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## Consolidated Financial Report for the Third Quarter 2024 (Unaudited)(Japan GAAP)

AnGes, Inc.

<https://www.anges.co.jp/en/>

Listings: Growth of the Tokyo Stock Exchange, Code 4563

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(Figures are rounded down to the nearest million yen)

### 1. Business Results for the Third Quarter 2024 (From Jan. 1, 2024 to Sep. 30, 2024)

#### (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 | % |
| 3Q 2024 | 471         | 359.4 | (7,042)        | — | (7,050)       | — | (7,156)     | — |
| 3Q 2023 | 102         | 123.6 | (9,207)        | — | (4,720)       | — | (4,798)     | — |

\*Comprehensive Income 3Q 2024 : (6,891) million yen 3Q 2023 : (3,220) million yen

|         | Net loss per share | Diluted net loss per share |
|---------|--------------------|----------------------------|
|         | Yen                | Yen                        |
| 3Q 2024 | (32.30)            | —                          |
| 3Q 2023 | (25.69)            | —                          |

#### (2) Financial Position

|               | Total assets | Total net assets | Shareholders' equity ratio |
|---------------|--------------|------------------|----------------------------|
|               | Million yen  | Million yen      | %                          |
| Sep. 30, 2024 | 25,128       | 22,214           | 87.9                       |
| Dec. 31, 2023 | 28,892       | 26,103           | 90.0                       |

\*Shareholder's equity Sep. 30, 2024 : 22,094 million yen Dec. 31, 2023 : 26,007 million yen

### 2. Dividend

|                    | Dividend per share |      |     |      |           |
|--------------------|--------------------|------|-----|------|-----------|
|                    | 1Q                 | 2Q   | 3Q  | 4Q   | Full-year |
|                    | Yen                | Yen  | Yen | Yen  | Yen       |
| FY 2023            | —                  | 0.00 | —   | 0.00 | 0.00      |
| FY 2024 (Forecast) | —                  | 0.00 | —   | —    | —         |
| FY 2024 (Forecast) | —                  | —    | —   | 0.00 | 0.00      |

### 3. Earnings Forecast for the Fiscal Year 2024 (From Jan. 1, 2024 to Dec. 31, 2024)

|           | Revenues    |       | Operating loss |   | Ordinary loss |   | Net loss    |   | Net loss per share |
|-----------|-------------|-------|----------------|---|---------------|---|-------------|---|--------------------|
|           | Million yen | %     | Million yen    | % | Million yen   | % | Million yen | % | Yen                |
| Full-year | 600         | 292.2 | (8,450)        | — | (8,450)       | — | (8,650)     | — | (37.54)            |

\*Change of earnings forecast from the most recent release: None

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 : None  
     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) | Sep. 30, 2024 | 256,869,550 shares | Dec. 31, 2023 | 198,470,300 shares |
| 2) Number of treasury shares   | Sep. 30, 2024 | 205 shares         | Dec. 31, 2023 | 92 shares          |
| 3) Average number of shares issued and outstanding                     | 3Q 2024       | 221,546,243 shares | 3Q 2023       | 186,740,724 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,<br>2023 | September 30,<br>2024 |
|-------------------------------------|----------------------|-----------------------|
| <b>Assets</b>                       |                      |                       |
| Current assets                      |                      |                       |
| Cash and deposits                   | 4,160,424            | 2,916,414             |
| Accounts receivable - trade         | 26,534               | 62,436                |
| Merchandise                         | -                    | 192,213               |
| Finished goods                      | 97,655               | -                     |
| Raw materials and supplies          | 1,468,481            | 1,103,575             |
| Advance payments to suppliers       | 49,674               | 55,458                |
| Prepaid expenses                    | 85,906               | 78,081                |
| Consumption taxes refund receivable | -                    | 135,328               |
| Other                               | 32,599               | 4,133                 |
| Total current assets                | 5,921,276            | 4,547,641             |
| Non-current assets                  |                      |                       |
| Property, plant and equipment       |                      |                       |
| Buildings                           | 220,842              | 220,509               |
| Accumulated depreciation            | (135,121)            | (140,160)             |
| Buildings, net                      | 85,721               | 80,349                |
| Tools, furniture and fixtures       | 149,893              | 166,089               |
| Accumulated depreciation            | (80,224)             | (108,677)             |
| Tools, furniture and fixtures, net  | 69,669               | 57,412                |
| Right of use asset                  | 267,728              | 125,899               |
| Total property, plant and equipment | 423,118              | 263,661               |
| Intangible assets                   |                      |                       |
| Goodwill                            | 21,746,086           | 19,553,055            |
| Total intangible assets             | 21,746,086           | 19,553,055            |
| Investments and other assets        |                      |                       |
| Investment securities               | 355,545              | 363,694               |
| Leasehold and guarantee deposits    | 102,056              | 97,553                |
| Deferred tax assets                 | 342,944              | 302,113               |
| Other                               | 1,509                | 1,088                 |
| Total investments and other assets  | 802,055              | 764,450               |
| Total non-current assets            | 22,971,260           | 20,581,167            |
| Total assets                        | 28,892,536           | 25,128,809            |

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

|   | December 31,<br>2023 | September 30,<br>2024 |
|---|----------------------|-----------------------|
| <b>Liabilities</b>                                    |                      |                       |
| Current liabilities                                   |                      |                       |
| Accounts payable - trade                              | 426,447              | 148,612               |
| Accounts payable - other                              | 474,522              | 253,199               |
| Accrued expenses                                      | 36,947               | 25,773                |
| Provision for business restructuring                  | 558,129              | 21,422                |
| Accrued consumption taxes                             | 93,258               | -                     |
| Income taxes payable                                  | 103,147              | 129,229               |
| Advances received                                     | 637,550              | 640,150               |
| Deposits received                                     | 15,434               | 14,607                |
| Lease liabilities                                     | 147,726              | 145,439               |
| Total current liabilities                             | 2,493,163            | 1,378,436             |
| Non-current liabilities                               |                      |                       |
| Bonds payable   | -                    | 1,300,000             |
| Deferred tax liabilities                              | 16,827               | 15,000                |
| Asset retirement obligations                          | 64,430               | 64,515                |
| Lease liabilities                                     | 214,949              | 155,927               |
| Total non-current liabilities                         | 296,207              | 1,535,444             |
| <b>Total liabilities</b>                              | <b>2,789,370</b>     | <b>2,913,880</b>      |
| Net assets  |                      |                       |
| Shareholders' equity                                  |                      |                       |
| Share capital   | 35,053,890           | 36,555,005            |
| Capital surplus                                       | 3,423,721            | 4,901,213             |
| Retained earnings                                     | (18,385,610)         | (25,542,434)          |
| Treasury shares                                       | (31)                 | (38)                  |
| Total shareholders' equity                            | 20,091,969           | 15,913,745            |
| Accumulated other comprehensive income                |                      |                       |
| Valuation difference on available-for-sale securities | 24,757               | 26,422                |
| Foreign currency translation adjustment               | 5,891,202            | 6,154,533             |
| Total accumulated other comprehensive income          | 5,915,960            | 6,180,956             |
| Share acquisition rights                              | 95,236               | 120,226               |
| Total net assets                                      | 26,103,166           | 22,214,928            |
| Total liabilities and net assets                      | 28,892,536           | 25,128,809            |

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

|  | <b>The Third Quarter</b><br><b>(From Jan. 1 to Sep.30)</b> |             |
|--|--|-------------|
|  | <b>2023</b>  | <b>2024</b> |
| <b>Business revenues</b>                       |  |             |
| Net sales of goods                             | -  | 185,094     |
| Net sales of finished goods                    | 15,516   | 11,623      |
| Commission income                              | 73,319   | 199,187     |
| Research and development revenues              | 13,824   | 75,725      |
| Total business revenues                        | 102,659  | 471,630     |
| <b>Business expenses</b>                       |  |             |
| Cost of sales                                  | 90,454   | 285,341     |
| Research and development expenses              | 4,839,262  | 2,928,655   |
| Selling, general and administrative expenses   | 4,380,898  | 4,299,771   |
| Total business expenses                        | 9,310,615  | 7,513,768   |
| Operating loss                                 | (9,207,955)  | (7,042,138) |
| <b>Non-operating income</b>                    |  |             |
| Interest income                                | 8,172  | 2,925       |
| Foreign exchange gains                         | 1,562,201  | 8,629       |
| Subsidy income                                 | 2,921,712  | 27,916      |
| Commission income                              | 5,497  | 4,190       |
| Gain on investments in investment partnerships | 8,010  | -           |
| Miscellaneous income                           | 0  | -           |
| Total non-operating income                     | 4,505,593  | 43,662      |
| <b>Non-operating expenses</b>                  |  |             |
| Share issuance costs                           | 18,233   | 50,340      |
| Loss on investments in investment partnerships | -  | 1,210       |
| Total non-operating expenses                   | 18,233   | 51,550      |
| Ordinary loss                                  | (4,720,595)  | (7,050,026) |
| <b>Extraordinary income</b>                    |  |             |
| Gain on reversal of share acquisition rights   | -  | 6,192       |
| Total extraordinary income                     | -  | 6,192       |
| <b>Extraordinary losses</b>                    |  |             |
| Loss on valuation of investment securities     | 1,693  | -           |
| Business structural reform expenses            | -  | 21,885      |
| Total extraordinary losses                     | 1,693  | 21,885      |
| Loss before income taxes                       | (4,722,289)  | (7,065,719) |
| Income taxes - current                         | 76,904   | 49,198      |
| Income taxes - deferred                        | (967)  | 41,906      |
| Total income taxes                             | 75,937   | 91,104      |
| Loss   | (4,798,226)  | (7,156,824) |
| Loss attributable to owners of parent          | (4,798,226)  | (7,156,824) |

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

|   | <b>The Third Quarter</b>       |             |
|---|--------------------------------|-------------|
|   | <b>(From Jan. 1 to Sep.30)</b> |             |
|   | <b>2023</b>                    | <b>2024</b> |
| Loss  | (4,798,226)                    | (7,156,824) |
| Other comprehensive income                            |                                |             |
| Valuation difference on available-for-sale securities | 20,013                         | 1,665       |
| Foreign currency translation adjustment               | 1,557,335                      | 263,330     |
| Total other comprehensive income                      | 1,577,349                      | 264,996     |
| Comprehensive income                                  | (3,220,877)                    | (6,891,828) |
| Comprehensive income attributable to                  |                                |             |
| Owners of parent                                      | (3,220,877)                    | (6,891,828) |
| Non-controlling interests                             | -                              | -           |

## Main pipeline products

### Approval process

| Project                     | Area      | Partner  | Dosage Form            | Indication   | Development stage   |
|-----------------------------|-----------|--|------------------------|--|---|
| HGF gene therapy product    | Japan     | Mitsubishi Tanabe Pharma Corporation (JP)<br><i>Marketing Rights</i> | Injection              | Chronic arterial occlusive disease with lower limb ulcer                                 | in Preperation  |
|                             | USA       | Mitsubishi Tanabe Pharma Corporation (JP)<br><i>Marketing Rights</i> | Injection              | Arteriosclerosis obliterans with lower limb ulcer  | Phase II b Completed<br><i>Preliminary report shows good result</i> |
|                             | Israel    | Kamada   | Injection              | Chronic arterial occlusive disease with lower limb ulcer                                 | —   |
|                             | Turkey    | Er-Kim   | Injection              | Chronic arterial occlusive disease with lower limb ulcer                                 | —   |
| NF-κB Decoy Oligonucleotide | Japan     | -  | Injection              | Chronic disconeic lumbar back pain   | Phase II  |
| DNA Vaccine                 | Australia | -  | Injection              | Hypertension   | Phase I / II a Completed  |
| DNA Vaccine                 | USA       | -  | Intranasal formulation | Novel coronavirus (COVID-19)   | Pre-clinical  |
| Tie2 agonists               | USA       | Vasomune (Canada)  | Injection              | Novel coronavirus (COVID-19) /ARDS   | Phase II a  |
| Zokinvy (Lonafarnib)        | Japan     | Sentynl (USA)  | Capsule                | Premature aging diseases (Hutchinson-Gilford progeria syndrome /Progeroid laminopathies) | Approved  |

### EmendoBio's pipeline

| Project                       | Area | Indication   | Development stage |
|-------------------------------|------|--|-------------------|
| Development of genome editing | USA  | Severe Congenital Neutropenia                                | IND-enabling      |
|                               |      | Diseases in hematology, ophthalmology, immuno-oncology, etc. | Pre-clinical      |

\* <https://www.emendobio.com/our-science/pipeline/>