



Tegoprazan will Expand its Presence in the Middle East and North Africa

Nagoya, Japan, April 23, 2024 – RaQualia Pharma Inc. (headquartered in Nagoya; President & CEO: Hirobumi Takeuchi, “RaQualia”) is pleased to announce today that HK inno.N Corporation (headquartered in Osong, South Korea; CEO: Dal-Won Kwak; “HK inno.N”), a licensee of RaQualia Pharma Inc. (RaQualia), disclosed today the conclusion of a license agreement for tegoprazan (Korean registered trademark: K-CAB[®], collectively “tegoprazan”), a gastric acid suppressant which RaQualia licensed to HK inno.N., for the Middle East and North Africa region (“Agreement”).

HK inno. N entered into the Agreement with Tabuk Pharmaceuticals Manufacturing Company (headquartered in Riyadh, Saudi Arabia, “Tabuk”), a leading pharmaceutical company in Saudi Arabia with a regional presence in the Middle East and North Africa, reaching patients in 17 countries. Under the terms of the Agreement, Tabuk is granted the exclusive license and rights to commercialize the tegoprazan products in the Middle East and North Africa. Leveraging Tabuk’s strong market presence in the region, it is anticipated that the deployment of tegoprazan products will significantly progress in the emerging markets with solid growth potential.

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. In South Korea, where tegoprazan was first launched in 2019 by HK inno.N under the trade name K-CAB[®], the product has maintained the No. 1 market share, with domestic sales in 2023 on an outpatient prescription basis reaching 158.2 billion won (approximately 174 billion yen / 1 Korean won = 0.11 yen).

RaQualia and HK inno.N entered into an exclusive license agreement for developing, marketing, and manufacturing tegoprazan with sublicensing rights. Business activities related to tegoprazan are being conducted by HK inno.N and its partners worldwide, who are granted licenses or product exports from HK inno.N. With the conclusion of the Agreement, tegoprazan will expand its presence to 46 countries worldwide. Presently, tegoprazan products are being marketed in eight countries: South Korea, China, the Philippines, Mongolia, Mexico, Indonesia, Singapore, and Peru. Recently, marketing authorization was approved in Chile, the Dominican Republic, Honduras, and Nicaragua, with approval reviews underway in other Central and South American countries. Concurrently, local development activities are in progress in countries such as the U.S.A. and Canada. HK inno.N has set its sights on expanding tegoprazan’s footprint to 100 countries worldwide by 2028.

For more details, please visit HK inno.N’s website ([https://www.inno-n.com/eng/pr/news/view/1/947?sch text=](https://www.inno-n.com/eng/pr/news/view/1/947?sch_text=)).

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 its partners. RaQualia will receive a lump-sum payment from HK inno.N, which will be recorded as business revenue for the second quarter of the fiscal year ending December 31, 2024. The impact of this matter on the consolidated financial results for the fiscal year ending December 31, 2024, has already been incorporated in the consolidated financial forecast for the current fiscal year disclosed on February 14, 2024.

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.

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