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**Consolidated Financial Report
for the First 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 First Quarter 2021 (From Jan. 1, 2021 to Mar. 31, 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	%
1Q 2021	11	101.4	(3,628)	—	(3,361)	—	(3,314)	—
1Q 2020	5	(92.4)	(974)	—	(922)	—	(919)	—

*Comprehensive Income 1Q 2021: (1,927) million yen 1Q 2020: (926) million yen

	Net loss per share	Diluted net loss per share
	Yen	Yen
1Q 2021	(24.82)	—
1Q 2020	(8.56)	—

(2) Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
	Million yen	Million yen	%
Mar. 31, 2021	42,261	36,564	86.2
Dec. 31, 2020	38,354	32,679	84.8

*Shareholder's equity Mar. 31, 2021: 36,410 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	—	—	—	—	—
FY 2021 (Forecast)	—	0.00	—	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)	Mar. 31, 2021	139,872,400 shares	Dec. 31, 2020	133,059,400 shares
2) Number of treasury shares	Mar. 31, 2021	92 shares	Dec. 31, 2020	91 shares
3) Average number of shares issued and outstanding	1Q 2021	133,532,658 shares	1Q 2020	107,499,745 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	March 31, 2021
Assets		
Current assets		
Cash and deposits	11,537,028	14,157,034
Accounts receivable - trade	12,698	12,698
Finished goods	49,839	42,933
Raw materials and supplies	1,141,460	1,155,771
Advance payments - trade	1,060,197	1,414,093
Prepaid expenses	38,693	40,344
Consumption taxes receivable	280,309	455,120
Other	46,405	40,337
Total current assets	<u>14,166,633</u>	<u>17,318,333</u>
Non-current assets		
Property, plant and equipment		
Buildings	132,133	127,632
Accumulated depreciation	(13,834)	(15,384)
Buildings, net	<u>118,299</u>	<u>112,248</u>
Tools, furniture and fixtures	212,643	77,533
Accumulated depreciation	(94,844)	(66,938)
Tools, furniture and fixtures, net	<u>117,799</u>	<u>10,595</u>
Total property, plant and equipment	<u>236,098</u>	<u>122,843</u>
Intangible assets		
Goodwill	22,713,938	23,549,628
Total intangible assets	<u>22,713,938</u>	<u>23,549,628</u>
Investments and other assets		
Investment securities	1,075,199	1,078,166
Leasehold and guarantee deposits	83,177	88,638
Deferred tax assets	10,568	32,119
Other	68,994	72,061
Total investments and other assets	<u>1,237,940</u>	<u>1,270,986</u>
Total non-current assets	<u>24,187,977</u>	<u>24,943,458</u>
Total assets	<u>38,354,611</u>	<u>42,261,792</u>

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

	December 31, 2020	March 31, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	514,132	794,424
Accounts payable - other	1,231,384	335,090
Accrued expenses	68,941	109,157
Income taxes payable	165,481	80,340
Advances received	3,594,532	4,288,300
Deposits received	15,393	13,702
Total current liabilities	<u>5,589,864</u>	<u>5,621,015</u>
Non-current liabilities		
Deferred tax liabilities	39,314	30,709
Asset retirement obligations	45,757	45,777
Total non-current liabilities	<u>85,072</u>	<u>76,486</u>
Total liabilities	<u>5,674,936</u>	<u>5,697,502</u>
Net assets		
Shareholders' equity		
Share capital	24,612,076	27,512,512
Capital surplus	22,756,406	25,656,842
Retained earnings	(14,644,009)	(17,958,247)
Treasury shares	(30)	(31)
Total shareholders' equity	<u>32,724,444</u>	<u>35,211,077</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	59,194	51,364
Foreign currency translation adjustment	(246,472)	1,147,704
Total accumulated other comprehensive income	<u>(187,277)</u>	<u>1,199,068</u>
Share acquisition rights	142,508	154,144
Total net assets	<u>32,679,675</u>	<u>36,564,289</u>
Total liabilities and net assets	<u>38,354,611</u>	<u>42,261,792</u>

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

	The First Quarter	
	(From Jan. 1 to Mar.31)	
	2020	2021
Business revenues		
Net sales of finished goods	5,731	11,544
Total business revenues	5,731	11,544
Business expenses		
Cost of sales	3,453	6,906
Research and development expenses	628,354	2,416,248
Selling, general and administrative expenses	348,075	1,216,691
Total business expenses	979,882	3,639,846
Operating loss	(974,150)	(3,628,302)
Non-operating income		
Interest income	551	110
Foreign exchange gains	71,089	281,457
Commission income	1,801	1,335
Gain on investments in investment partnerships	-	19,450
Total non-operating income	73,442	302,353
Non-operating expenses		
Interest expenses	-	65
Share issuance costs	21,896	33,680
Loss on investments in investment partnerships	179	-
Subscription rights to shares issuance cost	106	1,691
Total non-operating expenses	22,182	35,437
Ordinary loss	(922,890)	(3,361,386)
Extraordinary income		
Gain on reversal of share acquisition rights	5,418	32,844
Total extraordinary income	5,418	32,844
Loss before income taxes	(917,472)	(3,328,542)
Income taxes - current	2,453	5,968
Income taxes - deferred	43	(20,272)
Total income taxes	2,496	(14,304)
Loss	(919,969)	(3,314,238)
Loss attributable to owners of parent	(919,969)	(3,314,238)

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

	The First Quarter	
	(From Jan. 1 to Mar.31)	
	2020	2021
Loss	(919,969)	(3,314,238)
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,265)	(7,830)
Foreign currency translation adjustment	(1,266)	1,394,176
Total other comprehensive income	(6,532)	1,386,346
Comprehensive income	(926,501)	(1,927,892)
Comprehensive income attributable to		
owners of parent	(926,501)	(1,927,892)
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	-
	Hypertension DNA Vaccine	Hypertension	Australia	Phase I / II a	-
	Novel Coronavirus DNA Vaccine	Novel coronavirus (COVID-19)	Japan	Phase II / III	-
	Tie2 Receptor Agonist Compound	Novel coronavirus (COVID-19) /ARDS	USA	Phase I	Vasomune (Canada)