August 14, 2026

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

(Further Correction) Notice Concerning Corrections to Business and Financial report for Six Months Ended June 30, 2026

Regarding the "(Correction/Correction of Numerical Data) Regarding Corrections to the “Consolidated Financial Results for the Six Months Ended June 30, 2026 [Japanese GAAP]"" We have made the following corrections and have attached the text of the revised materials.

1. Reason for correction

As announced in the August 13, 2026 "(Correction/Correction of Numerical Data) Regarding Corrections to the "Consolidated Financial Results for the Six Months Ended June 30, 2026 [Japanese GAAP]"", we have made some corrections to the Financial Results of the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026. In line with this, related explanatory materials will be revised.

2. Correction points

pp. 26 - 29

(Before correction)

BS & Financial Position at the end of 2Q/2026

(Million Yen)

	End of FY2025 (A)	2Q FY2026 (B)	(B) − (A)
Current assets	2,892	3,083	191
Cash & deposits	2,812	3,015	203
Non-current assets	71	52	△19
Total assets	2,964	3,136	172
Current liabilities	134	669	535
Non-current liabilities	36	3	△33
Total liabilities	170	673	502
Total net assets	2,793	2,462	△330
Total liabilities and net assets	2,964	3,136	172
Capital adequacy ratio	93.0%	76.9%	

(In thousand USD at @160yen/$)

	End of FY2025 (A)	2Q FY2026 (B)	(B) － (A)
Current assets	18,075	19,269	1,194
Cash & deposits	17,575	18,844	1,269
Non-current assets	443	325	-119
Total assets	18,525	19,600	1,075
Current liabilities	837	4,181	3,344
Non-current liabilities	225	19	-206
Total liabilities	1,062	4,206	3,144
Total net assets	17,456	15,388	-2,069
Total liabilities and net assets	18,525	19,600	1,075
Capital adequacy ratio	93.0%	76.9%	

PL & Business Result at the end of 2Q/2026

(Million Yen)

	2Q FY2025 (A)	2Q FY2026 (B)	(B)−(A)
Operating revenue	-	-	-
Operating expenses	1,031	1,000	△31
R&D	906	911	5
SGA	125	88	△37
Operating income	△1,031	△1,000	31
Ordinary income	△1,019	△965	53
Current Profit	△1,020	△920	100

(In thousand USD at @160yen/$)

	2Q FY2025 (A)	2Q FY2026 (B)	(B)−(A)
Operating revenue	-	-	-
Operating expenses	6,444	6,250	-194
R&D	5,663	5,694	31
SGA	781	550	-231
Operating income	-6,444	-6,250	194
Ordinary income	-6,369	-6,031	331
Current Profit	-6,375	-5,750	625

(After correction)

BS & Financial Position at the end of 2Q/2026

(Million Yen)

	End of FY2025 (A)	2Q FY2026 (B)	(B) − (A)
Current assets	2,892	3,083	191
Cash & deposits	2,812	3,015	203
Non-current assets	71	52	△19
Total assets	2,964	3,136	172
Current liabilities	134	659	524
Non-current liabilities	36	3	△33
Total liabilities	170	662	491
Total net assets	2,793	2,473	△319
Total liabilities and net assets	2,964	3,136	172
Capital adequacy ratio	93.0%	77.2%	

(In thousand USD at @160yen/$)

	End of FY2025 (A)	2Q FY2026 (B)	(B) − (A)
Current assets	18,075	19,269	1,194
Cash & deposits	17,575	18,844	1,269
Non-current assets	443	325	-119
Total assets	18,525	19,600	1,075
Current liabilities	837	4,119	3,281
Non-current liabilities	225	19	-206
Total liabilities	1,062	4,138	3,075
Total net assets	17,456	15,456	-2,000
Total liabilities and net assets	18,525	19,600	1,075
Capital adequacy ratio	93.0%	77.2%	

PL & Business Result at the end of 2Q/2026

(Million Yen)

	2Q FY2025 (A)	2Q FY2026 (B)	(B)−(A)
Operating revenue	-	-	-
Operating expenses	1,031	989	△42
R&D	906	900	△5
SGA	125	88	△37
Operating income	△1,031	△989	42
Ordinary income	△1,019	△954	64
Current Profit	△1,020	△909	110

(In thousand USD at @160yen/$)

	2Q FY2025 (A)	2Q FY2026 (B)	(B)−(A)
Operating revenue	-	-	-
Operating expenses	6,444	6,181	-263
R&D	5,663	5,625	-38
SGA	781	550	-231
Operating income	-6,444	-6,181	263
Ordinary income	-6,369	-5,963	406
Current Profit	-6,375	-5,681	694

2. Financial updates @ the end of 2Q FY2026

BS & Financial Position at the end of 2Q/2026

Cash position improved due to the 300 million yen raised from the second issuance of ordinary corporate bonds. At the same time, liabilities increased.

(Million Yen)

	End of FY2025 (A)	2Q FY2026 (B)	(B) – (A)
Current assets	2,892	3,083	191
Cash & deposits	2,812	3,015	203
Non-current assets	71	52	△19
Total assets	2,964	3,136	172
Current liabilities	134	659	524
Non-current liabilities	36	3	△33
Total liabilities	170	662	491
Total net assets	2,793	2,473	△319
Total liabilities and net assets	2,964	3,136	172
Capital adequacy ratio	93.0%	77.2%	

Note

- While continuing investment in R&D, the exercise of stock acquisition rights progressed. As a result, cash and deposits decreased slightly.

Information purpose only

BS & Financial Position at the end of 2Q/2026

Cash position improved due to the 300 million yen raised from the second issuance of ordinary corporate bonds. At the same time, liabilities increased.

(In thousand USD at @160yen/$)

	End of FY2025 (A)	2Q FY2026 (B)	(B) – (A)
Current assets	18,075	19,269	1,194
Cash & deposits	17,575	18,844	1,269
Non-current assets	443	325	-119
Total assets	18,525	19,600	1,075
Current liabilities	837	4,119	3,281
Non-current liabilities	225	19	-206
Total liabilities	1,062	4,138	3,075
Total net assets	17,456	15,456	-2,000
Total liabilities and net assets	18,525	19,600	1,075
Capital adequacy ratio	93.0%	77.2%	

Note

- While continuing investment in R&D, the exercise of stock acquisition rights progressed. As a result, cash and deposits decreased slightly.

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PL & Business Result at the end of 2Q/2026

989 million in operating expenses, mainly due to the cost of related to MDL-101 program

(Million Yen)

	2Q FY2025 (A)	2Q FY2026 (B)	(B)−(A)
Operating revenue	-	-	-
Operating expenses	1,031	989	△42
R&D	906	900	△5
SGA	125	88	△37
Operating income	△1,031	△989	42
Ordinary income	△1,019	△954	64
Current Profit	△1,020	△909	110

Operating expenses

- Continued investment in research and development as development activities centered on MDL-101 progressed.
- Meanwhile, continued promotion of financial strategies, including capital policy initiatives and the utilization of external financing.

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Information purpose only

PL & Business Result at the end of 2Q/2026

$6.1 M in business expenses, mainly due to the cost of related to MDL-101 program

(In thousand USD at @160yen/$)

	2Q FY2025 (A)	2Q FY2026 (B)	(B)−(A)
Operating revenue	-	-	-
Operating expenses	6,444	6,181	-263
R&D	5,663	5,625	-38
SGA	781	550	-231
Operating income	-6,444	-6,181	263
Ordinary income	-6,369	-5,963	406
Current Profit	-6,375	-5,681	694

Operating expenses

- Continued investment in research and development as development activities centered on MDL-101 progressed.
- Meanwhile, continued promotion of financial strategies, including capital policy initiatives and the utilization of external financing.

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