

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this document in connection with us and our business. These may not correspond to standard industry definitions and may not be comparable to similar terms adopted by other companies.

“acne vulgaris”	a chronic inflammatory skin disease of the pilosebaceous unit
“AD”, “atopic dermatitis” or “atopic eczema”	a chronic, relapsing inflammatory skin disease characterized by immune dysregulation, skin barrier dysfunction, pruritus and eczematous lesions
“AGA”	androgenetic alopecia, a genetically predetermined hair loss disorder due to excessive response to androgens
“alopecia”	the medical term for hair loss
“alopecia areata”	a common inflammatory non-scarring hair loss, characterized by the sudden onset of well-demarcated circular hair loss patches on the scalp
“ANDA”	Abbreviated New Drug Application, application for the approval of a generic version of an already approved brand-name drug
“androgen”	a steroid hormone that promotes male secondary sex characteristics
“antibiotic”	a substance produced by or derived from certain fungi, bacteria and other microorganisms, or produced by chemical processes that can destroy or inhibit the growth of other microorganisms; widely used in the prevention and treatment of infectious diseases
“API”	active pharmaceutical ingredient, the substance in a pharmaceutical product that is biologically active
“BE trial”	bioequivalence trial, a type of evaluation to determine whether a generic drug is equivalent to an original drug in terms of biochemical similarity
“BPO”	benzoyl peroxide, a prescription medication for acne vulgaris in China. Benzoyl peroxide is bactericidal with activity against <i>C. acnes</i> on the skin and within the hair follicles
“BSL-2”	Biosafety Level 2, a laboratory biosafety classification for handling moderate-risk biological agents that can cause human disease but are typically manageable with standard precautions, requiring controlled access, personal protective equipment and specific procedural safeguards
“CAGR”	compound annual growth rate
“cAMP”	cyclic adenosine monophosphate, a molecule that transmits signals inside cells
“clobetasol propionate”	a corticosteroid active pharmaceutical ingredient with anti-inflammatory properties
“CNAS”	China National Accreditation Service for Conformity Assessment
“combination therapy”	a treatment that uses more than one medication or modality
“corticosteroid”	a class of steroid hormone drugs that lower inflammation in the body and reduce immune system activity

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“CRO”	contract research organization
“Cutibacterium acnes”	a member of the skin microbiota found predominantly in regions rich in sebaceous glands
“cytokine”	a broad category of small proteins that are important in cell signaling, whose release has an effect on the behavior of cells expressing corresponding receptors
“D ³ -PK”	Deep Skin Pharmacokinetics
“dermatology”	the branch of medicine that is concerned with the diagnosis and treatment of diseases of the skin, hair, and nails in both children and adults
“dermis”	the layer of the skin between the epidermis and subcutaneous tissue
“dihydrotestosterone”	a male sex hormone which is the active form of testosterone, formed from testosterone in bodily tissue
“epidermis”	the outermost layer of the skin
“ERP”	enterprise resource planning
“ESG”	Environmental, Social and Governance
“FDA”	the United States Food and Drug Administration
“finasteride”	a 5 α -reductase inhibitor used for the treatment of benign prostatic hyperplasia and androgenetic alopecia in men
“first-line”	with respect to any disease, the first-line therapy, which is the therapy regimen or regimens that are generally accepted by the medical establishment for initial therapy
“GCP”	Good Clinical Practice, an international ethical and scientific quality standard for the performance of a clinical trial on medicinal products involving humans
“generic drug”	a pharmaceutical that contains the same active ingredients as an original formulation and is comparable in dosage form, strength, quality, performance and intended use
“GMP”	Good Manufacturing Practice, the practices required in order to conform to the guidelines recommended by agencies that control the authorization and licensing of the manufacture and sale of products
“GSP”	Good Supply Practice, guidelines and regulations to provide quality assurance and ensure that pharmaceutical distribution companies distribute pharmaceutical products in compliance with the guidelines and regulations
“hydrochloride”	a chemical substance that is a combination of a metal or base with hydrochloric acid
“hypertrichosis”	a condition with excessive hair growth anywhere on the body in either males or females
“IL-13”	interleukin-13
“IL-4”	interleukin-4
“immune-inflammatory dermatoses”	a category of skin disorders driven by dysregulated immune activation and chronic inflammatory pathways, encompassing conditions such as psoriasis, atopic dermatitis, vitiligo and other immune-mediated dermatoses

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“in vitro”	Latin for “within the glass,” referring to studies that are performed with microorganisms, cells, or biological molecules outside their normal biological context
“IND”	investigational new drug or investigational new drug application, also known as clinical trial application in China or the United States
“indication”	a sign, symptom, or medical condition that leads to the recommendation of a treatment, test, or procedure
“inhibitor”	a substance that binds to and decreases the activity of a specific enzyme or protein, thereby regulating biological processes; often used therapeutically to block disease-related pathways
“IPL”	Intense Pulsed Light
“IQ”	Installation Qualification, a documented verification activity that ensures equipment is installed correctly according to manufacturer specifications, engineering requirements and regulatory standards
“IVPT”	in vitro permeation test, the test that estimates the degree to which a dosage form promotes or inhibits the permeation of its ingredients across a physiological barrier
“IVRT”	in vitro release test, an in vitro release testing parameter which determines the release of drug from the topical dosage form
“LC-MS/MS”	liquid chromatography-tandem mass spectrometry, an analytical method used to quantify drug concentrations in biological matrices
“MAH”	marketing authorization holder, an individual or entity that holds the license/legal authorization to market and distribute a pharmaceutical product in a specific jurisdiction
“mechanism of action”	the specific biochemical interaction through which a drug substance produces its pharmacological effect
“melasma”	a common acquired hyperpigmentation disorder characterized by symmetrical brown to gray-brown patches, typically on sun-exposed areas of the face, commonly associated with pregnancy, oral/patch contraceptives or hormone replacement therapy
“minoxidil”	the most commonly used topical active pharmaceutical ingredient for hair loss
“monotherapy”	therapy that uses a single drug to treat a disease or condition
“MSI”	mass spectrometry imaging, a spatially-resolved mass spectrometry technique that acquires molecular information across biological tissues or materials and reconstructs the distribution of analytes at each location, enabling label-free visualization of drugs, metabolites, lipids and other biomolecules on tissue sections
“NDA”	new drug application
“onychomycosis”	fungal infection of nails caused by dermatophytes, yeasts or non-dermatophyte molds
“OQ”	Operational Qualification, a functional verification process that confirms equipment operates as intended across defined operating ranges and conditions

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“OTC”	over-the-counter, referring to medications and health products that can be purchased without a prescription
“PDE-4”	phosphodiesterase-4, an enzyme belonging to the phosphodiesterase family that specifically hydrolyzes cyclic adenosine monophosphate (cAMP) into its inactive form. By regulating intracellular levels of cAMP, PDE-4 plays a key role in controlling inflammatory and immune responses, as well as various cellular signaling pathways. Inhibition of PDE-4 has been shown to have anti-inflammatory effects and is a therapeutic strategy for treating certain inflammatory diseases, including COPD, psoriasis, and AD
“pharmacokinetics”	the study of the bodily absorption, distribution, metabolism, and excretion of drugs, which, together with pharmacodynamics, influences dosing, benefit, and adverse effects of the drug
“Phase I clinical trial”	a study in which a drug is introduced into healthy human subjects or patients with the target disease or condition to test for safety, dosage tolerance, absorption, metabolism, distribution, excretion and, if possible, to gain an early indication of its effectiveness
“Phase II clinical trial”	a study in which a drug is administered to a limited patient population to identify possible adverse effects and safety risks, preliminarily evaluate the efficacy of the product for specific targeted diseases, and determine dosage tolerance and optimal dosage
“pigmentation disorders”	a dermatologic category encompassing conditions characterized by abnormal increase or decrease of melanin in the skin, including hyperpigmentation, hypopigmentation and depigmentation disorders arising from melanocyte dysfunction, inflammation or external stimuli
“PQ”	Performance Qualification, a performance validation activity that demonstrates equipment consistently performs under actual or simulated production conditions to meet predefined acceptance criteria
“pre-IND”	pre-investigational new drug, a regulatory communication with the relevant authority before submission or resubmission of an IND application
“prescription drug”	a drug which may only be prescribed by qualified medical practitioners
“psoriasis”	a chronic, immune-mediated inflammatory skin disease characterized by recurrent episodes of erythematous, scaly plaques
“PV”	Pharmacovigilance, the science and activities relating to the detection, assessment, understanding, and prevention of adverse effects or any other drug-related problem
“R&D”	research and development
“receptor”	a protein molecule usually found on the surface of a cell that receives chemical signals from outside the cell
“retinoid”	a group of vitamin A-based drugs used on skin for acne treatment
“rosacea”	a chronic inflammatory facial skin disorder characterized by persistent erythema, episodic flushing, telangiectasia and inflammatory papules or pustules, commonly associated with dysregulated vascular and immune responses
“SCM”	Supply Chain Management

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“sebum”	an oily substance produced by sebaceous glands that protects and hydrates the skin and scalp
“steroid”	a large class of natural or synthetic organic compounds characterized by a nucleus of 17 carbon atoms
“superficial fungal infection”	a fungal infection limited to the outer layers of the skin, hair or nails, typically caused by dermatophytes, yeasts or molds, and presenting with localized scaling, erythema, pruritus or nail changes without systemic involvement
“tacrolimus ointment”	a prescription ointment for moderate to severe atopic dermatitis
“TCI”	topical calcineurin inhibitor
“TCS”	topical corticosteroids, a class of steroid medications used to reduce inflammation and treat various skin conditions such as eczema, psoriasis, dermatitis, and other inflammatory skin disorders
“TNF- α ”	tumor necrosis factor alpha, a pro-inflammatory cytokine involved in inflammatory responses
“Vascular Endothelial Growth Factor”	a protein that stimulates the formation of blood vessels
“vitiligo”	a chronic autoimmune disorder that causes patches of skin to lose pigment or color
“WMS”	warehouse management system