

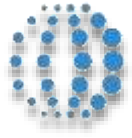


GNI Group Ltd.

**10th Year Anniversary Tea Party
Berkeley Advanced Biomaterials LLC**

September 13, 2017

Securities Code: 2160



BAB Acquisition Transaction Summary



On August 1st, GNI Group announced the completion of the majority stake acquisition of Berkeley Advanced Biomaterials LLC by the Group's wholly owned U.S. subsidiary GNI USA, Inc. This transformational addition to the GNI Group is projected to result in a more profitable, stable and diversified Company positioned for future growth.

Announced	April 18, 2017
Acquirer	GNI USA, Inc.
Target	Berkeley Advanced Biomaterials LLC (“BAB LLC”) in Berkeley, California
Business	Development, manufacturing and sales of medical devices
Revenue FY 2016	\$6,170,760
Purchase	700,000 Units (70%) for approximately \$58.5 million
Sellers	Founders Francois Genin and Ping Luo
Closed	July 31, 2017

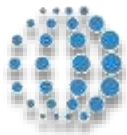


Berkeley Advanced Biomaterials LLC



At a Glance

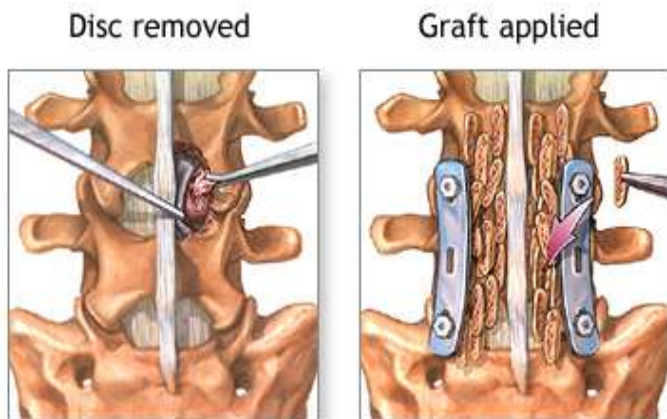
- Developer and manufacturer of high-quality, cost-effective bone grafts substitutes (both synthetic and allograft) on private label and OEM basis.
- 20 years of business history with original founders
- Headquartered in Berkeley, California
 - US GMP manufacturing facility
 - 33 employees
 - new facility
- **FDA** Registration; licensed by the **California Department of Public Health, Food and Drug** Branch; accredited by **American Association of Tissue Banks (ATTB)**; and **ISO 1348** certified.
- Management - Francois Genin, Chief Executive Officer
- Board Composition – 3 board members, including Chairman of the Board, appointed by GNI USA, Inc. and 2 BAB board members (founders)



BAB Product Portfolio



BAB manufactures skeletal repair resorbable biomaterials, offering an entire range of biologics from synthetic ceramics, collagen, to human allografts.



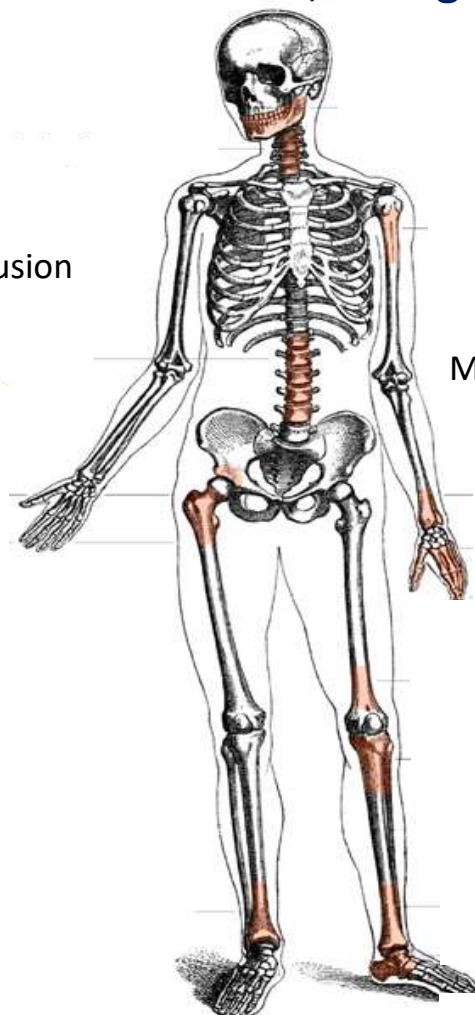
Spine fusion



Metacarpal repair

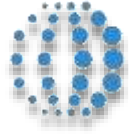


Fig 2: Case 2, radiograph taken 9 years postoperatively (A) shows severe osteolysis and wear in both the acetabulum and femur. Postoperative radiographs (B and C) shows hydroxyapatite granule bone graft substitute in the osteolytic areas that were grafted in the acetabulum and femur.



Knee surgery





BAB Acquisition Rationale



GNI Group's strategic objective is to realize growth, minimize risk and position the company for continued future success. In the competitive and high risk pharma industry, a key step is diversification beyond a “single product, single market” company.

The BAB acquisition will enable GNI Group to achieve the following direct benefits:

- 1) Add immediate financial value, leading the company to profitability**
- 2) Diversify operations and reduce inherent business risk**
- 3) Expand sales activities into new markets and business segments**

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