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Stock Code 4883  
March 8, 2024  
(Start of measures for electronic provision March 2, 2024)

To All Shareholders

Modalis Therapeutics Corporation  
Nihonbashi 3-5-11, Chuo-ku, Tokyo, Japan  
Representative: Haruhiko Morita

### **Notice of the 8<sup>th</sup> Ordinary General Meeting of Shareholders**

Modalis Therapeutics Corporation (hereafter, “the Company”) will be holding its 8th Ordinary General Meeting of Shareholders as described below.

The measures for electronic provision of information is being used to convene this General Meeting of Shareholders and is posted on the following website.

The Company has posted the electronic format on the following website.

The Company's website

<https://www.modalistx.com/jp/ir/meeting/>

<https://www.modalistx.com/en/ir/meeting/>

In lieu of your attendance at the meeting, you may exercise your voting rights in writing (by mail) or via the Internet, etc. in advance.

Please read the Reference Document for the Ordinary General Meeting of Shareholders electronic format, and exercise your voting rights by 6 p.m. on Monday, March 25, 2024.

#### **Details**

1. Schedule March 26, 2024 (Tuesday) 10:00 AM (Registration from 9:30 AM)
2. Location Muromachi 1-5-5, Nihonbashi, Chuo-ku, Tokyo, Japan  
Muromachi Chibagin Mitsui Bldg. (COREDO Muromachi 3) 8F  
Nihonbashi Life Science Hub
3. Agenda  
Items to be reported 1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Audit Committee for the 8th fiscal year (January 1, 2023 to December 31, 2023)  
2. The non-consolidated financial statements for the 8th fiscal year (January 1, 2023 to December 31, 2023)

Items to be resolved

- |              |  |
|--------------|--|
| Agenda No. 1 | Reduction in Amounts of Stated Capital and Capital Reserves and Appropriation of Other Capital Surplus |
| Agenda No. 2 | Election of Three (3) Board Members (excluding Board Members serving as Audit Committee Members.)      |
| Agenda No. 3 | Election of three (3) Board Member Serving as Audit Committee Member                                   |
| Agenda No. 4 | Election of one (1) Substitute Board Member Serving as Audit Committee Member                          |
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## **Reference Document for the Ordinary General Meetings of Shareholders**

### **Meeting Agenda and Referential Matters**

#### **Agenda No. 1 : Reduction in Amounts of Stated Capital and Capital Reserves and Appropriation of Other Capital Surplus**

##### 1. Purpose

The Company recorded a deficit in its retained earnings brought forward of 2, 402,547,924 yen at the end of this business year.

Accordingly, achieving a healthier our financial position and promote efficient management by covering this deficit of retained earnings brought forward, and ensuring agile and flexibility capital policy for the future, the Company wishes to, as follows, carry out a reduction in the amount of its stated capital and its capital reserves in accordance with Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act, post these to other capital surplus, and then post other capital surplus (as increased by the reduction in the amounts of stated capital and capital reserves) to retained earnings brought forward in accordance with Article 452 of the Companies Act.

As these measures will not result in a change in the total number of issued shares and will only involve a reduction in the amounts of stated capital and capital reserves, there will be no impact on the number of shares held by each shareholder. Furthermore, there will be no change in the amount of net assets, and therefore, there will be no change in the amount of net assets per share.

##### 2. Outline of reduction in amounts of stated capital and capital reserves and appropriation of other capital surplus

###### I . Reduction in amount of stated capital

###### (1) Amount by which stated capital will be reduced:

The Company will reduce stated capital by 1, 201,273,962 yen and post that amount to other capital surplus.

###### (2) Date on which the reduction in the amount of stated capital takes effect:

The reduction in the amount of stated capital is planned to take effect on May 15, 2024.

###### II . Reduction in amount of capital reserves

###### (1) Amount by which capital reserves will be reduced:

The Company will reduce capital reserves by 1, 201,273,962 yen and post that amount to other capital surplus.

###### (2) Date on which the reduction in the amount of capital reserves takes effect:

The reduction in the amount of capital reserves is planned to take effect on May 15, 2024.

### III. Appropriation of other capital surplus

As described below, subject to the reduction in the amounts of stated capital and capital reserves (detailed above) becoming effective, the Company will, in accordance with Article 452 of the Companies Act, post the other capital surplus to retained earnings brought forward so as to cover the deficit. In doing so, the amount of retained earnings brought forward after the posting will be 0 yen.

(1) Item of surplus to be reduced and amount by which it will be reduced:

Other capital surplus 2, 402,547,924 yen

(2) Item of surplus to be increased and amount by which it will be increased:

Retained earnings brought forward 2, 402,547,924 yen

### Agenda No. 2 : Election of Three (3) Board Members (excluding Board Members serving as Audit Committee Members)

As the term of office for all of the current three (3) Board Members (excluding Board Members serving as Audit Committee Members) will expire at the conclusion of this General Meeting of Shareholders, the Company requests the election of three (3) Board Members.

The Audit Committee considered this proposal, but did not have any opinion on it.

The candidates for Board Members (excluding Board Members servings as Audit Committee Members) are as follows.

Candidate No. 1	Haruhiko Morita	Born on August 9, 1969	<Reappointment>
		Number of shares of the Company owned	3,194,500
		Rate of attendance at Board of Directors meetings	100% (19/19 meetings)

#### [Brief Profile, Positions, Responsibilities, and Significant Concurrent Positions]

1994	April	Joined Kirin Brewery Company, Limited (currently Kyowa Kirin Co.,Ltd)
2002	January	Joined Booz Allen Hamilton Inc. (currently PwC Strategy &)
2003	November	Joined Y's Therapeutics, Inc.
2004	April	Representative Partners, Think-n-go Corporation.
2004	May	Board member, Lifescience Innovation Management (incumbent)
2006	March	Representative Director and CEO, REGiMMUNE Corporation.
2015	May	Representative Director and CEO, Orphabio, Inc.
2015	May	limited liability partner, Blood-alley, LLC.
2016	January	Representative Director and CEO, the Company (incumbent)
2016	April	EdiGENE Inc. (currently Modalis Therapeutics Inc.) CEO (incumbent)

#### [Reasons for candidacy for Board Member (Excluding Board Member serving as an Audit Committee Member)]

Since the founding of the Company, he has served as President as the founder. Having led the Company and its group following his ambitious vision and from a forward-looking perspective, he has made every possible effort to expand business and enhance corporate value. He has played roles that contribute to raising the corporate value of the entire Group, including deciding corporate important matters and supervising business execution. Therefore, the Company has judged that he is indispensable for the further growth and enhancement of corporate value of the Group and decided to select him as a candidate for Board Member of the Company for reappointment. His tenure as Board Member of the Company will be eight years and two months at the conclusion of this General Meeting of Shareholders.

Candidate No. 2	<b>Hideki Takeda</b>	Born on September 25, 1958	<Reappointment> <External Board Member> <Independent Director>
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Number of shares of the Company owned 193,300  
Rate of attendance at Board of Directors meetings 100% (19/19 meetings)

[Brief Profile, Positions, Responsibilities, and Significant Concurrent Positions]

1983 April Joined Fujisawa Pharmaceutical Co., Ltd. (currently Astellas Pharma Inc.)  
2009 January President, Medical Patent Research Inc. (incumbent)  
2011 February President, Retina Institute Japan, K.K. (currently HEALIOS K.K.)  
2016 January External Board Member, the Company (incumbent)  
2018 February External Board Member, CTEX Co., Ltd. (incumbent)  
2019 March Outside Corporate Auditor, ThinkCyte Inc. (incumbent)  
2020 December External Board Member, BICA THERAPEUTICS INC. (incumbent)  
2021 March Outside Corporate Auditor, Liid Pharmaceuticals, Inc. (incumbent)

[Reasons for candidacy for External Board Member (Excluding Board Member serving as an Audit Committee Member) and Expected Role]

He possesses abundant knowledge of and broad insights into the intellectual property of the biomedical field, etc. after working in Fujisawa Pharmaceutical Co., Ltd. (currently Astellas Pharma Inc.) for over 20 years. Highly rating his experience and insights as the management executive of an intellectual property consulting firm, the Company has selected him as a candidate for External Board Member of the Company. The Company expects him to continue providing advice on its strategy of intellectual property and overall corporate management as an External Board Member, thereby contributing to strengthening corporate governance. His tenure as an External Board Member of the Company will be eight years and two months at the conclusion of this General Meeting of Shareholders.

Candidate No. 3	<b>Joseph S. McCracken</b>	Born on April 24, 1953	<Reappointment> <External Board Member>
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Number of shares of the Company owned —  
Rate of attendance at Board of Directors meetings 100% (19/19 meetings)

[Brief Profile, Positions, Responsibilities, and Significant Concurrent Positions]

1997 November VP Worldwide Business and Technology Development, Rhone-Poulenc Rorer Pharmaceuticals  
2000 August VP Business Development, Genentech VP Business Development  
2011 July VP Global Head of Business Development and Licensing ,Roche  
2013 October Board member, Savara Inc. (SVRA) (incumbent)  
2015 December External Board Member, REGiMMUNE Corporation. (incumbent)  
2018 August External Board Member, the Company (incumbent)  
2019 October Board member, Neuropore Therapies Inc. (incumbent)  
2020 March Board member, Lumos Pharma, Inc. (LUMO) (incumbent)

[Reasons for candidacy for External Board Member (Excluding Board Member serving as an Audit Committee Member) and Expected Role]

He has built a splendid career in the pharmaceutical industry after serving in a variety of key positions including the head of the business development department in multiple multinational pharmaceutical companies. As he has provided the Company with effective advice from a neutral and objective viewpoint based on abundant experience in and deep insight into the business field based on R&D, the Company has judged him to be a necessary talent for enhancing the corporate value of the Company and selected him as a candidate for External Board Member of the Company. The Company expects him to continue offering advice on the businesses of the Company and suggestions on corporate management from a global perspective as an External Board Member. His tenure as an External Board Member of the Company will be five years and seven months at the conclusion of this General Meeting of Shareholders.

- (Notes) 1. There is no special interest between any of the candidates and the Company.  
2. Mr. Hideki Takeda and Mr. Joseph S. McCracken are candidates for External Board Members.  
3. The number of shares of the Company held by the candidates for Board Members is as of December 31, 2023. The number of shares held by Mr. Haruhiko Morita is the actual number of shares held, including 4,831,800 shares held by Life Science Innovation Management, an asset management company in which he and his relatives hold shares.  
4. To ensure that Mr. Hideki Takeda and Mr. Joseph McCracken fulfill the roles expected of External Board Members to the maximum, the Company has entered into an agreement with them pursuant to Article 427, paragraph (1) of the Companies Act to limit their liability for damages as stipulated in Article 423, paragraph (1) of the Companies Act, setting the minimum liability amount stipulated by law as the maximum liability based on the agreement. If both candidates for External Board Members are elected, the Company plans to continue such agreement with them.

5. The Company has concluded directors' and officers' liability insurance contracts with Board Members (excluding Board Members serving as Audit Committee Members) and Board Members (Audit Committee Members) of the Company who have belonged to the Company since January 2016 as insured persons. All insurance premiums are paid by the Company. The above insurance contract does not cover claims for damages arising from events such as those where the insured illegally obtain the provision of benefits or convenience. If the candidates are re-elected as originally proposed, they will continue to be the insured of the contracts. The Company plans to renew the contract with the same provisions in the middle of their term of office.
6. The Company has registered Mr. Hideki Takeda, a candidate for Board Member, as an independent director pursuant to the provisions of the Tokyo Stock Exchange. If this proposal is approved and Mr. Takeda is reappointed, the Company plans to continue to register him as an independent director with the above stock exchange.

### Agenda No. 3 : Election of three (3) Board Member Serving as Audit Committee Member

As the term of office for all of the three (3) Board Members Serving as Audit Committee Member will expire at the conclusion of this General Meeting of Shareholders, the Company requests the election of three (3) Board Members Serving as Audit Committee Member.

With regard to this agenda item, the consent of the Audit Committee has been obtained.

The candidate for Board Member serving as Audit Committee Members are as follows.

Candidate No. 1	Miyuki Shimane	Born on November 24, 1953	<Reappointment> <External Board Member> <Independent Director>
		Number of shares of the Company owned	5,000
		Rate of attendance at Board of Directors meetings	100% (19/19 meetings)
		Rate of attendance at Audit Committee meetings	100% (13/13 meetings)

[Brief Profile, Positions, Responsibilities, and Significant Concurrent Positions]

1975	April	Joined CHUGAI PHARMACEUTICAL CO.,LTD
2005	April	Faculty of Science and Engineering, Co-researcher, Waseda University
2018	December	Outside Director (Audit Committee Member), the Company (incumbent)
2021	May	Outside Director, Trans Chromosomics, Inc. (incumbent)

[Reasons for candidacy for External Board Member serving as an Audit Committee Member and expected role]

She possesses high specialist knowledge of and experience-based broad insights into the discovery and development of new drugs, having been engaged in R&D of drugs in Chugai Pharmaceutical Co., Ltd. throughout her career there. She has audited the Company's business as a Board Member serving as an Audit Committee Member and offered appropriate advice at the Board of Directors meetings and elsewhere. With the expectation that she will continue to fulfill her duties appropriately as a Board Member serving as an Audit Committee Member and play a role in monitoring the Company's business and overall corporate management and giving advice thereon, the Company has selected her as a candidate for Board Member serving as an Audit Committee Member. Her tenure as an External Board Member serving as an Audit Committee Member of the Company will be three years and three months at the conclusion of this General Meeting of Shareholders.

Candidate No. 2	Teruhisa Tajima	Born on August 4, 1971	<Reappointment> <External Board Member> <Independent Director>
		Number of shares of the Company owned	110,000
		Rate of attendance at Board of Directors meetings	100% (19/19 meetings)
		Rate of attendance at Audit Committee meetings	100% (13/13 meetings)

[Brief Profile, Positions, Responsibilities, and Significant Concurrent Positions]

1995	October	Joined Chuo Audit Corporation
2000	June	Registered as a Certified Public Accountants (CPA)
2004	June	Outside Corporate Auditor, The Longreach Group, Inc. (incumbent)
2010	February	Representative CPA, TAJIMA CPA Office (incumbent)
2014	September	Outside Corporate Auditor, PRISM Pharma Co.,Ltd. (currently PRISM BioLab Co., Ltd.) (incumbent)
2014	September	Supervisory officer, Tosei Reit Investment Corporation (incumbent)
2014	September	Outside Corporate Auditor, Onco Therapy Science, Inc. (incumbent)
2016	January	Outside Corporate Auditor, the Company
2016	March	Outside Corporate Auditor, Rena Therapeutics, Inc. (incumbent)
2018	August	Outside Director (Audit Committee Member), the Company (incumbent)
2018	September	Outside Corporate Auditor, NEUGEN Pharma, Inc. (incumbent)
2018	October	Outside Corporate Auditor, S'UIMIN Inc. (incumbent)
2018	October	Accounting Advisor, OiDE BetaRevive, Inc. (incumbent)
2020	March	Accounting Advisor, OiDE OptoEye, Inc. (incumbent)
2021	February	Outside Corporate Auditor, J-Pharma Co.,Ltd (incumbent)

[Reasons for candidacy for External Board Member serving as an Audit Committee Member and expected role]

He possesses extensive knowledge and a high level of expertise in the internal controls field, acquired from managing a certified public accountants' firm and being involved in a wide range of industries and companies, in addition to serving in a series of key positions in an auditing firm as a certified public accountant. He has monitored the management of the Company from an independent position and an objective perspective and given the Company appropriate advice at the Board of Directors meetings and elsewhere. Based on his experience and achievements, the Company has selected him as a candidate for Board Member serving as an Audit Committee Member of the Company in the expectation that he will continue to contribute to appropriate decision-making at the Board of Directors meetings and supervision of the management of the Company. His tenure as an External Board Member serving as an Audit Committee Member of the Company will be three years and seven months at the conclusion of this General Meeting of Shareholders.

Candidate No.			
3	Toshio Furuta	Born on February 4, 1962	<Reappointment> <External Board Member> <Independent Director>
		Number of shares of the Company owned	28,000
		Rate of attendance at Board of Directors meetings	100% (19/19 meetings)
		Rate of attendance at Audit Committee meetings	100% (13/13 meetings)

[Brief Profile, Positions, Responsibilities, and Significant Concurrent Positions]

1991	April	Joined Shinozaki Yoshiaki Law Firm (currently Shinozaki&Shinji Law Firm)
1993	April	Representative employee, Furuta Toshio Law Firm (currently Clair Law Firm) (incumbent)
2016	June	Director (Audit Committee Member), Netyear Group Corporation. (incumbent)
2016	September	Director (Audit Committee Member), CanBas Co.,Ltd. (incumbent)
2018	December	Outside Director (Audit Committee Member), the Company (incumbent)
2021	February	Outside Corporate Auditor, J-Pharma Co.,Ltd (incumbent)

[Reasons for candidacy for External Board Member serving as an Audit Committee Member and expected role]

He possesses high specialist knowledge and extensive experience in corporate legal affairs as an attorney at law and the management executive of a legal firm. In particular, in the fields of legal affairs, risk management and corporate governance, he has provided accurate and useful advice on the overall management of the Company from an independent position and a global perspective. Based on the above, the Company expects that he will help to strengthen the Company's audit system and corporate governance through his high level of expertise and experience, and that he will supervise management from an outside and independent position and provide appropriate advice at the time of making decisions at the Board of Directors meetings. With such expectations, the Company has selected him as a candidate for Board Member serving as an Audit Committee Member of the Company. His tenure as an External Board Member serving as an Audit Committee Member of the Company will be three years and three months at the conclusion of this General Meeting of Shareholders.

(Notes) 1. There is no special interest between any of the candidates and the Company.

2. Ms. Miyuki Shimane, Mr. Teruhisa Tajima and Mr. Toshio Furuta are candidates for External Board Members.

3. The number of shares of the Company held by the candidates for Board Members serving as Audit Committee Members is as of December 31, 2023.

4. To ensure that Ms. Miyuki Shimane, Mr. Teruhisa Tajima and Mr. Toshio Furuta fulfill the roles expected as External Board Members (Audit Committee Members) to the maximum, the Company has entered into a contract with them pursuant to Article 427, paragraph (1) of the Companies Act to limit their liability for damages as stipulated in Article 423, paragraph

(1) of the Companies Act, setting the minimum liability amount stipulated by law as the maximum liability based on the above contract. If each candidate for External Board Member is elected, the Company plans to continue such contract with them.

5. The Company has concluded directors' and officers' liability insurance contracts with Board Members (excluding Board Members serving as Audit Committee Members) and Board Members (Audit Committee Members) of the Company who have belonged to the Company since January 2016 as insured persons. All insurance premiums are paid by the Company. The above insurance contract does not cover claims for damages arising from events such as those where the insured illegally obtain the provision of benefits or convenience. If the candidates are re-elected as originally proposed, they will continue to be the insured of the contracts. The Company plans to renew the contract with the same provisions in the middle of their term of office.
6. The Company has registered Ms. Miyuki Shimane, Mr. Teruhisa Tajima and Mr. Toshio Furuta, who are candidates for Board Members serving as Audit Committee Members, as independent directors pursuant to the provisions of the Tokyo Stock Exchange. If this proposal is approved and each candidate is reappointed, the Company plans to continue to register them as an independent director with the above stock exchange.

[Reference] Composition of the Board of Directors and Board Members' Skill Matrix

Below is in the case where the candidates for Board Members (excluding Board Members serving as Audit Committee Members) in Agenda No. 2 and Board Members Serving as Audit Committee Members in Agenda No. 3 are elected at this General Meeting of Shareholders.

Name	Position and Responsibility in the Company	Term of office	Corporate management	Research & Development	Intellectual property	Business & Development	Global Business	Finance, Accounting, Taxation	Legal & Compliance
Haruhiko Morita	President and CEO	8 years and 2 months	●	●		●	●		
Hideki Takeda	External Board Member Independent Director	8 years and 2 months	●		●				
Joseph S. McCracken	External Board Member	5 years and 7 months	●	●		●	●		
Miyuki Shimane	External Board Member Audit Committee Member Independent Director	5 years and 7 months	●	●					
Teruhisa Tajima	External Board Member Audit Committee Member Independent Director	5 years and 7 months	●					●	
Toshio Furuta	External Board Member Audit Committee Member Independent Director	5 years and 3 months	●						●

- (Notes) 1. The table is to show the expertise of board members making up the Board of Directors in the form of a matrix, and the main skills possessed by or expected from each board member are marked with a circle "●".
2. Which skills board members possess is decided based on their experience in work and job titles related to skills in addition to their professional qualifications in skill items.
  3. Human resource strategies such as personnel affairs and human resource development are included in corporate management.

#### Agenda No. 4 : Election of one (1) Substitute Board Member Serving as Audit Committee Member

The Company proposes the election of one (1) Substitute Board Member serving as Audit Committee Member in preparation for a vacancy in the number of Board Members serving as Audit Committee Member as provided for in laws and regulations.

With regard to this agenda item, the consent of the Audit Committee has been obtained.

The candidate for Substitute Board Member serving as Audit Committee Members are as follows.

Eisaku Nakamura	Born on July 1, 1961	<Substitute External Board Member>
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Number of shares of the Company owned 200

[Brief Profile, Positions, Responsibilities, and Significant Concurrent Positions]

1987	April	Joined Marubeni Corporation
2002	September	External Board Member, CanBas Co., Ltd.
2006	September	Director and General Manager, Tokyo Branch, Bio-Sight Capital Inc.
2015	May	External Board Member, Acucela Inc. (currently Kubota Vision Inc.)
2016	December	External Board Member, Kubota Pharmaceutical Holdings Co., Ltd.
2019	March	External Board Member, D. Western Therapeutics Institute, Inc. (incumbent)

[Reasons for candidacy for substitute External Board Member serving as an Audit Committee Member and expected role]

He has a wealth of experience, achievements, and insight, having worked for many years in the chemicals division of a general trading company in business fields centered on chemicals, medicine, and high-tech, and also engaged in venture investment as a venture capitalist, and subsequently being involved in the management of several biotechnology-related companies as an External Board Member. We have nominated him as a candidate for substitute External Board Member serving as an Audit Committee Member in the expectation that, upon his appointment as a Board Member of the Audit Committee, he will utilize his wealth of experience, achievements, and insight to monitor and provide advice on the company's business and overall management from an independent and objective standpoint.

- (Notes)
1. There is no special interest between any of the candidate and the Company.
  2. Mr. Eisaku Nakamura is candidate for External Board Member.
  3. To ensure that Mr. Eisaku Nakamura fulfill the roles expected as External Board Member (Audit Committee Member) to the maximum, the Company has entered into a contract with them pursuant to Article 427, paragraph (1) of the Companies Act to limit their liability for damages as stipulated in Article 423, paragraph (1) of the Companies Act, setting the minimum liability amount stipulated by law as the maximum liability based on the above contract. If each candidate for External Board Members is elected, the Company plans to continue such contract with them.
  4. The Company has concluded directors' and officers' liability insurance contracts with Board Members (excluding Board Members serving as Audit Committee Members) and Board Members (Audit Committee Members) of the Company who have belonged to the Company since January 2016 as insured persons. All insurance premiums are paid by the Company. The above insurance contract does not cover claims for damages arising from events such as those where the insured illegally obtain the provision of benefits or convenience. If the candidates are re-elected as originally proposed, they will continue to be the insured of the contracts. The Company plans to renew the contract with the same provisions in the middle of their term of office.
  5. The Company has registered Mr. Eisaku Nakamura, who is candidate for Board Members serving as Audit Committee Members, as independent directors pursuant to the provisions of the Tokyo Stock Exchange. If this proposal is approved and each candidate is reappointed, the Company plans to continue to register them as an independent director with the above stock exchange.

End