

15 important considerations when relocating your life science business

How to continue economic growth, while enjoying some Danish hygge



Ecosystem of private and public partners



Excellent infrastructure



Knowledge-based life science businesses



Competitive economy



Innovation and research environment

Provide your life science business with the best conditions for life – and growth

by becoming part of one of the world's leading life science clusters

Did you know that Denmark is a leader in the field of life science, and that the Medicon Valley business cluster is the international epicentre of Scandinavian life sciences?

Located at the gateway to Denmark and Sweden, in Greater Copenhagen, we have a vibrant ecosystem and deep talent pool underpinned by world-class life science universities and research infrastructure.

Success creates more success – the story of our region

Our region is successful because the life science businesses are successful. The life science industry in Greater Copenhagen gets stronger every day, because it both benefits from, and contributes to a unique ecosystem of businesses, universities, hospitals and the public sector.

And your business is most welcome. You too can take part in our success – and growth.

Draw inspiration from the Danish approach to life science, business and hygge

This white paper will provide you with information about the Danish life science industry. You will learn about 15 important considerations in terms of relocating to Denmark, and why our life science cluster is the ideal location for you.

Denmark is widely known for its impressive life science ecosystem, its robust business climate and, of course, its intense affection for hygge – a uniquely Danish cultural phenomenon.

In fact, hygge is crucial to success. It inspires job satisfaction in all businesses in our country each and every day. Maybe one day it will do the same in yours too?



15 Important considerations when relocating your life science business

How to create economic growth, while enjoying some Danish hygge



Join an ecosystem of businesses, universities and public sector

Page

- 1** A world leader in the fields of R&D spending, clinical testing and drug development 8
- 2** Get easy access to medical databases and clinical trials 10
- 3** Is the public sector willing to invest in healthcare? 11
- 4** What is the business and research climate like for biotech? 12



Surround your company with knowledge-based businesses

- 5** What is the overall business climate like in Denmark? 15
- 6** Rich human resources, easy talent recruitment 16
- 7** Don't forget Danish hygge 17



Grow in a rich innovation and research environment

Page

- 8** Join a rich environment for R&D and MedTech companies 19
- 9** Get access to state-of-the-art academic research centres 20



Get easy access with excellent infrastructure

- 10** What are the infrastructure and logistics of the region like? 23



Grow in a competitive economy

- 11** What are corporate tax levels like? 25
- 12** How does the Danish labour market work? 26
- 13** Check employer costs 27
- 14** Are business costs competitive? 28
- 15** Smooth interaction with public authorities is crucial 29



How to get started

- Get in touch with us 33
- Links 33



Join an ecosystem of businesses, universities and public sector

- 1** A world leader in the fields of R&D spending, clinical testing and drug development
- 2** Get easy access to medical databases and clinical trials
- 3** Is the public sector willing to invest in healthcare?
- 4** What is the business and research climate like for biotech?



1

World leader in the fields of R&D investment, clinical testing and drug development

Denmark is number one in the world for developing biotechnology and number one in Europe in number of clinical trials per capita, owing to a strong life science industry employing more than 40,000 people.

Denmark is number one in the world for number of clinical trials per capita

(Clinicaltrials.gov 2015)



Medicon Valley in Greater Copenhagen has:

- 4 life science universities with 50,000 students, producing 2,000 PhDs every year
- 22 hospitals of which 11 are university hospitals
- More than 150 biotech companies and 200 medtech companies
- Leading researchers, clinicians and academics

Medicon Valley is based on close collaboration between industry, academia and the public sector, and has Scandinavia's best knowledge transfer between the public and the private sector, providing excellent R&D opportunities.



2

Get easy access to medical databases and clinical trials

In Denmark, there is an impressively short processing time for drug trial application. A single-point-of-entry system ensures that clinical trial applications are processed within six weeks with parallel submission to the Danish Medicines Authority and European Medicines Agency (EMA). And there is a 95% approval rate on clinical trial applications.

Approval rate on clinical trial applications

95%

Medicon Valley strongholds:

- Electronic health data, such as personal registries (CPR), available from several decades past, allowing researchers to follow the course of disease
- Accurate and comprehensive medical databases of clinical trials provide researchers with a rich source of medical and genetic information
- The Danish Cancer Registry dating back to 1942 is among the world's best cancer registries
- Therapeutic strongholds include cancer, metabolic diseases, inflammation and neurology research
- Medicon Valley ranks no. 1 in Europe for drug pipeline, clinical trials and investment in R&D per capita in biotech and pharma
- 13% of the Danish population has contributed to a clinical trial or medical research, which is more than 100,000 persons annually
- Denmark is investing more than 5.6 billion Euro in new hospitals over the next years

3

Is the public sector willing to invest in healthcare?

Denmark's public sector is currently investing € 5.6 billion in building and renovating 16 hospitals, of which six are brand new super hospitals where both the technology is cutting edge and the areas around the hospitals are planned to be relaxing for the patients as well as serving a purpose as leading rain water in the right direction.

Around 20% of this investment is reserved for IT, medtech devices and clinical equipment.

Tenders to refurbish the hospitals as well as invitations for public private partnerships to develop new health care supply solutions will be published at Greater Copenhagen Investment.

Pharmaceutical industry turn-over in Denmark

€15 billion

4

What is the business and research climate like for biotech?

Life science is the single largest export category in Denmark, amounting to 17 billion Euro annually. Pharmaceutical R&D accounts for 21% of the total private research spending in Denmark. In addition, around 130 million Euro is spent on clinical research every year.

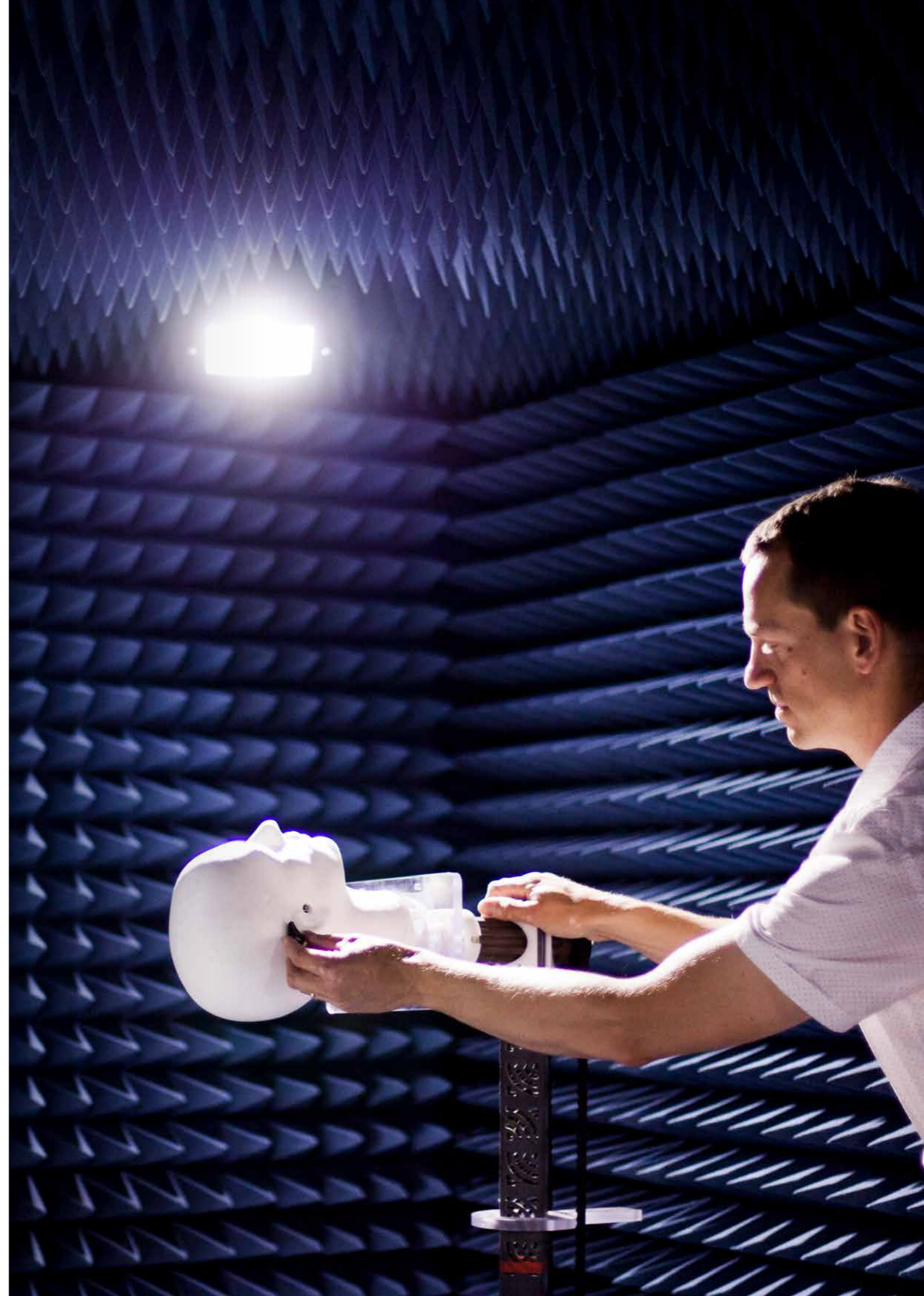
This results in a powerful pipeline with around 400 compounds in Danish companies, ranking Denmark third in overall pipeline in Europe, including in particular:

- Cancer
- Diabetes and metabolic diseases
- Neurological disorders
- Inflammation, allergy and autoimmune diseases

Medicon Valley has the third largest commercial product pipeline in the EU

(Ernst & Young 2015)

N^o 3





Surround your company with knowledge-based businesses

- 5 What is the overall business climate like in Denmark?
- 6 Rich human resources, easy talent recruitment
- 7 Don't forget Danish hygge

5

What is the overall business climate like in Denmark?

In 2018 Denmark is Europe's third easiest place, in which to do business. In 2012-2017 the World Bank ranked Denmark the easiest place in Europe, in which to do business. In 2018 we are Number 3, so still at the top. Denmark is very interested in international companies locating and doing business in Denmark.

Some of the highlights from the report show that it is easy to start a business, easy to trade across borders and easy to get construction permits and register property.

When we talk to companies that have relocated to Ballerup* we hear that the business climate is important, but we also hear that the possibility of establishing strategic partnerships with some of the other international companies ranks high.

Ballerup's selling point is that there are many companies in the fields of Tech/IT and life science who are interested in doing business together.

**Ballerup is a municipality in Greater Copenhagen. More than 65 life science companies are located in Ballerup.*

Companies located in Ballerup include: GN Resound, LEO Pharma, Novo Nordisk, Ambu, Pfizer, Siemens, Schneider, Fujitsu, Struers, KMD, EG, Oticon/William Demant, Tryg, Atea etc.

Third easiest place to do business in the world



For more information, visit: <http://www.doingbusiness.org/rankings>

6

Rich human resources, easy talent recruitment

Denmark is Scandinavia's talent hub.

Greater Copenhagen has Scandinavia's largest recruitment base of highly skilled employees, and Scandinavia's biggest pool of private and public sector researchers.

Denmark also has the highest concentration of knowledge in Scandinavia.

With 12,000 researchers, 15 science parks and 14 universities and other colleges of higher education with top rankings for university-industry cooperation, Greater Copenhagen offers Scandinavia's most knowledge-rich research and business environment.

In Ballerup engineers are educated at Technical University of Denmark – Campus Ballerup. They are interested either in engaging in study projects with companies or in employment possibilities.

Given the right circumstances, the young Danish students are innovative, ambitious and good at networking. While they enjoy hygge, they are also serious about their work and studies.

Please contact BusinessBallerup for more information and get a link directly to the management of the DTU.

12,000 researchers

15 science parks

14 universities

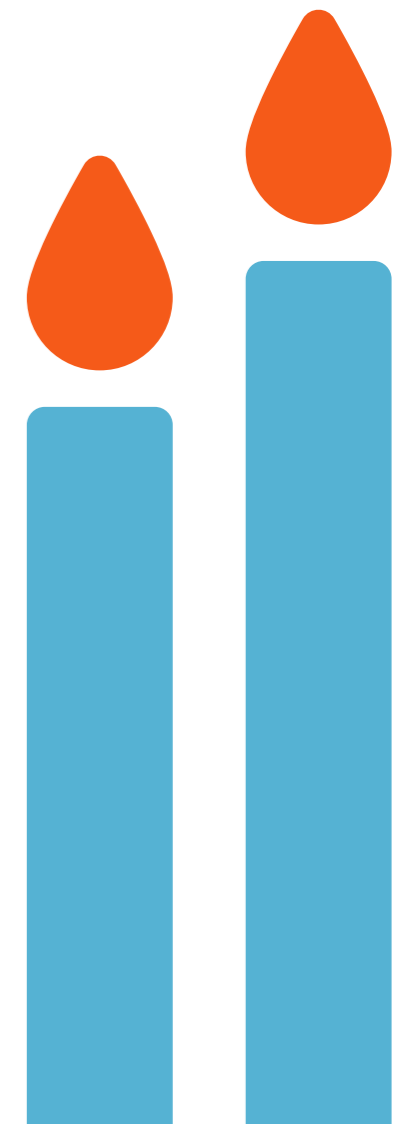
7

Don't forget Danish hygge

Denmark is known worldwide for **HYGGE**. In essence, hygge means creating a warm atmosphere and enjoying the good things of life with people you like. The warm glow of candlelight is hygge. Cosying up with a loved one to watch a film – that's hygge too.

Hygge is probably best described as enjoying the company of friends and family, discussing the big and small things in life. Perhaps hygge explains why the Danes are some of the happiest people in the world and why they perform so well in their jobs.

Sources:
<http://www.bbc.com/news/magazine-34345791>





Grow in a rich innovation and research environment

- 8 Join a rich environment for R&D and MedTech companies
- 9 Get access to state-of-the-art academic research centres

8

Join a rich environment for R&D and MedTech companies

Medicon Valley is home to more than 200+ medico companies of which 200 conduct R&D and/or production.

Medtech industry turnover in Greater Copenhagen

Strongholds include:

- Disposables. Syringes, needles, wound-care products, single-use devices and other disposables account for 40% of the Danish medtech industry
- Diagnostics. Around 20 companies are engaged in R&D developing various diagnostics kits, blood analysis equipment, ultrasound scanners and bioinformatics diagnostics
- Hearing devices. Denmark has captured 40% of the global hearing aid market, owing to strong R&D competences
- Assistive technology. Design, functionality, quality and user-friendliness characterises Danish assistive technology products, giving Denmark a leading position

€ **6,7** billion

9

Get access to state-of-the-art academic research centres

Greater Copenhagen gives life sciences businesses access to a number of academic research centres:

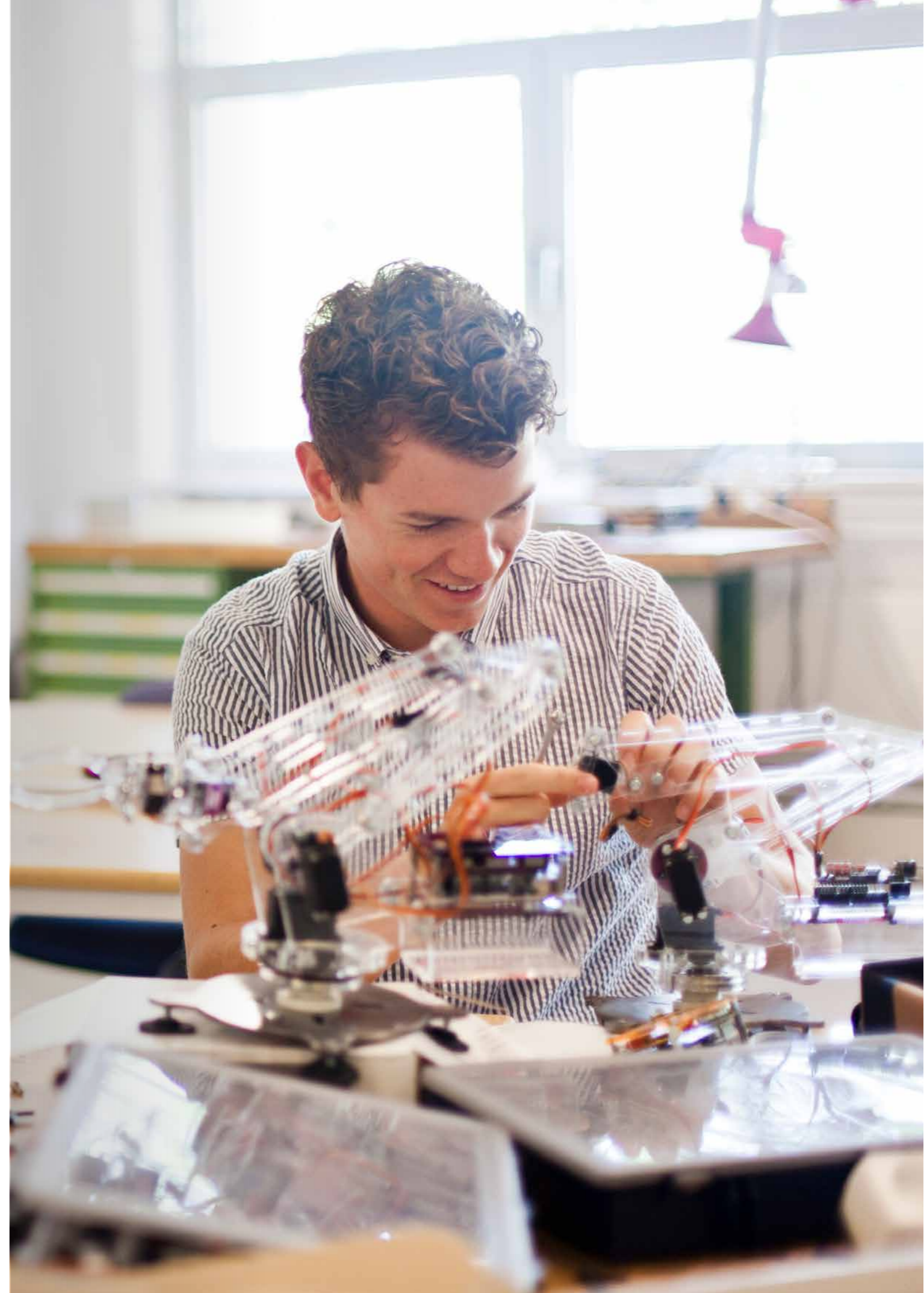
- NNF Center for Protein Research. Promotes basic and applied discovery research on human proteins of medical relevance. Based at University of Copenhagen
- Danish Stem Cell Center (DanStem). Basic research for the development of new therapies for diabetes and cancer. Based at the University of Copenhagen
- NNF Foundation Center for Biosustainability. Develops technologies to facilitate the transformation from an oil-based chemical industry to a sustainable bio-based society, in which chemicals are produced biologically. Based at the Technical University of Denmark
- NFF Center for Metabolic Research. Research on human metabolism for the development of strategies to tackle, prevent and cure diabetes and obesity. Based at the University of Copenhagen

Students enrolled in Life Science course

50,000

Life Science PhDs graduating every year

2,000





Get easy access with excellent infrastructure

10 What are the infrastructure and logistics of the region like?

10

What are the infrastructure and logistics of the region like?

Denmark is the logistics capital of Scandinavia.

Copenhagen links continental Europe, Scandinavia and the Baltic countries, providing access to a market of 100 million consumers, as well as Scandinavia's highest density of businesses and population. Copenhagen Airport was declared the best airport in Northern Europe at the 2015 World Airport Awards and has the most intercontinental, European, Scandinavian and Baltic connections of all the Scandinavian airports.

The airport operates a lot of direct flights to the relevant destinations where you would like to do business.

The airport is also easy accessible by car, railway and metro. Even by bike.

Meanwhile, just for fun, there is a Danish fast food takeaway right next to one of the runways, where you can enjoy the most popular Danish fast food and watch planes coming and going. All the plane watchers are there with their cameras along with families having a fun time.

100 mio.

consumers close by

For more info: <http://www.flyver-grillen.dk/> - We hope that Google can help with the translation, otherwise just enjoy the photos.



Grow in a competitive economy

11 What are corporate tax levels like?

12 How does the Danish labour market work?

13 Check employer costs

14 Are business costs competitive?

15 Smooth interaction with public authorities is crucial

11

What are corporate tax levels like?

Denmark's company tax rate is 22%, which is below the average OECD and European level. Uniquely among the Nordic countries, Denmark has no double taxation for Danish companies with branches abroad. As a result, Greater Copenhagen is a highly attractive location for establishing a Nordic headquarters and for Scandinavian expansion.

Denmark offers highly competitive labour costs. Employers in Denmark pay the world's lowest social contribution rate; less than one percent per employee per year (maximum 1,350 Euro), including pension schemes, healthcare insurance and holiday pay,

Attractive tax schemes for foreign researchers and key employees is also among the tax advantages in Denmark.

Key tax advantages:

- Corporate tax rate of 22%
- Full tax rebate of R&D expenses
- Full tax rebate of interest arising from acquisitions
- Corporate tax is paid after deduction of expenses
- No double taxation for Danish companies with branches abroad
- No additional local tax, franchise tax or net wealth tax
- No capital duty or share transfer duty
- Unlimited loss carry forward
- Attractive holding company tax scheme
- Special expat tax scheme for foreign researchers and key employees
- Employer-funded employee benefit costs are the lowest in Europe

12

How does the Danish labour market work?

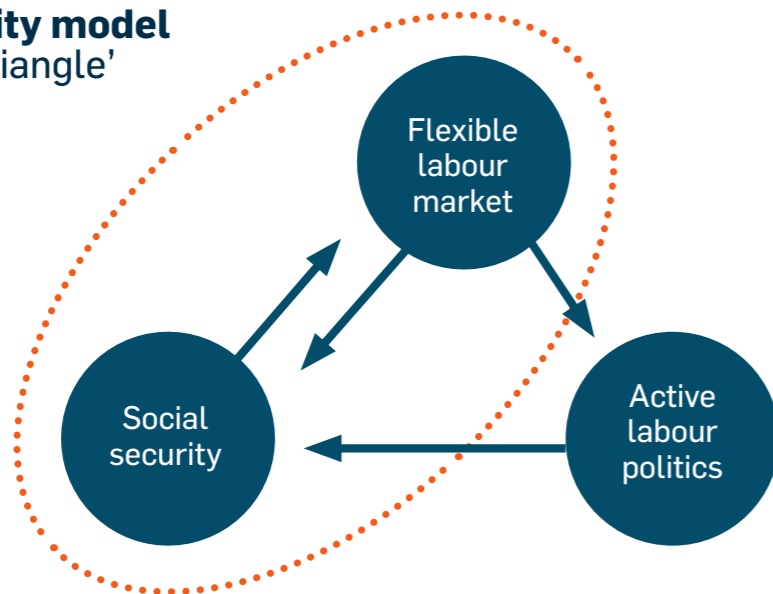
Denmark boasts Europe's most flexible labour market.

Greater Copenhagen offers the most flexible hiring and firing legislation in Europe, providing ideal conditions for upscaling and downscaling.

In Greater Copenhagen you will experience labour market flexibility that is second to none.

Combining flexibility and security, Denmark's 'flexicurity' model gives your company Europe's best up- and downscaling conditions so you can adapt to market changes quickly and efficiently. In Denmark, our labour market is organised in such a way that it ensures companies flexible employment and reasonable terms for their employees. This is called 'The Golden Triangle'.

The Flexicurity model 'The golden triangle'



13

Check employer costs

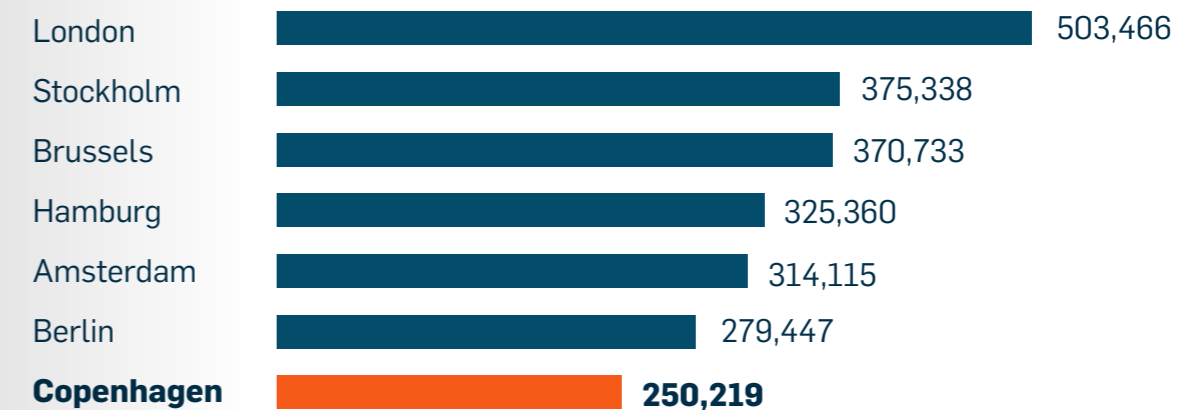
Denmark has the lowest employer costs in the EU.

Denmark offers the most competitive salary levels in the EU. This is due to the fact that additional employer costs including social security contributions, pension schemes, healthcare insurance and holiday pay are lower in Denmark compared to other European countries.

Labour cost

Regional Business Unit Manager, 2014 values in EUR/Year

(Copenhagen Capacity 2015)



14

Are business costs competitive?

Danish social security rates and employer costs are the lowest in Europe. Copenhagen is 15-20% cheaper than Stockholm in terms of salary, social security costs and office rent when comparing the total costs of a business operation such as a Scandinavian headquarters or shared services centre.

There are many shared services centres in Ballerup, if you are looking for a place to start up, before expanding the company or even moving your Nordic headquarters to Ballerup.

The largest shared service centre is World Trade Centre Ballerup located right in the heart of the tech business district and very close to the life science industry.

Save

15-20%

on salary, social security costs and office rent in Copenhagen

Meanwhile, if you are looking for a co-working space within the tech/life science area, Rainmaking has established one in Ballerup as well. It is called The Camp. <https://www.rainmakingloft.dk/> <http://thecamp.io/>

15

Smooth interaction with public authorities is crucial

Denmark consistently achieves top rankings in Transparency International's study of perceived corruption in public sectors worldwide. The Danish public sector is known for its low level of bureaucracy and red tape, as well as for easy interaction with public authorities.

Ballerup is one of the fastest ones in terms of getting building permits implemented in close corporation with the investor/company. Please do not hesitate to contact us for a Skype call or a personal meeting.

In that way everyone knows what to expect and the neighbour didn't cut a better deal than you did. All companies are treated the same way.

Top rankings in

transparency

Success creates more success



The success of the life science cluster in Ballerup and Medicon Valley is the sum of the success of all the companies. The companies perform really well due to their location within strong business clusters. Being near competitors and partners is motivational. It makes you want to try a little harder every day.

The success of others gives you the best possible conditions for creating your own growth and the total success as a life science region.



Get in touch with us

We are your gateway to Medicon Valley. And we are here to help with any inquiry you may have. Please contact Jette Rau, Director of Business Development.



jrau@balk.dk

+45 4175 0220

You can also reach her on Skype, FaceTime, WeChat or other apps if relevant.

www.investinballerup.info

Links

Medicon Valley Alliance

<http://mva.org/>

Copenhagen Capacity

<http://www.copcap.com/>

Greater Copenhagen

<http://www.greatercph.com/>

Invest in Ballerup

<http://investinballerup.subsites.ballerup.dk/>

VisitDenmark

<https://www.visitdenmark.co.uk/en-gb/denmark-hygge>

Sources: Copenhagen Capacity, Medicon Valley Alliance and Det Danske Arbejdsmarked



How to get started