

July 29, 2024

Company Name: AnGes Inc.

Presentative: Ei Yamada, President & CEO

Notice Regarding the Recognition of Costs Associated with the Termination of Sales of the Products

On June 24, 2024, AnGes announced in the "Notice of Change in Development and Marketing Strategy for HGF Gene Therapy Product Collategene" that the marketing approval for Collategene will expire and the product will no longer be marketed due to the withdrawal of the marketing approval application for the product. In accordance with this decision, we have decided to record the cost of taking back the products and disposal of the inventory.

1. Expenses to be recorded

As a result of the withdrawal of "Collategene" from the market due to the expiration of its approval, we will record 11 million yen in SG&A expenses for the withdrawal and 89 million yen in R&D expenses due to the disposal of product inventory, for a total of 101 million yen.

2. Future Outlook

The costs associated with the termination of sales of the HGF gene therapy product "Collategene" will be as described above and will be recorded as expenses for the second quarter of the fiscal year ending December 31, 2024, but there will be no change to the consolidated earnings forecast for the fiscal year ending December 31, 2024, as our group is working to reduce costs. We will promptly disclose any future events that should be disclosed.