Cbio A/S

Annual Report 2024

CBio A/S

Transformervej 8, 2860 Søborg

CVR no. 40 21 66 42

Annual report for 2024

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 02.05.25

Ulrik Cordes
Dirigent

This document contains a Danish version as well as an English version. In the event of any disputes or misunderstandings regarding the interpretation of this document, the Danish version of the document shall prevail.

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Company information etc.

The company

CBio A/S
Transformervej 8
2860 Søborg
CVR no.: 40 21 66 42
Financial year: 01.01 - 31.12

Executive Board

Ulrik Cordes

Board of Directors

Else Beth Trautner
Christian Henri Leroy
Karin Cecilia Hultén
Ulrik Cordes
Lars Rabe Tønnesen

Auditors

Beierholm
Godkendt Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.24 - 31.12.24 for CBio A/S.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.24 and of the results of the company's activities for the financial year 01.01.24 - 31.12.24.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Soeborg, Copenhagen, May 2, 2025

Executive Board

Ulrik Cordes

Board of Directors

Else Beth Trautner Chairman	Christian Henri Leroy	Karin Cecilia Hultén
Ulrik Cordes	Lars Rabe Tønnesen	

To the Shareholders of CBio A/S

Opinion

We have audited the financial statements of CBio A/S for the financial year 01.01.24 - 31.12.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the company's financial position at 31.12.24 and of the results of the company's operations for the financial year 01.01.24 - 31.12.24 in accordance with the Danish Financial Statements Act.

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 company 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 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, it is 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 by law and regulations.

Based on the work we have performed, we conclude that the management’s review is in accordance with the financial statements and has been prepared in accordance with the requirements of Danish Financial Statements Act. We did not identify any material misstatement of the management’s review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of 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 company'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 company 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 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 judgment 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 company'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 company'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 company 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.

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.

Soeborg, Copenhagen, May 2, 2025

Beierholm
Godkendt Revisionspartnerselskab
CVR no. 32 89 54 68

Anders Ladegaard
State Authorised Public Accountant
MNE-no. mne18830

Primary activities

The company's purpose is to conduct research, development and manufacturing of cell-based therapies for its partners and for own-sponsored programs for the benefit of cancer and other seriously ill patients.

Development in activities and financial affairs

The income statement for the period 01.01.24 - 31.12.24 shows a profit/loss of DKK -79,605 against DKK -621,556 for the period 01.01.23 - 31.12.23. The balance sheet shows equity of DKK 12,278,559. The estimated result for 2025 is a loss of DKK 3.1 million.

2024 marked a major milestone for Cbio, as we took a significant step toward becoming a clinical-stage company. Years of dedicated preclinical development culminated in the submission of our first clinical trial application for our lead T-cell product, novoleucel, to the European Medicines Agency.

Reflecting on our progress, we will look back on 2024 with immense pride and respect for the considerable work put into this accomplishment by our still relatively small but dedicated team. This work will pave the way for treating 20 late-stage cervical cancer patients who have exhausted all other treatment options, marking a significant step towards our mission to enable cancer cure.

Worldwide, more than 660,000 women are diagnosed with cervical cancer annually, with almost 350,000 fatalities. In Europe and North America alone, 33,000 women lose their lives to this disease each year. The standard care, primarily involving traditional surgery followed by chemotherapy and radiation, highlights the substantial unmet medical need.

The FDA's approval of three new T-cell therapies in solid tumors in 2024 validates our approach and clarifies the regulatory path to commercialization, positioning us for substantial growth. With reimbursement amounting to $500,000 per patient in the US, cervical cancer alone has blockbuster potential, i.e. exceeding $1 billion in annual sales.

We continue to expand our preclinical work for novoleucel into other indications, and strongly believe that our work in cervical cancer translates very well into indications such as Melanoma, Lung, and Head & Neck Cancer. These indications far exceed the potential for cervical cancer in numbers, offering us a great opportunity to further expand patient reach and financial potential for our lead product.

Thus, entering clinical development establishes novoleucel as a transformative treatment in cervical cancer and serves as clinical proof of concept to expand into other indications. In addition, it serves as proof for our underlying REVITA™ cell therapy technology platform that has the potential to enhance efficacy and reduce side effects in other related treatment modalities such as CAR-T, TCR-T and NK cell therapy approaches. So, in essence, creating business opportunities in the full cell therapy space – a market that today exceeds $5 billion and is projected to quadruple over the next 10 years.

To illuminate the full impact of REVITA™ and the effect of novoleucel, we intend to generate an unprecedented analytical data package on each patient during the clinical trial using some of the newest cutting-edge technologies for monitoring the immune system while capturing the clinical endpoints together with our collaborators at DTU and Karolinska. Thanks to computational power and AI development, data from just a few patients will help us establish proof of concept.

The potential of the REVITA™ technology far exceeds what we can advance as a single company, and we will further pursue partnering opportunities with Big Pharma as we learn more from our clinical trial. Important for this effort, we continued to invest in our Intellectual Property. Our first patent for novoleucel was granted in Europe. With four more patent applications to follow, we continue to strengthen our position as a clear technology leader in the field.

Transitioning from a preclinical to a clinical-stage company in biotech typically results in a solid increase in valuation and opens the door for a larger series A financing round. We have re-engaged our discussions with relevant VCs with the ambition to close a Series A round within the comming year. With the proceeds, we aim to accelerate value creation by progressing novoleucel into confirmatory studies in cervical cancer, advancing into other indications, and exploring strategic partnerships. Despite market challenges, the right opportunities continue to attract financing, as evidenced by recent Series A rounds in our field. With our current funding, we have a runway until Q2-2026.

In summary, 2024 was another defining year for Cbio. We continue to strengthen our position in the market by advancing our first product through the development stages, securing a strong IP and technology base, and expanding our scientific collaborations with leading academic institutions. Cell-based immunotherapies have the potential to completely transform treatment of late-stage cancer patients, and we remain committed to pioneering the field and pursuing our mission to enable cancer cures.

I want to extend my gratitude to our strong and dedicated team, whose tireless efforts have been instrumental in advancing our progress. Additionally, I thank our investors, board of directors, collaborators, financial partners, and stakeholders for their unwavering support. Your commitment has been crucial to our success, and we appreciate your continued trust in our mission.

Ulrik Cordes
Founder, CEO

Income statement

Note		2024 DKK	2023 DKK
	Gross profit	**4,662,815**	**5,482,703**
1	Staff costs	-5,114,962	-6,923,724
	Loss before depreciation, amortisation, write-downs and impairment losses	**-452,147**	**-1,441,021**
	Financial income	52,945	4,592
	Financial expenses	-505,262	-741,353
	Loss before tax	**-904,464**	**-2,177,782**
	Tax on loss for the year	824,859	1,556,226
	Loss for the year	**-79,605**	**-621,556**

Proposed appropriation account

Retained earnings	-79,605	-621,556
Total	**-79,605**	**-621,556**

Balance sheet

ASSETS

Note		31.12.24 DKK	31.12.23 DKK
	Development projects in progress	19,915,602	11,118,042
2	**Total intangible assets**	**19,915,602**	**11,118,042**
	Leasehold improvements	973,917	1,752,905
	Other fixtures and fittings, tools and equipment	1,704,854	3,094,090
3	**Total property, plant and equipment**	**2,678,771**	**4,846,995**
4	Deposits	876,402	791,681
	Total investments	**876,402**	**791,681**
	Total non-current assets	**23,470,775**	**16,756,718**
	Trade receivables	357,833	0
	Receivables from group enterprises	0	26,341
	Deferred tax asset	568,519	0
	Income tax receivable	256,340	1,530,124
	Other receivables	4,173,737	2,306,455
	Prepayments	123,517	61,466
	Total receivables	**5,479,946**	**3,924,386**
	Cash	**6,796,021**	**2,068,322**
	Total current assets	**12,275,967**	**5,992,708**
	Total assets	**35,746,742**	**22,749,426**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.24 DKK	31.12.23 DKK
	Share capital	1,946,522	1,771,253
	Share premium	13,327,275	6,887,544
	Reserve for development costs	19,915,602	11,118,042
	Retained earnings	-22,910,840	-14,033,675
	Total equity	**12,278,559**	**5,743,164**
5	Subordinate loan capital	5,821,965	7,146,419
5	Lease commitments	1,083,773	1,691,435
5	Other payables	91,323	21,236
	Total long-term payables	**6,997,061**	**8,859,090**
5	Short-term part of long-term payables	587,177	592,541
	Payables to other credit institutions	23,659	543
	Trade payables	1,393,131	1,097,628
	Other payables	656,494	441,718
	Deferred income	13,810,661	6,014,742
	Total short-term payables	**16,471,122**	**8,147,172**
	Total payables	**23,468,183**	**17,006,262**
	Total equity and liabilities	**35,746,742**	**22,749,426**

6 Contingent liabilities

Statement of changes in equity

Figures in DKK	Share capital	Share premium	Reserve for developmen t costs	Retained earnings	Total equity
Statement of changes in equity for 01.01.24 - 31.12.24					
Balance as at 01.01.24	1,771,253	6,887,544	11,118,042	-14,033,675	5,743,164
Capital increase	175,269	6,439,731	0	0	6,615,000
Transfers to/from other reserves	0	0	8,797,560	-8,797,560	0
Net profit/loss for the year	0	0	0	-79,605	-79,605
Balance as at 31.12.24	1,946,522	13,327,275	19,915,602	-22,910,840	12,278,559

	2024 DKK	2023 DKK

1. Staff costs

	2024 DKK	2023 DKK
Wages and salaries	4,740,702	6,399,648
Other social security costs	42,562	86,699
Other staff costs	331,698	437,377
Total	5,114,962	6,923,724
Average number of employees during the year	6	9

2. Intangible assets

Figures in DKK	Development projects in progress
Cost as at 01.01.24	11,118,042
Additions during the year	8,798,521
Disposals during the year	-961
Cost as at 31.12.24	19,915,602
Carrying amount as at 31.12.24	19,915,602
Carrying amount of assets held under finance leases as at 31.12.24	0

3. Property, plant and equipment

Figures in DKK	Leasehold improvements	Other fixtures and fittings, tools and equipment
Cost as at 01.01.24	4,252,108	6,518,202
Disposals during the year	-5,045	0
Cost as at 31.12.24	4,247,063	6,518,202
Depreciation and impairment losses as at 01.01.24	-2,499,203	-3,424,112
Depreciation during the year	-776,826	-1,389,236
Reversal of depreciation of and impairment losses on disposed assets	2,883	0
Depreciation and impairment losses as at 31.12.24	-3,273,146	-4,813,348
Carrying amount as at 31.12.24	973,917	1,704,854
Carrying amount of assets held under finance leases as at 31.12.24	0	1,188,754

4. Non-current financial assets

Figures in DKK	Deposits
Cost as at 01.01.24	791,681
Additions during the year	84,721
Cost as at 31.12.24	876,402
Carrying amount as at 31.12.24	876,402

5. Long-term payables

Figures in DKK	Repayment first year	Total payables at 31.12.24	Total payables at 31.12.23
Subordinate loan capital	0	5,821,965	7,146,419
Lease commitments	587,177	1,670,950	2,283,976
Other payables	0	91,323	21,236
Total	587,177	7,584,238	9,451,631

6. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 36-60 months and average lease payments of t.DKK 28, a total of t.DKK 511. The Company has a residual obligation of t.DKK 486.

The company has consluded lease agreements for rental of premises. The company has a rent obligation of t.DKK 1.186.

7. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

LEASES

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

7. Accounting policies - continued -

GRANTS

Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue, work performed for own account and capitalised and other operating income and other external expenses.

Revenue

Income from the sale of services is recognised in the income statement as delivery takes place (delivery method). Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Work performed for own account and capitalised

Work performed for own account and capitalised comprises cost of sales, wages and salaries and other internal expenses incurred during the year and included in the cost of self-constructed or self-produced intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

7. Accounting policies - continued -

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation, amortisation and impairment losses

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK
Leasehold improvements	5	0
Other plant, fixtures and fittings, tools and equipment	5	0

Other net financials

Interest income and interest expenses, the interest element of finance lease payments etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

7. Accounting policies - continued -

BALANCE SHEET

Intangible assets

Development projects in progress

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

7. Accounting policies - continued -

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

7. Accounting policies - continued -

Cash

Cash includes deposits in bank account.

Equity

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

7. Accounting policies - continued -

Payables

With subordinate loan capital, the creditor has subordinated its claim to those of all other creditors of the company.

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.