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Company Name: GNI Group Ltd.
 Representative: Director, Representative Executive Officer, President and CEO
 Ying Luo, PhD
 (Security Code: 2160, TSE Growth)
 Contact Person: General Manager, Business Management Department
 Akihiro Nakano
 (TEL. 03-6214-3600)

GNI Group Updates Full Year 2022 Consolidated Earnings Forecast

November 14, 2022 – GNI Group Ltd., (TSE Growth listed code: 2160, the Group below) today announced that, given the recent economic situation, the Group has updated the consolidated 2022 full year forecast, which had originally been published on February 14, 2022, as follows.

1) The differences between the forecast and the previous forecast for 2022

Consolidated earnings forecast for full year 2022 (January 1st, 2022 – December 31st, 2022)

	Revenue	Operating profit	Profit before tax	Profit for the year	Profit attributable to owners of the parent	Basic earnings per share
	(JPY Million)	(JPY Million)	(JPY Million)	(JPY Million)	(JPY Million)	(JPY)
Previous Forecast (A)	16,334	1,815	988	36	961	20.49
Revised Forecast (B)	18,023	2,050	1,214	35	1,217	25.65
Difference (B-A)	1,689	235	226	(1)	256	-
Difference in ratio (%)	10.3%	12.9%	22.9%	(2.8%)	26.6%	-
(Reference) 2021 Actual	12,690	1,624	1,107	55	1,066	22.72

2) Reasons for the differences

The biggest driver behind the forecast upward revision is weakening Japanese Yen against US Dollar and Chinese Yuan. We are also estimating our China subsidiaries conservatively given the uncertainties surrounding sporadic lockdowns due to COVID-19, which may negatively affect year end results. As disclosed in 2022Q1 Tanshin, the exchange rates used for the full year forecast of revenue and profit items at the beginning of this year were US\$1 = ¥109.84 and RMB1 = ¥17.02, respectively. The Group has now updated the consolidated full-year forecast using US\$1 = ¥131.89 and RMB1 = ¥19.56 as our new forecast rates.

As conditions warrant, we will provide a further update or revision in Q4, 2022.



About GNI Group, Inc.:

GNI Group is a global healthcare company listed on the Growth Board of the Tokyo Stock Exchange and engaged in drug discovery, pharmaceutical development, biomaterial development, clinical studies, manufacturing, and sales in both the United States and China. For more information, please visit our website below

<https://www.gnipharma.com/>

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