



GNI Group Ltd. Announces a Licensing Agreement for its IPF therapy drug Etuary with AFT Pharmaceuticals for the ASEAN, Australasian and CIS Markets

GNI Group Ltd. (GNI)ⁱ announced today that it has entered into an exclusive commercialization agreement for markets outside of China for Etuaryⁱⁱ, its Idiopathic Pulmonary Fibrosis (IPF) treatment drug, with AFT Pharmaceuticals Limited (AFT)ⁱⁱⁱ. Etuary, designated as drug F647 in China, was approved in 2011 by the China Food and Drug Administration (CFDA) under orphan drug status for the treatment of IPF in China. The license agreement with AFT is contingent on final manufacturing and commercialization approval for F647 being provided by the CFDA.

Under the terms of the agreement, AFT will be granted the right to market F647 under the name Etuary, including production, registration, sales and distribution, in the defined territories of the agreement such as Australia, New Zealand, ASEAN countries, Hong Kong, Russia and the CIS countries. In conjunction with the licensing agreement, GNI and its affiliate Beijing Continent Pharmaceuticals have entered into a supply agreement with AFT for supply and export of the Etuary drug product. Under the agreements, GNI and its affiliates will receive royalties and milestone payments from AFT's successful registration and commercialization of Etuary in the defined territories.

ⁱ GNI Group Ltd. is a vertical integrated pharmaceutical company engaged in drug discovery of therapeutic agents for endemic diseases in Asia. It has a robust drug development pipeline, focusing on innovative therapeutic agents for endemic diseases in Asia including radiation pneumonia and diabetic nephropathy, liver fibrosis (cirrhosis), acute-on-chronic liver failure (ACLF) and chronic obstructive pulmonary disease (COPD). GNI is listed on the Tokyo Stock Exchange Mothers Market, Code 2160, with headquarters in Tokyo and subsidiaries in Hong Kong, Shanghai, and Beijing.

ⁱⁱ Etuary is the registered English commercial name of IPF treatment drug F647, the only drug that has been approved by the CFDA for the treatment of IPF. IPF is a progressive and fatal respiratory disease characterized by scarring of the lungs, restricting the ability of the tissue to transport oxygen and the patient's ability to breath. IPF has no known cause and other than pirfenidone, there is no other approved therapy for this lethal disease.

ⁱⁱⁱ AFT Pharmaceuticals is a privately owned company focusing on Product Development/Regulatory, Medical and Sales/Marketing of Pharmaceuticals. AFT operates as a full service pharmaceutical company and also undertakes drug development activities including clinical trials. It has steadily increased its global presence with a growing portfolio of patented and generic pharmaceuticals which are available for licensing. Current out-licensing agreements span some 40 countries outside Australia and New Zealand. AFT has established the subsidiary AFT Orphan to be the leading company in Asia, Australia and New Zealand providing access to orphan medicines for patients suffering from rare diseases. (<http://www.aftpharm.com/corp/index.html>)