

Anivive Shareholder Letter

Valley Fever vaccine entering final chapter; \$25M Dechra restructure funds launch; Laverdia milestones deliver \$27.5M; platform proven with 7,500 orders—Anivive 2.0 built for commercialization.

October 2025

Dear Shareholders,

Executive Summary

Over the past six months we aligned the entire company around a clear, singular strategy: drive our Valley Fever vaccine across the finish line once and for all.

Anivive 2.0. That's what we call it. The strategy is simple: "What would this business look like if we were starting it today?"

That question has been at the center of every decision. We reorganized the Board. Recruited executives from leading animal health companies. De-risked our supply chain. Blitzed regulatory filings for both our vaccine and Laverdia. Our cancer pipeline is on track to deliver \$27.5M next year. Our suppliers are ready to fill \$20M of vaccine pre-orders. We scaled our commercial software platform to handle the demand.

We renegotiated our Dechra partnership to fund vaccine launch without raising equity. We paused non-core development to focus bandwidth, capital, and talent where it matters most. We're transforming from a development-stage company into a fully integrated pharmaceutical firm executing across six countries.

Our vaccine program is entering its final chapter. We submitted cat, rabbit, and manufacturing data

packages. Completed our U.S. submission. Finalized filings in Brazil and Australia. We were scheduled to meet with the USDA on October 9th—the final step toward approval, a milestone nearly a decade in the making. The government shutdown postponed this, but the USDA director confirmed we're at the front of the line. Meeting expected approximately two weeks after government reopens. Approval typically follows 90-120 days after, positioning us for Q1 2026 launch.

Meanwhile, our Dechra partnership is outperforming expectations. The success of Laverdia led Dechra to propose paying the first \$15M U.S. milestone early—at \$1M per month—and increasing total payments to \$27.5M in 2026. We expect to sign this amendment shortly. Once finalized, Anivive becomes cash-flow positive and gains the staying power to execute at full speed without raising new capital.

Our Board now reflects our next chapter. From development to commercialization. We're finalizing offers for a Chief Financial Officer and Head of Investor Relations from leading global animal health companies. This team will strengthen our discipline, expand our reach, and position Anivive for long-term growth.

Anivive 2.0 is taking shape—a company built to bring our vaccine to market and use that success to fuel a broader mission: using technology to drive affordable treatments that give our best friends more time.

Laverdia Revenues Fund Vaccine Launch

Our partnership with Dechra represents one of the most successful collaborations in animal health. In 2023, we licensed our Laverdia lymphoma drug to Dechra for commercialization. Under the agreement, Anivive is responsible for regulatory approvals and manufacturing, while Dechra handles sales, marketing, and distribution globally. This structure allows us to focus on what we do best—science and regulatory execution—while Dechra leverages their massive commercial infrastructure.

Why We Renegotiated: Eliminate Financing Risk

The original Dechra agreement structured milestone payments around FDA approval events. Our pivotal trial achieved 99.5% statistical confidence in April 2025—exceeding FDA's 95% threshold. With FDA approval expected Q1 2026, we faced a timing challenge: we needed capital now to fund vaccine launch preparation, but the \$15M milestone wouldn't hit until after FDA approval.

Dechra recognized this timing mismatch and proposed a restructure that benefits both parties. For Dechra, it smooths large cash outflows over time. For Anivive, it eliminates financing risk entirely and makes us immediately profitable.

Metric	Prior (Monthly)	Post-Amendment (Monthly)	2026 Forecast
P&L (Net)	-\$500K (red)	+\$500K (black)	\$27.5M total
Key Cash Unlock	N/A	\$1M/month x15	+\$12.5M international
Runway Extension	To mid-2026	Into 2027	Non-dilutive

New Partnership Structure: Three Key Benefits

- 1. Accelerated Cash for Launch Preparation:** We receive capital six months earlier than the original Q1 2026 milestone. This allows us to pre-position inventory, finalize distribution agreements, and execute pre-launch marketing while competitors are still fundraising.
- 2. Refinancing Preserves Capital for Sales Launch:** Month-to-month profitability opens a new universe of potential lenders to refinance our Leonid loan at lower rates. In my February letter, I outlined our plan to pay down this debt using Laverdia revenues—that plan is now accelerated. Lower interest expense frees additional capital for vaccine launch while extending runway into 2027.
- 3. Increase Our Investment into the Vaccine:** As James Cavanaugh (one of the most accomplished life-science investors on our cap table and someone I'm grateful to count as an advisor) told me: "The most foolish thing you can do is underinvest at the finish line." This funding ensures we won't. We can hire sales support, execute market development, and scale distribution without capital constraints.

Revenue Pipeline Through 2026

Revenue Stream	Timing	Value
----------------	--------	-------

Dechra Monthly Payments	Oct 2025 - Q1 2027	\$15,000,000
Dechra International Milestones	Mid-2026	\$12,500,000
NIH Biodefense Contract	2025-2026	\$6,000,000
FDA Grants (Secured)	2024-2025	\$600,000
TOTAL NEAR-TERM REVENUE		\$34,100,000

Beyond Dechra revenues, our \$33 million NIH biodefense contract adds \$6+ million in 2025-2026. Classified as "Essential Service," this contract is protected from federal shutdowns—payments continue flowing even during government closures. We've also secured over \$600,000 in FDA grants that cover our Laverdia submission fees, ensuring FDA review processes remain unaffected by shutdown politics.

Jesper Moller: CEO-to-CEO Relationship

I first met Jesper Moller, Dechra's newly appointed CEO, at an industry conference years ago when we were both early in our careers. We've stayed in touch over the years, and his appointment as CEO has strengthened our partnership significantly. Jesper understands our vision, trusts our execution, and has been instrumental in structuring this amendment to work for both companies. This kind of relationship—built on mutual respect and long-term thinking—is rare in pharma and gives us confidence that Dechra will be a strong partner as we scale.

Bottom line: This Dechra restructure gives us staying power. We have the capital to weather unforeseen challenges, the runway to execute through 2027, and the financial stability to invest fully in vaccine launch. No equity raises. No shareholder dilution. Just disciplined execution.

Laverdia Approval Progress

The success of our Laverdia program demonstrates how our software platform creates competitive advantages that traditional pharma can't replicate. We leveraged this success to renegotiate Dechra payments before they're officially triggered—enabling us to become profitable months ahead of schedule.

AniTrial Reduced Regulatory Risk

Our AniTrial platform powered 40% of Laverdia enrollment through automated SMS reminders, geo-targeted ads, and AI matching algorithms. This was the first time we validated our platform in an FDA trial, and the results exceeded every expectation:

- **Accelerated enrollment:** Increased daily applications 460%, generating 600+ qualified applicants across 14 states
- **Kept partnership milestones on track:** Without AniTrial, this milestone would have been realized a year later and cost \$1.8M more to achieve
- **Exceeded FDA requirements:** Study hit 99.5% confidence vs. FDA's 95% threshold

Outside partners—including Dechra and others—have approached us to help with their studies. This creates potential for AniTrial to become its own revenue stream.

Scaled Teams Across 6 Countries in 30 Days

Following our U.S. success, we blitzed international regulatory filings. We completed submissions in the U.S., Brazil, Australia, and New Zealand. EU and UK filings are on track for year-end completion. This execution demonstrates our operational maturity—we're no longer just a development-stage company, we're a pharmaceutical firm executing globally.

Region	Status	Expected Timeline	Est. Milestone Payment
United States	Filed (FDA Approval Pending)	Q1 2026	\$15,000,000
European Union	Final Stages of Prep	Filing by YE 2025	\$6,250,000

United Kingdom	Final Stages of Prep	Filing by YE 2025	\$6,250,000
Australia	Filed	Mid-2026	Included in Regional
Brazil	Filed	Mid-2026	Included in Regional
Canada	In Process	H2 2026	TBD
TOTAL UNLOCKED BY MID-2026			\$27,500,000+

No Government Shutdown Delay

While the USDA vaccine review was delayed by the shutdown, our Laverdia FDA review processes remain fully on track. The FDA is funded by industry user fees, not government appropriations. We've secured over \$600,000 in FDA grants that cover our submission fees, ensuring our review continues uninterrupted regardless of shutdown politics.

FDA Leadership Joins Review Team

Matt Lucia, head of all new animal drug programs at FDA, personally joined our Laverdia review team and allocated additional resources. I met with Matt in person half a dozen times last year to build this relationship. His involvement signals FDA's recognition of Laverdia's importance and ensures we have the agency's full attention as we move toward approval.

Laverdia Supply Chain De-Risked

We renegotiated manufacturing agreements to ensure supply continuity post-approval. We continue to serve as the international distributor for Dechra from our FDA-licensed warehouse in Long Beach, California. This vertical integration gives us control over critical supply chain elements and creates additional revenue through distribution fees.

Dechra Partnership Expansion

What often goes unnoticed is how successful our Dechra partnership has become. Dechra and other pharmaceutical companies have approached us to help with their studies using our AniTrial platform. This validates our technology thesis and creates optionality for future partnerships beyond Laverdia.

Bottom line: AniTrial made our study so successful that Dechra is willing to begin paying milestones even before FDA provides final feedback on data. This early payment structure—converting the \$15M milestone into monthly payments starting now—reflects their confidence in our execution and their recognition that investing in Anivive's success benefits both companies.

Vaccine Approval Progress

Our Valley Fever vaccine submission represents the most comprehensive vaccine data package submitted to USDA in recent history.

Data Submission Complete

We submitted all required data to USDA: mice, rabbit, cat, and dog studies; subcutaneous and intramuscular injection routes; stability studies at room temperature, refrigerated, and frozen conditions; two formulations (lyophilized freeze-dried and liquid); environmental studies for cleanup and handling; manufacturing protocols for production, packaging, and labeling; genetic sequencing of master seed stock; historical genetic sequencing of study materials used over the last 7 years; environmental assessment and categorical exclusion documentation across three different regulatory pathways.

This submission was originally expected in March 2025, but our contract manufacturer HRA received multiple acquisition offers which placed a pause on all new vaccine submissions during due diligence. We had to wait 5 months for the acquisition to close. In late July, Kemin Industries acquired HRA with a commitment to maintain third-party relationships. We signed our supply agreement the same day and immediately resumed submissions. (More details on how we de-risked this manufacturing dependency in the next section.)

USDA Director Joins Review Team

I meet informally with Dr. Geetha Raghavan (USDA Director) almost once a quarter in person. She's fully up to speed on our program, has joined key meetings, and allocated dedicated headcount to our review. She came through on her promise to schedule our meeting within two weeks of submission completion—our October 9th date was confirmed before the government shutdown intervened.

USDA Meeting Rescheduled: Front of the Line

Our October 9th meeting was postponed due to the government shutdown. David White, second-in-command to Dr. Geetha, was instructed to inform us that we're slotted for the first review session once the shutdown ends. We expect our new meeting to take place approximately 2 weeks after government reopening. Based on USDA precedent, approval typically follows 90-120 days after this final meeting,

positioning us for Q1 2026 launch.

Recruited Former USDA Director to Lead Risk Mitigation

We brought on Dr. Paul Hauer, former Director of USDA's Center for Veterinary Biologics, as lead advisor on regulatory risk mitigation. Paul is guiding our NEPA categorical exclusion positioning, recommending who to invite to review meetings, and suggesting additional "nice-to-have" studies that strengthen our submission. He literally wrote the USDA playbook we're following.

Kevin McCarthy Helped Create FDA Guidance Release

FDA issued guidance in September 2025 creating an opportunity for the scientific community to provide feedback on fungal vaccine development. This bolsters our NEPA and environmental arguments by preemptively addressing them through public scientific discourse. This guidance release is a direct result of our lobbying efforts in D.C.—we got this mandate written into the previous omnibus bill. Kevin McCarthy (Anivive Board Member, former Speaker of the U.S. House) helped round up necessary cross-aisle support to make this happen.

Coordinated Cross-Government Support

FDA, CDC, and NIH are all in alignment on the need for fungal vaccines. FDA held a cross-agency workshop endorsing vaccine administration to humans for fungal diseases. NIH released their March 2025 Strategic Plan—coordinated with our original expected submission date—which explicitly endorses our vaccine platform and highlights the efficacy and safety of our approach.

McCarthy made introductions to the head of APHIS (the agency that USDA CVB reports to in D.C.) and is coordinating an introduction to the Secretary of Agriculture, who has veto rights on USDA CVB decisions. This level of federal coordination is unprecedented for a company our size and demonstrates the national importance of solving fungal disease.

Bottom line: We've submitted more data than most vaccine approvals require, secured direct access to USDA leadership, and coordinated federal support across multiple agencies. We're at the front of the line for review post-shutdown, with approval expected 90-120 days after our meeting. This is the most de-risked regulatory pathway we could have built.

Manufacturing & Operations: De-Risking Vaccine Supply

The biggest risk to our vaccine launch was manufacturing continuity. We've systematically eliminated that risk.

Commercial Supply Agreement Signed with HRA/Kemin

We signed a commercial supply agreement with HRA (now owned by Kemin Industries) securing long-term manufacturing capacity. This is the first-ever fungal vaccine commercial supply agreement for a USDA-licensed facility. The agreement includes production guarantees and penalty clauses that protect Anivive from supply disruptions.

Secondary Supplier: Manufacturing Continuity Secured

When HRA entered acquisition discussions, we faced an existential threat. Had certain strategic buyers acquired the facility, they would have canceled all third-party contracts—creating a 2-3 year delay and requiring \$5M+ in alternative capacity. Manufacturing for fungal vaccines is extraordinarily specialized; alternative facilities simply don't exist.

The solution required dealmaking at the highest levels. Our Board member Dr. Steve Fisher leveraged his relationships to negotiate directly with Kristin Peck, CEO of Zoetis (world's largest animal health company). In an unprecedented move, Zoetis offered us their 16,237 sq ft BSL-2 certified USDA facility in College Station, Texas—a turnkey biomanufacturing asset with \$30M+ replacement cost. Kristin personally signed off, effectively leaving \$10M on the table to ensure Anivive could secure backup manufacturing capacity.

Deal terms: First 6 months rent-free (~\$50K/month operating costs thereafter), 4,360 sq ft of active cleanrooms with 2,400+ sq ft expansion capacity, complete equipment suite including fill-finish lines and isolators, Congressional permit for foot-and-mouth disease (FMD) work—making it the only private FMD-licensed facility in the U.S. outside DoD's Plum Island.

We also recruited the former Zoetis facility process manager to join Anivive and have identified our Head of Manufacturing to be hired in 2026 once revenue scales.

Operational Discipline Frees Launch Capital

We subleased our California warehouse and Arizona lab facilities, eliminating \$2 million in expenses over the next four years (\$50K/month in savings). We successfully moved our diagnostic lab operations to our Long Beach, California facility, consolidating operations and reducing overhead. These savings exactly offset our Texas facility costs—giving us backup manufacturing at zero net expense.

Bottom line: We've secured primary manufacturing with HRA/Kemin, backup manufacturing with the Zoetis Texas facility, and eliminated single-source supply risk entirely. We're operationally disciplined—every dollar saved on overhead flows into vaccine launch operations.

Distribution Platform: Commercial Readiness Proven

We built our direct-to-vet platform specifically for vaccine commercialization. Rather than wait for approval to test it, we're generating revenue now.

The Anivive Integrated Commercial Platform

AniEngage processed 7,500 orders from 400 veterinary hospitals this year—using the same infrastructure built for vaccine distribution. We helped 15,000 pet owners across 38 states without a sales team. Every order solved edge cases in clinic workflows, cold chain logistics, and payment processing. We've already beta-tested vaccine ordering functionality. When approved, we can distribute vaccine to 30,000+ U.S. clinics with minimal overhead. Engage V2 launches Q4 2025 with CRM analytics and direct vaccine ordering.

AniSelect built the world's largest sequenced canine tumor database. This enables precision targeting of vaccine messaging by breed, location, and health profile—critical for identifying high-risk Valley Fever geographies.

AniTrial powered 40% of Laverdia enrollment, reached 20,000 monthly users, and is now attracting interest from Dechra and other pharmaceutical companies as a standalone service.

Market Demand Proven: \$50M+ in Pre-Orders

We've secured over \$50 million in vaccine commitments before approval: \$33M NIH biodefense contract (classified "Essential Service") and \$18M in pre-orders from 600+ hospitals, including approximately 450,000 doses planned for Arizona alone. Partners include Petco Love and major veterinary networks (all subject to regulatory approval).

Bottom line: Our platform isn't theoretical—it's generating real revenue with real customers. We've processed 7,500 orders, helped 15,000 pet owners, and secured \$50M+ in vaccine pre-orders. When the vaccine launches, we're not hoping the platform works—we've proven it works.

Board of Directors | Reshaping Governance for a Vaccine-First Strategy

Dr. Steve Fisher Joined the Board

Former Global Head of Purchasing at VCA/Mars (30M pets annually, 3,000 hospitals, 70,000 veterinary professionals), Steve Fisher brings distribution expertise at exactly the scale we need for national vaccine rollout. Fisher oversaw vaccine procurement for 30 million pets annually and brings deep commercial relationships across hospitals, shelters, and insurers.

The Zoetis facility deal—negotiated by Fisher directly with CEO Kristin Peck—demonstrates his ability to operate at the highest industry levels and solve problems money alone can't fix. This type of relationship-building and deal-making is exactly what Anivive needs as we transition to commercialization.

Board Aligned Around Commercialization and Launch

The Board structure now blends regulatory experience (Kevin McCarthy) with large-scale distribution expertise (Fisher) to guide approval and market entry. This combination positions Anivive to navigate both the regulatory finish line and the commercial launch that follows.

Executive Hiring Underway

We're recruiting a Chief Financial Officer and Head of Investor Relations from a leading animal-health company to strengthen financial strategy and communication as we scale into a commercial-stage company.

Chief Strategy Officer, Ed Robb, Recognized with the Industry's Highest Award

Last month, Ed Robb was honored with the Iron Paw Award for his career-long impact on veterinary medicine. Ed spearheads development of our Valley Fever vaccine, serves as the Principal Investigator on our NIH biodefense contract, is an Anivive investor, and has been a key leader with us for eight years.

Norm Christensen Joined Anivive's Advisory Board

Founder and CEO of Karman Space & Defense, Christensen has successfully led his company in securing billions of dollars in U.S. government contracts and completed one of the most successful defense IPOs of the past year. His experience building and scaling advanced technology platforms within the national security sector will help guide Anivive as we expand our biodefense portfolio and pursue additional federal contracts.

Strengthening Our Fungal Vaccine Leadership

Strategic IP: Next-Generation Platform

We executed an exclusive license to Dr. Deborah Fuller's DNA/mRNA fungal vaccine platform at the University of Washington. We helped secure \$9 million in NIH funding to support this research. By securing next-generation vaccine technology, we extend our competitive moat beyond our first product and position Anivive to defend market leadership across multiple vaccine generations and formulations.

Human Vaccine Program: Extending Value Beyond Veterinary Medicine

This summer, I met with the FDA Commissioner and submitted our application for a priority-review voucher through the CNPV pilot program. Our pre-IND meeting is complete, IND work is underway, and we've secured a Boston manufacturing partner producing Phase 1 clinical trial batches. The program shares manufacturing infrastructure with our veterinary vaccine—reducing costs for both while expanding into human markets worth billions. The veterinary vaccine validates the science first; the human program extends the platform second.

Growing Our Biodefense Portfolio

Our \$33 million NIH biodefense contract was classified as "Essential Service"—protecting it from federal shutdowns. Within days of the shutdown, an order ensured work continues uninterrupted with payments flowing through. We've secured an additional \$9 million NIH contract and have been encouraged to apply for \$30+ million more.

Norm Christensen (CEO, Karman Space & Defense—billions in defense contracts, successful defense IPO) joined our Board to guide biodefense portfolio expansion and position future vaccines for government procurement.

Within weeks of securing our Texas facility, USDA approached us to co-develop their foot-and-mouth disease (FMD) vaccine—a national priority with \$20M-\$130M annual stockpile potential. The Secretary of Agriculture's office, APHIS Director, and head of the National Stockpile all encouraged us to pursue it.

We've also had initial licensing discussions with AbbVie regarding our fungal vaccine platform for potential human applications.

Trademark Secured

We secured the trademark: "**Giving Our Best Friends More Time™.**" This phrase captures our mission as we enter our commercial chapter.

Bottom line: We're not just building a Valley Fever vaccine—we're building a fungal vaccine platform with applications across veterinary medicine, human health, and national biodefense. This positions Anivive as the leader in an entirely new category.

Shareholder Meeting

We are finalizing dates for our next Shareholder Meeting, planned for **November 2025**. At this meeting, we'll provide a full overview of the state of Anivive and introduce our newest Board Member and Chief Financial Officer / Head of Investor Relations to each of you. The event will also feature:

- Executives from several of our partner companies
- The NIH Director behind our biodefense contract (pending confirmation)
- A guest speaker who lost their only child to Valley Fever
- A leading veterinarian who treats over 100 Valley Fever cases per month
- The leading Animal Health investment banker who will share industry insights

The meeting will be held at **Lido House in Newport Beach, California**, followed by a private dinner for shareholders and guests. Formal invitations will be sent end of next week once the date is confirmed. If you plan to travel, we will provide a room-accommodation link and introduce you to our event coordinator for RSVPs and inquiries.

Notes on Valuation

Comparable animal-health peers raising hundreds of millions are valued above \$425 million, despite being years from revenue. Anivive is approaching its second and third approvals, owns rights to our vaccine in humans, and can self-fund growth. Our flywheel is finally beginning to turn, and we now have the opportunity to turn something good into something truly great.

The Road Ahead

We're in the final stages of recruiting a Chief Financial Officer and Head of Investor Relations from leading global animal health companies. These hires reflect our transition from development to commercialization and will strengthen our financial discipline and investor communications as we

scale.

If Anivive Were Starting Today

If Anivive were starting today, we'd be in an enviable position:

- **\$50+ million in vaccine commitments before approval**—validated commercial demand
- **\$34M+ in near-term revenue** (Dechra \$27.5M, NIH \$6M, FDA grants \$600K)—capital to fund operations without dilution
- **Proven distribution platform**—7,500 real customer orders, 400 hospitals, 15,000 pet owners served
- **Board built for commercialization**—Fisher (VCA/Mars distribution), McCarthy (regulatory navigation), Hauer (USDA expertise), Christensen (biodefense), new CFO/IR from animal health
- **Manufacturing secured with backup**—HRA/Kemin supply agreement plus Zoetis Texas facility (\$30M value, zero net cost)
- **IP moat extended**—UW DNA/mRNA license, human vaccine program, FMD partnership opportunity

The Next 90 Days

Milestone Phase	Q4 2025 (Oct-Dec)	Q1 2026 (Jan-Mar)
Key Events	USDA meeting post-shutdown (~2 weeks); UK/EU Laverdia filings (\$12.5M trigger); Dechra monthly payments begin (\$1M/month)	Valley Fever approval expected (90-120 days post-meeting); Laverdia FDA approval (\$15M milestone); Commercial launch prep
Focus	Regulatory momentum & cash-flow positive	Revenue unlock & launch execution

Impact	De-risk path, establish profitability	Fund scaled rollout, validate commercial model
---------------	---------------------------------------	--

We're excited for what's next and grateful for your partnership as we execute on the largest opportunity in Anivive's history.

This is Anivive 2.0—disciplined, focused, and built to scale. Every decision serves one mission: launch the world's first systemic fungal vaccine and build a self-funding company that gives pets—and the people who love them—more time.

Sincerely,

Dylan Balsz

Founder & CEO

Anivive Lifesciences, Inc.

"Giving Our Best Friends More Time™"

Forward-Looking Statements

This letter contains forward-looking statements regarding vaccine licensure, Dechra payments, launch timeline, regulatory approvals, clinical milestones, revenue forecasts, partnership amendments, international submissions, and future R&D based on current assumptions. Actual results may differ materially due to risks and uncertainties, including regulatory outcomes, manufacturing scale-up, market dynamics, contractual performance, financing conditions, government shutdowns, and other factors. Anivive undertakes no obligation to update these statements. References to pre-orders and demand relate to non-binding commitments subject to regulatory approval.