

## Consolidated Financial Report for the Fiscal Year 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 Fiscal Year 2024 (From Jan. 1, 2024 to Dec. 31, 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	%
2024	643	320.7	(9,109)	—	(7,537)	—	(28,128)	—
2023	152	128.1	(11,967)	—	(5,651)	—	(7,437)	—

\*Comprehensive Income      2024 :      (28,236) million yen      2023 :      (6,382) million yen

	Net loss per share	Diluted net loss per share	Return on Equity	Return on asset	Operating profit ratio
	Yen	Yen	%	%	%
2024	(119.53)	—	(200.5)	(44.9)	(1,415.3)
2023	(39.29)	—	(26.4)	(16.7)	(7,822.6)

#### (2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Dec. 31, 2024	4,668	2,156	44.0	7.17
Dec. 31, 2023	28,892	26,103	90.0	131.04

\*Shareholder's equity      Dec. 31, 2024 :      2,052 million yen      Dec. 31, 2023 :      26,007 million yen

#### (3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents, at end
	Million yen	Million yen	Million yen	Million yen
2024	(6,612)	(130)	4,202	1,627
2023	(8,745)	(356)	2,036	4,092

### 2. Dividend

	Dividend per share					Dividend (Total)	Dividend payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q	2Q	3Q	4Q	Full-year			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY 2023	—	0.00	—	0.00	0.00	—	—	—
FY 2024	—	0.00	—	0.00	0.00	—	—	—
FY 2025 (Forecast)	—	0.00	—	0.00	0.00	—	—	—

### 3. Earnings Forecast for the Fiscal Year 2025 (From Jan. 1, 2025 to Dec. 31, 2025)

	Revenues		Operating loss		Ordinary loss		Net loss		Net loss per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	1,350	109.7	(5,800)	—	(5,820)	—	(5,850)	—	(20.43)

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)	Dec. 31, 2024	286,377,550 shares	Dec. 31, 2023	198,470,300 shares
2) Number of treasury shares	Dec. 31, 2024	230 shares	Dec. 31, 2023	92 shares
3) Average number of shares issued and outstanding	2024	235,326,190 shares	2023	189,276,690 shares

(Reference) Summary of Nonconsolidated Financial Reports

1. Business Results for the Fiscal Year 2024 (From Jan. 1, 2024 to Dec. 31, 2024)

(1) Results of Operations (Percentages indicate changes from the previous term)

	Revenues		Operating loss		Ordinary loss		Net loss	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2024	567	308.7	(4,857)	—	(3,143)	—	(39,305)	—
2023	138	107.2	(4,801)	—	1,989	—	1,067	—

	Net loss per share	Diluted net loss per share
	Yen	Yen
2024	(167.03)	—
2023	5.64	5.49

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Dec. 31, 2024	3,746	2,398	61.4	8.03
Dec. 31, 2023	38,691	37,266	96.1	187.33

\*Shareholder's equity Dec. 31, 2024 : 2,300 million yen Dec. 31, 2023 : 37,179 million yen

\*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, 2023	December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	4,160,424	1,707,756
Accounts receivable - trade	26,534	85,235
Merchandise	-	224,803
Finished goods	97,655	-
Raw materials and supplies	1,468,481	1,204,382
Advance payments to suppliers	49,674	65,547
Prepaid expenses	85,906	69,532
Consumption taxes refund receivable	-	175,447
Other	32,599	9,903
Total current assets	5,921,276	3,542,608
Non-current assets		
Property, plant and equipment		
Buildings	220,842	220,509
Accumulated depreciation	(135,121)	(141,951)
Buildings, net	85,721	78,558
Tools, furniture and fixtures	149,893	212,358
Accumulated depreciation	(80,224)	(116,029)
Tools, furniture and fixtures, net	69,669	96,328
Right of use assets	267,728	-
Total property, plant and equipment	423,118	174,887
Intangible assets		
Goodwill	21,746,086	-
Software	-	9,661
Total intangible assets	21,746,086	9,661
Investments and other assets		
Investment securities	355,545	441,804
Leasehold and guarantee deposits	102,056	97,672
Deferred tax assets	342,944	401,016
Other	1,509	948
Total investments and other assets	802,055	941,441
Total non-current assets	22,971,260	1,125,990
Total assets	28,892,536	4,668,599

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

	December 31, 2023	December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	426,447	307,944
Accounts payable - other	474,522	306,991
Accrued expenses	36,947	32,809
Provision for business restructuring	558,129	166,182
Accrued consumption taxes	93,258	-
Income taxes payable	103,147	681,828
Advances received	637,550	639,500
Deposits received	15,434	14,172
Lease liabilities	147,726	163,853
Total current liabilities	2,493,163	2,313,283
Non-current liabilities		
Deferred tax liabilities	16,827	25,584
Asset retirement obligations	64,430	64,544
Lease liabilities	214,949	108,595
Total non-current liabilities	296,207	198,724
Total liabilities	2,789,370	2,512,007
<b>Net assets</b>		
Shareholders' equity		
Share capital	35,053,890	37,255,887
Capital surplus	3,423,721	5,502,588
Retained earnings	(18,385,610)	(46,514,594)
Treasury shares	(31)	(39)
Total shareholders' equity	20,091,969	(3,756,157)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	24,757	47,444
Foreign currency translation adjustment	5,891,202	5,760,964
Total accumulated other comprehensive income	5,915,960	5,808,409
Share acquisition rights	95,236	104,339
Total net assets	26,103,166	2,156,591
Total liabilities and net assets	28,892,536	4,668,599

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

	The Fiscal Year (From Jan. 1 to Dec.31)	
	2023	2024
<b>Business revenues</b>		
Net sales of goods	-	244,237
Net sales of finished goods	23,242	11,623
Commission income	115,677	311,933
Research and development revenues	14,066	75,845
Total business revenues	152,985	643,638
<b>Business expenses</b>		
Cost of sales	133,540	395,935
Research and development expenses	6,172,944	3,783,386
Selling, general and administrative expenses	5,814,005	5,573,762
Total business expenses	12,120,490	9,753,084
Operating loss	(11,967,504)	(9,109,445)
<b>Non-operating income</b>		
Interest income	8,413	4,447
Foreign exchange gains	745,049	1,591,493
Subsidy income	5,551,319	28,507
Commission income	23,702	6,050
Gain on investments in investment partnerships	8,010	-
Miscellaneous income	0	-
Total non-operating income	6,336,495	1,630,499
<b>Non-operating expenses</b>		
Share issuance costs	20,217	57,578
Loss on investments in investment partnerships	-	1,332
Total non-operating expenses	20,217	58,910
Ordinary loss	(5,651,225)	(7,537,856)
<b>Extraordinary income</b>		
Gain on reversal of share acquisition rights	3,096	6,192
Total extraordinary income	3,096	6,192
<b>Extraordinary losses</b>		
Impairment losses	-	20,048,649
Loss on valuation of investment securities	851,105	-
Business structural reform expenses	904,955	63,352
Loss on valuation of other investments	67,223	-
Total extraordinary losses	1,823,285	20,112,002
Loss before income taxes	(7,471,415)	(27,643,667)
Income taxes - current	142,750	510,626
Income taxes - refund	(1,439)	-
Income taxes - deferred	(175,118)	(25,310)
Total income taxes	(33,807)	485,316
Loss	(7,437,607)	(28,128,983)
Loss attributable to owners of parent	(7,437,607)	(28,128,983)

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

	<b>The Fiscal Year</b> <b>(From Jan. 1 to Dec.31)</b>	
	<b>2023</b>	<b>2024</b>
Loss	(7,437,607)	(28,128,983)
Other comprehensive income		
Valuation difference on available-for-sale securities	5,360	22,687
Foreign currency translation adjustment	1,049,960	(130,237)
Total other comprehensive income	1,055,320	(107,550)
Comprehensive income	(6,382,287)	(28,236,534)
Comprehensive income attributable to		
Owners of parent	(6,382,287)	(28,236,534)
Non-controlling interests	-	-

**AnGes, Inc**  
**Consolidated Statements of Changes in Net Assets**  
(In thousands of yen)  
(Unaudited)

The Fiscal Year 2023 (From Jan.1 to Dec.31, 2023)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	35,146,368	17,467,693	(27,150,247)	(31)	25,463,783
Changes during period					
Issuance of new shares - exercise of share acquisition rights	1,032,897	1,032,897			2,065,794
Capital reduction	(1,125,375)	1,125,375			-
Deficit disposition		(16,202,244)	16,202,244		-
Loss attributable to owners of parent			(7,437,607)		(7,437,607)
Purchase of treasury shares					-
Capital increase of consolidated subsidiaries					-
Purchase of shares of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					-
Total changes during period	(92,478)	(14,043,971)	8,764,636	-	(5,371,813)
Balance at end of period	35,053,890	3,423,721	(18,385,610)	(31)	20,091,969

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	19,396	4,841,242	4,860,639	100,984	30,425,406
Changes during period					
Issuance of new shares - exercise of share acquisition rights					2,065,794
Capital reduction					-
Deficit disposition					-
Loss attributable to owners of parent					(7,437,607)
Purchase of treasury shares					-
Capital increase of consolidated subsidiaries					-
Purchase of shares of consolidated subsidiaries					-
Net changes in items other than shareholders' equity	5,360	1,049,960	1,055,320	(5,747)	1,049,573
Total changes during period	5,360	1,049,960	1,055,320	(5,747)	(4,322,240)
Balance at end of period	24,757	5,891,202	5,915,960	95,236	26,103,166

**AnGes, Inc**  
**Consolidated Statements of Changes in Net Assets**  
(In thousands of yen)  
(Unaudited)

The Fiscal Year 2024 (From Jan.1 to Dec.31, 2024)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	35,053,890	3,423,721	(18,385,610)	(31)	20,091,969
Changes during period					
Issuance of new shares - exercise of share acquisition rights	2,201,997	2,201,997			4,403,995
Capital reduction	-	-			-
Deficit disposition		-	-		-
Loss attributable to owners of parent			(28,128,983)		(28,128,983)
Purchase of treasury shares				(8)	(8)
Capital increase of consolidated subsidiaries		42,718			42,718
Purchase of shares of consolidated subsidiaries		(165,849)			(165,849)
Net changes in items other than shareholders' equity					-
Total changes during period	2,201,997	2,078,867	(28,128,983)	(8)	(23,848,127)
Balance at end of period	37,255,887	5,502,588	(46,514,594)	(39)	(3,756,157)

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	24,757	5,891,202	5,915,960	95,236	26,103,166
Changes during period					
Issuance of new shares - exercise of share acquisition rights					4,403,995
Capital reduction					-
Deficit disposition					-
Loss attributable to owners of parent					(28,128,983)
Purchase of treasury shares					(8)
Capital increase of consolidated subsidiaries					42,718
Purchase of shares of consolidated subsidiaries					(165,849)
Net changes in items other than shareholders' equity	22,687	(130,237)	(107,550)	9,102	(98,447)
Total changes during period	22,687	(130,237)	(107,550)	9,102	(23,946,575)
Balance at end of period	47,444	5,760,964	5,808,409	104,339	2,156,591



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

	<b>The Fiscal Year</b> <b>(From Jan. 1 to Dec.31)</b>	
	<b>2023</b>	<b>2024</b>
<b>Cash flows from operating activities</b>		
Loss before income taxes	(7,471,415)	(27,643,667)
Depreciation	27,884	48,854
Impairment losses	-	20,048,649
Amortization of goodwill	3,081,173	3,322,787
Interest income	(8,413)	(4,447)
Foreign exchange losses (gains)	(714,582)	(1,612,410)
Loss (gain) on investments in investment partnerships	(8,010)	1,332
Loss (gain) on valuation of investment securities	851,105	-
Valuation loss of other investments	67,223	-
Share issuance costs	20,217	57,537
Share-based payment expenses	42,427	5,188
Gain on reversal of share acquisition rights	(3,096)	(6,192)
Decrease (increase) in trade receivables	(16,647)	(58,700)
Decrease (increase) in inventories	(557,687)	136,951
Increase (decrease) in trade payables	(137,490)	(133,120)
Decrease (increase) in advance payments to suppliers	263,726	(15,872)
Increase/decrease in consumption taxes payable /consumption taxes refund receivable	485,365	(268,651)
Increase (decrease) in accounts payable - other	(149,211)	(188,059)
Increase (decrease) in accrued expenses	(58,514)	(7,534)
Increase (decrease) in provision for business restructuring	553,564	(437,598)
Increase (decrease) in advances received	(5,126,454)	1,950
Decrease (increase) in other current assets	14,719	47,035
Decrease (increase) in other non-current assets	(5,437)	-
Increase (decrease) in other current liabilities	(108,896)	58,101
Increase (decrease) in other non-current liabilities	290,403	53,370
Subtotal	(8,668,045)	(6,594,495)
Interest received	8,413	4,447
Income taxes paid	(87,567)	(22,826)
Income taxes refund	1,439	-
Net cash provided by (used in) operating activities	(8,745,759)	(6,612,875)

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

	<b>The Fiscal Year</b> <b>(From Jan. 1 to Dec.31)</b>	
	<b>2023</b>	<b>2024</b>
<b>Cash flows from investing activities</b>		
Payments into restricted cash	-	(3,764)
Purchase of property, plant and equipment	(89,331)	(67,282)
Purchase of intangible assets	-	(10,170)
Purchase of investment securities	(275,679)	(56,950)
Proceeds from distributions from investment partnerships	8,339	2,004
Payments of leasehold and guarantee deposits	(104)	-
Proceeds from refund of leasehold and guarantee deposits	122	5,360
Net cash provided by (used in) investing activities	(356,653)	(130,801)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares resulting from exercise of share acquisition rights	2,033,131	3,008,380
Proceeds from exercise of employee share options	10	21
Purchase of treasury shares	-	(8)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(163,049)
Proceeds from issuance of share acquisition rights	8,481	63,719
Proceeds from issuance of convertible bonds	-	1,300,000
Proceeds from issuance of bonds	-	1,300,000
Redemption of bonds	-	(1,300,000)
Payments for retirement by purchase of subscription rights to shares	(5,159)	(6,936)
Net cash provided by (used in) financing activities	2,036,465	4,202,127
Effect of exchange rate change on cash and cash equivalents	188,424	77,059
Net increase (decrease) in cash and cash equivalents	(6,877,523)	(2,464,490)
Cash and cash equivalents at beginning of period	10,969,684	4,092,160
Cash and cash equivalents at end of period	4,092,160	1,627,669

## Main pipeline products

### Approval process

Project	Area	Partner	Dosage Form	Indication	Development stage
HGF gene therapy product	Japan	-	Injection	Chronic arterial occlusive disease with lower limb ulcer	in Preperation
	USA	-	Injection	Arteriosclerosis obliterans with lower limb ulcer	Phase II b Completed <i>Preliminary report shows good result Granted Breakthrough Therapy</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 discogenic 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/>