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**Notice Regarding Acquisition of Additional Shares of Gyre Pharmaceuticals by Gyre Therapeutics
and Increase in the Group's Equity Interests**

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail.

GNI Group Ltd. ("the Company", and together with its subsidiaries and affiliates, "the Group") announces that its consolidated subsidiary, Gyre Therapeutics, Inc. ("Gyre Therapeutics"), acquired shares of its second-tier consolidated subsidiary, Gyre Pharmaceuticals Co., Ltd. (Chinese name: Beijing Continent, "Gyre Pharmaceuticals"), on August 6, 2025. As a result, the equity interest in Gyre Pharmaceuticals held by both Gyre Therapeutics and the Group has increased.

1. Purpose of Additional Acquisition of Shares in Second-Tier Subsidiary Gyre Pharmaceuticals

The Group plans to submit a New Drug Application (NDA) for F351, a drug candidate for the treatment of liver fibrosis caused by chronic hepatitis B, in the third quarter of 2025. Gyre Pharmaceuticals, the Group's second-tier consolidated subsidiary, is expected to be responsible for the entire value chain of this product—from the manufacturing of active pharmaceutical ingredients (API) and formulation into tablets to commercialization. However, as of today, 34.82% of Gyre Pharmaceuticals' shares are held by shareholders outside the GNI Group. If this situation remains unchanged, 34.82% of the future profits generated by Gyre Pharmaceuticals would be attributable to (and flow to) these minority shareholders.

To minimize future profit outflows and to maximize the overall corporate value of the Group, Gyre Therapeutics has used its own funds to acquire additional shares of Gyre Pharmaceuticals.

2. Details of Share Acquisition

(1) Number of shares held before the acquisition:	39,967,000 shares (ownership ratio: 65.18%)
(2) Number of shares acquired:	9,184,910 shares
(3) Acquisition price:	USD 1.28 million (approx. JPY 190 million)
(4) Number of shares held after the acquisition:	49,151,910 shares (ownership ratio: 69.72%)

3. Impact on Financial Results and Future Outlook

As a result of this transaction, the profit attributable to owners of the parent company is expected to increase. However, the impact on the Group's consolidated financial results for the current fiscal year is currently under review.

As disclosed on July 23, 2025, the Company also plans to acquire shares of Gyre Pharmaceuticals directly, utilizing proceeds from its overseas public offering. Through these initiatives, the Group intends to further increase its equity interest in Gyre Pharmaceuticals.