



RaQualia Pharma Inc.
July 10, 2023

Launch of Tegoprazan in Indonesia

Nagoya, Japan – RaQualia Pharma Inc. (headquartered in Nagoya; President & CEO: Hirobumi Takeuchi, “RaQualia”) announced today that one of its sublicensees, PT Kalbe Pharma Tbk (headquartered in Jakarta, Indonesia; “Kalbe”), started the product sales in Indonesia of tegoprazan, a drug for gastroesophageal reflux disease (“tegoprazan”), which was licensed through HK inno.N Corporation (headquartered in Seoul, South Korea; “HK inno.N”).

Tegoprazan is a potassium-competitive acid blocker (P-CAB), a new-generation treatment for gastroesophageal reflux disease. P-CABs have a different mechanism of action from proton pump inhibitors (PPIs), the first-line therapy for gastroesophageal reflux disease, and suppress gastric acid secretion more rapidly and persistently than PPIs.

RaQualia and HK inno.N entered into an exclusive license agreement for developing, marketing, and manufacturing tegoprazan with sublicensing rights. HK inno.N and sublicensees worldwide have been conducting business activities for tegoprazan. In Korea, where tegoprazan was first launched in 2019 by HK inno.N under the trade name K-CAB[®], the domestic sales in 2022 on an outpatient prescription basis reached 132.1 billion won (approximately 13.2 billion yen / 1 won = 0.10 yen), achieving the largest market share. Sales have been growing steadily this year, with cumulative sales reaching 60.7 billion won (approximately 6 billion yen / 1 won = 0.10 yen) from January to May.

In Indonesia, Kalbe received marketing approval from the Indonesian authorities in October 2022 for the treatment of non-erosive gastroesophageal reflux disease. Since then, Kalbe has been preparing for the launch, and the product was launched on the fourth of this month under the trade name TEZA. The Indonesian market for anti-ulcer drugs is worth approximately 120 million US dollars (approximately 16.8 billion yen / 1 US dollar = 140 yen), making it the largest market in the Southeast Asian region.

With this launch, tegoprazan is now available in six countries: Korea, China, Mongolia, the Philippines, Mexico, and Indonesia. In addition, clinical development, regulatory review, and launch preparation efforts are underway in 30 countries.

Under the license agreement with HK inno.N, RaQualia has the right to receive a portion of the revenues earned by HK inno.N from sublicensees. As a result of the product launch, RaQualia will receive a lump-sum payment from HK inno.N, which will be recorded as business income for the third quarter of the fiscal year ending December 31, 2023. The impact on the consolidated financial results for the fiscal year ending December 31, 2023 (January 1, 2023 to December 31, 2023) will be immaterial.

RaQualia will continue to strengthen its partnership with HK inno.N, providing continuous support for the development and sublicensing to expand the options for gastric acid-related diseases, thereby making further contributions to improving patients' quality of life.