This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

January 12, 2023

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

Notice of Termination of a Research Collaboration on 205

Modalis Therapeutics Corporation (hereafter, "the Company") hereby announces that the Company has received the following notification from Eisai Co., Ltd. (hereinafter "Eisai") regarding the joint research and development agreement for MDL-205.

MDL-205 is a program targeting one of the central nervous system diseases, and we have been conducting joint research and development since 2019. The Company and Eisai aimed at drug discovery for the disease using MODALIS's proprietary CRISPR-GNDM® platform and were able to achieve a certain level of success. However, at the expiration of the joint research and development agreement and evaluation period for MDL-205, the Company received notification from Eisai that it would not extend the collaboration period or exercise its option right for a license today.

The Company will comprehensively evaluate the superiority and rationality of MDL-205 and decide whether to reacquire the research outcomes as an In-house pipeline within a certain period of time. The Company shall promptly announce all future matters that require disclosure.

If MDL-205 is removed from the Collaboration pipeline as described above, the Company has five In-house pipelines, and together with the two pipelines in Collaboration, the Company now has a total of seven products in our pipeline.

This matter shall have a minor or no impact on our business performance for the fiscal year ending December 2023.