



January 9, 2025

Company Name: GNI Group Ltd.
Representative: Director, Representative Executive Officer,
President and CEO
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(Security Code: 2160, TSE Growth)
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COO and CFO
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Notice Concerning Completion of Acquisition of Shares (Conversion into a Consolidated Subsidiary) of ZOO LABO, Inc.

(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") announces that it has entered into a share transfer agreement to acquire shares of ZOO LABO, Inc. (Head Office: Kawasaki City, Kanagawa; Representative Director: Yoshiki Kayoiji; "ZOO LABO"), which engages in the manufacture of dental prosthetics and operates a dental laboratory business utilizing CAD/CAM technologies, and that the Company completed the acquisition and made ZOO LABO its consolidated subsidiary as of 29 December 2025. This matter is disclosed on a voluntary basis, as it does not fall under the timely disclosure criteria.

1. Background and Purpose of the Acquisition

Since its establishment in 2001, the Company has expanded its business foundation by operating three business segments—Pharmatech, Biotech, and Medtech—in Japan, the PRC, the United States, and Australia. In order to achieve sustainable growth and establish its position as a global mid-sized pharmaceutical company, the Company believes it is important to build a business foundation in Japan that goes beyond headquarters functions and actively leads the Group's operations through business activities.

Based on this policy, the Company acquired the shares of ZOO LABO with the aim of establishing and expanding its business operations in Japan.

ZOO LABO plays an essential role in dental healthcare by manufacturing high-quality dental prosthetics for dental clinics and has been actively promoting digitalization of dental laboratory services, including CAD/CAM. The Company believes that ZOO LABO has strong growth potential with high productivity and future business expansion prospects.

In addition, bone materials manufactured by Berkeley Advanced Biomaterials LLC (BAB), which plays a leading role in the Company's Medtech business, have already been used in the field of dental healthcare. Going forward, the Company will leverage its expertise in the Medtech business to accelerate digitalization in the dental field, maximize group synergies, and strengthen its business foundation.

The Company also intends to respect the technologies and track record that ZOO LABO has cultivated to date and, by combining the resources of both companies, aims to create value for all stakeholders, including employees, customers, and shareholders.

2. Method of Share Acquisition

The consideration for the shares was paid in cash on 29 December 2025, and the funds were sourced from the proceeds raised through the overseas public offering conducted in July 2025.

3. Outline of the Subsidiary (ZOO LABO, Inc.)

(1) Name	ZOO LABO, Inc.		
(2) Location	1-27-2 Higashi-Ikuta, Tama-ku, Kawasaki City, Kanagawa Prefecture		
(3) Title and Name of Representative	Representative Director and President: Yoshiki Kayoiji		
(4) Business Description	Dental laboratory services		
(5) Capital	JPY 85,750,000		
(6) Date of Establishment	September 1, 1989		
(7) Relationship between the Company and the	Capital relationship	None	
	Personal relationship	None	
	Business relationship	None	
(8) Net Sales for the Past Three Fiscal Years			
Fiscal Year	FY2022	FY2023	FY2024
Net Sales (JPY million)	1,384	1,578	1,723

4. Future Outlook

The impact of this transaction on the Company's consolidated financial results for the fiscal year ending December 2025 is expected to be immaterial. The financial results of ZOO LABO are expected to be reflected in the Company's consolidated financial results from the fiscal year ending December 2026 onward.

The Company believes that this transaction will contribute to the enhancement of its medium-to long-term earnings. If any matters requiring disclosure arise in the future, the Company will promptly make an announcement.