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PRESS RELEASE

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(Ticker code: 4579)

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RaQualia Announces Launch of EP4 Antagonist GALLIPRANT in EU by Elanco Animal Health and Achievement of Milestone Payment from Aratana Therapeutics

April 12, 2019 - RaQualia received a notice from Aratana Therapeutics Inc. (hereinafter called "Aratana") that GALLIPRANT® (EP4 antagonist /grapiprant/RQ-00000007/ AT-001, hereinafter called "GALLIPRANT") is now available for the management of pain associated with canine osteoarthritis (OA) in the EU. Under the terms of licensing agreement with Aratana, RaQualia will receive a milestone payment upon this achievement.

RaQualia concluded a worldwide exclusive licensing agreement with Aratana for the EP4 antagonist to commercialize for companion animals in December 2010, and have strengthened the partnership with Aratana since then. After the agreement, Aratana made a public announcement on a worldwide strategic partnership on GALLIPRANT with Elanco Animal Health (hereinafter called "Elanco") in April 2016, and launched it for the management of pain and inflammation associated with canine OA in the US in January 2017. RaQualia will record the milestone income as business revenue for the fiscal year ending December 31, 2019 (FY2019) along with the receipt of a royalty payment from Aratana on the sales of GALLIPRANT. The details of the income are undisclosed due to contractual restrictions.

"We are pleased to announce the launch of GALLIPRANT in the EU and look forward to delivering a new medication to dogs with OA and their owners. "We believe that GALLIPRANT will achieve a series of launches throughout Europe," said Mr. Naoki Tani, President and CEO of RaQualia.

The financial impact on the consolidated business results for FY2019 has been included in the business forecasts for FY2019 issued on February 8, 2019, and there is no change. Galliprant is one of RaQualia's main products and, RaQualia believes it will further contribute to improve the company's value.

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