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(Stock Exchange Code 4563)  
March 2, 2017

**To Shareholders with Voting Rights:**

Ei Yamada  
President and Chief Executive Officer  
AnGes MG, Inc.  
7-7-15, Saito-asagi, Ibaraki, Osaka

**NOTICE OF  
THE 18TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear shareholders:

You are cordially invited to attend the 18th Annual General Meeting of Shareholders of AnGes MG, Inc. (the “Company”). The meeting will be held for the purposes as described below.

**If you are unable to attend the meeting, you can exercise your voting right by either of the following methods. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 10:00 p.m. on Wednesday, March 29, 2017, Japan time.**

[Exercising your voting rights via mail (in writing)]

Please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it by mail so that it is received by the deadline specified above.

[Exercising your voting rights via the Internet]

Please access the website for the exercise of voting rights (<http://www.evotep.jp/>) using the log-in ID and the temporary password shown on the enclosed Voting Right Exercise Form, log in and enter your vote for or against each proposal in accordance with the instructions displayed on the screen.

Please read through the “Procedures for the Exercise of Voting Rights” on pages 3 and 4 for voting via the website.

- 1. Date and Time:** Thursday, March 30, 2017 at 10:00 a.m., Japan time
- 2. Place:** Senju Hall, West Wing 2F, Senri Hankyu Hotel,  
2-1-D-1 Shinsenri Higashimachi, Toyonaka, Osaka  
(Please refer to the map at the end of the document for directions to the venue.)
- 3. Meeting Agenda:**
  - Items to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 18th Fiscal Year (January 1, 2016 - December 31, 2016) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 18th Fiscal Year (January 1, 2016 - December 31, 2016)
  - Proposals to be resolved:**
    - Proposal 1:** Reductions in Amounts of Stated Capital and Capital Reserve, and Appropriation of Surplus
    - Proposal 2:** Partial Amendments to the Articles of Incorporation
    - Proposal 3:** Election of 5 Members of the Board
    - Proposal 4:** Election of 3 Corporate Auditors
    - Proposal 5:** Election of 1 Substitute Corporate Auditor

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. While registration is due to begin at 9:30 a.m., it is recommended that you arrive early as congestion is expected at the registration desk immediately preceding the commencement of the General Meeting of Shareholders. Further, please be sure to bring this Notice with you in order to conserve paper resources.
- An information meeting on the Company will be held at the same location following adjournment of the General Meeting of Shareholders. You are cordially invited to remain for the meeting, which the Company hopes will serve as an opportunity to explain its management strategies and business development directly to its shareholders as well as address any questions or comments.
- As the Notes to the Consolidated Financial Statements and Notes to the Non-consolidated Financial Statements are posted on the Company's website (<http://www.anges-mg.com/>) as stipulated by laws, regulations and Article 16 of the Articles of Incorporation, they are not included in the attached documents to the Notice of Annual General Meeting of Shareholders. As such, the attached documents include only an excerpt of the Consolidated Financial Statements or Non-consolidated Financial Statements audited by the accounting auditor and corporate auditors in preparing their respective audit reports.
- In the event of revision to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements or Consolidated Financial Statements, such revisions will be posted on the Company's website (<http://www.anges-mg.com/>). Please be advised in advance that the resolutions adopted at the 18th General Meeting of Shareholders (Notice of Resolutions of the Annual General Meeting of Shareholders) will also be posted on the Company's website.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal 1:** Reductions in Amounts of Stated Capital and Capital Reserve, and Appropriation of Surplus

The Company recorded a deficit in retained earnings brought forward of 29,427,742 thousand yen as of December 31, 2016.

As a part of the financial strategy for the appropriate implementation of the Company's future growth strategy, the amount of stated capital and capital reserve shall be decreased according to the provisions of Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act, and the surplus shall be disposed of according to the provisions of Article 452 of the Companies Act for the purpose of making up the deficit above, correcting the capital structure, putting the finances on a healthy footing and thereby securing the agility and flexibility of capital policy as well as holding down the tax base, among other purposes.

In addition, the capital decrease under this proposal will be conducted without a refund. The total number of issued shares will not be changed in the decrease in the amount of stated capital and capital reserve. Accordingly, it will not have an impact on the number of shares held by the shareholders. In addition, the decrease in the amount of stated capital and capital reserve will not change the amount of net assets and the total number of issued shares of the Company. As a result, the amount of net assets per share will not be changed either.

#### **1. A reduction in the amount of stated capital**

##### **(1) A reduction in the amount of stated capital**

The Company will reduce the amount of stated capital which was 17,651,190,323 yen as of December 31, 2016 by 13,465,812,291 yen to 4,185,378,032 yen, and transfer the entire amount of stated capital to be reduced to the account of other capital surplus, according to the provision of Article 447, Paragraph 1 of the Companies Act.

##### **(2) The effective date of the reduction of the amount of stated capital**

Planned to be May 1, 2017 after the final date for objections from creditors.

#### **2. A reduction in the amount of capital reserve**

##### **(1) A reduction in the amount of capital reserve**

The Company will reduce the amount of capital reserve which was 15,961,930,203 yen as of December 31, 2016 to nil, and transfer the entire amount of capital reserve to be reduced to the account of other capital surplus, according to the provision of Article 448, Paragraph 1 of the Companies Act.

##### **(2) The effective date of the reduction of the amount of capital reserve**

Planned to be May 1, 2017 after the final date for objections from creditors.

#### **3. Details of appropriation of surplus**

##### **(1) A Reduction in the amount of other capital surplus and an increase in the amount of retained earnings brought forward**

According to the provisions of Article 452 of the Companies Act, subject to the condition that the reduction in the amount of stated capital and capital reserve as described in Section 1. and 2. above shall become effective, the total of other capital surplus of 29,427,742,494 yen which was transferred to stated capital and capital reserve shall be reduced and re-transferred to retained earnings brought forward in full to make up for the deficit.

##### **(2) The effective date of the appropriation of surplus**

Planned to be May 1, 2017.

**Proposal 2:** Partial Amendments to the Articles of Incorporation

**1. Reason for the proposal**

The Company was founded as MedGene Co., Ltd. in December 1999, and its trade name was then changed to the current AnGes MG, Inc. with “MG,” an abbreviation for MedGene, in October 2001. After the elapse of more than 15 years since that time, the name “AnGes” has become well established within the pharmaceutical industry and among the parties related to the company. Accordingly, the Company decided to delete “MG” and change its trade name to AnGes, Inc. with an eye to making a fresh break and mobilizing all the officers and employees of the entire AnGes Group to further advance its business.

The change of the trade name shall take effect on July 1, 2017 in accordance with the relevant supplementary provisions and said supplementary provisions shall be deleted from the Articles of Incorporation after the date of effectuation.

**2. Details of the amendments**

Details of the amendments are as follows:

(The amendment is underlined.)

Existing Articles of Incorporation	Proposed Amendment
<p data-bbox="201 752 456 779">Article 1: Trade Name</p> <p data-bbox="201 786 783 909">The name of the Company shall be, in the Japanese language, “<u>AnGes MG</u> Kabushiki Kaisha” and in the English language, “<u>AnGes MG, Inc.</u>”</p> <p data-bbox="373 943 608 969">(Newly established.)</p>	<p data-bbox="809 752 1064 779">Article 1: Trade Name</p> <p data-bbox="809 786 1391 875">The name of the Company shall be, in the Japanese language, “<u>AnGes</u> Kabushiki Kaisha” and in the English language, “<u>AnGes, Inc.</u>”</p> <p data-bbox="943 909 1241 936"><u>Supplementary Provisions</u></p> <p data-bbox="818 943 1391 1097"><u>The amendment to Article 1 (Trade Name) shall be implemented on July 1, 2017. These supplementary provisions shall be deleted when the change of trade name prescribed in Article 1 enters into force.</u></p>

**Proposal 3: Election of 5 Members of the Board**

The terms of office of all 4 Members of the Board will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes to increase the number of Members of the Board by 1 to 5 in order to reinforce the Company's management structure for the election of 5 Members of the Board.

The candidates for Members of the Board are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Ei Yamada (June 27, 1950)	<p>April 1981 Special Researcher, Japan Society for the Promotion of Science</p> <p>April 1982 Entered Mitsubishi Kasei Corporation (currently Mitsubishi Chemical Corporation)</p> <p>January 1995 Entered Sosei K.K.</p> <p>August 2000 Entered Takara Shuzo Co., Ltd. Director, Dragon Genomics Inc. (currently Takara Bio Inc.)</p> <p>May 2001 Entered AnGes MG, Inc. General Manager of Business Development</p> <p>August 2001 Member of the Board, AnGes MG, Inc.</p> <p>June 2002 CEO, AnGes Euro Limited (current)</p> <p>September 2002 President and Chief Executive Officer, AnGes MG, Inc. (current)</p> <p>March 2014 CEO, AnGes, Inc. (current)</p>	104,000
2	Norikazu Eiki (April 17, 1948)	<p>August 1979 Entered Nihon Ciba-Geigy K.K.</p> <p>January 1994 Entered Bayer Yakuhin, Ltd</p> <p>March 1997 Director (Shiga Factory Manager), Bayer Yakuhin, Ltd.</p> <p>July 2002 Representative Director &amp; President, Bayer Yakuhin, Ltd.</p> <p>January 2007 Representative Director &amp; Chairman, Bayer Yakuhin, Ltd.</p> <p>April 2010 Director &amp; Chairman, Bayer Yakuhin, Ltd.</p> <p>May 2014 Member of the Board (External Director), AnGes MG, Inc. (current)</p> <p>March 2015 Outside Director, FunPep Co., Ltd. (current)</p> <p>June 2015 Outside Director, Towa Pharmaceutical Co., Ltd. (current)</p> <p>April 2016 External Director, Solasia Pharma K.K. (current)</p>	—
3	Ichiro Kitasato (June 18, 1932)	<p>April 1955 Entered Meiji Seika Kaisha, Ltd.</p> <p>April 1985 Director, Deputy General Manager of Pharmaceuticals Development Division, General Manager of Pharmaceutical Development and Planning Division, Meiji Seika Kaisha, Ltd.</p> <p>June 1989 Managing Director and General Manager of Pharmaceuticals Development Division, Meiji Seika Kaisha, Ltd.</p> <p>June 1991 Senior Managing Director, responsible for Pharmaceuticals Business, in charge of Patents, Meiji Seika Kaisha, Ltd.</p> <p>June 1993 Representative Director and Vice President, responsible for Pharmaceuticals Business, in charge of Patents, Meiji Seika Kaisha, Ltd.</p> <p>June 1995 Representative Director and President, Meiji Seika Kaisha, Ltd.</p> <p>June 2003 Representative Director and Chairman, Meiji Seika Kaisha, Ltd.</p> <p>March 2004 President, Japan Bioindustry Association</p> <p>March 2005 Chairman, Japan Health Sciences Foundation</p> <p>June 2006 Chief Corporate Advisor, Meiji Seika Kaisha, Ltd.</p> <p>March 2008 Member of the Board (External Director), AnGes MG, Inc. (current)</p> <p>April 2008 Adviser, The Kitasato Institute (current)</p>	7,200

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held.
4	Junichi Komamura (May 3, 1950)	<p>April 1973 Entered Mitsubishi Corporation</p> <p>April 1996 President of Miteni (Italy)</p> <p>August 2003 Executive Officer, Morishita Jintan Co., Ltd.</p> <p>October 2003 Executive Officer and Head of Corporate Planning, Morishita Jintan Co., Ltd.</p> <p>April 2004 Executive Officer and Head of Corporate Planning, Morishita Jintan Co., Ltd.</p> <p>June 2004 Director, Managing Executive Officer and Head of Corporate Planning, Morishita Jintan Co., Ltd.</p> <p>April 2005 Senior Managing Director and Senior Managing Executive Officer, in charge of Management Information Department, Morishita Jintan Co., Ltd.</p> <p>November 2005 Representative Director and Managing Executive Officer, Morishita Jintan Co., Ltd.</p> <p>October 2006 Representative Director and President, Morishita Jintan Co., Ltd. (current)</p> <p>March 2012 Member of the Board (External Director), AnGes MG, Inc. (current)</p>	—
5	*Seiji Hirasaki (December 15, 1964)	<p>April 1989 Entered Nikkei Inc.</p> <p>September 2002 Entered AnGes MG, Inc. General Manager, AnGes Euro Limited</p> <p>June 2006 Member of the Board, AnGes Euro Limited (current)</p> <p>November 2013 Director of Business Development, AnGes MG, Inc.</p> <p>May 2014 Director of Corporate Strategy, AnGes MG, Inc. (concurrent)</p> <p>January 2016 Vice President &amp; Chief Operating Officer, Head of Business &amp; Corporate Development, AnGes MG, Inc. (current)</p>	—

(Notes)

1. The nominee with an asterisk (\*) is a newly selected candidate for Member of the Board.
2. Mr. Junichi Komamura concurrently serves as Representative Director and President of Morishita Jintan Co., Ltd. The Company provides the products of Morishita Jintan Co., Ltd. as part of its shareholder incentives.
3. Other than Mr. Komamura, there is no special interest between any other candidates for Member of the Board and the Company.
4. Messrs. Norikazu Eiki, Ichiro Kitasato and Junichi Komamura are candidates for External Directors.
5. The Company has designated and registered Mr. Norikazu Eiki and Mr. Ichiro Kitasato as Independent Directors as stipulated by the Tokyo Stock Exchange.
6. The Company has selected Mr. Norikazu Eiki as a candidate for External Director and proposes his election as such based on the belief that his extensive experience and knowledge as a business manager will contribute to the management of the Company. Mr. Eiki is currently an External Director of the Company and will have been in office for 2 years and 10 months as of the adjournment of this general meeting of shareholders.
7. The Company has selected Mr. Ichiro Kitasato as a candidate for External Director and proposes his election as such based on the belief that his extensive experience and knowledge as a business manager, as well as his expertise mainly on drug development, will contribute to the management of the Company. Mr. Kitasato is currently an External Director of the Company and will have been in office for 9 years as of the adjournment of this general meeting of shareholders.
8. The Company has selected Mr. Junichi Komamura as a candidate for External Director and proposes his election as such based on the belief that his extensive experience and knowledge as a business manager will contribute to the management of the Company. Mr. Komamura is currently an External Director of the Company and will have been in office for 5 years as of the adjournment of this general meeting of shareholders.
9. Should Messrs. Norikazu Eiki, Ichiro Kitasato and Junichi Komamura be elected as External Directors, the Company plans to continue the agreement to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act with each, as stipulated in Article 427, Paragraph 1 of the Companies Act and Article 29 of the Company's Articles of Incorporation. The maximum amount of liability pursuant to the agreement will be the amount stipulated by laws and regulations.

**Proposal 4: Election of 3 Corporate Auditors**

The terms of office of all 3 Corporate Auditors will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the election of 3 Corporate Auditors is proposed.

The Board of Corporate Auditors has previously given its approval to this proposal.

The candidates for Corporate Auditors are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held.
1	*Katsunori Horikoshi (April 7, 1952)	<p>April 1979 Entered Asahi Kasei Corp.</p> <p>July 2000 General Manager, Sales &amp; Marketing Dept., Planova Division, Asahi Kasei Medical Co., Ltd</p> <p>April 2005 Director, Asahi Kasei Planova Europe N.V./ S.A.</p> <p>June 2006 Executive Officer and General Manager, Planova Division, Asahi Kasei Medical Co., Ltd.</p> <p>April 2007 Director, Asahi Kasei Medical America Inc.</p> <p>June 2011 Standing Statutory Auditor, Asahi Kasei Pharma Corp.</p> <p>Standing Statutory Auditor, Asahi Kasei Aime Corp.</p> <p>May 2015 Senior Consultant, Theradex Systems Inc. (current)</p>	—
2	Akihiro Narimatsu (August 12, 1947)	<p>April 1973 Entered Mitsubishi Kasei Corporation (currently Mitsubishi Chemical Corporation)</p> <p>October 2001 CEO, Mitsubishi Pharma America, Inc. (currently Mitsubishi Tanabe Pharma Holdings America, Inc.)</p> <p>July 2003 Executive Officer, Deputy General Manager, Production Division, Mitsubishi Pharma Corporation (currently Mitsubishi Tanabe Pharma Corporation)</p> <p>June 2004 Managing Executive Director, Deputy General Manager, Production Division, Mitsubishi Pharma Corporation</p> <p>July 2004 Managing Executive Director, General Manager, Production Division, Mitsubishi Pharma Corporation</p> <p>July 2006 Corporate Auditor, Mitsubishi Pharma Corporation</p> <p>October 2007 Corporate Auditor, Mitsubishi Tanabe Pharma Corporation</p> <p>March 2013 External Standing Corporate Auditor, AnGes MG, Inc. (current)</p>	—
3	Tadashi Hishida (August 14, 1942)	<p>April 1970 Entered Mitsubishi Kasei Corporation (currently Mitsubishi Chemical Corporation)</p> <p>August 1995 General Manager, Advanced Medicine Group, R&amp;D Division, Pharmaceutical Company, Mitsubishi Chemical Corp.</p> <p>April 2000 Managing Director, The Dia Foundation for Research on Ageing Societies</p> <p>June 2002 External Corporate Auditor, AnGes MG, Inc. (current)</p> <p>August 2002 Management Professor, Medical/Industrial Linking Office, School of Medicine, Mie University</p> <p>October 2004 President &amp; CEO, ImmunoFrontier, Inc. (current)</p>	—

(Notes)

1. The nominee with an asterisk (\*) is a newly selected candidate for Corporate Auditor.
2. There is no special interest between the candidates for Corporate Auditor and the Company.
3. Messrs. Katsunori Horikoshi, Akihiro Narimatsu and Tadashi Hishida are candidates for External Corporate Auditors.
4. The Company has selected Mr. Katsunori Horikoshi as a candidate for External Corporate Auditor and proposes his election as such based on the belief that he will monitor management in general and give helpful advice by harnessing his extensive experience and wide range of insight in the pharmaceutical industry capitalizing on his achievements as Standing Corporate Auditor of pharmaceutical companies, and therefore appropriate for the position of External Corporate Auditor from an overall perspective.
5. The Company has selected Mr. Akihiro Narimatsu as a candidate for External Corporate Auditor and proposes his election as such based on the belief that he will continue to execute his duties as External Corporate Auditor appropriately by harnessing his extensive experience and wide range of insight in the pharmaceutical industry capitalizing on his achievements as Standing Corporate Auditor of pharmaceutical companies, as well as the fact that he has been adequately performing his duties as Standing Corporate Auditor of the Company. Mr. Narimatsu will have been in office for 4 years as of the adjournment of this general meeting of shareholders.

6. The Company has selected Mr. Tadashi Hishida as a candidate for External Corporate Auditor and proposes his election as such based on the belief that that he will continue to execute his duties as External Corporate Auditor appropriately by harnessing his extensive experience and knowledge in the pharmaceutical industry, as well as the fact that he has been adequately performing his duties as Standing Corporate Auditor of the Company. Mr. Hishida will have been in office as External Corporate Auditor for 14 years and 9 months as of the adjournment of this general meeting of shareholders.
7. Should Messrs. Akihiro Narimatsu and Tadashi Hishida be elected as External Corporate Auditors, the Company plans to continue the agreement to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act with each, as stipulated in Article 427, Paragraph 1 of the Companies Act and Article 38 of the Company's Articles of Incorporation. Should Mr. Katsunori Horikoshi be elected as External Corporate Auditor, the Company plans to enter into a similar agreement with him. The maximum amount of liability pursuant to the agreement will be the amount stipulated by laws and regulations.



**Proposal 5:** Election of 1 Substitute Corporate Auditor

The advance election of 1 Substitute Corporate Auditor is proposed in preparation of a shortfall in the number of Corporate Auditors prescribed by laws and regulations.

The Board of Corporate Auditors has previously given its approval to this proposal.

The appointment of the candidate elected may be revoked by a resolution of the Board of Directors upon approval by the Board of Corporate Auditors, provided that the revocation takes place before the elected candidate assumes office.

The candidate for Substitute Corporate Auditor is as follows:

Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held	
Shinji Toyama (December 21, 1942)	April 1965 March 2000	Entered Shionogi & Co., Ltd. Secretary-General, Kinki Bio-industry Development Organization (currently NPO Kinki Bio-industry Development Organization)	—
	March 2002	External Corporate Auditor, AnGes MG, Inc. (current)	
	December 2002	External Director, Bio-Sight Capital Co., Ltd. (current)	
	April 2003	Senior Director, NPO Kinki Bio-industry Development Organization	
	June 2005	Director and Cluster Manager, NPO Kinki Bio-industry Development Organization	
	June 2006	Senior Director and Cluster Manager, NPO Kinki Bio-industry Development Organization	
	June 2012	Senior Advisor, NPO Kinki Bio-industry Development Organization (current)	

(Notes)

1. There is no special interest between the candidate and the Company.
2. Mr. Shinji Toyama is a candidate for Substitute External Corporate Auditor.
3. The Company has selected Mr. Shinji Toyama as a candidate for Substitute External Corporate Auditor based on the belief that that he will continue to execute his duties as External Corporate Auditor appropriately by harnessing his extensive experience and knowledge in the pharmaceutical industry, as well as the fact that he has been adequately performing his duties as Standing Corporate Auditor of the Company. Mr. Toyama will have been in office as External Corporate Auditor for 15 years as of the adjournment of this general meeting of shareholders.
4. Should Mr. Shinji Toyama be elected as External Corporate Auditor, the Company plans to enter into an agreement to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act, as stipulated in Article 427, Paragraph 1 of the Companies Act and Article 38 of the Company's Articles of Incorporation. The maximum amount of liability pursuant to the agreement will be the amount stipulated by laws and regulations.