



March 2, 2020

## Update on Coronavirus epidemic in China

GNI Group Ltd. (GNI Group) is providing a fourth update on the status of the Coronavirus epidemic in China.

As reported, the coronavirus epidemic in China appears to be gradually coming under control, with newly diagnosed patients in the single digit range for most provinces, the continued decline in new infections reported throughout the country, and prediction by medical experts of a complete control of the virus in China by the end of April.

Under these circumstances, our Chinese operations reopened February 24<sup>th</sup> 2020, with production at our factories returning to normal to meet sales demand. Sales of Etuary®, based on results for the first two months of the year and indications for March, are expected to achieve the quarterly budget. Also this week, Beijing Continent Pharmaceuticals Co., Ltd was approved as a key enterprise of coronavirus prevention and control by the Beijing Municipal Government, enabling the company to be eligible to receive government subsidized loans.

Our U.S. operational revenues have not been impacted by the viral outbreak, and while the Company's overall R&D expenditures are moderately below budget, we have seen exciting progress with our oncology programs and hope to release our F351 Phase II trial data as soon as possible. Although management will carefully monitor the ongoing situation in March, the Group's 1st quarter results to date are on target and the FY2020 Consolidated Earnings Forecasts remain unchanged.

Throughout this global crisis and related financial instability, we are confident in our Company, dedicated to bringing new hope to patients, and compassionate for all of those adversely impacted by the ongoing epidemic.

We will continue to update our shareholders in the future.