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**Consolidated Financial Report
for the First Quarter 2022 (Unaudited)(Japan GAAP)
AnGes, Inc. <https://www.anges.co.jp/en/>**

Listings: Mothers of the Tokyo Stock Exchange, Code 4563
Head Office: 7-7-15, Saito-Asagi, Ibaraki, Osaka, 567-0085, Japan

(Figures are rounded down to the nearest million yen)

1. Business Results for the First Quarter 2022 (From Jan. 1, 2022 to Mar. 31, 2022)

(1) Results of Operations (Percentages indicate changes from the same period of the previous fiscal year)

	Revenues		Operating loss		Ordinary loss		Net loss	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q 2022	15	33.3	(3,543)	—	(2,934)	—	(2,938)	—
1Q 2021	11	101.4	(3,628)	—	(3,361)	—	(3,314)	—

*Comprehensive Income 1Q 2022 : (1,774) million yen 1Q 2021 : (1,927) million yen

	Net loss per share	Diluted net loss per share
	Yen	Yen
1Q 2022	(19.20)	—
1Q 2021	(24.82)	—

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
	Million yen	Million yen	%
Dec. 31, 2022	44,062	36,860	83.5
Dec. 31, 2021	45,455	38,634	84.8

*Shareholder's equity Mar. 31, 2022 : 36,770 million yen Dec. 31, 2021 : 38,545 million yen

2. Dividend

	Dividend per share				
	1Q	2Q	3Q	4Q	Full-year
	Yen	Yen	Yen	Yen	Yen
FY 2021	—	0.00	—	0.00	0.00
FY 2022	—	—	—	—	—
FY 2022 (Forecast)	—	0.00	—	0.00	0.00

*Change of dividend forecast from the most recent release: None

3. Earnings Forecast for the Fiscal Year 2022 (From Jan. 1, 2022 to Dec. 31, 2022)

*The financial forecast for the fiscal year 2022 is not stated because the reasonable financial forecast cannot be calculated at this time.

Notes:

- (1) Change of reporting entities (change of condition of significant consolidated subsidiaries) : None
 (2) Accounting procedure peculiar to the quarterly consolidated financial statements : None
 (3) Change of significant accounting and reporting policies for consolidated financial statements
 1) Changes caused by revision of accounting standard : Applicable
 2) Changes in accounting policies other than 1) : None
 3) Changes in accounting estimates : None
 4) Restatement : None

(4) Number of shares issued and outstanding (common stock)

1) Number of shares issued and outstanding (including treasury shares)	Dec. 31, 2022	153,072,400 shares	Dec. 31, 2021	153,072,400 shares
2) Number of treasury shares	Dec. 31, 2022	92 shares	Dec. 31, 2021	92 shares
3) Average number of shares issued and outstanding	1Q 2022	153,072,308 shares	1Q 2021	135,532,658 shares

**Performance forecasts or any other future events contained in this report are based on currently available information which are believed to be reasonable at the time of forecasts. Actual results may differ from the forecasts due to various factors.*

***This financial report has been translated from Japanese original which has been prepared in accordance with generally accepted accounting principles in Japan, for reference purposes only. Also some changes are added to this report in order to present in a form more familiar to the readers outside Japan.*

AnGes, Inc
Consolidated Balance Sheets
(In thousands of yen)
(Unaudited)

	December 31, 2021	March 31, 2022
Assets		
Current assets		
Cash and deposits	17,899,341	15,411,335
Accounts receivable - trade	10,264	6,534
Finished goods	29,120	29,120
Raw materials and supplies	1,194,629	1,678,272
Advance payments to suppliers	1,714,027	1,496,804
Prepaid expenses	89,435	50,325
Consumption taxes receivable	419,878	533,575
Other	69,446	29,439
Total current assets	<u>21,426,143</u>	<u>19,235,409</u>
Non-current assets		
Property, plant and equipment		
Buildings	202,299	207,164
Accumulated depreciation	(23,566)	(24,123)
Buildings, net	<u>178,733</u>	<u>183,040</u>
Tools, furniture and fixtures	83,400	67,182
Accumulated depreciation	(68,805)	(51,509)
Tools, furniture and fixtures, net	<u>14,594</u>	<u>15,673</u>
Total property, plant and equipment	<u>193,328</u>	<u>198,714</u>
Intangible assets		
Goodwill	22,675,739	23,462,297
Total intangible assets	<u>22,675,739</u>	<u>23,462,297</u>
Investments and other assets		
Investment securities	878,706	871,307
Leasehold and guarantee deposits	97,834	98,395
Deferred tax assets	110,510	118,738
Other	73,484	77,193
Total investments and other assets	<u>1,160,535</u>	<u>1,165,634</u>
Total non-current assets	<u>24,029,603</u>	<u>24,826,646</u>
Total assets	<u>45,455,746</u>	<u>44,062,055</u>

AnGes, Inc
Consolidated Balance Sheets
(In thousands of yen)
(Unaudited)

	December 31, 2021	March 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	720,706	494,787
Accounts payable - other	636,748	558,275
Accrued expenses	80,363	96,883
Income taxes payable	134,319	63,085
Advances received	5,119,753	5,894,004
Deposits received	41,542	14,097
Total current liabilities	<u>6,733,433</u>	<u>7,121,133</u>
Non-current liabilities		
Deferred tax liabilities	19,097	16,482
Asset retirement obligations	68,474	64,232
Total non-current liabilities	<u>87,571</u>	<u>80,714</u>
Total liabilities	<u>6,821,005</u>	<u>7,201,848</u>
Net assets		
Shareholders' equity		
Share capital	33,359,568	33,359,568
Capital surplus	15,680,893	15,680,893
Retained earnings	(12,435,475)	(15,373,745)
Treasury shares	(31)	(31)
Total shareholders' equity	<u>36,604,955</u>	<u>33,666,685</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	36,441	32,361
Foreign currency translation adjustment	1,904,012	3,071,829
Total accumulated other comprehensive income	<u>1,940,453</u>	<u>3,104,190</u>
Share acquisition rights	89,332	89,332
Total net assets	<u>38,634,741</u>	<u>36,860,207</u>
Total liabilities and net assets	<u>45,455,746</u>	<u>44,062,055</u>

AnGes, Inc
Consolidated Statements of Operations
(In thousands of yen)
(Unaudited)

	The First Quarter (From Jan. 1 to Mar.31)	
	2021	2022
Business revenues		
Net sales of finished goods	11,544	6
Commission income	-	15,381
Total business revenues	11,544	15,387
Business expenses		
Cost of sales	6,906	16,437
Research and development expenses	2,416,248	2,267,351
Selling, general and administrative expenses	1,216,691	1,275,075
Total business expenses	3,639,846	3,558,864
Operating loss	(3,628,302)	(3,543,476)
Non-operating income		
Interest income	110	1,113
Foreign exchange gains	281,457	516,555
Subsidy income	-	84,168
Commission income	1,335	1,308
Gain on investments in investment partnerships	19,450	-
Miscellaneous income	-	6,160
Total non-operating income	302,353	609,306
Non-operating expenses		
Interest expenses	65	-
Share issuance costs	33,680	-
Loss on investments in investment partnerships	-	673
Share acquisition rights issuance costs	1,691	-
Total non-operating expenses	35,437	673
Ordinary loss	(3,361,386)	(2,934,843)
Extraordinary income		
Gain on reversal of share acquisition rights	32,844	-
Total extraordinary income	32,844	-
Loss before income taxes	(3,328,542)	(2,934,843)
Income taxes - current	5,968	8,533
Income taxes - deferred	(20,272)	(5,106)
Total income taxes	(14,304)	3,427
Loss	(3,314,238)	(2,938,270)
Loss attributable to owners of parent	(3,314,238)	(2,938,270)

AnGes, Inc
Consolidated Statements of Comprehensive Income
(In thousands of yen)
(Unaudited)

	The First Quarter	
	(From Jan. 1 to Mar.31)	
	2021	2022
Loss	(3,314,238)	(2,938,270)
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,830)	(4,079)
Foreign currency translation adjustment	1,394,176	1,167,816
Total other comprehensive income	1,386,346	1,163,736
Comprehensive income	(1,927,892)	(1,774,533)
Comprehensive income attributable to		
owners of parent	(1,927,892)	(1,774,533)
non-controlling interests	-	-

Projects --- Current pipeline status

Segment	Project	Target indications	Area	Development stage	Alliance partners
Medicine	HGF Plasmid (Beperninogene Perplasmid) <i>Collategene®</i>	Chronic arterial occlusive disease with rest pain	Japan	Phase III	Mitsubishi Tanabe Pharma Corporation (JP) <i>Marketing Rights</i>
		Arteriosclerosis obliterans with lower limb ulcer	USA	Phase II b	Mitsubishi Tanabe Pharma Corporation (JP) <i>Marketing Rights</i>
		Chronic arterial occlusive disease with rest pain	Israel	Preparing for application	Kamada
		Chronic arterial occlusive disease with rest pain	Turkey	Preparing for application	Er-Kim
	NF-κB Decoy Oligonucleotide	Chronic disconegic lumber back pain	USA	Preparing for Phase II	-
	Hypertension DNA Vaccine	Hypertension	Australia	Phase I / II a Completed	-
	Novel Coronavirus DNA Vaccine	Novel coronavirus (COVID-19)	Japan	Phase I / II	-
Tie2 Receptor Agonist Compound	Novel coronavirus (COVID-19) /ARDS	USA	Phase II a	Vasomune (Canada)	

*In addition to the above-mentioned projects, the development pipeline includes the development of drugs for chronic hepatitis B and Ebola hemorrhagic fever antiserum at the discovery, basic research and non-clinical testing stages.