



January 5, 2018

あけましておめでとうございます！ Happy New Year!

2017 marked the 10<sup>th</sup> year anniversary as a listed company on the Tokyo Stock Exchange Mothers Market. I would like to take this opportunity to thank all of our shareholders, stakeholders, customers and friends for your confidence and commitment in GNI throughout these ten years.

Over the decade, GNI has evolved from a single drug candidate biopharma to a multinational life science company with operations in the three major global healthcare markets. In 2017 the company delivered three major achievements to solidified our status and lay the groundwork for more future growth.

Early in year, GNI's flagship drug Etuary<sup>®</sup> was included in the revised National Basic Medical Insurance, Work Injury Insurance, and Maternity Insurance Drug Catalogue. This key development will ensure that our drug Etuary<sup>®</sup> can be readily available and affordable to patients suffering from IPF throughout China and encourage greater compliance with the prescribed long-term drug use therapy. On a personal basis I am very proud the company can fulfill one of its fundamental goals of improving the outlook of patients facing such a life-threatening disease.

In the middle of the year, GNI acquired Berkeley Advanced Biomaterials LLC, signifying a key turning point in becoming a truly multinational life sciences company with the addition of medical device business based in the United States. The acquisition provides the Group with stability, diversification and financial strength. We will use this acquisition as a base to further grown our medical device business as a key business platform of GNI.

In the fall, we achieved the third key milestone with the clearance of our F351 drug for clinical trials by the U.S FDA. The approval by the FDA serves both as a meaningful step in the development of this key drug candidate and also to validate our business strategy moving from proof-of-concept development in China to clinical development in other major countries.

These three achievements will serve as the company's foundation for 2018 and the next ten years. We will continue to focus our 2018 operation on how to grow the sales faster in China, to expand operation in three geographic regions, to seek profitability and to increase shareholder value through digging out hidden value of our subsidiaries. Please wait for our news at all fronts in 2018. Thank you for your continued trust and support.

Best wishes for the New Year.

Ying Luo, PhD  
Director, Representative Executive Officer, President and CEO

# Achievements for 10 years after IPO: Toward Global Life-science Company from Asia



**2017**

Inclusion of Etuary® in China's Insurance List

Acquired Berkeley Advanced Biomaterials (BAB)

US FDA's clearance of IND for F351 Phase I Trials

2015

**2015**  
F351 Phase II Trials in China initiated

**2014**  
Manufacturing and distribution approval in China for Etuary®

**2011**  
New drug certification in China for Etuary®  
Acquired Beijing Continent Pharmaceutical (BC)

2011

**2007**  
IPO

**2005**  
GNI acquired SG and GNI Group was established.

2005

**2001**  
GNI and Shanghai Genomics (SG) established.