



ANNUAL REPORT

**For the Period 1 April 2024 to
31 March 2025**

**Veloxis Pharmaceuticals A/S
c/o Bech-Bruun
Gdanskgade 18
DK-2150 Nordhavn
CVR No.: 26 52 77 67**

**The Annual Report was presented and
approved at the Annual General Meeting
on 15 October 2025**

**Jacob Hjortshøj
Chair of the Meeting**

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Management Review

(in thousands USD)

Key activities

The company sold all activities in 2020/21 and is without operating activities.

Development in the year

During 2024/25, Veloxis recognized a net loss of USD 644 compared with USD 13,269 in net loss in 2023/24. The net loss is primarily due recognition foreign currency effects on tax payments due from the prior year.

Veloxis has two ongoing tax cases with the Danish Tax Authority regarding valuation of transferred IP rights and the associated exchange rate applied to the tax return in the effected year for the IP transfer.

Management and external tax advisors disagree with the decisions and has appealed the exchange rate case and US / Denmark Mutual Agreement Procedures (MAP's) have been filed regarding the IP case. Management has in 2024/25 paid the taxes related to the decisions made by the Danish Tax Authority on the ongoing tax cases to avoid further interests. The recognized tax receivable of USD 86,269 on the balance sheet is based on several scenarios and the estimated probabilities. As of 31 March 2025, the balance sheet reflects cash and cash equivalents of USD 3,332 compared with USD 3,123 as of 31 March 2024.

During 2024/25, Veloxis received capital contributions from its parent company, Asahi Kasei Corporation, totaling USD 99,783.

As of 31 March 2025, total assets and shareholder's equity were USD 89,916 and USD 88,648 respectively compared with USD 3,326 and USD (10,491) as of 31 March 2024.

Subsequent events

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

Executive Management and Board of Directors' Statement on the Annual Report

The Executive Management and the Board of Directors have today considered and adopted the Annual Report of Veloxis Pharmaceuticals A/S for the financial year 1 April 2024 to 31 March 2025.

The Annual Report is prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position as of 31 March 2025 of the Company and of the results of the Company operations and cash flows for the period from 1 April 2024 to 31 March 2025.

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

Copenhagen, 15 October 2025

Executive Management

Daisuke Matsuo

CEO

Board of Directors

Keigo Nakatsukasa

Chair

Daisuke Matsuo

Member

Kenro Yuzaki

Member

Independent Auditor's Report

To the shareholder of Veloxis Pharmaceuticals A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2025, and of the results of the Company's operations and cash flows for the financial year 1 April 2024 - 31 March 2025 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Financial Statements of Veloxis Pharmaceuticals A/S for the financial year 1 April 2024 - 31 March 2025, which comprise income statement and statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of material accounting policies ("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 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 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 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 Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in 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 skepticism 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.

Copenhagen, 15 October 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Søren Ørjan Jensen
State Authorised Public Accountant
mne33226

Henrik Ødegaard
State Authorised Public Accountant
mne31489

Financial Statements

Income Statement

(USD'000)	Note	12 Months 2024/25	12 Months 2023/24
Selling, general and administrative costs	3	(589)	(308)
Operating result		(589)	(308)
Financial income	4	67	36
Financial expenses	5	(335)	(8)
Result before tax		(857)	(280)
Tax for the year	6	213	(12,989)
Net loss		(644)	(13,269)

The Board of Directors proposes that the net result for the year to be carried forward to next year.

Statement of Comprehensive Income

(USD'000)	12 Months 2024/25	12 Months 2023/24
Net loss for the period	(644)	(13,269)
Other comprehensive loss for the period	-	-
Total comprehensive loss for the period	(644)	(13,269)

Balance Sheet

Assets

(USD'000)	Note	31 Mar. 2025	31 Mar. 2024
Property, plant and equipment	7	-	-
Tangible fixed assets		-	-
Non-current assets		-	-
Receivable from group enterprises relating to corporation tax		213	77
Tax Receivable relating to tax cases		86,269	-
Other receivables		2	2
Prepayments		101	124
Receivables		86,584	203
Cash		3,332	3,123
Cash and cash equivalents		3,332	3,123
Current assets		89,916	3,326
Assets		89,916	3,326

Balance Sheet

Equity and Liabilities

(USD'000)	Note	31 Mar. 2025	31 Mar. 2024
Share capital	8	99,840	57
Retained earnings/loss		(11,192)	(10,548)
Equity		88,648	(10,491)
Intercompany payables		1,246	811
Tax payable		-	12,989
Other payables		23	17
Current liabilities		1,269	13,817
Liabilities		1,269	13,817
Equity and liabilities		89,916	3,326
Summary of significant accounting policies	1		
Significant accounting estimates and judgment	2		
Financial risks	9		
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Cash Flow Statement

(USD'000)	Note	12 Months 2024/25	12 Months 2023/24
Operating result		(589)	(308)
Changes in working capital	11	270	295
Cash flow from operating activities before interest		(319)	(13)
Corporate tax received		52	-
Corporate tax paid		(99,310)	-
Cash flow from operating activities		(99,577)	(13)
Cash flow from investing activities		-	-
Capital Contribution		99,783	-
Cash flow from financing activities		99,783	-
Increase/(decrease) in cash		206	(12)
Cash at beginning of period		3,123	3,142
Exchange gains/(losses) on cash		3	(6)
Cash at end of period		3,332	3,123

Statement of Changes in Equity

USD	Number of Shares	Share Capital USD'000	Special Reserve USD'000	Share Premium USD'000	Retained Earnings USD'000	Total USD'000
Equity as of 31 Mar. 2023	4,000,000	57	-	-	2,721	2,778
Net result for the period					(13,269)	(13,269)
Total comprehensive income					(13,269)	(13,269)
Other transactions	-	-	-	-	-	-
Equity as of 31 Mar. 2024	4,000,000	57	-	-	(10,548)	(10,491)
Net result for the period					(644)	(644)
Total comprehensive income					(644)	(644)
Capital Contribution	6,860,000,000	99,783	-	-	-	99,783
Equity as of 31 Mar. 2025	6,864,000,000	99,840	-	-	(11,192)	88,648

Notes

NOTE 1 Material Accounting Policy Information

General

The Annual Report of Veloxis Pharmaceuticals A/S for the 12 months ended 31 March 2025, comprising the financial statements of the Company (Financial Statements) has been prepared in accordance with the IFRS Accounting Standards (IFRS) as adopted by the EU and further requirements in the Danish Financial Statements Act as required for reporting class B as well as selected rules applying to reporting class C.

The financial statements are presented on a historical cost basis. Otherwise, the accounting policies are as described in the following.

Accounting Policy Changes

Adoption of new or amended IFRS's

No new, amended, or revised accounting standards and interpretations issued by the International Accounting Standards Board (IASB) and IFRS endorsed by the European Union have a material effect on the Financial Statements for 2024/25.

New Financial Standards Adopted

The IASB has issued a number of new or amended and revised accounting standards and interpretations that have not yet come into effect. New or amended and revised standards are implemented when taking effect. None of the changed standards or interpretations are expected to have any significant monetary effect on the statements of the Company's results, assets and liabilities or equity.

Foreign Currency

The financial statements are presented in USD, which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement as financial income/expenses. Settlement gains and losses are recognized only for monetary items, not for non-monetary items such as prepayments.

Lease Commitments

The Company has no lease commitments that are required to be accounted for under IFRS 16 Leases.

Comprehensive Income

Veloxis presents comprehensive income in two statements: an income statement and a statement of total comprehensive income which includes results for the year and income recognized in other comprehensive income.

Income Statement

Selling, General and Administrative Costs

Selling, general and administrative expenses comprise expenses incurred for the management and administration of the Company and include other expenses relating to various functions within the Company.

In addition, amortization/depreciation and other direct costs are included in this line item.

Financial Items

Financial income and expenses include interest, dividends, gains and losses related to transactions denominated in foreign currencies and amortization of financial obligations.

Interest income and expenses are accrued based on the outstanding principal and the nominal interest rate.

Corporate Tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the income for the year and recognized directly in equity by the portion attributable to transactions recognized directly in equity. Current tax payable or receivable is recognized in the balance sheet as tax calculated on the taxable income for the year adjusted for prepaid tax.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty

Balance Sheet

Current Assets

Other Receivables

Other receivables are measured at fair value on initial recognition and subsequently measured at amortized cost according to the effective interest method less provision for impairment. Impairment losses are based on an individual evaluation of each amount collectible.

Prepayments

Prepayments comprise incurred costs related to a future financial period. Prepayments are measured at nominal value.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash and deposits with financial institutions. Cash and cash equivalents are measured at amortized cost.

Shareholders' Equity

The share capital comprises the nominal amount of the Company's ordinary shares, each at a nominal value of DKK 0.1. All shares are fully paid.

Current Liabilities

Other Payables

Other payables are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Intercompany Payables

Intercompany payables are measured in the balance sheet at amortized cost, which is considered to be equal to the fair value due to the short-term nature of the liabilities.

Cash Flow Statement

The cash flow statement is presented using the indirect method with basis in operating result and shows cash flow from operating, investing and financing activities as well as the cash and cash equivalents at the beginning and end of each financial year.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items such as depreciation, amortization and impairment losses, working capital changes and financial income and expenses received or paid.

Cash flows from investing activities comprise cash flows from the purchase and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise cash flows from raising capital and repayment of loans and intercompany contributions.

Cash and cash equivalents comprise cash on hand and deposits with financial institutions.

The cash flow statement cannot be derived solely from the financial statements.

NOTE 2 Significant Accounting Estimates and Judgments

In preparing financial statements under IFRS, certain provisions in the standards require Management's judgments. Such judgments are considered important to understand the accounting policies and Veloxis's compliance with the standards. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are estimation of current tax receivable and current tax expense in relation to an uncertain tax position, refer to note 6.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

NOTE 3 Staff Costs

(USD'000)	12 months 2024/25	12 months 2023/24
Average number of employees (FTEs)	1	1
Remuneration of board of directors, and executive management:		
Board of directors		
Board fees	-	-
Executive management		
Gross salary	-	613
Bonus	-	1,269
Pension contributions	-	27
	-	1,909
Total	-	1,909

The company has no activities besides the two ongoing tax cases, consequently management's involvement in the Company has been very limited and management has not received any remuneration for 2024/25.

NOTE 4 Financial Income

(USD'000)	12 months 2024/25	12 months 2023/24
Interest Income	67	36
Total	67	36

NOTE 5 Financial Expenses

(USD'000)	12 months 2024/25	12 months 2023/24
Exchange rate	335	8
Total	335	8

NOTE 6 Tax and Deferred Tax

(USD'000)	12 months 2024/25	12 months 2023/24
Actual Corporate tax	213	41
Change in deferred tax	-	-
Adjustment of tax concerning previous years	-	(13,030)
Tax for the year	213	(12,989)
Tax for the year can be explained as follows:		
Loss for the year before tax	(857)	(280)
Tax rate	22.0%	22.0%
Computed tax on loss for the year	188	61
Reversal of writedown in previous years	30	40
Writedown of deferred tax assets	-	-
Adjustment of tax concerning previous years	-	(13,030)
Exchange rate adjustment	-	-
Permanent differences	(5)	(60)
Tax for the year	213	(12,989)
Tax rate	22.0%	22.0%
Calculated deferred tax asset, beginning	119	159
Exchange rate adjustment	-	-
Change in deferred tax assets	(30)	(40)
Calculated deferred tax asset, ending	89	119
Write down to assessed value	(89)	(119)
Carrying amount	-	-

The Company has two ongoing tax cases with the Danish Tax Authority (“DTA”) regarding valuation of transferred IP rights and the associated exchange rate applied to the tax return in the effected year for the IP transfer transaction. The DTA has determined additional taxation, penalties, and interest of approximately USD 100 million.

Management and external tax advisors disagree with the decisions from the DTA and has appealed the exchange rate case and US / Denmark Mutual Agreement Procedures (MAP’s) have been filed regarding the IP case. The Company recognized a tax liability of USD 13 million in the prior year related to the tax cases based on several scenarios and the estimated probabilities.

Management has in 2024/25 paid the taxes related to the decisions made by the Danish Tax Authority on the ongoing tax cases to avoid further interests, consequently a tax receivable of USD 86.3 million has been recognized on the balance sheet at 31 March 2025. Significant accounting estimates and judgements are involved in performing the calculation of the net tax receivable.

NOTE 7 Intangible and Tangible Fixed Assets

	Property, Plant & Equipment	
	2024/25	2023/24
(USD'000)		
Cost at 1 April 2024 / 1 April 2023	347	347
Disposals	-	-
Additions	-	-
Cost at 31 March 2025 / 31 March 2024	347	347
Amortization / Depreciation / Impairment loss at 1 April 2024 / 1 April 2023	(347)	(347)
Disposals	-	-
Amortization / Depreciation	-	-
Amortization / Depreciation / Impairment loss at 31 March 2025 / 31 March 2024	(347)	(347)
Net book value at 31 March 2025 / 31 March 2024	-	-

NOTE 8 Share Capital

On 31 March 2025 the total number of outstanding shares was 6,864,000,000. Each share has a nominal value of DKK 0.1 and one vote. The shares do not have any restrictions as to their transferability. Any new shares issued shall carry the same rights and other characteristics as the Company's existing shares.

The table below sets forth the changes in our issued share capital since 2019/20:

Changes in Share Capital from 2019/20 – 2024/25

Year	Transaction	Share Capital	Share classes after changes in capital	
2019/20	Cash contribution	125,046,242	1,843,241,590	shares
2020/21	Cash contribution	10,100,000	1,853,341,590	shares
2021/22	Reduction in capital	(1,849,341,590)	4,000,000	shares
2024/25	Cash contribution	1,090,000,000	1,094,000,000	shares
2024/25	Cash contribution	5,770,000,000	6,864,000,000	shares

NOTE 9 Financial Risks

Interest Rate Risk

Our interest rate risk primarily relates to our cash and cash equivalent balances. In order to mitigate such risk, Veloxis's Treasury Policy allows the Company to hold excess cash at deposits with major Danish and US banks and in short-term Danish and US government bonds or Danish mortgage bonds with limited duration.

Cash Management

The Company's Finance function ensures that Veloxis has sufficient and flexible financial resources at its disposal. Veloxis's short-term liquidity is managed with quarterly budget reviews to balance the demand for liquidity needs.

Capital Structure

It is the Company's aim to have an adequate capital structure in relation to the underlying operating results, so that it is always possible to provide sufficient capital to support operations and its long-term growth targets. The Board of Directors determined that the current capital and share structure is appropriate for the shareholders and the Company.

Credit Risk

The credit terms on the Company's receivables are considered to be at market conditions, and the Company has not encountered any losses as a result of credit risk during the years presented. In regard to cash deposits, the AKC has a credit rating of A3 according to Moody's. The credit risk attributable to the

Company's receivables is considered low as such receivables relates to the Danish Tax Authority (The Kingdom of Denmark).

Liquidity Risk

The Company is exposed to liquidity risk arising from short-term payables.

Currency Exposure

Veloxis is subject to currency risk, as the Company incurs income and expenses in a number of different currencies, mainly DKK and EUR. Changes in exchange rates of such foreign currencies towards the Company's functional currency may affect the results and cash position.

The Company's cash balances in foreign currencies are stated below:

	31 Mar. 2025	31 Mar. 2024
EUR'000	48	48
DKK'000	5,873	4,896

All net positions are current.

The carrying amount approximately equals the fair value. Changes in currencies may affect future income and expenses in such foreign currencies and may have an impact on the Company's operating results and cash flows. The Company is primarily exposed to such risk from currency fluctuations between USD and EUR. Based on the EURO position as of 31 March 2025, a 10% change in the USD/EUR rate will impact result and equity with approximately USD 5.

NOTE 10 Related Parties

Members of the Executive Management and Board of Directors

The members of the Executive Management and Board of Directors are considered related parties following their positions in the Company.

Executive Management has received remuneration from Veloxis as described in Note 4 to the financial statements.

Asahi Kasei Pharma Denmark A/S / Asahi Kasei Corporation

Asahi Kasei Corporation, Tokyo, Japan own all of the shares and has control over the Company. Asahi Kasei Corporation has no ultimate owner. Other related parties include Asahi Kasei Corporation and all its subsidiaries and affiliates.

Other Related Parties

Other related parties may exist as the members of Veloxis's Board of Directors and Executive Management hold positions as Board members in other companies, and as the shareholders of Veloxis may also be shareholders of other companies. Except for the companies listed above, Veloxis has not identified any such parties as related parties and no transactions have been identified as related party transactions as we are not aware of such relationships.

Consolidated financial statements

Name and registered office of the Parent preparing consolidated financial statements for the largest group: Asahi Kasei Corporation.

Copies of the consolidated financial statements of Asahi Kasei Corporation may be ordered at the following address: https://www.asahi-kasei.com/ir/library/asahikasei_report/

NOTE 11 Changes in Working Capital

(USD'000)	12 months 2024/25	12 months 2023/24
Other receivables	(136)	1
Prepayments	19	21
Other payables	507	280
Exchange gains/(losses)	(120)	(7)
Total	270	295

NOTE 12 Liabilities and Other Financial Obligations

The group companies are jointly and severally liable for tax on the jointly taxed incomes of the group. The total amount of corporation tax payable is disclosed in the Annual Report of Asahi Kasei Pharma Denmark A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.