



January 20, 2022

FunPep Co., Ltd.

Notice of Agreement between FunPep and EPS Innovative Medicine on Collaboration in China Business

FunPep Co., Ltd. (Headquarters: Ibaraki, Osaka; hereinafter "FunPep") and EPS Innovative Medicine Co., Ltd (Headquarters: Shinjuku, Tokyo; hereinafter "EPS Innovative Medicine") have agreed to start discussions regarding collaborating on the pharmaceutical business in China.

1. Purpose and details of the commencement of consideration of this collaboration

China's economic growth has been remarkable in recent years., Its GDP has already surpassed that of Japan to become the second largest in the world and it is still showing a high growth rate. The pharmaceutical market in China is second only to the U.S. in size and is expected to grow further in the future.

EPS Group, of which EPS Innovative Medicine is a subsidiary, is mainly engaged in the CRO and SMO businesses in Japan and has abundant experience and know-how in the clinical development of pharmaceuticals. Since 2001, EPS has been operating in China and has acquired a certain position as a pioneer CRO in China and has abundant development experience. In addition, EPS Group launched EPS Innovative Medicine in 2021 and has begun a full-scale drug discovery business in China.

FunPep has been progressing the research and development of peptide drugs in collaboration with Osaka University Graduate School of Medicine. In addition to skin ulcer treatment SR-0379, FunPep is building its R&D pipeline by creating new modalities of antibody-inducing peptides using its strong drug discovery platform technology. FunPep is developing drugs with an eye on the global market for each developed product.

Under these circumstances, the two companies have started discussions and deliberations on the joint development of FunPep's promising antibody-inducing peptides and functional peptides in China.

EPS Group

Since its establishment in 1991 as a pioneer CRO in Japan, EPS Group has been providing various solutions for drug discovery, development, sales, marketing, consultation, etc., as well as expanding into Asia with a focus on China. The EPS Group is a healthcare solution provider that provides new value to pharmaceutical companies, medical device companies, hospitals, clinics, and academia through initiatives such as Big Data & AI and regenerative medicine.