



RaQualia Pharma Inc.
July 28, 2023

Commencement of Phase 1 Clinical Trial of RQ-00202730, a Cannabinoid CB2 Receptor Agonist

Nagoya, Japan – AskAt Inc. (headquartered in Nagoya, Japan; Representative Director and President: Akihiro Furuta; “AskAt”), a licensee of RaQualia Pharma Inc. (headquartered in Nagoya; President & CEO: Hirobumi Takeuchi, “RaQualia”), announced that Oxford Cannabinoid Technologies Holdings plc (headquartered in London, UK; CEO: Clarissa Sowemimo-Coker; “OCT”), a biopharmaceutical company developing prescription cannabinoid medicines in pain markets, which licensed AskAt’s cannabinoid CB2 receptor agonist (compound code: RQ-00202730/AAT-730/OCT461201; “CB2 Agonist”), has commenced a Phase 1 clinical trial (“Phase 1 Study”) of the CB2 Agonist in the United Kingdom.

This Phase 1 Study is a First-in-Human clinical trial for the CB2 Agonist, and the first-in-human dose of the CB2 Agonist has been successfully administered to healthy volunteers at a contract research organization (CRO) contracted with OCT. The principal objective of this Phase 1 Study is to demonstrate the safety and tolerability of the CB2 Agonist while providing pivotal information on its pharmacokinetic profile to confirm its value as a potential drug. OCT expects to have the results from the trial in the third quarter of this year.

OCT plans to conduct the clinical development of the CB2 Agonist for chemotherapy-induced peripheral neuropathy (CIPN) as a primary target indication. CIPN is a painful and disabling condition that occurs as a side effect of certain chemotherapy drugs. According to OCT, the global market for CIPN treatment is currently worth 1.61 billion US dollars and is forecasted to reach 2.37 billion US dollars by 2027.

Under the terms of an agreement with AskAt, RaQualia has the right to receive a portion of the revenues earned by AskAt from sublicensees. As a result of the commencement of the Phase 1 Study, RaQualia will receive a lump-sum payment from AskAt, 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 AskAt, provide continuous support for product development and sublicensing, and maximize the value of human and pet therapeutics, thereby securing future earnings and increasing corporate value.

For more information, please refer to the websites of AskAt and OCT as described below:
AskAt: <https://askat-inc.com/news/oxford-cannabinoid-technologies-starts-a-first-in-human-clinical-trial-for-cannabinoid-cb2-receptor-agonist-aat-730-in-the-united-kingdom/>

OCT: <https://tools.eurolandir.com/tools/Pressreleases/GetPressRelease/?ID=4357725&lang=en-GB&companycode=uk-octp&v=>

About OCT:

OCT is a biopharmaceutical company specializing in the research and development of cannabinoid-related drugs and aims to create treatments for pain, cancer, inflammatory diseases, neurological diseases, etc. In September 2019, OCT was granted from AskAt a worldwide license, excluding Japan, for the CB2 Agonist and has been conducting research and development to produce human therapeutics. OCT became listed on the London Stock Exchange in May 2021. For more information, please visit: <https://www.oxcantech.com/>

About cannabinoid CB2 receptor agonist:

Cannabinoid CB2 receptor ("CB2") is a subtype of the cannabinoid receptor. Recent scientific research has revealed the involvement of CB2 in various diseases such as neuropathic pain, cancer pain, Alzheimer's disease, Parkinson's disease, and diabetes, increasing the attention toward CB2 as an attractive molecular target for producing therapeutics for such illness. Two types of cannabinoid receptors, CB1 and CB2, have been identified, each with characteristic pharmacological actions in different organs and tissues. Although pharmaceutical companies discovered a number of compounds acting on CB2, no drug has yet been developed which is tolerable and devoid of CB1-mediated neurological side effects. RaQualia discovered RQ-00202730 as a compound with excellent selectivity, which showed CB2-mediated pharmacological effects. In November 2015, RaQualia entered into an agreement ("Agreement") with AskAt for the sale and purchase of rights to the CB2 Agonist. Under the terms of the Agreement, RaQualia retains the right to receive a certain percentage of the revenue earned by AskAt from RQ-00202730.