

**Consolidated Financial Report
for the Fiscal Year 2025 (Unaudited)(Japan GAAP)**
AnGes, Inc.

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

Listings: Growth 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 Fiscal Year 2025 (From Jan. 1, 2025 to Dec. 31, 2025)

(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	%
FY2025	874	35.8	(5,145)	—	(5,288)	—	(5,123)	—
FY2024	643	320.7	(9,109)	—	(7,537)	—	(28,128)	—

*Comprehensive Income

FY2025 : (5,105) million yen

FY2024 : (28,236) million yen

	Net loss per share	Diluted net loss per share	Return on Equity	Return on asset	Operating profit ratio
	Yen	Yen	%	%	%
FY2025	(14.44)	—	(203.5)	(105.0)	(588.6)
FY2024	(119.53)	—	(200.5)	(44.9)	(1,415.3)

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Dec. 31, 2025	5,405	3,076	55.2	7.67
Dec. 31, 2024	4,668	2,156	44.0	7.17

*Shareholder's equity

Dec. 31, 2025 : 2,983 million yen

Dec. 31, 2024 : 2,052 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
FY2025	(5,750)	18	5,902	1,796
FY2024	(6,612)	(130)	4,202	1,627

2. Dividend

	Dividend per share				
	1Q	2Q	3Q	4Q	Full-year
	Yen	Yen	Yen	Yen	Yen
FY 2024	—	0.00	—	0.00	0.00
FY 2025	—	0.00	—	0.00	0.00
FY 2026 (Forecast)	—	0.00	—	0.00	0.00

3. Earnings Forecast for the Fiscal Year 2026 (From Jan. 1, 2026 to Dec. 31, 2026)

	Revenues	Operating loss	Ordinary loss	Net loss	Net loss per share
	Million yen	%	Million yen	%	Yen
Full-year	1,330	52.2	(10,230)	—	(10,250)

Notes:

(1) Change of reporting entities (change of condition of significant consolidated subsidiaries) : None
 (2) 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

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

1) Number of shares issued and outstanding (including treasury shares)	Dec. 31, 2025	389,026,550 shares	Dec. 31, 2024	286,377,550 shares
2) Number of treasury shares	Dec. 31, 2025	230 shares	Dec. 31, 2024	230 shares
3) Average number of shares issued and outstanding	FY2025	354,811,031 shares	FY2024	235,326,190 shares

(Reference) Summary of Nonconsolidated Financial Reports

1. Business Results for the Fiscal Year 2025 (From Jan. 1, 2025 to Dec. 31, 2025)

(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	%
FY2025	857	51.1	(4,449)	—	(4,509)	—	(5,659)	—
FY2024	567	308.7	(4,857)	—	(3,143)	—	(39,305)	—
	Net loss per share		Diluted net loss per share					
FY2025	Yen (15.95)		Yen —					
FY2024	(167.03)		—					

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
Dec. 31, 2025	4,425	2,663	58.2	6.62
Dec. 31, 2024	3,746	2,398	61.4	8.03

*Shareholder's equity Dec. 31, 2025 : 2,576 million yen Dec. 31, 2024 : 2,300 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, 2024	December 31, 2025
Assets		
Current assets		
Cash and deposits	1,707,756	1,882,005
Accounts receivable - trade	85,235	121,625
Merchandise	224,803	234,065
Raw materials and supplies	1,204,382	1,512,454
Advance payments to suppliers	65,547	358,528
Prepaid expenses	69,532	111,922
Consumption taxes refund receivable	175,447	137,442
Other	9,903	28,493
Total current assets	3,542,608	4,386,537
Non-current assets		
Property, plant and equipment		
Buildings	220,509	226,009
Accumulated depreciation	(141,951)	(149,482)
Buildings, net	78,558	76,527
Tools, furniture and fixtures	212,358	220,704
Accumulated depreciation	(116,029)	(158,637)
Tools, furniture and fixtures, net	96,328	62,067
Total property, plant and equipment	174,887	138,594
Intangible assets		
Software	9,661	7,627
Total intangible assets	9,661	7,627
Investments and other assets		
Investment securities	441,804	417,898
Long-term loans receivable	-	15,000
Leasehold and guarantee deposits	97,672	97,801
Deferred tax assets	401,016	339,642
Other	948	2,880
Total investments and other assets	941,441	873,223
Total non-current assets	1,125,990	1,019,446
Total assets	4,668,599	5,405,983

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

	December 31, 2024	December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	307,944	542,958
Accounts payable - other	306,991	233,986
Accrued expenses	32,809	32,979
Provision for business restructuring	166,182	140,989
Income taxes payable	681,828	583,633
Advances received	639,500	641,450
Deposits received	14,172	13,105
Lease liabilities	163,853	54,368
Total current liabilities	<u>2,313,283</u>	<u>2,243,471</u>
Non-current liabilities		
Deferred tax liabilities	25,584	21,774
Asset retirement obligations	64,544	64,657
Lease liabilities	108,595	-
Total non-current liabilities	<u>198,724</u>	<u>86,432</u>
Total liabilities	<u>2,512,007</u>	<u>2,329,903</u>
Net assets		
Shareholders' equity		
Share capital	37,255,887	40,228,661
Capital surplus	5,502,588	8,475,978
Retained earnings	(46,514,594)	(51,637,863)
Treasury shares	(39)	(39)
Total shareholders' equity	<u>(3,756,157)</u>	<u>(2,933,263)</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	47,444	37,828
Foreign currency translation adjustment	5,760,964	5,878,684
Total accumulated other comprehensive income	<u>5,808,409</u>	<u>5,916,512</u>
Share acquisition rights	104,339	92,830
Total net assets	<u>2,156,591</u>	<u>3,076,080</u>
Total liabilities and net assets	<u>4,668,599</u>	<u>5,405,983</u>

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

	The Fiscal Year (From Jan. 1 to Dec.31)	
	2024	2025
Business revenues		
Net sales of goods	244,237	302,845
Net sales of finished goods	11,623	-
Commission income	311,933	554,816
Research and development revenues	75,845	16,458
Total business revenues	<u>643,638</u>	<u>874,120</u>
Business expenses		
Cost of sales	395,935	553,737
Research and development expenses	3,783,386	3,553,181
Selling, general and administrative expenses	5,573,762	1,912,595
Total business expenses	<u>9,753,084</u>	<u>6,019,514</u>
Operating loss	<u>(9,109,445)</u>	<u>(5,145,393)</u>
Non-operating income		
Interest income	4,447	14,857
Foreign exchange gains	1,591,493	-
Subsidy income	28,507	-
Commission income	6,050	5,217
Gain on cancellation of leases	-	102,485
Miscellaneous income	-	6,823
Total non-operating income	<u>1,630,499</u>	<u>129,383</u>
Non-operating expenses		
Share issuance costs	57,578	42,339
Loss on investments in investment partnerships	1,332	9,650
Foreign exchange losses	-	220,775
Total non-operating expenses	<u>58,910</u>	<u>272,764</u>
Ordinary loss	<u>(7,537,856)</u>	<u>(5,288,775)</u>
Extraordinary income		
Gain on sale of non-current assets	-	47,023
Gain on reversal of share acquisition rights	6,192	5,168
Total extraordinary income	<u>6,192</u>	<u>52,191</u>
Extraordinary losses		
Impairment losses	20,048,649	-
Business structural reform expenses	63,352	-
Total extraordinary losses	<u>20,112,002</u>	<u>-</u>
Loss before income taxes	<u>(27,643,667)</u>	<u>(5,236,583)</u>
Income taxes - current	510,626	118,571
Income taxes - refund	-	(11,969)
Income taxes - deferred	(25,310)	57,214
Refund of income taxes for prior periods	-	(277,130)
Total income taxes	<u>485,316</u>	<u>(113,314)</u>
Loss	<u>(28,128,983)</u>	<u>(5,123,269)</u>
Loss attributable to owners of parent	<u>(28,128,983)</u>	<u>(5,123,269)</u>

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

	The Fiscal Year (From Jan. 1 to Dec.31)	
	2024	2025
Loss	(28,128,983)	(5,123,269)
Other comprehensive income		
Valuation difference on available-for-sale securities	22,687	(9,616)
Foreign currency translation adjustment	(130,237)	117,719
Total other comprehensive income	<u>(107,550)</u>	<u>108,103</u>
Comprehensive income	(28,236,534)	(5,015,166)
Comprehensive income attributable to		
Owners of parent	(28,236,534)	(5,015,166)
Non-controlling interests	-	-

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
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
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 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	37,255,887	5,502,588	(46,514,594)	(39)	(3,756,157)
Changes during period					
Issuance of new shares - exercise of share acquisition rights	2,972,773	2,972,773			5,945,547
Loss attributable to owners of parent			(5,123,269)		(5,123,269)
Purchase of treasury shares					-
Capital increase of consolidated subsidiaries		616			616
Purchase of shares of consolidated subsidiaries		-			-
Net changes in items other than shareholders' equity					-
Total changes during period	2,972,773	2,973,390	(5,123,269)	-	822,894
Balance at end of period	40,228,661	8,475,978	(51,637,863)	(39)	(2,933,263)

	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	47,444	5,760,964	5,808,409	104,339	2,156,591
Changes during period					
Issuance of new shares - exercise of share acquisition rights					5,945,547
Loss attributable to owners of parent					(5,123,269)
Purchase of treasury shares					-
Capital increase of consolidated subsidiaries					616
Purchase of shares of consolidated subsidiaries					-
Net changes in items other than shareholders' equity	(9,616)	117,719	108,103	(11,508)	96,594
Total changes during period	(9,616)	117,719	108,103	(11,508)	919,488
Balance at end of period	37,828	5,878,684	5,916,512	92,830	3,076,080

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

	The Fiscal Year (From Jan. 1 to Dec.31)	
	2024	2025
Cash flows from operating activities		
Loss before income taxes	(27,643,667)	(5,236,583)
Depreciation	48,854	53,837
Impairment losses	20,048,649	-
Amortization of goodwill	3,322,787	-
Interest income	(4,447)	(14,857)
Foreign exchange losses (gains)	(1,612,410)	98,045
Loss (gain) on investments in investment partnerships	1,332	9,650
Gain on sale of non-current assets	-	(47,023)
Share issuance costs	57,537	42,339
Share-based payment expenses	5,188	353
Gain on reversal of share acquisition rights	(6,192)	(5,168)
Decrease (increase) in trade receivables	(58,700)	(36,390)
Decrease (increase) in inventories	136,951	(317,333)
Increase (decrease) in trade payables	(133,120)	232,968
Decrease (increase) in advance payments to suppliers	(15,872)	(292,980)
Increase (decrease) in accrued or accrued consumption taxes	(268,651)	38,067
Increase (decrease) in accounts payable - other	(188,059)	(78,836)
Increase (decrease) in accrued expenses	(7,534)	471
Increase (decrease) in provision for business restructuring	(437,598)	(22,443)
Increase (decrease) in advances received	1,950	1,950
Decrease (increase) in other current assets	47,035	(35,077)
Decrease (increase) in other non-current assets	-	(2,588)
Increase (decrease) in other current liabilities	58,101	(24,869)
Increase (decrease) in other non-current liabilities	53,370	(107,910)
Subtotal	(6,594,495)	(5,744,380)
Interest received	4,447	14,626
Income taxes paid	(22,826)	(20,612)
Net cash provided by (used in) operating activities	(6,612,875)	(5,750,366)

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

	The Fiscal Year (From Jan. 1 to Dec.31)	
	2024	2025
Cash flows from investing activities		
Payments into restricted cash	(3,764)	-
Proceeds from withdrawal of restricted deposits	-	1,252
Purchase of property, plant and equipment	(67,282)	(14,322)
Proceeds from sale of property, plant and equipment	-	47,175
Purchase of intangible assets	(10,170)	-
Purchase of investment securities	(56,950)	-
Proceeds from distributions from investment partnerships	2,004	334
Long-term loan advances	-	(15,000)
Payments of leasehold and guarantee deposits	-	(625)
Proceeds from refund of leasehold and guarantee deposits	5,360	-
Net cash provided by (used in) investing activities	<u>(130,801)</u>	<u>18,814</u>
Cash flows from financing activities		
Proceeds from issuance of shares resulting from exercise of share acquisition rights	3,008,380	5,870,208
Proceeds from exercise of employee share options	21	0
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	63,719	31,833
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	(6,936)	-
Net cash provided by (used in) financing activities	<u>4,202,127</u>	<u>5,902,042</u>
Effect of exchange rate change on cash and cash equivalents	77,059	(2,092)
Net increase (decrease) in cash and cash equivalents	<u>(2,464,490)</u>	<u>168,398</u>
Cash and cash equivalents at beginning of period	4,092,160	1,627,669
Cash and cash equivalents at end of period	<u>1,627,669</u>	<u>1,796,068</u>

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	Consideration will be given while watching progress in the US
	USA	-	Injection	Arteriosclerosis obliterans with lower limb ulcer	Preparing for the BLA
	Israel Turkey	Kamada Er-Kim	Injection	Chronic arterial occlusive disease with lower limb ulcer	—
NF-κB Decoy Oligonucleotide	Japan	-	Injection	Chronic disconegic lumber back pain	Phase II
DNA Vaccine	Australia	-	Injection	Hypertension	Phase I / II a Completed
Tie2 agonists	USA	Vasomune (Canada)	Injection	Acute respiratory distress syndrome (ARDS)	Phase II a

※In addition to the above projects, the development pipeline includes drugs for chronic hepatitis B in the exploratory, basic research and pre-clinical stages.