

# Astellas Pharma a/s

Arne Jacobsens Allé 15, 2300 Copenhagen S

CVR no. 10 88 86 38

## Annual report 2022/23

Approved at the Company's annual general meeting on 26 September 2023

Chair of the meeting:

.....  
Simon Falbe-Hansen

## Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 April 2022 - 31 March 2023	12
Income statement	12
Balance sheet	13
Statement of changes in equity	15
Notes to the financial statements	16

## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Astellas Pharma a/s for the financial year 1 April 2022 - 31 March 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 26 September 2023  
Executive Board:

.....  
Karl Håkan Lennart Widén

Board of Directors:

.....  
Damla Ebru Atilgan  
Chairman

.....  
Karl Håkan Lennart Widén

.....  
Rowena Borenstein

.....  
Malene Abildstrøm

## Independent auditor's report

To the shareholders of Astellas Pharma a/s

### Opinion

We have audited the financial statements of Astellas Pharma a/s for the financial year 1 April 2022 - 31 March 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. 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 financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 April 2022 - 31 March 2023 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### 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 as to 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 the 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent auditor's report

- ▶ 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 note 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.

### 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, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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 the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 26 September 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Rasmus Bloch Jespersen  
State Authorised Public Accountant  
mne35503

## Management's review

### Company details

Name	Astellas Pharma a/s
Address, Postal code, City	Arne Jacobsens Allé 15, 2300 Copenhagen S
CVR no.	10 88 86 38
Established	1 July 1987
Registered office	Copenhagen S
Financial year	1 April 2022 - 31 March 2023
Telephone	+45 43 43 03 55
Board of Directors	Damla Ebru Atilgan, Chairman Karl Håkan Lennart Widén Rowena Borenstein Malene Abildstrøm
Executive Board	Karl Håkan Lennart Widén
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	Danske Bank

## Management's review

### Financial highlights

EUR'000	2022/23	2021/22	2020/21	2019/20	2018/19
<b>Key figures</b>					
Revenue	180,837	179,933	160,457	187,005	182,590
Gross profit	23,101	26,175	24,102	23,843	25,019
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	5,224	9,161	5,358	5,612	6,626
Operating profit/loss	5,098	9,041	6,402	5,488	6,502
Net financials	-2,195	125	2,656	-2,775	-291
Profit before tax	2,903	9,139	7,844	2,713	6,217
<b>Profit for the year</b>	<b>2,081</b>	<b>6,689</b>	<b>5,865</b>	<b>2,036</b>	<b>4,735</b>
Fixed assets	288	390	710	968	818
Non-fixed assets	111,754	345,201	144,745	126,023	128,810
<b>Total assets</b>	<b>112,042</b>	<b>345,591</b>	<b>145,455</b>	<b>126,991</b>	<b>129,628</b>
Investments in property, plant and equipment	18	234	10	277	148
<b>Equity</b>	<b>35,307</b>	<b>58,226</b>	<b>59,437</b>	<b>53,572</b>	<b>56,236</b>
Current liabilities other than provisions	76,735	287,365	85,972	73,413	73,392
<b>Financial ratios</b>					
Operating margin	2.8%	5.0%	3.2%	2.9%	3.6%
Gross margin	12.8%	14.5%	15.0%	12.7%	13.7%
EBITDA-margin	2.9%	5.1%	3.3%	3.0%	3.6%
Return on assets	2.2%	3.7%	4.7%	4.3%	5.6%
Current ratio	145.6%	120.1%	168.4%	171.7%	175.5%
Equity ratio	31.5%	16.8%	40.9%	42.2%	43.4%
Return on equity	4.4%	11.4%	10.4%	3.7%	8.6%
<b>Average number of full-time employees</b>					
	<b>103</b>	<b>112</b>	<b>120</b>	<b>120</b>	<b>115</b>

For terms and definitions, please see the accounting policies.

## Management's review

### Business review

The Company sells and markets pharmaceutical products in the Nordic markets for the Astellas Group. The Company's share capital is wholly-owned by Astellas Pharma Europe Ltd., Bourne Business Park, 300 Dashwood Lang Road, Addlestone KT15 2NX, United Kingdom.

### Financial review

In 2022/23, the Company's revenue amounted to EUR 180,837 thousand against EUR 179,933 thousand last year. The income statement for 2022/23 shows a profit of EUR 2,081 thousand against a profit of EUR 6,689 thousand last year, and the balance sheet at 31 March 2023 shows equity of EUR 35,318 thousand.

On the ordinary annual general meeting for the FY2021/22, the Company approved distribution of ordinary dividends in the amount of EUR 25,000 thousand, which has been subsequently distributed during the FY2022/23. The proposed dividend distribution based on the financial statements of FY2022/23 is EUR 15,000 thousands and to be distributed in FY2023/24. Reference is made to statement of shareholders equity.

### Significant events

After covid 19 pandemic, go to customer models, ways of working changed significantly. The weight of digital activities with customers increased compared to pre-covid times. In addition, activities previously locally performed have been moved to a Global Center of Excellence structure.

Increased competition in one of our main therapy areas, due to the entrance of generic products, has made a large impact.

### Financial risks and use of financial instruments

According to Management, the financial statements have not been affected by any unusual risks.

### Profit/loss for the year compared with previously expressed expectations

The Company's revenue performance in 2022/23 was not in line with the expected revenue range due to generic competition, parallel import and price pressure. The profit for 2022/23 was lower than the projected profit due to impact of declining revenue, reorganization and exchange rate fluctuation.

### Research and development activities

The Company did not carry out any significant research and development activities on its own account in 2022/23.

### Foreign branches

The Company has branches in Norway and Finland and cooperates with an agent in Iceland.



## Management's review

### Statutory CSR report

The Astellas Group seeks to enhance its enterprise value in a sustainable manner through its worldwide business activities and maintain the trust of all stakeholders, including its customers, shareholders, employees, and the global community. To achieve this, the Company must not only continuously provide stakeholders with value through our business activities, but also take proactive measures to ensure legal compliance and corporate accountability and to conserve the environment, based on our recognition of our corporate social responsibility. The Company has implemented the Group's "Charter of Corporate Conduct", which includes the following ten guidelines:

1. Provide innovative and reliable pharmaceutical products
2. Conducting science-based activities
3. Fulfilling disclosure and transparency requirements
4. Fair and free competition
5. Sustainable enhancement of enterprise value
6. Promoting employee welfare
7. Respect for diverse cultures
8. Promoting environmental conservation
9. Engaging in philanthropic activities
10. Selecting ethical business partners

In accordance with the Charter of Corporate Conduct, the Company initiates proactive philanthropic activities. Inspired by the employees, the Company has initiated CSR activities through donations and other support to charity organizations.

Under our CHANGING TOMORROW™ programme, the Company's employees can volunteer to take part in and contribute to local charity work. During the pandemic an online possibility for charity work was launched.

In addition to the Charter of Corporate Conduct, the Astellas Group has established a Code of Conduct that ensures every employee follows ethics and compliance as the foundation for every facet of the Company's business activities.

More specifically, the Code of Conduct strictly enforces adherence with international rules and local laws in its conduct of global scale business, stipulates respect for individual culture and custom, and instills a mutual understanding among all its group companies of the importance for the respect for human rights.

All employees in the Company are obliged to yearly read and confirm that they understand and observe the Astellas' Code of Conduct. In 2022/23 all employees completed the training in Astellas' Code of Conduct.

### **Business model**

The Company sells and markets pharmaceutical products in the Nordic markets for the Astellas Group.

### **Sustainability**

Astellas Group's sustainability approach has two aspects: value creation and value protection with focus on value for society and value for the Company.

#### Value creation

Through its business activities, the Company is creating value for society by addressing social issues such as unmet medical needs, and by interacting with stakeholders.

#### Value Protection

The Company seeks to reduce its environmental burden, preserve biodiversity, ensure compliance, and takes measures to prevent corruption. In addition to the social value of these activities, these contribute to mitigating reputation risks and enhancing our corporate brand, thereby protecting our enterprise value.

## Management's review

The Company's sustainability approach includes following the UN Global compact, contributing to the ISO26000 as well as contributing to achieving the UN Sustainable Development Goals.

For more information about the Astellas Group's sustainability approach see site <https://www.astellas.com/en/sustainability>

### *Impact on the external environment*

The Company follows the Astellas Group policies in this area. Therefore, the Company has incorporated a defined policy to minimize the impact on the external environment.

The Company continuously evaluates potential negative impact on the climate.

With offices in a central location, our employees can leverage on public transportation and use of bicycles to work. The Company has strengthened the digital communication environment and thereby reduced the need to travel significantly. The Company has also introduced a flexible way of working allowing employees to work partly from home limiting transportation further.

Due to the type of operations (sales and marketing activities), the Company's activities have limited impact on the external environment and thereby risk of negatively affecting it. However, since the Company is covered by and follows the Astellas Group policy on environment, the Company has in 2022/23 continued its focus on reducing waste for example ensuring that marketing materials are only printed on demand when needed, office lights turn off automatically at 5pm.

In the current financial year, there was no incident report we are aware of, regarding significant negative impact on the environment.

In the future, in line with Astellas Global framework, we will keep concentrating on this matter to minimize our negative impact on the environment. For Astellas global initiatives, <https://www.astellas.com/en/sustainability>

### *Human Rights*

The Astellas Group is committed to respecting the human rights of all people (within and outside Astellas) and upholding high labor standards. Wherever the Company operates, it complies with applicable local labor and employment laws and respect internationally recognized basic human rights and labor standards, such as the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), and the International Labor Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work. In addition, Astellas is a signatory of the UN Global Compact, endorsing the Ten Principles and supports the transparency requirements of the UK's Modern Slavery Act and similar legislation.

The Company respects children's human rights such as those enshrined in the Children's Rights and Business Principles in not only prohibiting child labor but also conducting pharmaceutical research and development related to the development of pediatric formulations. The Company also expects our business partners to meet basic human rights and labor standards.

The most material risk related to human rights lie within our vendors acting on Astellas' behalf. We recognize that unethical behaviors may present a risk when dealing with third parties while operating in a global setting. Please refer to Risk Assessments for Significant Business Partners <https://www.astellas.com/en/sustainability/sustainable-procurement-initiatives>

One of the areas of our current Charter of Corporate Conduct, refers to "Respect for Diverse Cultures" where we cover Human Rights aspects of Astellas

As Astellas group company, we are following a framework designed by Astellas Global. <https://www.astellas.com/en/sustainability/respect-for-human-rights> All necessary and required training including Human Rights matters are rolled out and followed by Astellas Learning Management Systems in 2022/23.

During the current accounting period, there were no Human Right Violation registered.

We will keep providing necessary trainings to new joiners and reminder trainings to existing employees and value Human Right matters.

## Management's review

### *Anticorruption*

The Company maintains high ethical standards by fulfilling disclosure and transparency requirements. The Company acknowledges that when working across countries and cultures, there is a risk that the employees can be exposed to situations involving corruption, bribery, or questions about facilitation payment. Therefore, the Company has global standards for anticorruption embedded in its Code of Conduct, and a global Anti-Bribery Anti-Corruption Policy as part of mandatory anticorruption training for all, verified through the global company training tool (LMS); which is updated on an annual basis. In 2022/23, the Company did not identify any episodes involving corruption.

We will continue our mandatory anticorruption training in the coming years and communicate our guidelines and expectations to employees and business relations through our Code of Conduct.

We will continue to inform our suppliers and employees about our anti-corruption policy, while monitoring incidents of corruption in our business.

### *Social and employee conditions*

The Company is working with diversity, equity and inclusion in a broad sense and strives to have a workforce that reflects the diversity of society in general and the patients we serve. The Company treats its employees with fairness, respect, and dignity and is committed to providing equal employment opportunities for all people. We offer our employees numerous opportunities to improve their skills and capabilities.

The Company bases its employment-related decisions, including recruitment, promotion, performance appraisal, training, and career development, on work-related, appropriate criteria, such as skills, capabilities, experience, aptitude, work performance, or motivation, as determined in accordance with applicable local laws.

The Company promotes job satisfaction and shows respect for diverse cultures, religions, sexual orientations, and genders.

The Company acknowledges that with increasing demands on employees and longer working hours, it is important to focus on the welfare of its employees. In 2022/23 the Company continued its focus on creating a fulfilling work environment for its employees which includes flexible ways of working and have among other things introduced a monthly development day.

Our Pulse Survey results for Nordic, shows an overall satisfaction of the employees 3.76 (5 scale) which shows an improvement comparing with prior survey 3.32 (5 Scale Survey).

In the next financial year, we will be focusing more on monthly development days, encouraging employees to create more white spaces for themselves for their development and wellbeing.

### **Account of the gender composition of Management**

#### *Board of Directors*

The Board of Directors consists of 4 Directors and the underrepresented gender (male) accounts for 25%. The Company target for gender distributions among the Board of Directors is between 25% and 75% since the board consists of only four members.

While Board members continue to be appointed based on qualifications and not on the basis of ethnicity, gender, religious beliefs etc., Astellas appreciates the value and importance of diversity in the Board of Directors and, therefore, the target is to have both genders represented.

#### *Other executive levels*

For people managers and directors other than BoD members, the gender distribution is 18% men and 82% women.

Among all employees the gender distribution is 22% Men and 78% Women.

The Company's aim is to ensure flexibility and allow for non-binary gender, recognizing that some leaders may not wish to be categorized.

## Management's review

Appointment of employees for leadership and managerial positions, including leadership positions in the Management Team are partly made at regional/global level in the Astellas Group based on the requirement and their skills. The Company's Board of Directors and Management Team are therefore not fully in control of the appointment of leaders and their gender however, when possible, the company makes sure that both genders are represented in the final stages of the recruitment process

### Data ethics

The Company does not hold a separate standalone policy for data ethics as of the 31 March 2023 balance sheet date. The Company acknowledges and emphasizes the importance of data ethics in its day-to-day operations. The Company utilizes a variety of datasets that are typically collected by individual data subjects and used for a variety of purposes such as for clinical research or for employment management purposes. All users are bound by the Company Code of Ethics which provides a general ethical and integrity framework how to conduct business.

The Company has formed a Working Group which has initiated an internal cross-functional assessment which will define the parameters and the process for the establishment of an enhanced internal Data Ethics governance framework. The Company is a member of the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) and follows the IFPMA Data Ethics Principles May 2021 and will continue to do so until its enhanced internal Data Ethics governance framework is implemented. The IFPMA Data Ethics Principles draw on established concepts in consumer protection, privacy, bio and healthcare ethics, human rights, and business ethics to propose a way of working with data that maximizes benefits and minimizes harm for individuals and society.

The Company did not identify any matters to report as a breach to Data Ethics in the current financial year.

Company will keep concentrating on Data Ethics also in the future and follow Astellas Group framework and requirements

### Events after the balance sheet date

No events have occurred after the financial year-end which could significantly affect the Company's financial position.

### Outlook

The company expects a decrease in revenue and profit from continuing operations for 2023/24 mainly due to the loss of exclusivity of our competitor which allowed many generics entered in the market with lower prices. The Management expects a revenue in the range of 160,000-170,000 EUR'000 and a net profit before tax at 3,000-5,000 EUR'000.

## Financial statements 1 April 2022 - 31 March 2023

### Income statement

Note	EUR'000	2022/23	2021/22
2	<b>Revenue</b>	180,837	179,933
	Cost of sales	-148,793	-145,111
	Other operating income	0	15
3	Other external expenses	-8,943	-8,662
	<b>Gross profit</b>	23,101	26,175
4	Staff costs	-17,877	-16,971
5	Depreciation of property, plant and equipment	-126	-147
	Other operating expenses	0	-43
	<b>Profit before net financials</b>	5,098	9,014
6	Financial income	6,911	2,155
7	Financial expenses	-9,106	-2,030
	<b>Profit before tax</b>	2,903	9,139
8	Tax for the year	-822	-2,450
	<b>Profit for the year</b>	2,081	6,689

## Financial statements 1 April 2022 - 31 March 2023

### Balance sheet

Note	EUR'000	2022/23	2021/22
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
9	<b>Property, plant and equipment</b>		
	Other fixtures and fittings, tools and equipment	183	294
	Leasehold improvements	2	2
		<u>185</u>	<u>296</u>
10	<b>Investments</b>		
	Deposits	103	94
		<u>103</u>	<u>94</u>
	<b>Total fixed assets</b>	<u>288</u>	<u>390</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Trade receivables	47,502	41,575
11	Receivables from group companies	46,136	286,618
14	Deferred tax assets	1	34
	Income taxes receivable	1,433	0
	Other receivables	2,509	3,766
12	Prepayments	272	330
		<u>97,853</u>	<u>332,323</u>
	<b>Cash</b>	<u>13,901</u>	<u>12,878</u>
	<b>Total non-fixed assets</b>	<u>111,754</u>	<u>345,201</u>
	<b>TOTAL ASSETS</b>	<u><u>112,042</u></u>	<u><u>345,591</u></u>

## Financial statements 1 April 2022 - 31 March 2023

### Balance sheet

Note	EUR'000	2022/23	2021/22
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
13	Share capital	81	81
	Retained earnings	20,226	33,145
	Dividend proposed for the year	15,000	25,000
	<b>Total equity</b>	<b>35,307</b>	<b>58,226</b>
	<b>Liabilities other than provisions</b>		
	<b>Current liabilities other than provisions</b>		
	Trade payables	3,281	2,521
	Payables to group companies	29,896	242,203
	Income taxes payable	0	469
	Other payables	43,558	42,172
		<b>76,735</b>	<b>287,365</b>
	<b>Total liabilities other than provisions</b>	<b>76,735</b>	<b>287,365</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>112,042</b>	<b>345,591</b>

- 1 Accounting policies
- 15 Contractual obligations and contingencies, etc.
- 16 Related parties
- 17 Appropriation of profit

## Financial statements 1 April 2022 - 31 March 2023

### Statement of changes in equity

Note	EUR'000	Share capital	Retained earnings	Dividend proposed for the year	Total
	Equity at 1 April 2021	81	59,356	0	59,437
17	Transfer, see "Appropriation of profit"	0	-26,211	0	-26,211
	Dividend	0	0	25,000	25,000
	<b>Equity at 1 April 2022</b>	<b>81</b>	<b>33,145</b>	<b>25,000</b>	<b>58,226</b>
17	Transfer, see "Appropriation of profit"	0	-12,919	0	-12,919
	Dividend	0	0	15,000	15,000
	Dividend distributed	0	0	-25,000	-25,000
	<b>Equity at 31 March 2023</b>	<b>81</b>	<b>20,226</b>	<b>15,000</b>	<b>35,307</b>



## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Astellas Pharma a/s for 2022/23 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are part of the consolidated cash flow statement for the Parent Company, Astellas Pharma Inc.

Reference is made to the Group's consolidated financial statements for Astellas Pharma Inc., Nihonbashi-Honcho, Chou-Ku, Tokyo 103-8411, Japan. Group consolidated financial statements are available at: <https://www.astellas.com/en/investors/annual-report/financial-information>

#### Reporting currency

As in prior years, the financial statements are presented in EUR, based on bookkeeping records (includes branches) expressed in EUR, to ensure increased comparability in relation to the Company's European competitors.

#### Foreign currency translation

Transactions denominated in foreign currencies are translated into EUR at the exchange rates at the date of the transaction.

Monetary items denominated in foreign currencies are translated into EUR at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset.

Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

### Income statement

#### Revenue

The Company has chosen IFRS15 as interpretation for revenue recognition.

Revenue comprises invoiced sales of goods for the year less returned goods, sales discount, and rebates. Revenue is recognised when the goods are delivered to the destination agreed by the buyer (wholesaler) as per the agreement, and when it is probable that the Company will collect the consideration to which it is entitled for transferring risks and rewards of the products. Control of the goods is transferred at a point in time, typically on delivery.

Revenue is measured at the fair value of the consideration received or receivable. When sales are recognised, Astellas Pharma a/s also records estimates for a variety of sales deductions, including product returns as well as rebates and discounts to wholesalers and retail pharmacies. Sales deductions are recognised as a reduction of gross sales to arrive to net trade sales, by assessing the expected value of the sales deductions (variable consideration). Where wholesalers agreements contain customer acceptance criteria, Astellas Pharma a/s recognises sales when the performance obligations are met.

Marketing services rendered to Astellas' group functions are remunerated through a cost-plus method. Income from the rendering of services is recognised as revenue as the services are rendered.

#### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Starting from October 2021, Astellas Pharma a/s has operated under a distribution agreement with the Astellas group, whereby sales are directly sourced from the Astellas group distribution center to the end customer. Cost of goods comprise the cost of products sold to achieve revenue for the year.

##### Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, lease payments under operating leases, etc.

##### Staff costs

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

##### Depreciation

The item comprises depreciation and impairment of property, plant and equipment.

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:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-10 years

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 the 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.

##### Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

##### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the reporting period. Net financials include interest income and expenses, financial expenses related to finance leases, realised and unrealised exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments less the share of the tax for the year that concerns changes in equity.

Current and deferred taxes related to items recognised directly in equity are taken directly to equity.

##### Balance sheet

##### Property, plant and equipment

Property, plant and equipment comprise leasehold improvements, plant and machinery, other fixtures, fittings, tools and equipment and IT. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Property, plant and equipment are tested for impairment whenever there is an indication that an asset might be impaired. The impairment test is performed for each individual asset or group of assets, respectively. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

##### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

##### Deposits, investments

Investments comprise of deposits, which are measured at cost.

##### Receivables

The Company has chosen IFRS 9 as interpretation for impairment of financial receivables.

Receivables are measured initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful trade receivables. This corresponds to the difference between the invoiced amount and the Lifetime Expected Credit Losses ("LECLs") as described under IFRS 9.

Astellas Pharma's customer base comprises wholesalers and retail pharmacies. From 1 April 2018, management makes allowance of doubtful trade receivables based on the simplified approach to provide for expected credit losses, which permits the use of the lifetime expected loss provision for all trade receivables. This has not resulted in a material change in loss allowance compared with previous policy. The allowance is an estimate based on shared credit risk characteristics and the days past due. Generally, invoices are due for payment within 60 days of shipment of goods.

Loss allowance is calculated using an ageing factor, geographical risk and specific customer knowledge. The allowance is based on a provision matrix on days past due and a forward looking element relating mainly to incorporation of country risk rating.

##### Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Cash

Cash comprises bank balances which are subject to an insignificant risk of changes in value.

Balances in the Group's cash pool scheme are not, due to the nature of the scheme, considered cash, but are recognised under 'Receivables from group companies'.

##### Income taxes

Current tax payable and receivable are recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or a set-off against deferred tax liabilities.

##### Liabilities

Other payables is measured at amortised cost corresponding to the nominal unpaid debt.

##### Segment information

Segmentation is in accordance with the Company's internal reporting and responsibilities. The segment figures are prepared according to the same policies as the Corporate Financial Statements.

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	$\frac{\text{Profit/loss before net financials +/-Other operating income and other operating expenses}}{\text{Revenue}} \times 100$
Operating margin	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
EBITDA-margin	$\frac{\text{Earnings before interest, taxes and amortisations (EBITDA)} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

EUR'000	2022/23	2021/22
<b>2 Segment information</b>		
<b>Breakdown of revenue by business segment:</b>		
Urology	43,882	33,886
Oncology	91,628	97,969
TACROLIMUS	17,091	16,880
Other	28,236	31,198
	<u>180,837</u>	<u>179,933</u>

The item "Other" comprises revenue from marketing services.

#### Breakdown of revenue by geographical segment:

Denmark	26,998	25,514
Sweden	44,483	38,949
Norway	40,550	38,785
Finland	38,653	43,906
Iceland	3,011	2,899
Corporate services	27,142	29,880
	<u>180,837</u>	<u>179,933</u>

External sale of goods amounts to EUR 153,695 thousand for 2022/23. In addition to external revenue, cost reimbursements incl. mark-up amounts to EUR 27,142 thousand in 2022/23.

### 3 Fee to the auditors appointed in general meeting

Statutory audit	158	119
Dividend review	0	17
Other assistance	11	14
	<u>169</u>	<u>150</u>

The statutory audit includes audit of the Nordic shared service centre.

### 4 Staff costs

Wages/salaries	15,358	13,665
Pensions	1,722	2,082
Other social security costs	0	236
Other staff costs	797	988
	<u>17,877</u>	<u>16,971</u>

Average number of full-time employees	<u>103</u>	<u>112</u>
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By reference to section 98b(3)(ii) of the Danish Financial Statements Act, remuneration to Management is not disclosed.

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

EUR'000		2022/23	2021/22	
<b>5</b>	<b>Depreciation of property, plant and equipment</b>			
	Depreciation of property, plant and equipment	126	147	
		<u>126</u>	<u>147</u>	
<b>6</b>	<b>Financial income</b>			
	Realized exchange gains	3,804	459	
	Realized exchange gains intercompany	1,990	12	
	Unrealized exchange gains	156	665	
	Unrealized exchange gains intercompany	674	989	
	Interest income	287	30	
		<u>6,911</u>	<u>2,155</u>	
<b>7</b>	<b>Financial expenses</b>			
	Realized exchange loss	4,539	596	
	Realized exchange loss intercompany	110	15	
	Unrealized exchange loss	1,756	254	
	Unrealized exchange loss intercompany	2,606	657	
	Interest expenses	95	114	
	Other financial expenses	0	394	
		<u>9,106</u>	<u>2,030</u>	
<b>8</b>	<b>Tax for the year</b>			
	Estimated tax charge for the year	749	2,505	
	Deferred tax adjustments in the year	33	-55	
	Tax adjustments, prior years	40	0	
		<u>822</u>	<u>2,450</u>	
<b>9</b>	<b>Property, plant and equipment</b>			
		<b>Other fixtures and fittings, tools and equipment</b>	<b>Leasehold improvements</b>	<b>Total</b>
	EUR'000			
	Cost at 1 April 2022	535	2	537
	Additions in the year	18	0	18
	Disposals in the year	-3	0	-3
	Cost at 31 March 2023	<u>550</u>	<u>2</u>	<u>552</u>
	Impairment losses and depreciation at 1 April 2022	241	0	241
	Depreciation in the year	126	0	126
	Impairment losses and depreciation at 31 March 2023	<u>367</u>	<u>0</u>	<u>367</u>
	Carrying amount at 31 March 2023	<u>183</u>	<u>2</u>	<u>185</u>

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 10 Investments

EUR'000	<u>Deposits</u>
Cost at 1 April 2022	94
Additions in the year	<u>9</u>
Cost at 31 March 2023	103
<b>Carrying amount at 31 March 2023</b>	<b><u>103</u></b>

#### 11 Receivables from group companies

Astellas BV has entered a cash pool arrangement with Deutsche Bank, where Astellas Pharma a/s is participating with other group entities. The cash pool arrangement allows the bank to net deposits and loans towards each other, which means that it is only the net amount of covered group accounts that constitutes the amount towards the bank.

Astellas Pharma a/s' account in the cash pool arrangement, which is recognized under receivables from group companies, amounts to EUR 32,051 thousand as of 31 March 2023 compared to EUR 107,611 thousand as of 31 March 2022.

#### 12 Prepayments

Prepayments primarily comprise prepaid insurance, membership fees and licences.

EURt	<u>2022/23</u>	<u>2021/22</u>
<b>13 Share capital</b>		
Analysis of the share capital:		
600 shares of EUR 135.00 nominal value each	<u>81</u>	<u>81</u>
	<u>81</u>	<u>81</u>

The Company's share capital has remained EUR 81 thousand over the past 5 years.

#### 14 Deferred tax

Deferred tax at 1 April	-34	46
Adjustment of the deferred tax change for the year	<u>33</u>	<u>-80</u>
<b>Deferred tax at 31 March</b>	<b><u>-1</u></b>	<b><u>-34</u></b>

Deferred tax assets primarily comprise temporary differences as regards property, plant and equipment, prepayments, deferred income and book provisions.



## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 15 Contractual obligations and contingencies, etc.

##### Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	1,816	2,500
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Rent obligations total EUR 1,383 thousand (2021/22: EUR 1,831 thousand).

Payments under operating leases regarding cars and IT equipment total EUR 387 thousand (2021/22: EUR 670 thousand).

Rent and lease obligations due within 1 year amount to EUR 622 thousand.

The remaining obligations are due between 1 to 5 years.

As security for the Company's contractual obligations to other suppliers, a bank guarantee has been signed for a total amount of EUR 77,537.

#### 16 Related parties

Astellas Pharma a/s' related parties comprise the following:

##### Parties exercising control

Related party	Domicile	Basis for control
Astellas Pharma Europe Ltd.	300 Dashwood Lang Road, Bourne Business Park, Addlestone KT15 2NX, United Kingdom	Shareholder interest

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Astellas Pharma Inc.	Nihonbashi-Honcho, Chouku, Tokyo 103-8411, Japan	<a href="https://www.astellas.com/en/investors/annual-report/financial-information">https://www.astellas.com/en/investors/annual-report/financial-information</a>

##### Related party transactions

Astellas Pharma a/s was engaged in the below related party transactions:

EUR'000	2022/23	2021/22
Purchase of goods from the Group	148,755	135,280
Income related to fees allocated to group companies	27,363	29,853
Costs related to fees allocated to group companies	11,502	4,248
Receivables from group companies	46,136	286,618
Payables to group companies	29,896	242,203
Transfer of inventory the 30th September 2021	0	58,013

## Financial statements 1 April 2022 - 31 March 2023

### Notes to the financial statements

#### 17 Appropriation of profit

##### Recommended appropriation of profit

Proposed dividend recognised under equity	15,000	25,000
Extraordinary dividend distributed in the year	0	7,900
Retained earnings/accumulated loss	-12,919	-26,211
	<u>2,081</u>	<u>6,689</u>

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### Client Signer

On behalf of: Astellas Pharma A/S

Serial number: 19740628xxxx

IP: 62.116.xxx.xxx

2023-09-27 09:17:29 UTC



## Simon Falbe-Hansen

### Client Signer

On behalf of: Astellas Pharma A/S

Serial number: 703376a3-140f-4a41-87e0-c8c5a6df3b8e

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2023-09-27 11:09:43 UTC



## Rowena Borenstein

### Client Signer

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## The name is withheld

### Client Signer

On behalf of: Astellas Pharma A/S

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2023-09-28 07:56:04 UTC



## Damla Ebru Atilgan

### Client Signer

On behalf of: Astellas Pharma A/S

Serial number: ddf3b1e1-3057-421d-992f-c37528ef943f

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2023-09-28 12:50:06 UTC



## Rasmus Bloch Jespersen

### EY Godkendt Revisionspartnerselskab CVR: 30700228

### EY Signer

On behalf of: EY Godkendt Revisionspartnerselskab

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