
FUTURE PLANS AND [REDACTED]

FUTURE PLANS

For further details of our future plans, please see the section headed “Business — Our Strategies” in this Document.

USE OF [REDACTED]

We estimate that the aggregate net [REDACTED] to our Company from the [REDACTED] will be approximately HK\$[REDACTED] million, after deducting [REDACTED] fees and estimated expenses in connection with the [REDACTED] payable by us and based on an [REDACTED] of HK\$[REDACTED] per H Share.

We currently intend to apply such net [REDACTED] from the [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- (i) approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) to fund the further promotion of clinical research relating to our existing pipeline products, which includes:
 - a. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the ongoing clinical development and regulatory submissions of our Core Product Dexmedetomidine Hydrochloride Microneedle Patch.
 - i. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the further advancement of Phase II clinical trials on preoperative sedation in children aged 2 to 6 years old and Phase III clinical trials until NDA applications are approved. We commenced Phase IIa clinical trial of our Core Product Dexmedetomidine Hydrochloride Microneedle Patch in the PRC in August 2025 to evaluate safety and efficacy of the product in children aged 2 to 6 years old. We expect to complete Phase II in Q3 2026 and initiate Phase III clinical trial in Q4 2026.
 - ii. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the further advancement of Phase II clinical trials on preoperative sedation in adults and Phase III clinical trials until NDA applications are approved. We obtained approval for commencing clinical trial of our Core Product Dexmedetomidine

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Hydrochloride Microneedle Patch in the PRC in September 2025 to evaluate safety and efficacy of the product in adults. We expect to initiate Phase II clinical trial in Q1 2026 and expect to complete Phase II in Q4 2026.

- iii. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund regulatory applications on preoperative sedation in adults and Phase I, II and III clinical trials until NDA applications are approved by FDA. Currently we are preparing for IND submission to the FDA with IND approval expected in the third quarter of 2026.
- b. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the ongoing clinical development and regulatory submissions of our Core Product XJN010.
 - i. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the research to further advanced Phase III clinical trials on our Core Product XJN010 until NDA applications are approved. We commenced Phase II clinical trial of our Core Product XJN010 in August 2025 to evaluate safety and efficacy of the product. We expect to complete Phase II clinical trial in Q3 2026.
 - ii. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the research to further advance Phases II and III clinical trials until NDA applications are approved by FDA. We submitted IND application in October 2025 for Phase II clinical trial. We expect to initiate Phase II clinical trial in the third quarter of 2026 upon receiving IND approval.
 - c. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the ongoing clinical development and regulatory submissions of our key product XJN026.
 - i. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the preparation of Phase I clinical trials for XJN026. We expect to initiate Phase I in Q2 2026.
 - ii. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used to fund the preparation of IND application to the FDA and Phase I clinical trial for [XJN026]. Currently we are actively preparing for the submission of IND to the IDA.

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- (ii) approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) primarily to fund the expansion of our production capacity and secondarily to support the commercialization of pipeline products upon regulatory approval and sales authorization, which includes:
 - a. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used for the microneedle formulation production line.
 - b. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used for the nasal inhalation formulation production line.
 - c. approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used for the commercialization of pipeline products upon regulatory approval.
- (iii) approximately HK\$[REDACTED] million (or approximately [REDACTED]% of the net [REDACTED]) will be used for our working capital and other general corporate purposes.

If the [REDACTED] are exercised in full, the net [REDACTED] of the [REDACTED] would increase to approximately HK\$[REDACTED] million (based on the [REDACTED] of HK\$[REDACTED] per H Share). We intend to apply the additional net [REDACTED] to the above uses in the proportion set out above.

The above allocation of the net [REDACTED] from the [REDACTED] will be adjusted on a pro rata basis in the event that the [REDACTED] is fixed at a higher or lower level compared to the mid-point of the indicative [REDACTED] range stated in this Document.

To the extent that our net [REDACTED] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash generated from operations, bank loans and other borrowings. If the net [REDACTED] of the [REDACTED] are not immediately applied to the above purposes, to the extent permitted by relevant law and regulations, we will only deposit such funds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions).

In the event of any material change in our use of net [REDACTED] of the [REDACTED] from the purposes described above or in our allocation of the net [REDACTED] among the purposes described above, a formal announcement will be made.