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May 6, 2022

Company name: Modalis Therapeutics Corporation
Stock exchange listing: Tokyo Stock Exchange
Code number: 4883
URL: https://www.modalistx.com/en/
Representative: Haruhiko Morita

Notice Regarding Determination of Terms and Conditions of Stock Options (Share Acquisition Rights)

Modalis Therapeutics Corporation (hereafter, "the Company") hereby announces that the pending terms and conditions of the share acquisition rights, to be issued as part of the Company's stock option program pursuant to the Board of Directors' resolution dated April 15, 2022 have been determined as follows:

1. Exercise price of stock acquisition rights

(1) Value of the Asset to be Contributed upon Exercise of Share Acquisition Rights

38,000 yen per one unit of Share Acquisition Rights (380 yen per share)

(2) Calculation Method of Exercise Price

The Exercise Price shall be the higher of either the amount obtained by multiplying the average closing price of shares of the common stock of the Company on the Tokyo Stock Exchange on each day (excluding days on which there is no trading) of the month immediately preceding the month in which the Share Acquisition Rights will be issued by 1.05 or the closing price of shares of the common stock of the Company on the Tokyo Stock Exchange on the day of allotment of the Share Acquisition Rights (if there is no trading on the day, the closing price on the immediately preceding day shall be used).

2. Number of the Rights

The number of the Rights to be issued shall 1,854 units.
（The number of units per Rights shall be 100 shares.）

3. The class and number of shares to be issued upon exercising the Rights

The type of shares shall be 185,400 shares of the Company's common stock.

4. Persons to whom Share Acquisition Rights are Allocated, the Number of such Persons, and the Number of Share Acquisition Rights Allocated

Company's employees	4 Persons	379 units（ 37,900 shares）
Company's subsidiary employees	29 Persons	1,475 units（147,500 shares）