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**Consolidated Financial Report  
for the Third Quarter 2021 (Unaudited)(Japan GAAP)  
AnGes, Inc. <https://www.anges.co.jp/>**

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 Third Quarter 2021 (From Jan. 1, 2021 to Sep. 30, 2021)

(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 2021	44	56.9	(12,163)	—	(11,823)	—	(11,952)	—
3Q 2020	28	(91.2)	(2,857)	—	(3,150)	—	(3,174)	—

\*Comprehensive Income 3Q 2021 : (10,359) million yen 3Q 2020 : (3,248) million yen

	Net loss per share	Diluted net loss per share
	Yen	Yen
3Q 2021	(82.25)	—
3Q 2020	(27.08)	—

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
	Million yen	Million yen	%
Sep. 30, 2021	47,735	39,813	83.2
Dec. 31, 2020	38,354	32,679	84.8

\*Shareholder's equity Sep. 30, 2021 : 39,696 million yen Dec. 31, 2020 : 32,537 million yen

2. Dividend

	Dividend per share				
	1Q	2Q	3Q	4Q	Full-year
	Yen	Yen	Yen	Yen	Yen
FY 2020	—	0.00	—	0.00	0.00
FY 2021	—	0.00	—	—	—
FY 2021 (Forecast)	—	—	—	0.00	0.00

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

3. Earnings Forecast for the Fiscal Year 2021 (From Jan. 1, 2021 to Dec. 31, 2021)

\*The financial forecast for the fiscal year 2021 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 : 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, 2021	153,072,400 shares	Dec. 31, 2020	133,059,400 shares
2) Number of treasury shares	Sep. 30, 2021	92 shares	Dec. 31, 2020	91 shares
3) Average number of shares issued and outstanding	3Q 2021	145,319,310 shares	3Q 2020	117,236,831 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, 2020	September 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	11,537,028	21,140,597
Accounts receivable - trade	12,698	13,745
Finished goods	49,839	31,423
Raw materials and supplies	1,141,460	949,200
Advance payments - trade	1,060,197	1,044,838
Prepaid expenses	38,693	45,201
Consumption taxes receivable	280,309	453,862
Other	46,405	44,349
Total current assets	<u>14,166,633</u>	<u>23,723,218</u>
Non-current assets		
Property, plant and equipment		
Buildings	132,133	192,637
Accumulated depreciation	(13,834)	(20,131)
Buildings, net	<u>118,299</u>	<u>172,505</u>
Tools, furniture and fixtures	212,643	82,600
Accumulated depreciation	(94,844)	(67,938)
Tools, furniture and fixtures, net	<u>117,799</u>	<u>14,661</u>
Total property, plant and equipment	<u>236,098</u>	<u>187,167</u>
Intangible assets		
Goodwill	22,713,938	22,683,570
Total intangible assets	<u>22,713,938</u>	<u>22,683,570</u>
Investments and other assets		
Investment securities	1,075,199	918,067
Leasehold and guarantee deposits	83,177	93,551
Deferred tax assets	10,568	56,796
Other	68,994	73,222
Total investments and other assets	<u>1,237,940</u>	<u>1,141,639</u>
Total non-current assets	<u>24,187,977</u>	<u>24,012,376</u>
Total assets	<u>38,354,611</u>	<u>47,735,595</u>

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

	December 31, 2020	September 30, 2021
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	514,132	583,604
Accounts payable - other	1,231,384	543,683
Accrued expenses	68,941	69,757
Income taxes payable	165,481	83,959
Advances received	3,594,532	6,534,802
Deposits received	15,393	11,845
Total current liabilities	<u>5,589,864</u>	<u>7,827,652</u>
Non-current liabilities		
Deferred tax liabilities	39,314	25,666
Asset retirement obligations	45,757	68,438
Total non-current liabilities	<u>85,072</u>	<u>94,105</u>
Total liabilities	<u>5,674,936</u>	<u>7,921,757</u>
<b>Net assets</b>		
Shareholders' equity		
Share capital	24,612,076	33,359,568
Capital surplus	22,756,406	15,643,407
Retained earnings	(14,644,009)	(10,712,796)
Treasury shares	(30)	(31)
Total shareholders' equity	<u>32,724,444</u>	<u>38,290,148</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	59,194	52,676
Foreign currency translation adjustment	(246,472)	1,353,727
Total accumulated other comprehensive income	<u>(187,277)</u>	<u>1,406,403</u>
Share acquisition rights	142,508	117,285
Total net assets	<u>32,679,675</u>	<u>39,813,837</u>
Total liabilities and net assets	<u>38,354,611</u>	<u>47,735,595</u>

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

	<b>The Third Quarter</b> <b>(From Jan. 1 to Sep.30)</b>	
	<b>2020</b>	<b>2021</b>
<b>Business revenues</b>		
Net sales of finished goods	28,373	30,807
Commission income	-	13,714
Total business revenues	28,373	44,522
<b>Business expenses</b>		
Cost of sales	16,114	39,392
Research and development expenses	1,880,745	8,490,503
Selling, general and administrative expenses	989,404	3,678,017
Total business expenses	2,886,263	12,207,914
Operating loss	(2,857,890)	(12,163,392)
<b>Non-operating income</b>		
Interest income	4,311	523
Foreign exchange gains	22,122	369,598
Subsidy income	-	31,792
Commission income	5,776	8,902
Insurance claim income	5,342	-
Gain on investments in investment partnerships	1,412	26,343
Miscellaneous income	250	391
Total non-operating income	39,216	437,552
<b>Non-operating expenses</b>		
Share issuance costs	67,556	96,141
Share of loss of entities accounted for using equity method	263,667	-
Subscription rights to shares issuance cost	806	1,798
Total non-operating expenses	332,030	97,939
Ordinary loss	(3,150,703)	(11,823,779)
<b>Extraordinary income</b>		
Gain on reversal of share acquisition rights	5,418	32,844
Total extraordinary income	5,418	32,844
<b>Extraordinary losses</b>		
Loss on change in equity	21,123	-
Loss on valuation of investment securities	-	163,203
Total extraordinary losses	21,123	163,203
Loss before income taxes	(3,166,409)	(11,954,138)
Income taxes - current	8,196	22,758
Income taxes - deferred	124	(23,988)
Total income taxes	8,320	(1,229)
Loss	(3,174,729)	(11,952,909)
Loss attributable to owners of parent	(3,174,729)	(11,952,909)

**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>2020</b>	<b>2021</b>
Loss	(3,174,729)	(11,952,909)
Other comprehensive income		
Valuation difference on available-for-sale securities	(14,908)	(6,518)
Foreign currency translation adjustment	(58,504)	1,600,199
Total other comprehensive income	(73,413)	1,593,680
Comprehensive income	(3,248,142)	(10,359,228)
Comprehensive income attributable to		
owners of parent	(3,248,142)	(10,359,228)
non-controlling interests	-	-

## Projects --- Current pipeline status

Segment	Project	Target indications	Area	Development stage	Alliance partners
Medicine	HGF Plasmid (Bepermingene Perplasmid) <i>Collategene®</i>	Chronic arterial occlusive disease with rest pain	Japan	Phase III	Mitsubishi Tanabe Pharma Corporation (JP) <i>Marketing Rights</i>
	HGF Plasmid (Bepermingene Perplasmid)	Arteriosclerosis obliterans with lower limb ulcer	USA	Phase II b	Mitsubishi Tanabe Pharma Corporation (JP) <i>Marketing Rights</i>
	HGF Plasmid (Bepermingene Perplasmid) <i>Collategene®</i>	Chronic arterial occlusive disease with rest pain	Israel	Preparing for application	Kamada
	HGF Plasmid (Bepermingene Perplasmid) <i>Collategene®</i>	Chronic arterial occlusive disease with rest pain	Turkey	Preparing for application	Er-Kim
	NF-κB Decoy Oligonucleotide	Chronic discogenic lumber back pain	USA	Phase I b Completed	-
	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	Preparing for 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.