64,808
Rent	21,529	20,747	0	0
	124,523	89,319	87,901	64,808

2. Value adjustments of investment assets

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Value adjustments of investments	-17,003	91,840	83	28,074
Dividends received	0	26,950	0	0
	-17,003	118,790	83	28,074

3. Received Grants

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Grants received from Novo Nordisk Fonden	314,937	436,000	312,000	436,000
Grants received from others	36,455	29,797	14,909	15,524
Other income from acquisitions	3,163	0	3,163	0
	354,555	465,797	330,072	451,524

4. Staff expenses

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Wages and salaries	108,737	94,909	87,609	90,200
Pensions	11,768	8,844	9,680	8,474
Other social security expenses	1,057	1,598	948	1,543
Other staff expenses	3,823	5,427	3,632	5,152
	125,385	110,778	101,869	105,369

Notes to the Financial Statements

4. Staff expenses (continued)

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Including remuneration to the Executive Board and Board of Directors:				
Executive board	4,482	5,612	4,482	5,612
Board of directors	2,100	2,100	2,100	2,100
	6,582	7,712	6,582	7,712
Average number of employees	126	105	104	101

(TDKK)	Board of Directors fee, BioInnovation Institute Fonden	Total
Marianne Philip	675	675
Robert Glen Urban	750	750
Hans Thalsgård Schambye	225	225
Martin Bonde	225	225
Mads Krogsgaard Thomsen	0	0
Regina Hodits	225	225
	2,100	2,100

5. Depreciation on tangible and intangible assets

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Amortisation of intangible assets	4,539	4,539	4,539	4,539
Depreciation of property, plant and equipment	17,534	11,043	0	0
	22,073	15,582	4,539	4,539

6. Financial income

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Interest, banks	3,700	10,027	2,758	8,358
Interest, convertible loans	13,268	8,669	13,268	9,568
Interest impairment	-13,268	-8,669	-13,268	-9,568
Exchange gains	0	0	-91	-88
	3,700	10,027	2,667	8,270

Notes to the Financial Statements

7. Financial expenses

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Other financial expenses	797	121	70	65
	797	121	70	65

8. Income tax expense

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Current tax for the year	105	1,473	0	17
Deferred tax for the year	0	-4,718	0	0
Adjustment of tax concerning previous years	-795	-44	0	0
Adjustment of deferred tax concerning previous years	4,736	0	0	0
	4,046	-3,289	0	17

9. Profit allocation

(TDKK)	Parent foundation	
	2025	2024
Grants, net	261,098	258,327
Retained earnings	-69,383	190,445
	191,715	448,772

10. Intangible fixed assets

(TDKK)	Group	Parent foundation
	Development projects	Development projects
Cost at 1 January	33,632	33,632
Cost at 31 December	33,632	33,632
Impairment losses and amortisation at 1 January	18,156	18,156
Amortisation for the year	4,539	4,539
Impairment losses and amortisation at 31 December	22,695	22,695
Carrying amount at 31 December	10,937	10,937

Notes to the Financial Statements

11. Property, plant and equipment

Group (TDKK)	Equipment	Leasehold improvements	Assets under construction
Cost at 1 January	39,979	27,412	32,544
Additions for the year	67	0	13,602
Transfers for the year	24,522	8,253	-32,775
Cost at 31 December	64,568	35,665	13,371
Impairment losses and depreciation at 1 January	18,357	11,965	0
Depreciation for the year	12,546	4,988	0
Impairment losses and depreciation at 31 December	30,903	16,953	0
Carrying amount at 31 December	33,665	18,712	13,371

12. Investments in subsidiaries

(TDKK)	Parent foundation	
	2025	2024
Cost at 1 January	329,483	208,224
Additions for the year	20,352	121,259
Cost at 31 December	349,835	329,483
Value adjustments at 1 January	65,406	-20,208
Net profit/loss for the year	-56,059	85,614
Value adjustments at 31 December	9,347	65,406
Carrying amount at 31 December	359,182	394,889

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
BII Holdings A/S	Copenhagen	100%
Deep Tech Lab A/S	Copenhagen	100%

13. Investments in associates

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Cost at 1 January	0	0	0	0
Net effect from acquisition	3,874	0	3,874	0
Cost at 31 December	3,874	0	3,874	0
Carrying amount at 31 December	3,874	0	3,874	0

Notes to the Financial Statements

13. Investments in associates (continued)

Investments in associates are specified as follows:

Name	Place of registered office	Ownership
Progression Ventures ApS	Copenhagen	49%
Accelerace Invest K/S	Copenhagen	33.3%
Accelerace Invest Management ApS	Copenhagen	33.3%

Notes to the Financial Statements

14. Other fixed asset investments

(TDKK)	Group		Parent foundation	
	Other financial investments	Convertible loans	Other financial investments	Convertible loans
Cost at 1 January	97,094	453,960	4,013	456,210
Net effect from acquisition	1,099	1,946	0	0
Additions for the year	18,750	186,455	18,750	186,455
Disposals for the year	-2,500	-18,000	-18,719	-18,000
Cost at 31 December	114,443	624,361	4,044	624,665
Revaluations at 1 January	102,038	-344,910	0	-347,160
Exchange adjustment	-619	0	0	0
Revaluations for the year	-15,012	-155,642	0	-155,642
Reversal for the year of revaluations of assets sold	2,500	13,500	0	13,500
Revaluations at 31 December	88,907	-487,052	0	-489,302
Carrying amount at 31 December	203,350	137,309	4,044	135,363

The general principle applied in the selection of valuation approach maximizes the use of observable inputs and minimizes the use of unobservable inputs. Usually there is no active market for the kinds of financial investments held by the Company. By nature, uncertainties exist regarding fair value assessments of financial investments.

The primary valuation method is based on recent investment or financing rounds. If a portfolio company has carried out any recent equity investment round, and the equity investment is likely to represent a fair value, the fair value estimate is based on the subscription price obtained in the equity investment round. Differences in share classes, such as preference shares versus common shares, may necessitate a closer examination of specific valuation methods for each class to ensure accuracy. These include adjustments for liquidation preferences, participating rights, and conversion mechanisms, as well as the impact of exit bonuses, which may provide preferential payouts in a liquidity event. The valuation approach ensures that senior share classes and special rights are appropriately reflected in fair value assessment.

Significant fair value assumptions:

If no recent investment round has occurred, the fair value will be based on the application of a modelling approach.

If the company does not run an established business with an identifiable stream of continuing earnings or cash flows that are maintainable, the fair value shall be based on a pre-defined value trigger approach, by which the fair value changes.

The pre-defined value triggers include the following:

- Funding availability and product development. If the portfolio company has a greater than 6-12 months cash runway and investors are willing to finance, actively engage in discussions under CDA or can present signed term sheets, the value is maintained.
- Limited funding availability and negative product development. If the portfolio company has less than 6-12 months runway with limited fundraising possibilities and/or there are negative product developments, the value is not maintained. If one of the criteria is not met, value is impaired by 50%. If both the criteria are not met, value is impaired by 100%.

Notes to the Financial Statements

15. Grants payable

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Grants payable beginning of the year	96,694	86,757	96,694	86,757
Grants for the year	261,098	258,327	261,098	258,327
Payments during the year	-247,933	-248,390	-247,933	-248,390
Distributions not yet paid out at 31 December	109,859	96,694	109,859	96,694

Distributions made for the year consists of grants awarded of 267,7 mDKK and refunds of -6,8 mDKK.

16. Contingent assets, liabilities and other financial obligations

Rental obligations amount to 335,029 TDKK. The rental agreement is non-cancellable until 30 June 2036.

The Foundation has issued a guarantee towards a third party in respect BII Holdings A/S' payment of the above-mentioned rent.

17. Related parties

Transactions

Related parties are considered the Executive board and the Board of Directors of the Foundation, BII Holdings A/S as well as related parties to this, including members of the management.

Other than the below-mentioned intercompany transactions and normal remuneration to Management disclosed in Note 4 'Staff expenses', no transactions have been concluded with the Board of Directors, Executive Management or other related parties.

(TDKK)	Group		Parent foundation	
	2025	2024	2025	2024
Purchase of services from BII Holdings A/S	0	0	42,637	24,827
Purchase of services from Deep Tech Lab A/S	0	0	700	0
Sale of services to BII Holdings A/S	0	0	22,378	4,770
Sale of services to Deep Tech Lab A/S	0	0	3,397	3,344
Payable to BII Holdings A/S	0	0	488	2,441
Payable to Deep Tech Lab A/S	0	0	150	7,372
Purchase of consultant services to BII Holdings A/S from a board member	22	0	0	0

Notes to the Financial Statements

18. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

19. Accounting policies

The Annual Report of BioInnovation Institute Fonden for 2025 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Foundation Financial Statements for 2025 are presented in TDKK.

The presentation of the income statement and balance sheet has been adjusted to be in line with the activities of a foundation.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Foundation, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Foundation, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of the parent foundation BioInnovation Institute Fonden and entities controlled by the BioInnovation Institute Fonden. Control exists when the BioInnovation Institute Fonden has effective power over the entity and has the right to variable returns from the entity.

All intra-Group transactions, balances, income and expenses are eliminated in full when consolidated.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal.

Entities in which the Group directly or indirectly controls at least 20% but not more than 50% of the voting power are accounted for as associates and measured using the equity method.

The consolidated financial statements are prepared by combining items of a uniform nature and subsequently eliminating intercompany transactions, internal stockholdings and balances, and unrealized inter-company profits and losses.

Business combinations

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

Notes to the Financial Statements

19. Accounting policies (continued)

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Notes to the Financial Statements

19. Accounting policies (continued)

Income statement

Revenue

Revenue from sale of services

Revenue from the sale of services is recognised in the income statement when delivery and transfer of risk and provided that the income can be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties.

Revenue from sale of services comprises delivery of services to customers and of mark-up on projects produced behalf of grant recipients.

Income from investment portfolio

Income from investment portfolio comprise interest from convertible loans and realized and unrealized values adjustments of convertible loans and other financial investments.

Rent income

Rent from income is recognised in the income statement when delivery of the service and transfer of risk to the tenant have take place and provided that the income can be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in Rent income.

Received grants

Grants are recognised in the income statement once the grant giver is obligated towards the Group and the grant is unconditionally granted. If the grant is conditional on a period of time, the grant is recognised during the period. From that point of time and until the grants have been paid out, the grants are included in other receivable as a receivable. Received grants are not considered revenue, but other operating income.

Other operating income

Other operating income is recognised in the income statement once the contract party is obligated to pay. The means are disbursed by the contract party in accordance with the amounts specified in the government budget. In case where the Foundation is unable to utilize the disbursed means within a given year, the unspent amount is required to be recognised on the balance sheet as deferred income, with the intention of utilizing the funds in the following year.

Other operating income also comprises items secondary to the activities of the Group, including gains on disposal of intangible and tangible assets.

Notes to the Financial Statements

19. Accounting policies (continued)

Other external expenses

Other external expenses include the year's expenses relating to the Group's core activities, including relating to distribution, sales, advertising, administration, premises bad debts, payments under operation leases, etc.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions to the Foundation's employees, as well as other social security contributions etc. The item is net of refunds from public authorities.

Financial income and expenses

Financial income and expenses comprise interest, realized and unrealized gains and losses on transactions denominated in foreign currencies, amortisation of financial liabilities as well as surcharges and refunds under the on-account tax scheme.

Tax on profit/loss for the year

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The BioInnovation Institute Fonden has the option to use section 3(4) to the Danish Corporation Tax Act. Under these rules, the taxable income of BII Holdings A/S is considered to have been earned by BioInnovation Institute Fonden if the taxable income is distributed as a dividend to BioInnovation Institute Fonden. Since BioInnovation Institute Fonden's taxable income is regularly offset against grants for the year and /or tax provisions for future grants, no deferred tax asset or liability is recognised in respect of assets (portfolio investments) and other intangible and tangible assets owned by BioInnovation Institute Fonden and BII Holdings A/S.

Balance sheet

Intangible fixed assets

Development projects

Intangible assets comprise the development of the BioInnovation Institute.

Development projects which are clearly defined and identifiable, where the technical rate of amortisation, adequate resources and a potential future market or development potential can be established and where it is the intention to produce, market or amortise the project, are recognised as intangible assets if cost can be calculated reliably and if sufficient assurance is obtained as to the ability of future revenue to cover expenses relating to production, sale, administration and development. Other development costs are recognised in the income statement as defrayed.

Capitalized development costs are measured at the lower of cost less accumulated amortisation and recoverable amount.

After completion of the development project, developments costs are amortised on a straight-line basis over the estimated use-life. The amortisation period is 10 years.

Gains and losses from disposals of development projects are measured as the difference between sales price less sales costs and the carrying amount at the time of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses.

Notes to the Financial Statements

19. Accounting policies (continued)

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 10 years.

Property, plant and equipment

Tangible assets are measured at cost less accumulated depreciations and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives of the assets are as follows:

Leasehold improvements	10 years
Equipment	5 years

Notes to the Financial Statements

19. Accounting policies (continued)

Depreciation is based on the residual value of the asset and is reduced by impairment losses. If any, the depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Gains and losses from disposals of assets are measured as the difference between sales price less sales costs and the carrying amount at the time of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses.

Convertible loans

Convertible loans are measured at amortised cost.

Other financial investments

Other financial investments comprise securities other than convertible loans and are measured at fair value. Other financial investments are written down when there is evidence of impairment. Fair value is the price that would be received by selling the asset in an orderly transaction between market participants at the measurement date.

Differences in share classes, such as preference shares versus common shares, may necessitate a closer examination of specific valuation methods for each class to ensure accuracy. Additionally, adjustments are made based on objective criteria when available.

Investment in group companies (Parent Foundation)

Investments in group companies are measured under the equity method. In the income statement the proportional share of the result after tax is recognised.

Impairment of fixed assets

The carrying amounts of intangible assets and tangible assets is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impairment assets is reduced to the higher of the net selling price and the value in use (recoverable amount). The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from disposal of the asset or the group of assets after the end of the useful life. Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Notes to the Financial Statements

19. Accounting policies (continued)

Investments in associates

Investments in associates are recognised and measured under the equity method.

The item "Investments in associates" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

The total net revaluation of investments in associates is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the associates.

Associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis. Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Foundation's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realizable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments consists of prepaid costs related to subsequent financial years.

Equity

The Foundations base capital consists of its original base capital and following increases.

Grants payable

Grants are recognised as distribution once the Foundation is obligated towards the grant recipient. From that point of time and until the grants have been paid out, the grants are included in payables for grants as provision.

Deferred tax receivable/payable and payable

Deferred tax assets and liabilities are offset within the same legal tax entity.

Notes to the Financial Statements

19. Accounting policies (continued)

Current tax receivables and liabilities

Current tax receivable/payable is computed based on the expected taxable income for the year and any adjustment for tax payable for previous years.

Short-term liabilities

Short-term liabilities are recognised at amortised cost unless specified otherwise.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Foundation has not prepared a cash flow statement for the Foundation itself but has only prepared a cash flow statement for the Group.

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to base capital.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Equity ration	Equity at year end x 100 / Total assets at year end