

January 15, 2020

Asahi Kasei Corp.

Asahi Kasei Completes Tender Offer for Shares of Veloxis Pharmaceuticals A/S

Asahi Kasei Corp. (Head office: Chiyoda-ku, Tokyo; President: Hideki Kobori; hereinafter “Asahi Kasei”) announced today the completion and preliminary result of a tender offer for the shares and warrants in Veloxis Pharmaceuticals A/S (Head office: Copenhagen, Denmark; CEO: Craig A. Collard; listed on Nasdaq Copenhagen; hereinafter “Veloxis DK”), which owns 100% of Veloxis Pharmaceuticals Inc. (Head office: North Carolina, the U.S.; CEO: Craig A. Collard; hereinafter “Veloxis”), by its wholly owned subsidiary, Asahi Kasei Pharma Denmark A/S (hereinafter “AKPD”) (the tender offer pursuant to Danish Laws, the “Tender Offer”), in accordance with the Danish Takeover Order. The Tender Offer opened for tenders on December 12, 2019, and expired on January 14, 2020, at 5:00 p.m. (CET).

1. Overview of the Acquisition

- (1) Offeror:
AKPD
- (2) Target Company:
Veloxis DK
- (3) Offer Period:
Tender Offer opened for tenders on December 12, 2019, and expired on January 14, 2020, at 5:00 p.m. (CET)
- (4) Offer Price:
DKK 6.00 per share*
* DKK 4.45 per share to Lundbeckfond Invest A/S, Novo Holdings A/S, as well as the Board of Directors of Veloxis DK, the executive management of Veloxis DK and the management of Veloxis who signed irrevocable undertakings to accept the Tender Offer.

(5) Minimum Acceptance Level:

The completion of the Tender Offer is subject to minimum acceptance condition representing more than 80% of the total shares and voting rights of Veloxis DK on a fully-diluted basis.

2. Preliminary Result of the Tender Offer

(1) Number of Shares tendered as of expiry of the Tender Offer on January 14, 2020, at 5:00 p.m. (CET)

Number of shares sought to be acquired as a percentage of the total outstanding shares and voting rights on a fully-diluted basis: 100%

Number of shares tendered as percentage of the total outstanding shares and voting rights on a fully-diluted basis: 88.48% (1,714,112,238 shares)

(Note: The total share capital and voting rights on a fully-diluted basis includes Veloxis DK's outstanding shares as well as all outstanding warrants assuming that they are all converted into shares.)

(Note: This release is to notify the preliminary result under the Danish Takeover Order. Final confirmation of the result of the Tender Offer will be announced by 8:00 a.m. on January 17, 2020 (CET).)

(2) Completion of the Tender Offer

AKPD will acquire all of the accepted shares and warrants, since the number of accepted shares exceeded the minimum number of accepted shares set forth in 1. (5).

(3) Total Consideration

Approximately DKK 7.6 billion

3. Policy after the Tender Offer

The Tender Offer is expected to settle on January 23, 2020 (CET).

In addition to the tendered shares and warrants, Asahi Kasei owns 37,828,149 shares which will be sold to AKPD, whereby it will hold a total of 90.44% of the total share capital and voting rights on a fully-diluted basis. The price that Asahi Kasei paid for Veloxis DK's shares has not exceeded the Offer Price of DKK 6.00 per share.

Asahi Kasei aims to make Veloxis DK a wholly-owned subsidiary, in accordance with the Danish Companies Act. In addition, AKPD will request an extraordinary general meeting at which it will propose that a new board of directors be appointed. AKPD will also seek to delist Veloxis DK from Nasdaq Copenhagen.

The acquisition of Veloxis will provide Asahi Kasei with a U.S. pharmaceutical business platform. Asahi Kasei aims to achieve the following synergies through the acquisition.

- a) Enhance licensing activity to obtain new pharmaceuticals as growth drivers by leveraging Asahi Kasei's business platform in Japan and Asia together with Veloxis' business platform in the U.S.
- b) Discover and develop new pipeline opportunities that will meet high unmet medical needs by combining Asahi Kasei's drug discovery capabilities and Veloxis' ability to identify medical needs in the U.S.
- c) Accelerate the creation of new health care businesses by leveraging access to innovation and clinical practices in the U.S.

Asahi Kasei is focused on the need to accelerate its transformation into a Global Health Care Company. Together with the newly added management team and employees of Veloxis, Asahi Kasei will maximize the value of both the existing and acquired pharmaceutical businesses. Asahi Kasei will remain committed to accelerating its growth in Health Care and contributing to a sustainable increase in its corporate value. For more details on the background and purpose of the acquisition, please refer to the press release dated November 25, 2019, when Asahi Kasei announced the acquisition of Veloxis.

4. Future Prospects

The impact that the changes in the scope of consolidation resulting from the Tender Offer may have on Asahi Kasei's earnings forecast is still under review. If it becomes necessary to revise the

earnings forecast or make any other matter public, Asahi Kasei will promptly disclose the same.

5. CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements discuss expectations, identify strategies, contain our projections or state other forward-looking information and include, but are not limited to, statements related to the expected structure and schedule for completion of the Acquisition and related matters described in this press release, the management and prospects of Veloxis' business after the completion of the Acquisition, Asahi Kasei's current plans with respect to the Acquisition and the business of Veloxis, and the management and prospects of Asahi Kasei. These statements do not guarantee business performance in the future; they carry known or unknown risks, uncertainties, and other factors that may differ significantly from the actual performance, development or financial position of Asahi Kasei and Veloxis in the future. These forward-looking statements can be identified by the use of forward looking terminology, such as "aim," "believes," "expects," "estimate," "may," "anticipates," "plans," "intends," "should," "will," "seeks," "forecasts," "in the future", or the negative of these terms or similar expressions, or in particular by discussions about "strategy," "target," "plan," or "intention." There is a possibility that actual business results may greatly differ from those expressed in or implied by such forward-looking statements due to various factors. Such factors include, but are not limited to, the following: (i) uncertainties related to the structure and schedule for completion of the transaction, (ii) the possibility that the announcement of the transaction may cause difficulty in keeping the relations with Veloxis' management, employees, customers, suppliers and other trading partners, (iii) the risk that a shareholder-related lawsuit on the transaction will be filed and the defense thereof may cost a significant expenses or lead to large payments, (iv) the impact of changes in the legislative system, accounting standards and other management environments related to the relevant parties, (v) issues in implementing business strategies, (vi) the impact of financial uncertainties and changes in other general economic and industrial conditions, (vii) transaction costs, (viii) fixed or contingent liabilities that may materialize, (ix) other risks set forth in documents publicly disclosed by Asahi Kasei or Veloxis. Neither Asahi Kasei nor Veloxis has a duty of updating the forward-looking statements as a result of the emergence of new information, future circumstances and others, unless the updating is explicitly required by law. The forward-looking statements in the announcement are subject to these notices.

6. Important Information for Investors and Stockholders

This announcement and the description contained herein is neither an offer to purchase nor a solicitation of an offer to sell shares and warrants in Veloxis DK. The solicitation and offer to buy shares and warrants in Veloxis DK is only being made pursuant to the Tender Offer to purchase and forms of letters of transmittal and other documents relating to the Tender Offer that AKPD filed with the Denmark Financial Supervisory Authority (hereinafter “DFSA”) on December 12, 2019. These documents contain important information about the Tender Offer and shareholders of Veloxis DK are urged to read them carefully and in their entirety including any amendments thereto, prior to making any decisions with respect to the Tender Offer because they contain important information, including the terms and conditions of the offer. Shareholders of Veloxis DK can obtain a free copy of these documents and other documents filed by Veloxis DK or AKPD with the DFSA at the Veloxis DK’s website at <http://ir.veloxis.com/press-releases>.