



Jul. 1, 2019

PRESS RELEASE

Company: RaQualia Pharma Inc.

(Ticker code: 4579)

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RaQualia Announce a Joint Research Agreement with ASKA Pharma Co., for Drug Discovery Targeting Specific Ion Channels

July 1, 2019 --- RaQualia Pharma Inc. (hereinafter referred to as "RaQualia") today announced that RaQualia has signed a joint research agreement with ASKA Pharma Co., Ltd. (Head Office: Minato-ku, Tokyo; President: Takashi Yamaguchi; hereinafter referred to as "ASKA Pharma") regarding drug discovery targeting specific ion channels.

RaQualia and ASKA Pharma will strive to generate results by combining their own technological know-how in drug discovery research.

The details are as shown in the separate joint press release.

RaQualia will receive upfront payment and research collaboration payments for this achievement and record it as operating revenue in FY2019. RaQualia will be eligible to receive potential development milestones. Specific terms and conditions for achievement and amounts are not disclosed.

In addition, both companies will continue strategic discussion to strengthen their partnership in research collaboration.

The consolidated financial projection for FY2019 in Business plan issued on February 8, 2019, will not be affected by this announcement. In the medium-to long-term, we will accelerate collaboration with external entities based on the various knowledge and know-how related to ion channels we have cultivated, and we believe this will contribute to enhancing our corporate value.

End

News Release

Jul. 1, 2019
RaQualia Pharma Inc.
ASKA Pharmaceutical Co., Ltd.

PRESS RELEASE

RaQualia, ASKA Pharma Announce Joint Research Agreement

RaQualia Pharma Inc. (Head Office: Nagoya, Aichi Prefecture; President and CEO: Naoki Tani; hereinafter referred to as "RaQualia") and ASKA Pharmaceutical Co., Ltd. (Head Office: Minato-ku, Tokyo; President and CEO: Takashi Yamaguchi; hereinafter referred to as "ASKA Pharma") announced that they have signed a collaborative research agreement for drug discovery targeting specific ion channels.

This agreement was reached after the two companies agree to leverage each other's strength. It is that RaQualia's core expertise in ion channel research technology for open innovation and ASKA Pharma's extensive knowledge in drug development as a "competitive specialty pharma".

An Ion channels are pore-forming integral membrane proteins that regulate plasma membrane potential by allowing the flow of ions across cell membrane. In excitable cells such as neurons or muscle cells, several types of ion channels contribute to generating action potentials, which convey physiological or pathological information along nerve system. Some ion channels exist in nerve terminals of peripheral and central tissue to modulate transmitter release. Thus, ion channels play a pivotal role in physiological homeostasis.

Under the terms of this agreement, ASAKA Pharmal will pay upfront payment and research collaboration payments to RaQualia. RaQualia will be eligible to receive potential development milestones. Specific terms and conditions for achievement and amounts are not disclosed.

RaQualia and ASKA Pharma will continue strategic discussion to strengthen their partnership in research collaboration.

End

RaQualia Pharma Inc.

RaQualia is an R&D-oriented venture company with a research base in Nagoya City that utilizes cutting-edge life science and technology to become a "global drug discovery innovator" that creates new drugs in therapeutic areas where there is a high demand in the medical field. Our mission is to create low-polymer drugs that will become the seeds of innovative new drugs through its own open innovation, and to deliver new, truly valuable drugs to patients through joint research or out-licensing agreements (licensing of intellectual property rights) with pharmaceutical companies and other entities.

Please refer to <https://www.raqualia.co.jp> for more information on RaQualia.

About ASKA Pharmaceutical Co., Ltd.

Since its foundation in 1920, under the corporate philosophy of "contributing to human health and tomorrow's medical care through cutting-edge drug discovery," the ASKA Pharma has concentrated its management resources in the three priority areas of internal medicine, obstetrics, gynecology, and urology, and is actively developing pharmaceuticals centered on new drugs to resolve medical needs.

Please refer to <https://www.aska-pharma.co.jp/> for more information on ASKA Pharma.

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