



June 5, 2018

FunPep Co., Ltd.

**Announcement of the Submission of a Phase II Clinical Trial Plan
for Functional Peptide SR-0379**

We are pleased to announce that Shionogi & Co., Ltd. (Shionogi) has submitted a clinical trial plan for a Phase II clinical trial for the treatment of skin ulcers with functional peptide SR-0379, which FunPep Co., Ltd. (FunPep) has licensed out to Shionogi.

SR-0379 is a synthetic peptide consisting of 20 amino acids that was discovered based on research from the Osaka University Graduate School of Medicine and is a functional peptide that has been shown to promote granulation in preclinical studies using animal models. It is expected to contribute to the treatment of intractable skin ulcers, including pressure ulcers, and to alleviating the burden associated with home medical care, where there are ever-increasing social needs.

In addition, SR-0379 is a new drug candidate that has undergone early exploratory clinical trials through a multi-center investigator-initiated clinical trial led by Osaka University Hospital. SR-0379 originated in academia and has been commercialized through an industry-university collaboration with FunPep. It is expected that Shionogi, which is committed to open innovation, will deliver this drug candidate to patients suffering from intractable skin ulcers as soon as possible by running an industry sponsored Phase II clinical trial.

FunPep is a university-launched biotech established in 2013 with the aim of commercializing the results of functional peptide research at the Osaka University Graduate School of Medicine. In addition to owning a series of intellectual property rights related to SR-0379, FunPep will contribute to the commercialization of SR-0379 by conducting a portion of the non-clinical studies (pharmacological studies etc.).



< Reference Information >

Granulation

A red, soft, granular connective tissue that forms during the healing process of skin ulcers.

Pressure Ulcers

Pressure ulcers occur when a person is bedridden or paralyzed and is unable to change positions. The blood flow to the area in contact with the bedding or wheelchair is reduced or lost due to continuous pressure from the person's own body weight. In severe cases, this can lead to extensive tissue necrosis and skin ulcers, as well as an increased risk of bacterial infection.