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PRESS RELEASE

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(Ticker code: 4579)

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## **RaQualia Announces Achievement of Milestone Payment from EA Pharma Co., Ltd.**

September 13, 2019---Last night, RaQualia received a notice from EA Pharma Co., Ltd. (Head Office: Chuo-ku, Tokyo, Representative Director Yuji Matsue,; hereinafter referred to as "EA Pharma") that the joint research between RaQualia and EA Pharma aimed at the creation of new drugs in the gastrointestinal field (hereinafter referred to as "this joint research") achieved the predetermined milestone. Under the terms of this joint research agreement with EA Pharma, RaQualia will receive a milestone payment upon this achievement.

In Oct. 2012, RaQualia signed a joint research agreement with EA Pharma, and launched this joint research targeting a particular ion-channel ※ in the gastrointestinal field. The agreement expired in Apr. 2017, but the research covered by this collaboration continued at EA Pharma after the agreement was terminated, and the first milestone was achieved in Mar. 2018. EA Pharma has made steady progress since then, and RaQualia receive a second milestone payment of this achievement .

Naoki Tani, Representative Director of RaQualia, commented, "With EA Pharma, I am very pleased to achieve this milestone in our joint research. I look forward to further development so that we can cooperate with EA Pharma and deliver new drugs to patients as soon as possible."

As a result, we will receive milestone payment for this achievement and record it as operating revenues in FY2019. With this regard, there is no change in the expected results for FY2019 announced by us on Sep.6, 2019.

End

&lt;Reference&gt;

[About the ion channel]

An ion channel is a generic term for membrane protein that allows ion to penetrate both inside and outside the cell. It plays an important role in the transmission of information in the perceived and motoric nervous system and in regulating the release of neurotransmitters in various organizations.