



May 7, 2018
FunPep Co., Ltd.

Announcing Acceptance into the AMED Grant Program

— Development project for antibody-inducing peptide FPP003 for the treatment of ankylosing spondylitis —

FunPep Co. Ltd. ("FunPep") announces that its project for the Development of a Therapeutic Drug for Ankylosing Spondylitis (FPP003) has been selected by the Japan Agency for Medical Research and Development ("AMED") as a candidate for the "Project Promoting Support for Drug Discovery" and "Support Program for Orphan Drug Prior to the Designation" for fiscal year 2018.

Project Name	Representative Institution
Development of a Therapeutic Drug for Ankylosing Spondylitis (FPP003)	FunPep Co. Ltd.

Ankylosing spondylitis is a systemic chronic inflammatory disease of unknown etiology that occurs in adolescents and mainly affects the spine and sacroiliac joints. At the lesion site, inflammation and ossification occur at the attachment site between the ligament and the bone, causing pain, swelling, and limitation of movement. In severe cases, it can cause ankylosis of the axial joints, resulting in a significant decrease in the ability to perform daily activities.

FPP003 is an antibody-inducing peptide that FunPep has been researching and developing in collaboration with Osaka University Graduate School of Medicine. With the selection of this project, we will continue our research and development with the aim of making it a treatment option for the rare disease that is ankylosing spondylitis.

This support program is intended to subsidize part of the development cost as part of business environment improvement to promote the development of drugs prior their designation as an orphan drug by the Minister of Health, Labor and Welfare.

The eligible period is from the completion of the grant procedure to March 31, 2021 and we plan to receive support of up to 50 million yen per fiscal year, or up to 150 million yen for three fiscal years, as part of the development costs required for this project.