
BUSINESS

OVERVIEW

Founded in 2016, we are a biotech company focusing on the treatment of immune-inflammation diseases with locally-delivered targeted therapies. We specialize in chronic inflammatory disease treatment, aiming to provide comprehensive solutions that achieve efficacy, safety and long-term patient satisfaction.

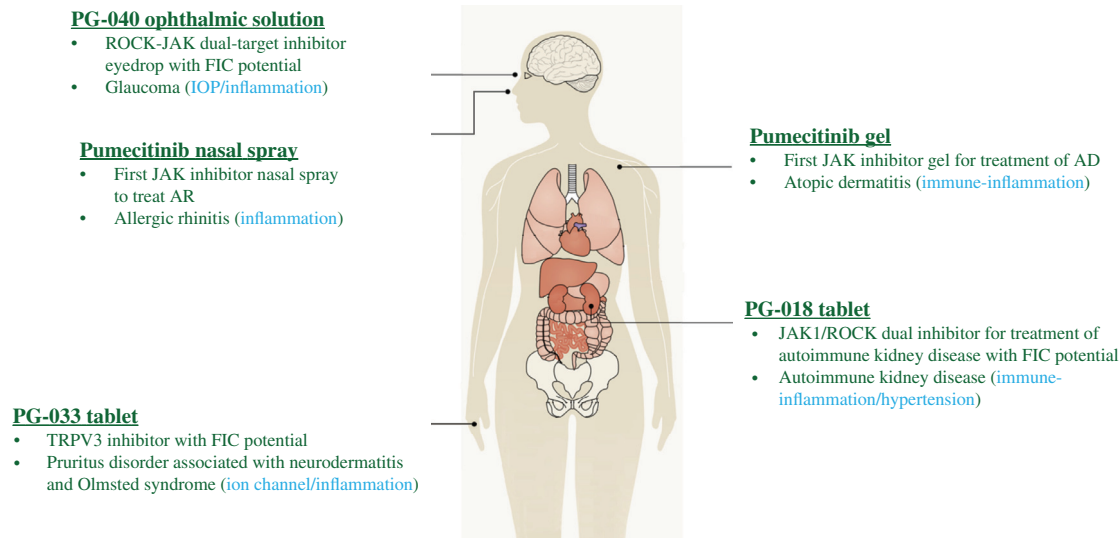
Our portfolio of product candidates comprise of self-developed small molecule drugs, including our Core Product PG-011 (Pumecitinib), as well as three other innovative drug candidates and five generic drug candidates. Our late-stage Core Product PG-011 (Pumecitinib) is a small molecule JAK1/2 inhibitor, and is being developed in two dosage forms, namely Pumecitinib gel for mild-to-moderate atopic dermatitis and Pumecitinib nasal spray for moderate-to-severe allergic rhinitis as lead indications. Our other proprietary drug candidates include PG-033 tablets for pruritus, PG-018 tablets for autoimmune kidney diseases, and PG-040 ophthalmic solution for glaucoma, as well as five generic drug candidates targeting multiple chronic inflammatory diseases.

- **Pumecitinib gel:** potentially the first JAK inhibitor gel for the treatment of atopic dermatitis upon approval, for which we have completed Phase IIb/III clinical trial for the indication of mild-to-moderate atopic dermatitis in adults and adolescents aged 12 to 17. We submitted the NDA of Pumecitinib gel for such indication and was accepted by the NMPA in February 2026. We are also expanding the indications of Pumecitinib gel to treat mild-to-moderate atopic dermatitis in children aged two to 11.
- **Pumecitinib nasal spray:** potentially the first JAK inhibitor nasal spray for the treatment of seasonal allergic rhinitis (“**SAR**”) upon approval, for which we have completed the final dosing in a Phase IIb/III clinical trial for the indication of moderate-to-severe SAR in adults. We are also expanding the indications of Pumecitinib nasal spray for treatment of SAR in adolescents aged 12 to 17 and for treatment of perennial allergic rhinitis (“**PAR**”) in adults.
- **PG-033 tablet:** a transient receptor potential vanilloid 3 (“**TRPV3**”) inhibitor of calcium ion release channels that blocks pruritus signaling pathways, currently under Phase I clinical trial. In addition to treating pruritus associated with neurodermatitis, we have also extended the indication of PG-033 to relieve intractable pruritus and hyperkeratosis associated with Olmsted syndrome, a genetic disease triggered by hyperactivation of the TRPV3 gene. The disease has no approved therapies and represents urgent medical needs.
- **PG-018 tablet:** a JAK1-ROCK dual-target inhibitor to treat autoimmune kidney diseases, targeting both JAK1 and endothelin receptor-related Rho-associated coiled-coil containing protein kinase (“**ROCK**”), currently under Phase I clinical trial. PG-018 is designed to inhibit the abnormally activated immune functions by acting on JAK1 and reduce blood pressure by acting on ROCK. Targeting on two pathological mechanisms simultaneously, PG-018 is expected to achieve synergistic clinical benefits for treating autoimmune kidney diseases such as membranous nephropathy and IgA nephropathy.
- **PG-040 ophthalmic solution:** a ROCK-JAK dual-target ophthalmic solution as a novel treatment of glaucoma. It is designed to reduce intraocular pressure (“**IOP**”) by ROCK inhibition and to achieve an anti-inflammation effect by JAK inhibition. It is expected to deliver synergistic clinical benefits and achieve superior optic nerve protection compared with conventional glaucoma therapies that focus primarily on IOP lowering.

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Our Collective Understanding of Inflammatory Pathways in Chronic Diseases and Their Clinical Applications

Immunology and inflammation have long been the core area of our R&D efforts. Abnormal activation of immune-related pathways (as typified by the JAK-STAT pathway) is a shared pathological mechanism of numerous chronic diseases. Based on this fundamental insight, we aim to bridge the gap between mechanistic research and clinical translation and address medical needs through the modulation of such key pathways. We have established an integrated R&D platform of targeted drug molecule design and formulation development, and built a diverse product pipeline for chronic inflammatory disorders, covering multiple therapeutic indications. The diagram below illustrates the targeted organs and tissues of our major product candidates.



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Our Product Pipeline

Our product pipeline mainly consists of self-developed drug candidates. As of the Latest Practicable Date, the progress of our clinical-stage drug candidates was as follows:

Pipeline	Origin	Target(s) and Classification	Indication(s)	Dosage Form	Clinical Regimen	Commercial Rights	Competent Authority	R&D/Commercial Partner	IND	Phase I	Phase II	Phase III	NDA	Expected Milestones
PG-011  (Pumecitinib)	Self-Developed	JAK1/2 inhibitor (small molecule)	mild-to-moderate AD (adults, adolescents aged 12 to 17)	Gel	Monotherapy	Global ⁽⁴⁾	NMPA	Hospitals, CRO, SMO, CMO						Approval planned in 2027
			mild-to-moderate AD (children aged two to 11)	Gel	Monotherapy	Global ⁽⁴⁾	NMPA	CRO						Phase I planned to commence in 2026Q4
			moderate-to-severe SAR (adults)	Nasal Spray	Monotherapy	Global ⁽⁵⁾	NMPA	Hospitals, CRO, SMO, CMO, Commercial Cooperation Organizations						NDA planned in 2026Q4
			moderate-to-severe SAR (adolescents aged 12 to 17)	Nasal Spray	Monotherapy	Global ⁽⁵⁾	NMPA	/						Phase I planned to commence in 2027
			PAR (adults)	Nasal Spray	Monotherapy	Global ⁽⁵⁾	NMPA	Hospitals, CRO, SMO, CMO						Phase II planned to commence in 2026Q4
PG-033	Self-Developed	TRPV3 inhibitor (small molecule)	PN ⁽¹⁾	Gel	Monotherapy	Global ⁽⁴⁾	NMPA	Hospitals, CRO, SMO, CMO						Phase II planned to commence in 2028
			NSV ⁽²⁾	Gel II ⁽³⁾	Monotherapy	Global	NMPA	Hospitals, CRO, CMO						Phase II planned to commence in 2028
			Pruritus (China)	Tablet	Monotherapy	Global	NMPA	Hospitals, SMO, CMO						Phase II planned to commence in 2026Q4
			Membranous Nephropathy	Tablet	Monotherapy	Global	NMPA	Hospitals, SMO, CMO						Phase II planned to commence in 2027
PG-040	Self-Developed	ROCK/JAK inhibitor (small molecule)	Glaucoma	Eyedrop	Monotherapy	Global	NMPA	CRO, CMO						Phase I planned to commence in 2027

Abbreviations: JAK: Janus kinase; ROCK: Rho-associated coiled-coil containing protein kinase; TRPV3: transient receptor potential vanilloid 3; AD: atopic dermatitis; SAR: seasonal allergic rhinitis; PAR: perennial allergic rhinitis; PN: prurigo nodosa; NSV: non-segmental vitiligo

Notes:

 = Core Product

- (1) We completed a Phase I clinical trial of Pumecitinib gel for atopic dermatitis in November 2020, which proved the safety of Pumecitinib gel and laid the foundation for the clinical development of Pumecitinib for other indications, including prurigo nodosa. Based on the result of such Phase I clinical trial, we have received the IND approval for Phase II clinical trial for Pumecitinib gel for the indication of prurigo nodosa, with no additional Phase I clinical trial required.
- (2) We completed a Phase I clinical trial of Pumecitinib gel (II) for atopic dermatitis in January 2024, which proved the safety of Pumecitinib gel (II) and laid the foundation for the clinical development of Pumecitinib for other indications, including NSV indication. Based on the result of such Phase I clinical trial, we have received the IND approval for Phase II clinical trial for Pumecitinib gel (II) for the indication of non-segmental vitiligo, with no additional Phase I clinical trial required.
- (3) Represents a different formulation composition for Pumecitinib gel, which can further improve the transdermal permeation of the drug.
- (4) We entered into an exclusive cooperation agreement regarding the future marketing and distribution of Pumecitinib gel with Jiangsu Sincere Pharmaceutical Co., Ltd. For details, see “— Major Collaboration and Licensing Agreements.”
- (5) We entered into an exclusive cooperation agreement regarding the future marketing and distribution of Pumecitinib nasal spray with Jumepean Pharmaceutical Group Limited. For details, see “— Major Collaboration and Licensing Agreements.”

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Our Core Product: PG-011 (Pumecitinib) — a JAK1/JAK2 Inhibitor designed for topical use

PG-011 (Pumecitinib) is a small molecule inhibitor targeting JAK1/JAK2, specifically designed to be suitable for topical use. As a key pathway of the “immune-inflammation” network, the JAK-STAT pathway can simultaneously transmit multiple cytokines relating to immune, inflammation and pruritus, making it an ideal target to develop locally-delivered targeted therapies (such as Pumecitinib) for atopic dermatitis and allergic rhinitis. To reduce systemic safety risks, we aim to develop topical JAK inhibitors with minimal absorption to blood.

As of the Latest Practicable Date, we had completed a Phase IIb/III clinical trial of Pumecitinib gel for the treatment of mild-to-moderate atopic dermatitis in adults and adolescents aged 12 to 17. We submitted the NDA of Pumecitinib gel for such indication and was accepted by the NMPA in February 2026. We also completed the final dosing in a Phase IIb/III clinical trial of Pumecitinib nasal spray for moderate-to-severe SAR, and we are also actively exploring indication expansions for Pumecitinib, including PAR, prurigo nodularis and non-segmental vitiligo.

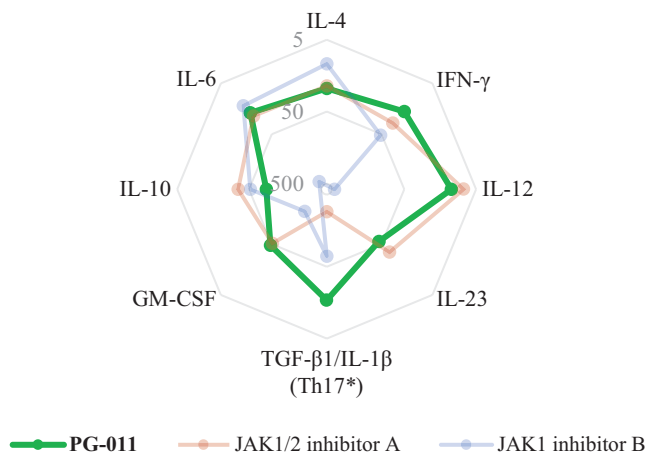
Pumecitinib gel: potentially the first JAK inhibitor gel for the treatment of atopic dermatitis

Atopic dermatitis is a recurring chronic inflammatory skin disease that needs long-term management. Currently, there are more than 72 million atopic dermatitis patients in China, of which over 90% are mild-to-moderate cases, with a relatively high proportion being pediatric patients. Despite the availability of multiple treatment options for atopic dermatitis, a substantial proportion of patients remain inadequately controlled and/or experience adverse events. This highlights a significant unmet medical need for novel, effective and well-tolerated treatment regimens.

Pumecitinib gel can achieve comprehensive anti-inflammation effects, and is designed to ensure safety, long-term tolerance and patient compliance in clinical application. It can address medical needs arising from insufficient efficacy and undesirable adverse reactions of traditional topical drugs, significant systemic side effects of oral JAK inhibitors associated with high blood drug concentration, and greasiness of currently approved ointments.

- Pumecitinib can potently inhibit multiple inflammatory cytokines such as IL-4, IFN- γ , IL-6, IL-12, IL-1 β and TGF- β 1, covering a wider range of inflammatory factors. By inhibiting on more inflammation-related factors, it is designed to block inflammatory signal transduction from the origin.

The following chart illustrates the inhibitory effect of Pumecitinib compared with two other approved JAK inhibitors:



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- Through molecular modification and formulation optimization tailored for localized treatment, Pumecitinib gel is designed to retain in the skin and achieve potent local efficacy, while reducing potential safety issues resulted from high blood drug concentration, as demonstrated in clinical trials.

In the Phase III part of clinical trial, Pumecitinib gel demonstrated low systemic exposure, with mean plasma concentrations derived from sparse blood sampling remained at low levels, ranging from 0.052 ng/mL to 0.149 ng/mL for all applicable treatment groups and sample collections throughout the 52 weeks of treatment with 3% gel. By comparison, other approved topical JAK inhibitors have reported, at their respective treatment formulation concentrations, higher systemic exposure of 17.1 – 17.7 ng/mL (for ruxolitinib) and 4.3 – 11.4 ng/mL (for delgocitinib).

- Pumecitinib gel is grease-free and convenient to apply, and spreads evenly on the skin, thus rendering a mild and soothing touch. It overcomes the issue of greasiness associated with some of the traditional topical preparations. These attributes lead to favorable patient compliance.

As potentially the first topical JAK inhibitor gel for treatment of atopic dermatitis upon approval, Pumecitinib gel demonstrates good efficacy in adult and adolescent mild-to-moderate atopic dermatitis patients. Compared with similar products under development in China, Pumecitinib gel shows promising results in all key efficacy endpoints. Based on clinical trial results, Pumecitinib gel is expected to achieve desirable efficacy level with relatively low systemic exposure, rendering it a suitable option for long-term maintenance treatment of chronic diseases such as atopic dermatitis.

Given Pumecitinib gel’s advantages of the lower systemic absorption and skin-friendliness, its clinical application could be expanded to pediatric populations that require higher safety standards due to their thinner, more sensitive and delicate skin. We are currently planning to commence the Phase I clinical trial of Pumecitinib gel for the treatment of atopic dermatitis in children aged two to 11 years.

Pumecitinib nasal spray: potentially the first JAK inhibitor nasal spray for the treatment of seasonal allergic rhinitis

Symptoms of allergic rhinitis mainly include nasal congestion, runny nose, sneezing, nasal itching and hyposmia, which significantly affect patients’ quality of life. According to Frost & Sullivan, there are currently more than 246 million patients with allergic rhinitis in China, with large and rapidly growing market size expected to exceed RMB22.1 billion by 2033. According to Frost & Sullivan, approximately 60% of patients in China experience disease recurrence after treatment with conventional therapies. As such, there are considerable clinical demands for effective drug products to overcome the obstacles faced by the traditional hormone mechanism and provide both potent efficacy and good safety.

Pumecitinib nasal spray is potentially the first JAK inhibitor nasal spray for the treatment of SAR upon approval. The localized-delivery of JAK inhibitor enabled by nasal spray device offers a new treatment of allergic rhinitis. It is capable of simultaneously controlling nasal and ocular allergic symptoms, delivering a strong relief of symptoms while alleviating the side effects associated with systemic medications and/or localized application of hormones.

- Through the dosage form of nasal spray, Pumecitinib is directly delivered to the inflammatory target area of the nasal mucosa. This ensures efficient drug absorption in the nasal mucosa to provide quick and strong relief of core symptoms of allergic rhinitis, such as sneezing, nasal congestion, runny nose and nasal itching.

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The following table sets forth a comparison of efficacy between Pumecitinib nasal spray and an approved nasal spray therapy (Olopatadine Hydrochloride and Mometasone Furoate Monohydrate Nasal Spray, also known as GSP301) combining antihistamine (olopatadine hydrochloride) and corticosteroid (mometasone furoate), with the least-squared (LS) mean difference between the treatment and placebo groups demonstrating the efficacy of the relevant drug:

	Pumecitinib Nasal Spray (IIa)				Pumecitinib Nasal Spray (IIb)				Olopatadine Hydrochloride and Mometasone Furoate Monohydrate Nasal Spray (GSP301) ⁽¹⁾			
	1.0%, BID	0.6%, BID	0.1%, BID	Placebo	0.6%, BID	0.6%, QD	0.3%, BID	Placebo	GSP301 (665µg/25µg, BID)	Olopatadine hydrochloride (665µg, BID)	Mometasone furoate (25µg, BID)	Placebo
Average baseline rTNSS	9.4	9.8	9.5	8.9	10.1	10.1	9.8	9.8	10.1	10.2	10.2	10.3
Change from baseline (LS mean)	-3.497	-3.479	-3.057	-2.295	-4.187	-3.008	-3.177	-1.983	-3.5	-3.1	-3.1	-2.4
LS mean difference (95% CI) . . .	-1.202 (-2.193, -0.211) ⁽²⁾	-1.184 (-2.188, -0.180) ⁽²⁾	-0.762 (-1.765, 0.240) ⁽²⁾	n/a	-2.204 (-2.985, -1.423) ⁽²⁾	-1.026 (-1.793, -0.258) ⁽²⁾	-1.195 (-1.962, -0.427) ⁽²⁾	n/a	n/a	-0.4 (-0.8, -0.1) ⁽³⁾	-0.5 (-0.9, -0.1) ⁽³⁾	-1.1 (-1.5, -0.7) ⁽³⁾

Notes:

- (1) Data extracted from the FDA-approved label for GSP301.
 - (2) Represents the LS mean difference in rTNSS between the relevant treatment group and the placebo group.
 - (3) Represents the LS mean difference in rTNSS between the relevant treatment/placebo group and the GSP301 treatment group.
- In addition to the relief of nasal symptoms, Pumecitinib nasal spray also relieves ocular allergic symptoms associated with allergic rhinitis, simultaneously solving the common clinical problem of combined ocular and nasal allergies. It is one of the few drugs that have shown comprehensive improvement in both nasal and ocular symptoms in clinical trials.
 - Pumecitinib nasal spray offers a new non-steroidal therapy and alleviates the side effects that are commonly associated with intranasal corticosteroids, such as nose bleeding, nasal dryness, nasal mucosa thinning and headaches, and provides SAR patients with a new treatment choice. The locally applied dosage form also helps alleviate systemic side effects associated with oral antihistamines and oral JAK inhibitors.

As potentially the first JAK inhibitor nasal spray for the treatment of SAR upon approval, Pumecitinib nasal spray pioneers a new non-steroidal treatment that simultaneously relieves both nasal and ocular symptoms. Clinical trial data show that it has the potential to provide a strong and effective treatment of moderate-to-severe allergic rhinitis, and is expected to bring a new treatment plan for the majority of rhinitis patients, including adults and adolescents.

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Our Other Clinical-stage Pipeline Products

PG-033 tablets: oral small molecule TRPV3 inhibitor for treatment of pruritus

Pruritus is a common clinical symptom that poses treatment challenges. As a traditional therapy for pruritus, antihistamine often demonstrates lack of desirable relief of symptoms. Other traditional therapies including glucocorticoids and immunomodulators often cause adverse reactions and are not suitable for long-term use.

Olmsted syndrome is a rare genetic disease triggered by hyperactivation the TRPV3 gene due to pathogenic gain-of-function mutations. It is associated with severe pruritus and skin hyperkeratosis. Currently, there is no approved therapy for Olmsted syndrome, which presents a significant unmet medical need.

As a clinical-stage oral small molecule TRPV3 inhibitor, PG-033 is designed to block the pruritus signaling pathway and presents the potential of a new treatment plan. By specifically targeting TRPV3, PG-033 is designed to block pruritus signal mediated by multiple pro-inflammatory cytokines, and has demonstrated marked pruritus relief in pre-clinical studies, with the potential to benefit patients in clinical settings. In addition, PG-033 specifically inhibits the over-activation of TRPV3, which is the cause of Olmsted syndrome.

Currently, we are advancing the Phase I clinical trial of PG-033, bringing a new treatment for pruritus patients who are not satisfied with existing therapies. It also brings hope for patients with the rare disease of Olmsted syndrome. We plan to further expand the indications for PG-033 to other types of pruritus and/or hyperkeratosis disorders.

PG-018 tablets: dual-target inhibitor of JAK1 and endothelin receptor-related ROCK for treatment of autoimmune kidney diseases

PG-018 is a small molecule drug that selectively inhibits both JAK1 and endothelin receptor-related ROCK. Since there is currently no approved drug for membranous nephropathy globally, we believe PG-018 could potentially provide an effective treatment for the disease. Based on the acting mechanism of PG-018, it can also be applied to the treatment of other forms of immunological kidney diseases, such as IgA nephropathy.

PG-018 tablets build a new paradigm for the treatment of autoimmune kidney diseases by acting on two pathological pathways. Given its unique acting mechanism and high drug concentration in kidney tissue as demonstrated in pre-clinical studies, PG-018 is expected to achieve enhanced effects treating autoimmune kidney disease and offer a solution to the challenges of no approved therapy (for membranous nephropathy, for example) or insufficient efficacy with single agent therapies.

- PG-018 can inhibit abnormally activated immune function by acting on JAK1, and reduce blood pressure by acting on endothelin receptor-related ROCK. As such, it is expected to offer a more effective treatment for autoimmune kidney diseases through strong synergistic effects.
- In pre-clinical studies, PG-018 has demonstrated the characteristic of kidney tissue-preferential distribution. This allows efficient accumulation of PG-018 molecules at renal lesion sites, enabling it to act more effectively on the target organ.

Currently, PG-018 is under Phase I clinical trial, and is expected to start Phase II clinical trial in 2027. It is expected to offer a new treatment option for autoimmune kidney disease patients to simultaneously inhibit abnormally activated immune function and lower blood pressure without combined medications.

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Our Pre-clinical Pipeline Candidate

PG-040 ophthalmic solution: a ROCK-JAK dual-target inhibitor for treatment of glaucoma

Glaucoma is an ocular degenerative disease characterized by elevated IOP, leading to decreased visual acuity and visual field defects. If not treated in time, it may lead to vision loss and eventual blindness. It is one of the top three eye diseases causing blindness.

Recent research has found that immune-inflammation is one of the core driving mechanisms of optic nerve damage. As such, we developed PG-040, a ROCK-JAK dual-target inhibitor for treatment of glaucoma. It is designed to simultaneously target IOP reduction and inflammation inhibition, representing a promising candidate for next-generation glaucoma treatment.

PG-040 integrates the effects of ROCK inhibitors and JAK inhibitors to simultaneously combine IOP reduction and anti-inflammation, thus achieving synergistic effect to better protect the optic nerve. It has potential advantages over existing glaucoma treatments, which mainly focus on IOP control while still facing challenges of progressive optic nerve damage, visual field defect and/or blindness.

- Through ROCK pathway inhibition, PG-040 can reduce aqueous humor outflow resistance by relaxing trabecular meshwork cells and lowering episcleral venous pressure. This helps enhance aqueous humor drainage and reduce IOP, which is traditionally recognized as the core risk factor for glaucoma-related blindness.
- Through JAK pathway inhibition, PG-040 can suppress glaucoma-associated inflammation. Specifically, it inhibits immune responses triggered by retinal ganglion cell dysfunction and sustained excessive glial activation, thereby protecting retinal ganglion cells and delaying progressive neurodegeneration associated with glaucoma. This aligns with the latest recognition that inflammatory optic nerve damage, in addition to IOP elevation, is a key factor contributing to glaucoma-related blindness.

We submitted an IND application of PG-040 for the treatment of glaucoma to the NMPA in May 2026. We expect to initiate a Phase I clinical trial of PG-040 in 2027. PG-040 is expected to provide a more comprehensive and effective treatment option for glaucoma patients, achieving the comprehensive effect for the treatment of glaucoma of IOP control, anti-inflammation, and optic nerve protection.

Our Other Pre-clinical Pipeline Candidates

In addition to the clinical-stage pipeline products above, we are extending our pre-clinical pipeline to other chronic diseases such as urticaria, chronic kidney diseases, acute and chronic pain, metabolic and degenerative diseases, cardiovascular and cerebrovascular diseases, and wound healing disorders. Targeting the physiological barrier characteristics and specific pathways of different tissues, we customize molecular designs and formulate differentiated, targeted treatment strategies. We believe this diversified, wide-covering portfolio of pipeline candidates will further strengthen our core competitiveness and bring us resilience against market fluctuations and strengthen our competitiveness.

Our Generic Drug Pipeline Products

While actively promoting the development of innovative drugs, we also engage in generic drug research and development, building a more robust product matrix with a strategic focus on dermatological diseases through the combination of innovative and generic drugs. The indications of our generic drug candidates effectively supplement our innovative drug product portfolio. We expect that the commercialization of such generic drug products will enable us to realize near-term monetary values, as well as build up and strengthen our commercialization capabilities.

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OUR STRENGTHS

Forward-looking layout of multiple proprietary pipeline products focusing on the field of immune-inflammation

We have established a diversified product pipeline, comprising multiple independently-developed small molecule innovative drug candidates as well as a number of generic drug candidates targeting multiple diseases. We believe chronic inflammatory diseases share an overlapping pathogenic network anchored in signaling pathways, typified by the JAK-STAT pathway. Based on this insight, coupled with our profound understanding of the clinical pain points and application scenarios for the treatment of these diseases, we have established a diversified product pipeline across multiple therapeutic areas through targeted original design. For atopic dermatitis, we are developing potentially the first topical JAK inhibitor gel upon approval, with a dedicated focus on optimizing patient comfort in external application; for allergic rhinitis, we have pioneered the introduction of a novel JAK-targeted anti-inflammatory strategy, establishing our leading position in this field; for glaucoma and autoimmune kidney diseases, we have leveraged our molecular design capabilities to pursue next-generation treatment with superior efficacy compared to conventional therapies. Further, building on our collective understanding of neuroimmune mechanisms such as cellular crosstalk and molecular regulation, we have targeted upstream ion channels and developed PG-033, a TRPV3 inhibitor.

Our core product, PG-011 (Pumecitinib), is a topical small-molecule inhibitor targeting JAK1/JAK2, with leading indications including mild-to-moderate atopic dermatitis (as potentially the first JAK inhibitor gel upon approval) and moderate-to-severe SAR (as potentially the first JAK inhibitor nasal spray for this indication upon approval); other proposed indications for PG-011, such as prurigo nodularis and non-segmental vitiligo, are also under development. In addition to PG-011, our portfolio of proprietary drug candidates also include PG-033 (a TRPV3 inhibitor for moderate-to-severe pruritus), PG-018 (a dual-target inhibitor for autoimmune kidney diseases), PG-040 (a dual-target inhibitor for treatment of glaucoma), and PG-312 (a MRGPRX2 inhibitor for urticaria).

Through our R&D endeavors, we have established a diversified product pipeline covering skin diseases, allergic rhinitis, glaucoma, kidney diseases, and pruritus. We believe our market-driven small-molecule product pipeline is well-positioned to address a broad range of indications with significant medical needs, with a strategic focus on immune-inflammatory diseases and new topical drugs for dermatological diseases.

Considerable commercialization potential of our Core Product reinforced by strategic alliance with pharmaceutical leaders

According to Frost & Sullivan, the total number of patients with atopic dermatitis in China reached approximately 72.9 million in 2024 and is expected to increase to approximately 77.5 million and 80.8 million in 2028 and 2033, respectively, with over 90% patients having progressed to mild-to-moderate disease. This presents a significant addressable market for Pumecitinib gel with urgent medical needs, particularly given the limitations of traditional treatments. As of the Latest Practicable Date, we had completed the Phase IIb/III clinical trial of Pumecitinib gel for the treatment of mild-to-moderate atopic dermatitis in adults and adolescents aged 12 to 17, which ranked among the most advanced among drug candidates under clinical development in China. In parallel, we are planning to expand the target patient population to include pediatric patients aged two to 11 years.

Additionally, allergic rhinitis is also significantly impacting a vast population in China and globally. According to Frost & Sullivan, there are currently more than 246 million patients with allergic rhinitis in China, of which approximately 40% suffer from SAR, representing a market of substantial size with rapid growth potential. Based on its unique mechanism of action and local administration advantages, we believe Pumecitinib may provide a new treatment option for patients

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with insufficient response to existing therapies, with commercialization potential as represented by the considerable patient population. As of the Latest Practicable Date, we completed the final dosing in a Phase IIb/III clinical trial of Pumecitinib nasal spray for moderate-to-severe SAR in adults. We expect to complete data analysis and submit the NDA for Pumecitinib nasal spray in the fourth quarter of 2026. As of the Latest Practicable Date, we had entered into an exclusive cooperation agreement with Jumpcan Pharmaceutical Group Limited (“**Jumpcan Pharmaceutical**”) on the commercialization and marketing of Pumecitinib nasal spray and an exclusive cooperation agreement with Jiangsu Simcere Pharmaceutical Co., Ltd. (“**Simcere Pharmaceutical**”) regarding the marketing and distribution of Pumecitinib gel. For details, see “—Major Collaboration and Licensing Arrangements.”

In addition, the convenient administration attribute of the topical forms of our Core Product is precisely compatible with online diagnostic and prescription scenarios, alleviating patients from the burden of onsite visits. In the future, we may expand our market channels with third-party e-commerce platforms, further unleashing the commercialization potential of our Core Product. Furthermore, we are also actively exploring indication expansions for Pumecitinib, including PAR, prurigo nodularis and non-segmental vitiligo, which we believe may further enhance its commercialization potential.

Integrated full-chain drug R&D system with comprehensive technical capabilities covering the entire drug development lifecycle

We have established an integrated, end-to-end drug research and development platform covering all stages in drug research and development from early-stage discovery to clinical development and commercialization. Leveraging our in-house R&D capabilities, we have advanced a number of independently discovered molecules* into clinical-stage studies.

We have assembled a comprehensive drug research and development and commercialization platform comprising expertise in biology, medicinal chemistry, pharmacology and toxicology, drug synthesis, pharmaceutical formulation, pharmaceutical analysis, regulatory affairs, clinical medicine, clinical operations, pharmacovigilance, project management, manufacturing quality and commercial operations. This multidisciplinary structure supports effective product lifecycle management spanning research and development, quality management and pharmacovigilance, enabling us to manage our product candidates systematically from discovery through post-marketing stages.

Our in-house research and development capabilities encompass all key stages of drug development, including drug target identification and mechanism-of-action validation, translational medicine research, molecule design and screening, pre-clinical studies, manufacturing and controls, as well as clinical trial design and execution. These capabilities allow us to maintain a high degree of control over development timelines, quality standards and strategic decision-making across both early- and late-stage development programs.

Proprietary core technology platforms for sustained R&D momentum

We have established proprietary and synergistic R&D platforms from novel original design to translational medicine, empowered by our accumulated know-hows in precision delivery. This enables us to efficiently transform in-depth medicine insights into differentiated drug candidates. We conduct targeted molecular design based on multi-dimensional analysis of pathological microenvironment, cellular signal networks and ideal drug properties. Targeting the need for promising skin retention and low systemic exposure in atopic dermatitis, we successfully developed the Pumecitinib molecule, whose physicochemical properties are a superb match for local treatment

* Our major pipeline candidates were all derived from our research and development platforms and self-developed by us to the clinical stage, including PG-011, PG-033, PG-018 and PG-040.

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goals. Furthermore, our formulation capabilities transform potent molecules into suitable and user-friendly dosage forms. Pumecitinib gel and Pumecitinib nasal spray are direct evidence of our ability to transform molecular blueprints into convenient formulations available to patients.

Our translational medicine platform serves as an accelerator and decision-making hub connecting the laboratory and clinical practice. It verifies scientific hypotheses and guides clinical development through the construction of highly relevant disease models. The synergistic features of our technology platforms fuel our continuous innovation. Together, they drive the rapid advancement of our pipelines, enabling us to systematically address a series of medical needs from common chronic inflammation to complex intractable diseases.

Experienced leadership and high-caliber team

We are led by an experienced management team, and we have established effective mechanisms to attract and retain high-caliber professional talent to support the sustainable development of our business. As of April 30, 2026, approximately 92.0% of our full-time employees had obtained degree of bachelors or above, with over 50% of our total full-time employees possessing advanced degrees of masters or above, reflecting the strong academic foundation of our workforce. Our core R&D personnel have extensive experience in the relevant areas and have received multiple awards in recognition of their professional achievements. Our executive Director, deputy general manager and chief medical officer Dr. Du has over 20 years of experience in the pharmaceutical industry and extensive experience in drug development, including discovery, clinical development, product launch and management, with more than 20 articles published in the relevant professional area. Prior to joining our Company, Dr. Du worked for over a decade at leading multinational pharmaceutical companies Pfizer Inc. and GlaxoSmithKline Plc., where he led key research and development initiatives. We believe that the depth of experience of our management team and the strong professional capabilities of our research and development personnel provide a solid foundation for the execution of our development strategy and our long-term business growth.

OUR STRATEGIES

Advance the development progress of our Core Product and pipeline candidates

We intend to continue devoting resources and execution focus to the advancement and commercialization of our Core Product. As of the Latest Practicable Date, Pumecitinib gel had completed the Phase IIb/III clinical trial for the treatment of mild-to-moderate atopic dermatitis in adults and adolescents aged 12 to 17. We submitted the NDA of Pumecitinib gel for such indication and was accepted by the NMPA in February 2026. In parallel, we also completed the final dosing in a Phase IIb/III clinical trial of Pumecitinib nasal spray for the treatment of moderate-to-severe SAR, with an NDA submission planned for the fourth quarter of 2026. We plan to allocate substantial internal resources to support clinical execution, regulatory preparation and manufacturing readiness for our Core Product.

In addition to advancing our Core Product, we will continue to advance our existing pipeline products through disciplined progression of clinical and early-stage studies. As of the Latest Practicable Date, PG-018 was under Phase I clinical trials, and we expect to initiate Phase II clinical trials in 2027; PG-033 was under Phase I clinical trial for the indication of pruritus, with Phase II clinical trial expected to commence in the fourth quarter of 2026; PG-040 and PG-312 were progressing steadily through pre-clinical and early-stage studies. Through a balanced approach that combines near-term value realization with sustained pipeline development, we aim to build a diversified portfolio of drug candidates addressing significant medical needs.

Prepare commercialization layout for our Core Product and future pipeline

We plan to enhance the commercial readiness for our Core Product by commencing the construction of our proprietary manufacturing facility for Pumecitinib gel and Pumecitinib nasal spray prior to obtaining the regulatory approval for commercialization. We expect the construction period for these production lines to be approximately two years, subject to regulatory requirements,

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construction progress and equipment commissioning. Through early capacity planning and manufacturing readiness, we aim to enhance our ability to support the commercial launch and post-approval supply of our Core Product while maintaining compliance with applicable GMP standards and ensuring desirable product quality control.

In terms of commercialization, we are actively engaging in discussions with leading domestic pharmaceutical companies regarding collaboration opportunities for the commercialization rights of our Core Product. Such collaborations are intended to leverage the partners’ established commercial infrastructure and market access capabilities to accelerate the market penetration and sales growth of our Core Product after regulatory approval. As of the Latest Practicable Date, we had entered into an exclusive cooperation agreement with Jumpcan Pharmaceutical on the commercialization rights of Pumecitinib nasal spray and an exclusive cooperation agreement with Simcere Pharmaceutical regarding the marketing and distribution of Pumecitinib gel. For details on our cooperation with such marketing and commercialization partners, see “— Major Collaboration and Licensing Arrangements.” We believe we can rapidly promote our Core Product and achieve sales growth upon its commercialization, leveraging our existing and potential partners’ distribution channels and commercialization track records. Additionally, we plan to timely establish our in-house marketing team in line with our product launch schedule, and cooperate with our partners in formulating and implementing comprehensive commercialization and marketing plans for our products. With such collaboration, we believe our in-house marketing team could also be well-poised for the marketing and promotion of our future commercialized drug products.

Further advance drug development through our integrated R&D platforms

We have established an integrated, end-to-end drug R&D platform and accumulated solid R&D capabilities. Our platform can efficiently advance core discovery activities, including early-stage novel target exploration and lead compound identification, and ensure continuity across subsequent development phases. This lays a solid foundation for the development of drugs in the field of immune and inflammatory diseases. Focusing on significant medical needs, we will continue to leverage our R&D platform to build our sustainable and differentiated product pipeline, forming a business foundation with both clinical value and commercial potential.

Building on our existing platform and research accumulation on multiple targets (such as JAK, ROCK, and TRPV3) and related pathways, we intend to further enhance our platform efficiency and deepen our R&D efforts. Going forward, we will focus on the discovery and research of core biological mechanisms, including inflammation and immune-related pathways, ion channels, the interaction between inflammatory microenvironment and immune cells, and neuro-immune regulation, to guide our drug development and achieve breakthroughs in both the depth and breadth of our R&D capabilities. In parallel, we will focus on addressing the three core challenges in the clinical translation of original drugs, namely target druggability verification, translation barriers, and seamless connection between pre-clinical and clinical studies.

We believe that translational medicine is critical to overcoming the bottlenecks in the development of original drugs. However, translational medicine capabilities remain relatively underdeveloped in China. We seek to address this gap by achieving a precise alignment between disease biology and therapeutic targets through the integration of cutting-edge technologies. We expect that this approach will not only identify suitable targets for specific diseases, but also enables us to explore appropriate indications for cutting-edge targets. Specifically, we plan to integrate cutting-edge technologies, such as organoids, single-cell sequencing, multi-omics analysis, *in vivo* imaging and live-cell imaging, together with AI computing power and algorithms, to support indication-specific target discovery, target-indication adaptation, target combination strategies and clinical treatment regimens optimization from a holistic perspective. This is expected to lay a strong foundation for overcoming key obstacles in clinical translation and advancing the development of original drugs.

To enhance the efficiency of our platform upgrading and R&D deepening, we plan to adopt a strategy combining external collaboration, industry-university integration, and AI empowerment, with the objective of building a comprehensive R&D cooperation ecosystem. Specifically, we intend to: (i) Collaborate with external professional translational medicine institutions to supplement technical capabilities and support novel target discovery and indication expansion; and

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(ii) deepen our research collaboration with academic institutions, such as universities, and jointly advance the application of cutting-edge technologies, delivering R&D outputs with advanced technologies such as organoids, single-cell sequencing, multi-omics analysis, *in vivo* imaging and live-cell imaging, thereby establishing a closed-loop translational pathway from basic research to industrialized and clinical application.

All of our collaboration initiatives are closely aligned with considerable medical needs, and are supported by AI technology across the workflow. We plan to continue leveraging AI technology to integrate cross-disciplinary and multi-dimensional R&D data, strengthen our translational medicine research platform, and overcome the core technical barriers in the clinical translation of original drugs. Through these efforts, we aim to continuously strengthen our capabilities in candidate drug screening and optimization, novel target discovery and indication expansion, thereby supporting the long-term, high-quality development of our business.

Recruit, cultivate and retain talents to enrich team capabilities

We plan to continue recruiting suitable high-end talents in fields such as drug discovery, clinical development, translational medicine, and regulatory affairs in the core treatment areas of immunology and inflammation, to further promote our R&D capability and achieve long-term development. At the same time, we plan to establish a sound mentorship and training framework, encourage cross-departmental cooperation, strengthen employees’ scientific and project management capabilities, and cultivate comprehensive talents with a global perspective.

In addition, we plan to establish an in-house marketing team and the corresponding marketing compliance management framework. The team members will mainly include medical affairs, market access, marketing promotion, business, sales and compliance personnel. We will also recruit academic promotion personnel in our key markets for medical affairs and market education work. We have appointed our head of sales and marketing, and will ensure all necessary sales and marketing personnel are in place and well-trained before our Core Product receives regulatory approval for commercialization. We also plan to develop a proper personnel management and performance review framework specifically for our sales and marketing team.

We maintain strict standards during the recruitment of our team members, including but not limited to educational background, relevant industry experience, and proven performance track records. At the same time, we will formulate performance targets, follow-up and evaluation mechanisms, as well as incentive plans and personnel development plans to motivate the team members and improve their long-term performance.

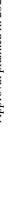
OUR PRODUCT PIPELINE

We primarily engage in the research, development and commercialization of proprietary drugs in the immune-inflammation field. We believe that optimal treatment originates from a deep understanding of diseases and patients. As such, we have established a diversified therapeutic portfolio spanning dermatology, rhinology, ophthalmology and nephrology by leveraging our core capabilities, namely innovation, original design and local delivery. Our strategy is to address significant medical needs by introducing effective localized therapies with clinically validated mechanisms, followed by extension of such precision intervention paradigm to a broader range of chronic inflammatory diseases. Through this approach, we aim to consistently deliver next-generation therapeutic solutions that achieve efficacy, safety and long-term patient experience.

As of the Latest Practicable Date, our product pipeline comprised four proprietary drug candidates covering 10 indications, as well as five generic drug candidates targeting multiple chronic inflammatory diseases, all of which are self-developed.

The following chart illustrates our proprietary drug pipeline and summarizes the development status of our clinical-stage drug candidates as of the Latest Practicable Date.

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Pipeline	Origin	Target(s) and Classification	Indication(s)	Dosage Form	Clinical Regimen	Commercial Rights	Competent Authority	R&D/Commercial Partner	IND	Phase I	Phase II	Phase III	NDA	Expected Milestones
PG-011  (Pumecitinib)	Self-Developed	JAK1/2 inhibitor (small molecule)	mild-to-moderate AD (adults, adolescents aged 12 to 17)	Gel	Monotherapy	Global ⁽⁴⁾	NMPA	Hospitals, CRO, SMO, CMO						Approval planned in 2027
			mild-to-moderate AD (children aged two to 11)	Gel	Monotherapy	Global ⁽⁴⁾	NMPA	CRO						Phase I planned to commence in 2026Q4
			moderate-to-severe SAR (adults)	Nasal Spray	Monotherapy	Global ⁽⁵⁾	NMPA	Hospitals, CRO, SMO, CMO, Commercial Cooperation Organizations						NDA planned in 2026Q4
			moderate-to-severe SAR (adolescents aged 12 to 17)	Nasal Spray	Monotherapy	Global ⁽⁵⁾	NMPA	/						Phase I planned to commence in 2027
			PAR (adults)	Nasal Spray	Monotherapy	Global ⁽⁵⁾	NMPA	Hospitals, CRO, SMO, CMO						Phase I planned to commence in 2026Q4
			PN ⁽¹⁾	Gel	Monotherapy	Global ⁽⁴⁾	NMPA	Hospitals, CRO, SMO, CMO						Phase IIb planned to commence in 2028
PG-033	Self-Developed	TRPV3 inhibitor (small molecule)	NSV ⁽²⁾	Gel II ⁽³⁾	Monotherapy	Global	NMPA	Hospitals, CRO, CMO						Phase II planned to commence in 2028
			Pruritus (China)	Tablet	Monotherapy	Global	NMPA	Hospitals, SMO, CMO						Phase II planned to commence in 2026Q4
PG-018	Self-Developed	JAK/ROCK inhibitor (small molecule)	Membranous Nephropathy	Tablet	Monotherapy	Global	NMPA	Hospitals, SMO, CMO						Phase II planned to commence in 2027
PG-040	Self-Developed	ROCK/JAK inhibitor (small molecule)	Glaucoma	Eyedrop	Monotherapy	Global	NMPA	CRO, CMO						Phase I planned to commence in 2027

Abbreviations: JAK: Janus kinase; ROCK: Rho-associated coiled-coil containing protein kinase; TRPV3: transient receptor potential vanilloid 3; AD: atopic dermatitis; SAR: seasonal allergic rhinitis; PAR: perennial allergic rhinitis; PN: prurigo nodosa; NSV: non-segmental vitiligo

 = Core Product

- (1) We completed a Phase I clinical trial of Pumecitinib gel for atopic dermatitis in November 2020, which proved the safety of Pumecitinib gel and laid the foundation for the clinical development of Pumecitinib for other indications, including prurigo nodosa. Based on the result of such Phase I clinical trial, we have received the IND approval for Phase II clinical trial for Pumecitinib gel for the indication of prurigo nodosa, with no additional Phase I clinical trial required.
- (2) We completed a Phase I clinical trial of Pumecitinib gel (II) for atopic dermatitis in January 2024, which proved the safety of Pumecitinib gel (II) and laid the foundation for the clinical development of Pumecitinib for other indications, including NSV. Based on the result of such Phase I clinical trial, we have received the IND approval for Phase II clinical trial for Pumecitinib gel (II) for the indication of non-segmental vitiligo, with no additional Phase I clinical trial required.
- (3) Represents a different formulation composition for Pumecitinib gel, which can further improve the transdermal permeation of the drug.
- (4) We entered into an exclusive cooperation agreement regarding the future marketing and distribution of Pumecitinib gel with Jiangsu Sincere Pharmaceutical Co., Ltd. For details, see “— Major Collaboration and Licensing Agreements.”
- (5) We entered into an exclusive cooperation agreement regarding the future marketing and distribution of Pumecitinib nasal spray with Jumpean Pharmaceutical Group Limited. For details, see “— Major Collaboration and Licensing Agreements.”

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OUR CLINICAL STAGE PIPELINE PRODUCTS

Core Product PG-011 (Pumecitinib): A JAK1/JAK2 Inhibitor Designed for Topical Use

Overview

Our Core Product PG-011 (Pumecitinib) is a topical small molecule inhibitor targeting JAK1/JAK2. We developed Pumecitinib by thorough integration of signaling pathway regulation with real-world patient treatment needs, enabling a paradigm shift from systemic inhibition to localized precision treatment.

As PG-011 targets the upstream JAK1/JAK2, it is capable of addressing a number of inflammatory immune diseases. We strategically select potentially viable indications of PG-011 with considerable clinical needs and market potentials (including atopic dermatitis, allergic rhinitis, PN and NSV) for development, in corresponding applicable dosage forms, which is in line with industry norm as a common practice in regulatory stance. We believe this also helps expedite the regulatory approval process as the regulator may leverage its previous review and understanding of PG-011 when reviewing and approving PG-011 products for different indications. In addition, we may also rely on safety results obtained in previous Phase I clinical trials when developing the same dosage form of PG-011 for new indications, which helps expedite our development progress and reduce development cost. Currently, we are developing PG-011 in two dosage forms, namely gel and nasal spray, targeting multiple intended indications.

Pumecitinib gel is potentially the first JAK inhibitor in gel form to treat atopic dermatitis upon approval, while Pumecitinib nasal spray is potentially the first JAK inhibitor nasal spray globally for the treatment of seasonal allergic rhinitis (“**SAR**”) upon approval, according to Frost & Sullivan. Both the two dosage forms of PG-011 locally deliver the active molecules to the affected sites, thus reducing the adverse effects resulting from systemic exposure commonly observed in the traditional form of oral JAK inhibitors.

We initiated the development of PG-011 in June 2017. Utilizing our Novel Drug Design and Discovery Platform, we were able to proprietarily design and select among various potent candidates in-house. We determined the PG-011 molecule and initiated pilot test by the end of 2017. We initiated IND-enabling studies of PG-011 in April 2018, completed all systemic animal studies and full IND-enabling pre-clinical evaluations by the end of 2019, and received IND approval from the NMPA in May 2020, marking the official entry into clinical development. We also conducted long-term safety studies of PG-011 in multiple animal models, including dermal toxicity study of PG-011 gel in rats and minipigs, and intranasal toxicity study of PG-011 nasal spray in Beagle dogs. Aside from partial histopathological alterations in reproductive and renal tissues noted in the mid- and high-dose minipig groups, the predominant toxicological finding was reduced lymphocyte counts in the spleen and thymus attributable to the pharmacological activity of the test article. Systemic exposure levels in all animal tests above at the no-observed-adverse-effect level (NOAEL) were substantially higher than those anticipated in human patients following clinical administration, demonstrating a considerable therapeutic safety margin.

As of the Latest Practicable Date, we had completed a Phase IIb/III clinical trial of Pumecitinib gel for the treatment of mild-to-moderate atopic dermatitis in adults and adolescents aged 12 to 17 in China. We submitted the NDA of Pumecitinib gel for such indication and was accepted by the NMPA in February 2026. Subject to regulatory approval, Pumecitinib gel has the potential to provide a new, non-steroidal treatment option for patients with mild-to-moderate atopic dermatitis. In parallel, we are planning to expand the target patient population to include pediatric patients aged two to 11 years.

As of the Latest Practicable Date, we completed the final dosing in a Phase IIb/III clinical trial of Pumecitinib nasal spray for moderate-to-severe SAR in adults. We expect to complete data analysis and submit the NDA for Pumecitinib nasal spray in the fourth quarter of 2026. We are also planning to expand the target patient population to include adolescents aged 12 to 17, with Phase I clinical trial planned to commence in 2027. Additionally, we are also actively exploring indication expansions for Pumecitinib, including perennial allergic rhinitis (“**PAR**”), prurigo nodularis and non-segmental vitiligo. For details, see “— Clinical Development Plan.”

Mechanism of Action

Research suggests that immune dysregulation, impairment of the skin barrier function and disruption of the skin microbiome are among the key contributing factors of atopic dermatitis. Patients with atopic dermatitis commonly exhibit multiple immunological abnormalities, among

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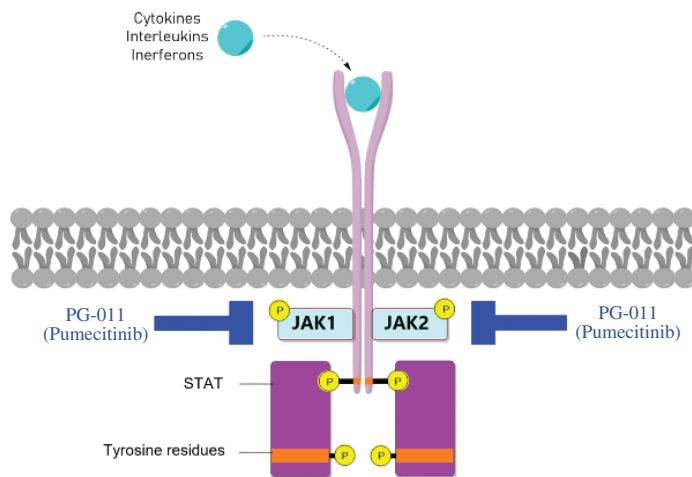
which T helper 2 (“**Th2**”) cell-mediated inflammatory responses are considered to be closely associated with disease onset and progression. IL-4 and IL-13 produced by Th2 cells are upregulated in patients with atopic dermatitis. Upon binding to their respective receptors, IL-4 and IL-13 activate JAKs, which are members of the intracellular protein tyrosine kinase family, and subsequently lead to phosphorylation of STAT proteins. This signaling cascade results in reduced expression of filaggrin, thereby contributing to skin barrier defects.

PG-011 is a small molecule that selectively inhibits JAK1/JAK2, thereby suppressing the JAK-STAT signaling pathway, a cytokine-stimulated signal transduction pathway that is involved in numerous critical biological processes, including cell proliferation, differentiation, apoptosis and immune regulation. Dysregulation or aberrant upregulation of the JAK-STAT signaling pathway may give rise to inflammatory diseases, autoimmune diseases or cancer.

For patients with allergic rhinitis, allergen-specific IgE is produced following inhalation of allergens through the nasal cavity. Such IgE binds to IgE receptors on the surface of mast cells and basophils, leading to allergic reactions. Upon re-exposure, allergen-induced IgE binding to its receptors triggers the release of histamine and other inflammatory mediators, resulting in vasodilation of the nasal mucosa and increased glandular secretion, thereby causing symptoms such as nasal itching and sneezing.

The pathogenesis of allergic rhinitis is also closely associated with activation of the JAK-STAT signaling pathway. Pumecitinib nasal spray exerts its therapeutic effects by inhibiting the kinase activity of JAK1/JAK2, thereby suppressing JAK-STAT signaling pathway transduction, resulting in regulation of inflammatory responses associated with allergic rhinitis. By targeting and inhibiting JAK activity, and thereby interfering with cytokine-driven inflammatory signal transduction, Pumecitinib nasal spray can achieve multi-dimensional therapeutic effects during both the acute exacerbation phase and the chronic inflammatory phase of allergic rhinitis.

The diagram below illustrates the mechanism of action of PG-011:



Source: Company information

Market Opportunity and Competition

Atopic dermatitis is a common inflammatory skin disease, usually characterized by chronic and relapsing complications with the need for long-term treatment. The World Health Organization’s Global Burden of Disease analysis indicates that skin diseases rank fourth among non-fatal disease burdens globally, with atopic dermatitis ranking first among non-fatal skin diseases in terms of disease burden. The persistence and progression of atopic dermatitis often have varying degrees of adverse impact on patients’ daily life and social interactions.

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According to Frost & Sullivan, the total number of patients with atopic dermatitis in China reached approximately 72.9 million in 2024, and is expected to increase to approximately 77.5 million and 80.8 million in 2028 and 2033, respectively, of which over 90% are suffering from mild-to-moderate disease. At present, innovative topical therapies for atopic dermatitis mainly include topical JAK inhibitors and phosphodiesterase-4 inhibitors. According to Frost & Sullivan, there were only two topical JAK inhibitor products approved globally for the treatment of atopic dermatitis as of the Latest Practicable Date, namely ruxolitinib cream and delgocitinib ointment/cream. It is estimated that the market size for atopic dermatitis drugs in China will exceed RMB50.2 billion by 2033.

For an overview of the approved and clinical-stage JAK inhibitors for treatment of atopic dermatitis in China, please see “Industry Overview.”

Allergic rhinitis is also significantly impacting a vast population in China and globally. According to Frost & Sullivan, there are currently more than 246 million patients with allergic rhinitis in China, of which approximately 40% suffer from SAR, representing a market of substantial size with significant growth potential. According to Frost & Sullivan, existing standard treatments primarily include intranasal corticosteroids, antihistamines and leukotriene receptor antagonists. However, long-term use of intranasal corticosteroids is often accompanied by local adverse effects such as epistaxis, nasal dryness and headache, leading to poor patient compliance, and approximately 60% of patients experience disease recurrence. Consequently, there is a strong and urgent clinical demand for effective therapies that offer both robust efficacy and favorable safety profiles.

Pumecitinib nasal spray is designed to address these unmet needs, with development objectives including: (i) simultaneous and potent control of both nasal and ocular allergic symptoms, (ii) fundamental avoidance of the typical adverse effects associated with corticosteroid therapies, and (iii) provision of a convenient single-agent therapy suitable for long-term disease management. Taking into account the above, we believe Pumecitinib gel and Pumecitinib nasal spray are expected to offer patients alternative and effective topical treatment options upon their approval with considerable commercial potential.

As of the Latest Practicable Date, there was no approved JAK inhibitor nasal spray for treatment of allergic rhinitis. For an overview of the approved drugs and clinical-stage drug candidates for treatment of allergic rhinitis in China, please see “Industry Overview.”

Advantages of PG-011 (Pumecitinib)

We believe that PG-011 (Pumecitinib) has the following advantages:

Molecule specifically designed for topical administration

The previous-generation JAK inhibitors, most of which are non-selective pan-JAK inhibitors, are often associated with potential adverse effects due to unnecessary interference with other signal transduction pathways in addition to the ones related to the intended diseases. We designed Pumecitinib for topical administration with a clear objective to provide a local treatment option that effectively controls disease symptoms without safety concerns or excessive treatment burden.

Empowered by our Novel Drug Design and Discovery Platform, we engineered a unique intramolecular hydrogen-bonding structure through computer-aided drug design (“CADD”), which stabilizes the molecule in its optimal spatial conformation, enabling it to bind firmly at the target protein binding site. In parallel, leveraging our predictive model for dermal topical molecules (“PRED-DERM”), we optimized the key physicochemical parameters of the PG-011 molecule to achieve moderate skin penetration with high tissue retention while maintaining minimal systemic exposure. As a result, Pumecitinib achieves effective local activity with considerably reduced risk for common adverse effects of pan-JAK inhibitors.

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The systemic exposure of Pumecitinib gel as demonstrated in our clinical data is significantly lower than that of comparable topical JAK inhibitors in published results, providing a strong safety foundation for long-term use, particularly for future expansion into pediatric patient population.

The following tables set forth a parallel comparison of clinical trial results for Pumecitinib gel with published clinical trial results for other comparable drugs, and are not based on head-to-head clinical trial results. Cross clinical trial comparison based on published clinical trials rather than head-to-head comparisons may involve differences in trial design and PK assessment measures, and may not be representative of all the relevant clinical data.

Drug	Population	Dosage	Ctrough, ss (ng/ml)
Pumecitinib gel	adolescent and adult patients with AD	3% BID	0.12
Ruxolitinib cream . .	adult patients with AD	1.5% BID	10.20

Drug	Population	Dosage	Cmax, ss (ng/ml)	AUC0-12h, ss (hr*ng/ml)
Pumecitinib gel	healthy adults	3% BID	0.101	0.823
Delgocitinib cream .	adult patients with chronic hand eczema	2% BID	0.53	4.2

Clinically validated efficacy and safety profile

Currently, the domestic treatment landscape for atopic dermatitis and allergic rhinitis is still largely dominated by traditional methods such as topical corticosteroids. Long-term use of such therapies may lead to adverse effects, such as skin atrophy and thinning, impaired skin barrier function, and irreversible striae. As a result, there is a strong and urgent clinical demand for effective non-steroid topical therapies that offer proven efficacy with a favorable safety profile. Pumecitinib gel demonstrated strong clinical values that have been validated in the Phase III part of clinical trials. Based on clinical trial results, Pumecitinib gel is expected to achieve desirable efficacy level with relatively low systemic exposure. This pharmacokinetic profile can provide a good long-term safety profile of Pumecitinib gel, making it a suitable long-term maintenance treatment for chronic diseases like atopic dermatitis.

In addition, Pumecitinib nasal spray demonstrated the ability to comprehensively control multiple symptoms in clinical trials, highlighting its strong potential to serve as a potent single-agent therapy covering a broad symptom spectrum comparable to standard-of-care treatments. Pumecitinib nasal spray is among the few therapies that have demonstrated statistically significant improvement in both nasal and ocular symptoms in clinical trials. Specifically, results from the Phase IIa and Phase IIb clinical trials show that, when compared with historical data for intranasal corticosteroids, antihistamines and fixed-dose combination therapies demonstrated in other clinical trials, changes in the primary endpoint, reflective total nasal symptom score (“rTNSS”), and the secondary endpoint, reflective total ocular symptom score (“rTOSS”), were superior or comparable. Overall, Pumecitinib nasal spray has demonstrated the potential of superior efficacy comparable to standard treatments in comprehensive symptom relief, and is expected to provide a potent, safe and convenient monotherapy treatment option for patients with recurrent disease or dissatisfaction with existing therapies.

Dosage forms designed for real-world application

The gel and nasal spray forms of Pumecitinib is a critical element of our strategy to achieve local delivery and minimize systemic exposure. For instance, we selected an aqueous gel form of Pumecitinib that helps optimize local pharmacokinetics. The non-greasy texture makes it suitable for sensitive areas such as the face, neck and intertriginous areas (skin folds) and avoid staining of clothing. More importantly, this formulation enables precise control over drug distribution and release within the skin, thereby achieving effective local treatment while minimizing systemic exposure and enhancing long-term safety and convenience of use at the formulation level.

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Summary of Clinical Trials

We have conducted multiple Phase I clinical trials for PG-011 (Pumecitinib) to test its safety in healthy population and patients with indicated diseases, each in different age groups. As required by the regulatory guidelines and established industry good practice, clinical trials in adolescents are conducted after we have evaluated the preliminary safety and efficacy results in adult groups. The following table sets forth a chronological overview of Phase I clinical trials of PG-011 (Pumecitinib).

Study (Phase I)	Number and Population	Indication	Dosage form	Status and Material Results
YQ-M-19-06	44; healthy participants aged 18-45	Atopic dermatitis	Pumecitinib gel	Completed (July – November 2020); Low and stable systemic exposure of Pumecitinib gel with doses up to 3%, BID treatment for 7 days
PG-011-AD-102	20; atopic dermatitis patients aged 12 to 18 years	Atopic dermatitis	Pumecitinib gel	Completed (July 2023 – June 2024); 3% Pumecitinib gel BID treatment for 7 days showed good safety, tolerability and preliminary efficacy in adolescent patients with different BSA
PG-011-AR-101	90; healthy adult participants aged 18-55	Allergic rhinitis	Pumecitinib nasal spray	Completed (September – November 2023); Stable systemic exposure of Pumecitinib nasal spray across different dosages up to 3.0 mg, BID treatment for 7 days
PG-011-AD-104	30; healthy participants aged 12-18	Atopic dermatitis	Pumecitinib gel	Completed (Within November 2023); Low and dose-dependent systemic exposure of Pumecitinib gel
PG-011-AD-103	24; healthy participants aged 18-45	Atopic dermatitis	Pumecitinib gel II	Completed (December 2023 – January 2024); Low and stable systemic exposure of Pumecitinib gel II

The following table sets forth an overview of results of Phase II and III clinical trials of PG-011 (Pumecitinib), as grouped in Pumecitinib gel and Pumecitinib nasal spray, respectively.

Study (Phase)	Number and Major Criteria of Participants Enrolled	Efficacy Results	TEAE Reported	Frequently Occurring TEAE (Number of Cases)	Status and Material Results
			(Mild/Moderate/Severe/Life Threatening)		
PG-011-AD-301 (Phase III part), Pumecitinib gel.	478; atopic dermatitis patients aged 12 to 75 years, IGA score of 2 or 3, 3% ≤ BSA ≤ 20%	Both the primary endpoint (EASI-75) and key secondary endpoint (IGA success rate) were successfully achieved	Placebo: 58/9/1/0 3% PG-011 gel: 169/25/1/0	(Placebo/PG-011): Upper respiratory tract infection (2/20) Urinary tract infection (2/14) Hyperuricemia (7/20)	Completed (March 2024 - October 2025); statistically significant superior efficacy over placebo (p < 0.001) and favorable long-term safety
PG-011-AD-301 (Phase IIb part), Pumecitinib gel.	139; atopic dermatitis patients aged 18 to 65 years, IGA score of 2 or 3, 3% ≤ BSA ≤ 20%	Both PG-011 QD (p = 0.006) and BID (p < 0.001) groups showed significant improvement versus placebo	Placebo: 21/4/1/0 3% PG-011 QD: 26/3/0/0 3% PG-011 BID: 14/8/0/0	(Placebo/QD/BID): Upper respiratory tract infection (5/2/1) Diarrhea (2/3/1) ALT increased (1/2/2)	Completed (March - October 2023); The primary endpoint demonstrated superiority of the treatment groups over vehicle, with the BID regimen outperforming QD (p < 0.001)

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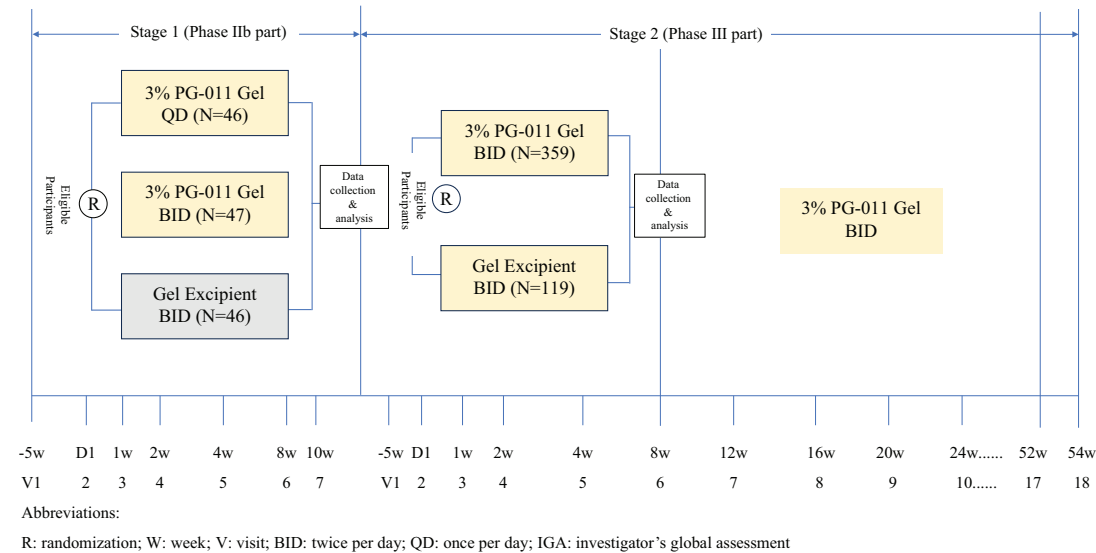
Study (Phase)	Number and Major Criteria of Participants Enrolled	Efficacy Results	TEAE Reported (Mild/ Moderate/ Severe/Life Threatening)	Frequently Occurring TEAE (Number of Cases)	Status and Material Results
PG-011-AD-201 (Phase IIa), Pumecitinib gel	130; atopic dermatitis patients aged 18 to 65 years, IGA score of 2 or 3, BSA no more than 25%	Both 3% and 1.5% PG-011 groups showed improvement versus placebo	Placebo: 13/4/0/0 1.5% PG-011: 9/6/1/0 3% PG-011: 5/13/0/0	(Placebo/1.5%/3%): Upper respiratory tract infection (0/1/2) Hyperuricemia (4/1/0) rash (1/0/2)	Completed (March - November 2021); After 28 days of treatment, 3% and 1.5% PG-011 gel showed a trend toward greater improvement in pruritus severity compared to placebo
PG-011-PN-201 (Phase II), Pumecitinib gel	54; prurigo nodularis patients aged 18-75 years, baseline weekly average worst itch NRS ≥ 5 ; ≤ 100 pruritic lesions	At Week 4, percentage change in weekly average NRS itch score: 3% PG-011: 33.08% Placebo: 22.89%	Placebo: 3/2/0/0 3% PG-011: 11/1/0/0	(Placebo/PG-011): Urinary tract infection (1/3) Blood creatine phosphokinase increased (0/2)	Completed (December 2021 - November 2022); After 4 weeks of treatment, 3% PG-011 gel showed a trend toward greater improvement in pruritus severity compared to placebo
PG-011-SAR-301 (Phase III part), Pumecitinib nasal spray	603; rTNSS ≥ 6 , retrospective nasal congestion score ≥ 2 , baseline mean rTNSS ≥ 6	Ongoing data analysis	Ongoing data analysis; no severe TEAE or SAE was reported	Ongoing data analysis	Initiated in September 2025, completed final dosing as of the Latest Practicable Date
PG-011-SAR-301 (Phase IIb part), Pumecitinib nasal spray	179; SAR patients aged 18-65 years, rTNSS ≥ 6 , nasal congestion ≥ 2	LS mean change in rTNSS: All treatment groups improved versus placebo; The 1.2 mg BID group was superior to both 0.6 mg BID (p = 0.018) and 1.2 mg QD (p = 0.003)	Placebo: 8/0/0/0 0.6 mg BID: 9/0/1/0 1.2 mg QD: 9/0/0/0 1.2 mg BID: 12/0/0/0	(Placebo/0.6 mg BID/1.2 mg QD/1.2 mg BID): Urinary tract infection (0/2/2/2) Blood CPK increased (1/1/1/1) Basophil count increased (1/2/0/1)	Completed (March - May 2025); PG-011 nasal spray significantly improved clinical symptoms of SAR; The 1.2 mg BID regimen demonstrated the best efficacy with good safety and tolerability, and is recommended for Phase III trials
PG-011-AR-201 (Phase IIa), Pumecitinib nasal spray	169; SAR patients aged 18-65 years, rTNSS ≥ 6 , nasal congestion ≥ 2	LS mean change in rTNSS over 14 days: 0.2 mg: -3.057 1.2 mg: -3.479 (p = 0.021) 2.0 mg: -3.497 (p = 0.018) Placebo: -2.295	Placebo: 10/0/0/0 0.2 mg BID: 5/1/0/0 1.2 mg BID: 10/3/1/0 2.0 mg BID: 9/0/0/0	(Placebo/0.2 mg BID/1.2 mg BID/2.0 mg BID): Increased triglycerides (2/0/1/2) Increased blood cholesterol (2/0/0/3) Increased LDL (3/0/1/1) Upper respiratory infection (0/2/2/1)	Completed (March - June 2024); Both 1.2 mg and 2.0 mg PG-011 significantly improved nasal and ocular symptoms

No Grade 4 and 5 TEAE or TRAE was reported in our clinical trials of PG-011 (Pumecitinib) above. The following sets forth an overview of key clinical trials of PG-011 (Pumecitinib):

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A multi-center Phase I Ib/III clinical trial to evaluate the efficacy, safety, and 52-week long-term safety of Pumecitinib gel in adult and adolescent (aged 12-17) patients with mild-to-moderate atopic dermatitis (PG-011-AD-301)

We completed a Phase I Ib/III clinical trial of Pumecitinib gel for the treatment of mild-to-moderate atopic dermatitis in adults and in adolescents aged 12 years and above in China in October 2025. The Phase I Ib/III clinical trial of Pumecitinib gel was a multi-center, randomized, double-blind, placebo-controlled trial. We adopted a placebo-controlled Phase I Ib/III clinical trial design in accordance with the *Clinical Trial Guidance for Atopic Dermatitis Drugs* (《特應性皮炎治療藥物臨床試驗技術指導原則》) as promulgated by the CDE on December 1, 2023. Conducting a head-to-head non-inferiority trial is not required by the regulatory authorities nor do we plan to do so, and we aim to prioritize the market approval of Pumecitinib gel by conducting the required Phase I Ib/III clinical trial, in line with industry norm. The overall study flow is illustrated in the diagram below.



Based on the data collected and analyzed, we concluded that 3% Pumecitinib gel significantly alleviated clinical symptoms in patients with mild-to-moderate atopic dermatitis, and was generally well tolerated with no serious adverse events (“SAEs”) observed that were related to Pumecitinib. Based on the foregoing results, 3% Pumecitinib gel demonstrates meaningful clinical benefits for the treatment of mild-to-moderate atopic dermatitis in adolescents aged 12 years and above and in adults.

Phase I Ib part

Trial Design. We initiated the Phase I Ib part in March 2023 and completed it in October 2023. The Phase I Ib part enrolled 139 participants aged 18 to 65 years with mild-to-moderate atopic dermatitis. Participants were randomized in a 1:1:1 ratio to receive either the treatment group (3% Pumecitinib gel administered once daily (“QD”) (N=46), or twice daily (“BID”) (N=47)) or the control group (gel placebo administered BID (N=46)) for eight weeks. Eligible participants were diagnosed with atopic dermatitis based on the Williams diagnostic criteria, with a disease history of at least six months, and an affected body surface area (“BSA”) of 3% to 20%. The primary endpoints included the eczema area and severity index (“EASI”) scores after eight weeks of treatment, the secondary endpoints included the investigator’s global assessment (“IGA”) successful rate, among other efficacy measurements.

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Efficacy Results. After eight weeks of treatment, the change of EASI scores were -83.60%, -43.98% and -22.02% for 3% Pumecitinib gel BID group, QD group and placebo group, respectively, representing a statistically significant difference between the QD group and BID group ($p<0.001$), and between the QD group and placebo group ($p=0.006$). The proportions of participants achieving EASI 75 were 69.6%, 19.6% and 2.2% for Pumecitinib gel BID group, QD group and placebo group, respectively. The proportions of participants achieving IGA success in the 3% Pumecitinib gel BID group was significantly higher than in the placebo group. Moreover, other treatment efficacy (including pruritus numerical rating scale) and quality of life continued to improve with prolonged treatment duration.

Taken together, these results indicate that Pumecitinib gel is effective in the treatment of mild-to-moderate atopic dermatitis in adults, and is associated with improvements in patients' quality of life, demonstrating meaningful clinical benefits in the management of atopic dermatitis.

Safety Results. After eight weeks of double-blind treatment, there was no meaningful difference in the incidence of AEs between the 3% Pumecitinib gel group and the placebo group.

Phase III part

Trial Design. We initiated the Phase III part in March 2024 and completed it in October 2025. The Phase III part enrolled 478 participants aged 12 to 75 years with mild-to-moderate atopic dermatitis, including 59 adolescent participants aged 12 to 17 years. There is no material difference in clinical trial design for adult and adolescent participants. Participants were randomized in a 3:1 ratio to receive either the treatment group (3% Pumecitinib gel administered BID, 359 participants including 44 adolescents) or the control group (gel placebo administered BID, 119 participants including 15 adolescents). Eligible participants were diagnosed with atopic dermatitis based on the Williams diagnostic criteria, with a disease history of at least one year for adults and at least six months for adolescents, and an affected BSA of 3% to 20%. The primary endpoints included the proportion of participants achieving EASI-75 after eight weeks of treatment, the secondary endpoints included the IGA successful rate, among other efficacy measurements.

The randomized double-blind treatment period lasted for eight weeks, during which participants received either 3% Pumecitinib gel or placebo twice daily. Upon completion of the eight-week treatment period, eligible participants entered an open-label extension period and received 3% Pumecitinib gel administered twice daily for 44 weeks.

Efficacy Results. After eight weeks of treatment, the proportion of participants achieving the primary endpoint of EASI 75 was 53.76% in the 3% Pumecitinib gel group, compared to 10.92% in the placebo group, representing a statistically significant difference between the two groups ($p<0.001$). The proportions of participants achieving investigator's global assessment (“IGA”) success in the 3% Pumecitinib gel group was significantly higher than in the placebo group (33.15% vs. 3.36%, $p<0.001$). Moreover, other treatment efficacy (including pruritus numerical rating scale) and quality of life continued to improve with prolonged treatment duration.

In the adolescent subgroup, treatment with 3% Pumecitinib gel administered BID for eight weeks also demonstrated marked efficacy, with a significantly higher proportion of participants achieving the primary endpoint of EASI 75 compared to placebo (54.55% vs. 13.33%).

Taken together, these results indicate that Pumecitinib gel is effective in the treatment of mild-to-moderate atopic dermatitis in adolescents aged 12 years and above and in adults, and is associated with improvements in patients' quality of life, demonstrating meaningful clinical benefits in the management of atopic dermatitis.

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Safety Results. After eight weeks of double-blind treatment, there was no meaningful difference in the incidence of AEs between the Pumecitinib gel group and the placebo group. Similar safety result is also demonstrated over 52 weeks of treatment, with no particular safety issue found.

PK Results. With 52 weeks of treatment with 3% Pumecitinib gel, mean plasma concentrations derived from sparse blood sampling remained at low levels, ranging from 0.052 ng/mL to 0.149 ng/mL for all applicable treatment groups and sample collections throughout the treatment period, indicating low systemic exposure.

A multi-center Phase IIa clinical trial to evaluate the safety, efficacy and PK profile of Pumecitinib gel in adult patients with mild-to-moderate atopic dermatitis (PG-011-AD-201)

We initiated a Phase IIa clinical trial of Pumecitinib gel for the treatment of mild-to-moderate atopic dermatitis in adults in China in March 2021 and completed it in November 2021.

Trial Design. The Phase IIa part enrolled 130 participants aged 18 to 65 years with mild-to-moderate atopic dermatitis. Participants were randomized in a 1:1:1 ratio to receive either the treatment group (3% Pumecitinib gel administered BID (N=45), or 1.5% Pumecitinib gel administered BID (N=43)) or the control group (gel placebo administered BID (N=42)) for 28 days. Eligible participants were diagnosed with atopic dermatitis based on the Williams diagnostic criteria, with a disease history of at least six months, and an affected BSA no more than 25%. Eligible participants were included in the PK study to collect blood samples before and after 30 minutes of administration on Day 1, 8, 15 and 29 during the study. The primary endpoints included the EASI scores after 28 days of treatment, the secondary endpoints included the PK parameters, IGA successful rate, among other efficacy measurements.

Efficacy Results. After 28 days of treatment, the change of EASI scores were -47.17%, -42.47% and -35.52% for 3% Pumecitinib gel group, 1.5% Pumecitinib gel group and placebo group, respectively (p=0.3533)*. Other treatment efficacy (including pruritus numerical rating scale) and quality of life continued to improve with prolonged treatment duration.

Safety Results. After 28 days of double-blind treatment, there was no meaningful difference in the incidence of AEs between the Pumecitinib gel groups and the placebo group.

PK Results. With 28 days of treatment with Pumecitinib gel, mean plasma concentrations derived from sparse blood sampling remained at low levels throughout the treatment period, indicating low systemic exposure.

A multi-center Phase IIb/III double-blind clinical trial to evaluate the efficacy and safety of Pumecitinib nasal spray in adult participants aged 18 to 65 years with moderate-to-severe seasonal allergic rhinitis (PG-011-SAR-301)

We initiated a Phase IIb/III double-blind clinical trial of Pumecitinib nasal spray for the treatment of moderate-to-severe SAR in adult participants aged 18 to 65 years in China in March 2025. As of the Latest Practicable Date, we had completed the final dosing in the Phase III part and we were analyzing the clinical trial data.

* We applied ANCOVA to determine the p value of the null hypothesis that the mean change of EASI scores for three groups were all the same. We believe such p value is not indicative of the potential efficacy of the test drug given the relatively smaller sample size involved in an early-stage clinical trial and the inherited randomness, for instance the relatively significant change of EASI score for the placebo group. Instead, the exploratory Phase IIa clinical trial was primarily intended to inform dose selection and the design in subsequent confirmatory clinical trials, and the test of efficacy shall primarily rely on the Phase III clinical trial results with relatively larger sample size.

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Phase IIb part

Trial Design. We initiated the Phase IIb part in March 2025 and completed it in May 2025. The Phase IIb part enrolled 179 participants aged 18 to 65 years with moderate-to-severe SAR. Participants were equally randomized into four groups to receive Pumecitinib nasal spray at dose regimens of 0.6 mg (0.3%) BID (N=45), 1.2 mg (0.6%) QD (N=46), 1.2 mg (0.6%) BID (N=43), or placebo (N=45), administered for 14 days. The primary endpoints included changes in rTNSS scores, the secondary endpoints included parameters of overall ocular symptoms.

Efficacy Results. Based on the FAS, the least squares mean changes from baseline in average rTNSS during the treatment period were -3.177, -3.008, -4.187 and -1.983 for the 0.6 mg (0.3%) BID group, the 1.2 mg (0.6%) QD group, the 1.2 mg (0.6%) BID group and the placebo group, respectively. The least squares mean differences in rTNSS between each Pumecitinib treatment group and the placebo group were -1.195, -1.026 and -2.204, respectively. Compared with placebo, all three Pumecitinib treatment groups demonstrated statistically significant improvements in overall rTNSS, including the 0.6 mg (0.3%) BID group (P=0.002), the 1.2 mg (0.6%) QD group (P=0.009) and the 1.2 mg (0.6%) BID group (P<0.001).

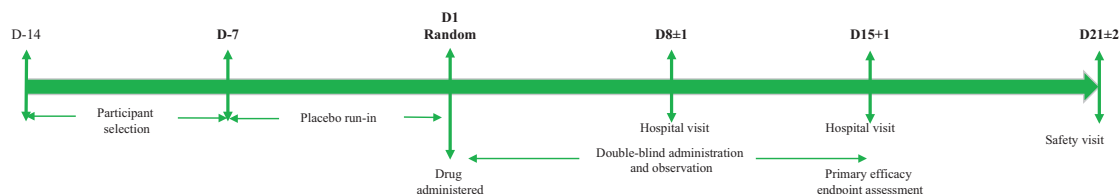
Among the three treatment groups, the 1.2 mg (0.6%) BID group demonstrated significantly greater improvement in rTNSS compared with both the 0.6 mg (0.3%) BID group (P=0.018) and the 1.2 mg (0.6%) QD group (P=0.003). No statistically significant difference was observed between the 0.6 mg (0.3%) BID group and the 1.2 mg (0.6%) QD group (P=0.664).

Compared with placebo, all three Pumecitinib treatment groups also demonstrated significant improvements in overall ocular symptoms (rTOSS; P=0.017, P=0.014 and P<0.001, respectively) and quality of life (RQLQ; P=0.009, P=0.003 and P<0.001, respectively). Based on an integrated assessment, the 1.2 mg (0.6%) BID regimen demonstrated the most favorable efficacy profile among the three treatment groups. At the same per-dose level (e.g., 1.2 mg), BID dosing demonstrated a more pronounced improvement in the primary efficacy endpoint compared with QD dosing. In addition, compared with placebo, the 1.2 mg BID group demonstrated statistically significant improvements across all individual ocular symptom components within the rTOSS, including eye itching/burning, tearing and eye redness (P<0.05).

Safety Results. The incidence of TEAEs and treatment-related TEAEs in the treatment groups was generally comparable to that observed in the placebo group, with no clear dose-related trend among the different dose groups. No SAE was reported in the treatment group, and there was no occurrence of TEAE that led to the discontinuation of the study or dosing.

Phase III part

Trial Design. We enrolled a total of 603 participants who were randomized in a 2:1 ratio to receive either the investigational product or placebo. The primary objective of the study is to evaluate the efficacy and safety of Pumecitinib nasal spray (0.6%, 1.2 mg, administered BID) following two weeks of treatment in adult participants with moderate-to-severe SAR. Eligible participants were required to have a history of SAR of at least two years, a positive test result for relevant local seasonal allergens, and a baseline rTNSS of at least 6 based on participant self-assessment. The primary endpoint of the study is the change from baseline in average rTNSS after 14 days of treatment. The secondary endpoints included parameters of overall ocular symptoms. The overall study flow is illustrated in the diagram below.



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As of the Latest Practicable Date, we completed the final dosing in the Phase III part, with final results to be available after the conclusion of data analysis. As of the Latest Practicable Date, no preliminary or interim results had been available, and no severe TEAEs or SAEs were reported. Overall, Pumecitinib nasal spray has demonstrated a favorable safety profile, with no unexpected safety signals observed to date.

A multi-center Phase IIa clinical trial to evaluate the safety, efficacy and PK profile of Pumecitinib nasal spray at different dose levels in adult participants aged 18 to 65 years with moderate-to-severe seasonal allergic rhinitis (PG-011-AR-201)

We initiated a Phase IIa clinical trial of Pumecitinib nasal spray for the treatment of moderate-to-severe SAR in China in March 2024 and completed it in June 2024.

Trial Design. The Phase IIa clinical trial enrolled 169 participants aged 18 to 65 years with moderate-to-severe SAR. Participants were equally randomized into four groups to receive Pumecitinib nasal spray at dose levels of 0.2 mg (0.1%) (N=42), 1.2 mg (0.6%) (N=43), 2.0 mg (1.0%) (N=42), or placebo (N=42), administered BID for 14 days. The primary endpoints included changes in rTNSS scores, the secondary endpoints included parameters of overall ocular symptoms and PK parameters.

Efficacy Results. Based on the full analysis set (“FAS”), during the 14-day treatment period, the least squares mean changes from baseline in rTNSS were -3.057, -3.479, -3.497 and -2.295 for the Pumecitinib nasal spray groups (0.2 mg, 1.2 mg and 2.0 mg) and the placebo group, respectively. Compared with placebo, participants in the 1.2 mg group (P=0.021) and the 2.0 mg group (P=0.018) demonstrated statistically significant improvements in overall nasal symptoms. Improvements were also observed across key secondary efficacy endpoints, including instantaneous total nasal symptom score (“iTNSS”), rTOSS, instantaneous total ocular symptom score (“iTOSS”) and Rhinoconjunctivitis Quality of Life Questionnaire.

Compared with the placebo group, participants in the 1.2 mg group demonstrated significant improvements from baseline across individual ocular symptoms, with score reductions of -0.898 (P=0.004) and -0.956 (P=0.003) for eye itching/foreign body sensation/eye redness and tearing, respectively.

Safety Results. The incidence of TEAEs was comparable between the treatment groups and the placebo group, with no apparent dose-related trend observed among the different dose groups. No TEAEs leading to dose escalation, dose reduction, treatment interruption or discontinuation were reported. In addition, no TEAEs resulted in participant withdrawal from the study or death.

Across the Phase IIa and Phase IIb clinical trials, the most common adverse events in both the treatment groups and the placebo group were primarily related to investigations and infections and infestations. Common TEAEs (incidence >2%) in the treatment groups included urinary tract infection, increased blood bilirubin and upper respiratory tract infection, while common TEAEs (incidence >2%) in the placebo group included increased low-density lipoprotein, increased blood cholesterol, increased triglycerides and ligament sprain. The majority of TEAEs in both studies were mild in severity, and all moderate or severe TEAEs reported in the treatment groups were assessed as not related to the investigational product.

A multi-center Phase II clinical trial to evaluate the safety, efficacy and PK profile of Pumecitinib gel in adult patients with mild-to-moderate prurigo nodularis (PG-011-PN-201)

We initiated a Phase II clinical trial of Pumecitinib gel for the treatment of mild-to-moderate prurigo nodularis in adults in China in December 2021 and completed it in November 2022.

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Trial Design. The Phase II clinical trial enrolled 54 participants aged 18 to 75 years with mild-to-moderate prurigo nodularis. Participants were randomized in a 2:1 ratio to receive either the treatment group (3% Pumecitinib gel administered three times a day (“**TID**”) (N=36)) or the control group (gel placebo administered TID (N=18)) for four weeks. Eligible participants were diagnosed with a disease history of at least six months. The primary endpoints included the change in NRS scores after four weeks of treatment, the secondary endpoints included the PK parameters, IGA, among other efficacy measurements.

Efficacy Results. After four weeks of treatment, the mean change of NRS scores were 33.08 and 22.89 for 3% Pumecitinib gel group and placebo group, respectively (p=0.2386). Other treatment efficacy and quality of life continued to improve with treatment duration.

Safety Results. After four weeks of double-blind treatment, there was no meaningful difference in the incidence of AEs between the Pumecitinib gel group and the placebo group.

PK Results. With four weeks of treatment with Pumecitinib gel, mean plasma concentrations derived from sparse blood sampling remained at low levels throughout the treatment period, indicating low systemic exposure.

Clinical Development Plan

We are planning to expand the indication of Pumecitinib gel to treat mild-to-moderate atopic dermatitis in children aged two to 11. We plan to commence the Phase I clinical trial first for children aged six to 11 in China in the fourth quarter of 2026, and then in children aged two to five in 2029, in line with the CDE guidelines for expanding to such patient population. There is no material clinical difference between adolescent and adult age groups, except that pediatric clinical trials require age-appropriate designs, including weight-based dosing, pediatric-specific pharmacology, and specialized safety and quality-of-life assessments.

As of the Latest Practicable Date, the Phase III clinical trial for Pumecitinib nasal spray was on-going. We expect to complete such part of trial and submit the NDA in the fourth quarter of 2026. We are also planning to expand the indication of Pumecitinib nasal spray to treat moderate-to-severe SAR in adolescents aged 12 to 17 and children aged two to 11, and to treat PAR. We plan to commence Phase I clinical trial for Pumecitinib nasal spray for the indication of moderate-to-severe SAR in adolescents aged 12 to 17 and children aged two to 11 in 2027 and 2028, respectively, and Phase II clinical trial for Pumecitinib nasal spray (for the indication of PAR in adults) in the fourth quarter of 2026.

In addition, we will continue to advance the clinical development of our Core Product PG-011 (Pumecitinib) for other indications, including prurigo nodularis and non-segmental vitiligo. We plan to initiate a Phase IIb clinical trial of Pumecitinib gel for the treatment of prurigo nodularis in 2028. We also plan to initiate a Phase II clinical trial of Pumecitinib gel for the treatment of non-segmental vitiligo in 2028.

Licenses, Rights and Obligations

We internally discovered and developed PG-011 (Pumecitinib), and maintain the global rights to develop and commercialize this drug candidate.

Material Communications with Competent Authorities

We submitted an IND application of Pumecitinib gel to the NMPA in February 2020 for the treatment of atopic dermatitis, which was approved in May 2020. The IND application and approval do not limit the target sub-groups according to age (adults, adolescents and children) based on disease characteristics, and we eventually conducted the clinical trials of Pumecitinib gel for the treatment of atopic dermatitis in sub-groups according to age, in line with our clinical development

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strategy. There is no material regulatory difference in different age groups, except that separate safety and tolerance testing is required for children patients and the children cohorts are commonly required to be conducted after evaluating the preliminary safety and efficacy results of adolescent/adult groups. After completing the relevant clinical trials in 2026, we submitted the NDA of Pumecitinib gel for the treatment of mild-to-moderate atopic dermatitis in adults and adolescents aged 12 to 17 and was accepted by the NMPA in February 2026. In May 2026, the CDE communicated to request the relevant research materials of Pumecitinib gel and we provided such materials timely, which is in line with the regular NDA review process of the CDE. As of the Latest Practicable Date, we had not received other communication from the CDE or other competent authority regarding the NDA review of Pumecitinib gel, nor do we expect the foregoing to have any implication on the review timeline or the expected NDA filing schedule.

In addition for the indication of atopic dermatitis, we also submitted an IND application of Pumecitinib gel to the NMPA in March 2021 for a Phase II clinical trial of prurigo nodularis, which was approved in June 2021, and an IND application of Pumecitinib gel (II) to the NMPA in June 2023 for a Phase II clinical trial of non-segmental vitiligo, which was approved in August 2023. Based on the then-available clinical trial results of Pumecitinib gel that we submitted to the NMPA, Phase I clinical trials were not required for these two indications since healthy participants were already tested with Pumecitinib gel for its leading indication atopic dermatitis.

We submitted an IND application of Pumecitinib nasal spray to the NMPA in May 2023 for the treatment of allergic rhinitis, which was approved in August 2023. The IND application and approval do not limit the target sub-groups according to age (adults, adolescents and children) based on disease characteristics, and we eventually conducted the clinical trials of Pumecitinib nasal spray for the treatment of moderate-to-severe SAR in sub-groups according to age, in line with our clinical development strategy. We plan to communicate with the CDE regarding our clinical trial plans for adolescents aged 12 to 17 and children aged two to 11 before initiating such clinical trials.

We had not received any relevant regulatory agency’s objections or negative feedback relating to our clinical development plans for PG-011 (Pumecitinib) as of the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET PG-011 (PUMECITINIB) SUCCESSFULLY.

PG-033: Oral Small Molecule Inhibitor of TRPV3 for Treatment of Pruritus

Overview

Pruritus is a common clinical symptom that can result from a variety of diseases with vast patient population. Existing therapies, including antihistamines and topical corticosteroids, are often limited by sub-optimal efficacy and side effects, and there remains substantial medical needs, particularly for non-histamine-mediated chronic pruritus. PG-033 is a small molecule drug that selectively inhibits the transient receptor potential vanilloid 3 (“**TRPV3**”), which offers a novel treatment of pruritus. As a proof of concept, we are currently conducting clinical trial for PG-033 for the indication of pruritus associated with neurodermatitis. Neurodermatitis is a common skin disease, and the associated severe pruritus can significantly impair patients’ sleep and overall quality of life. As of the Latest Practicable Date, we were conducting a Phase I clinical trial of PG-033 oral tablet for the treatment of moderate-to-severe pruritus associated with neurodermatitis in China, making PG-033 the world’s first clinical-stage oral small molecule TRPV3 inhibitor for treatment of pruritus, according to Frost & Sullivan.

Additionally, PG-033 also has demonstrated the potential to relieve the intractable pruritus and hyperkeratosis associated with Olmsted syndrome, a rare disease. Olmsted syndrome is a genetic disorder primarily caused by mutations in the TRPV3 gene, characterized by intractable pruritus and hyperkeratosis that may progress to mutilation in palms and/or soles in severe cases. We are currently expanding the indication of PG-033 to the treatment of Olmsted syndrome.

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According to Frost & Sullivan, PG-033 is the first clinical-stage oral small molecule TRPV3 inhibitor in the world and the first-in-kind drug candidate providing a clear pathway of treatment for Olmsted syndrome, for which there has been no curative therapy as of the Latest Practicable Date.

In addition to neurodermatitis and Olmsted syndrome, PG-033 also has the potential of expanding into broader therapeutic areas, including pruritic disorders and keratinization-related skin diseases, representing a broader addressable market and patient population for PG-033.

Mechanism of Action

TRPV3 is a non-selective cation channel predominantly permeable to calcium ions, and is highly expressed in skin tissues and epidermal keratinocytes. TRPV3 functions independently of the histamine pathway and offers the potential to interrupt the itch-scratch cycle at its source. This mechanism is fundamentally differentiated from existing therapies. Activation of TRPV3 leads to an increase in intracellular calcium levels, thereby enhancing the secretion of thymic stromal lymphopoietin (TSLP) by keratinocytes and other immune cells, which is a key driver of pruritic and inflammatory pathways. Clinical samples further demonstrate that TRPV3 expression is markedly up-regulated in the skin of patients with atopic dermatitis, psoriasis, rosacea, and post-burn pruritus, with channel activity positively correlated with itch intensity.

PG-033 specifically targets TRPV3 and concurrently inhibits pruritic signaling mediated by multiple pro-inflammatory cytokines, including TSLP and SERPINE1, thereby effectively suppressing episodes of refractory pruritus. By reducing abnormal calcium influx, TRPV3 inhibitors protect keratinocytes from apoptosis and may promote the synthesis of normal barrier-related proteins and lipids, thereby facilitating restoration of the skin barrier. In addition, TRPV3 inhibition reduces the release of alarmins such as IL-33 and thymic stromal lymphopoietin, thereby suppressing downstream immune cell activation and recruitment and ultimately attenuating cutaneous inflammation.

Genetic and clinical evidence supports TRPV3 as a validated target. Olmsted syndrome is a genetic disorder triggered by hyperactivation of gene resulting from pathogenic gain-of-function mutations, characterized by intractable pruritus and hyperkeratosis. Studies show that TRPV3 knockout can effectively reverse this phenotype in animal models. Mutant TRPV3 channels remain persistently and aberrantly open on keratinocytes, resulting in sustained elevation of intracellular calcium levels. This leads to excessive proliferation and abnormal differentiation of keratinocytes, triggers intense inflammatory responses and induces cell death. Interactions with sensory nerve fibers further drive a self-reinforcing “itch-scratch cycle”, exacerbating clinical symptoms.

Targeted inhibition of TRPV3 allows the inhibitor to bind to mutant TRPV3 channels, stabilizing the calcium channel in a closed state, thereby directly blocking calcium influx. By restoring normal intracellular calcium homeostasis, PG-033 demonstrates the potential to suppress excessive keratinocyte proliferation and abnormal differentiation, which is expected to alleviate hyperkeratosis. In addition, TRPV3 inhibition markedly attenuates inflammatory responses, reduces the release of pro-inflammatory cytokines and decreases stimulation of sensory nerves, thereby relieving severe pruritus and interrupting the itch-scratch cycle, ultimately achieving therapeutic benefit.

Market Opportunity and Competition

Pruritus is one of the most common clinical symptoms associated with dermatological conditions such as atopic dermatitis, neurodermatitis, psoriasis, xerosis, prurigo nodularis, contact dermatitis, urticaria, and eczema, representing substantial market potential and clinical needs. In particular, according to Frost & Sullivan, the number of patients with chronic pruritus in China reached 262.0 million in 2024 and is expected to reach 272.7 million by 2033. As of the Latest Practicable Date, the drugs approved in China for the treatment of pruritus were mainly

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second-generation antihistamines. PG-033 is currently the only TRPV3 inhibitor drug for the treatment of pruritus in clinical stages in China with first-mover advantage. As a highly selective oral inhibitor, PG-033 features a novel mechanism of action and an acceptable safety profile, enabling it to address a broad population of patients with mild-to-moderate disease.

For an overview of the approved and clinical-stage drugs for treatment of pruritus, please see “Industry Overview.”

Advantages of PG-033

PG-033 offers a potentially novel therapeutic option for pruritus patients with its precise blockade of pruritic signal transmission and reduction of pathological tissue damage. By selectively targeting the TRPV3 calcium-permeable ion channel, PG-033 interrupts pruritic signal transmission at its neural origin, potently suppressing refractory pruritus and rapidly alleviating patients’ most burdensome symptoms.

In parallel, based on the disease pathogenesis, PG-033 is expected to address disease-associated hyperkeratotic pathology by regulating the inflammatory microenvironment of the skin, thereby potentially relieving skin thickening, scaling and related symptoms and achieving a theoretical dual therapeutic effect of symptomatic relief and pathological improvement. As an orally administered small-molecule therapy, PG-033 offers convenient dosing and the potential for improved patient compliance. Given the current absence of approved therapies, PG-033 has the potential of becoming the first precision treatment option for patients with Olmsted syndrome and related rare diseases targeting the over-activated TRPV3, with the potential to fill a significant treatment gap in this field.

Clinical Development Plan

We initiated a Phase I clinical trial of PG-033 oral tablet (PG-033-ND-101) to evaluate its safety, tolerability and PK profile in healthy adult participants in China in May 2025, and we expect to complete the trial in the fourth quarter of 2026. As of April 25, 2026, we enrolled 56 healthy adult participants in this double-blind, placebo-controlled Phase I clinical trial.

We expect to initiate a Phase II clinical trial of PG-033 oral tablet for the treatment of moderate-to-severe pruritus associated with neurodermatitis in China in the fourth quarter of 2026, and a Phase III clinical trial in 2029. Subject to the completion of the clinical trials, we plan to submit an NDA of PG-033 oral tablet to the NMPA for the treatment of moderate-to-severe pruritus associated with neurodermatitis in 2030.

We expect to submit an IND application to the NMPA of PG-033 for the treatment of Olmsted syndrome in 2027.

Licenses, Rights and Obligations

We internally discovered and developed PG-033, and maintain the global rights to develop and commercialize this drug candidate.

Material Communications with Competent Authorities

We had not received any relevant regulatory agency’s objections or negative feedback relating to our clinical development plans for PG-033 as of the Latest Practicable Date.

BUSINESS

PG-018: Dual Inhibitor of JAK1 and Endothelin Receptor-related ROCK for Treatment of Autoimmune Kidney Disease

Overview

PG-018 is a small molecule drug that selectively inhibits both JAK1 and endothelin receptor-related ROCK for the treatment of autoimmune kidney diseases. The clinical management of autoimmune kidney diseases is subject to several core challenges, including the limited efficacy of single-target therapies, the difficulty of simultaneously controlling renal injury and associated complications (such as hypertension), and the increased risk of drug-drug interactions and poor patient adherence associated with combination therapies. Currently the available treatment options are also often associated with relatively high relapse rates.

We believe PG-018 possesses the potential to offer an efficient therapeutic option capable of simultaneously controlling multiple symptoms without the need for combination therapy. It simultaneously inhibits abnormally activated immune function by acting on JAK1, and reduces blood pressure by acting on endothelin receptor-related ROCK, whereby achieving a synergistic effect of relieving multiple symptoms associated with autoimmune kidney disease.

As a proof of concept, we are currently conducting clinical trials for PG-018 for the indication of membranous nephropathy, which is an autoimmune disease with a steadily increasing prevalence in China. As of the Latest Practicable Date, PG-018 was under Phase I clinical trial. We plan to initiate a Phase II clinical trial of PG-018 oral tablet for the treatment of membranous nephropathy in China in 2027.

Mechanism of Action

Membranous nephropathy is an autoimmune kidney disease pathologically characterized by the deposition of IgG immune complexes along the glomerular basement membrane. In clinical practice, patients with progressive membranous nephropathy are commonly treated with corticosteroids and immunosuppressive agents.

PG-018 is a dual-target small molecule kinase inhibitor that acts on both JAK1 and endothelin receptor-related ROCK. By inhibiting JAK1 activity, PG-018 can suppress abnormally activated immune function. In parallel, by inhibiting ROCK, PG-018 can promote vasodilation and reduces intrarenal pressure, thereby potentially mitigating kidney damage. In addition, PG-018 can suppress cytokine-mediated inflammatory responses, improve the inflammatory microenvironment, support intrinsic renal repair mechanisms, and slow or interrupt the progression of fibrosis. As such, it demonstrates potential for clinical benefit for patients with membranous nephropathy.

Market Opportunity and Competition

Membranous nephropathy is a pathological and morphological diagnostic term characterized by the deposition of immune complexes in the lateral aspect of the glomerular basement membrane and subepithelial region, accompanied by diffuse thickening of the glomerular basement membrane and changes in the permeability of the glomerular filtration membrane. The main symptoms include proteinuria, hematuria, edema, and hypertension, with proteinuria being the primary characteristic of membranous nephropathy.

According to Frost & Sullivan, the prevalence of membranous nephropathy varies significantly globally, with China exhibiting a higher prevalence. In 2024, the number of patients with primary membranous nephropathy in China was approximately 2.5 million and is expected to reach 2.8 million by 2033. Currently, there are no approved drugs for membranous nephropathy.

For an overview of the clinical stage drugs for treatment of membranous nephropathy, please see “Industry Overview.”

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Advantages of PG-018

We designed PG-018 around the core concept of dual signaling pathway regulation combined with preferential distribution in kidney tissue, establishing a new therapeutic paradigm for autoimmune kidney diseases that is expected to achieve the synergistic therapeutic effects of renal injury repair and blood pressure reduction.

Specifically, PG-018 can inhibit local immune-inflammatory responses in the kidney through JAK1 pathway regulation. In parallel, its modulation of endothelin receptor-related ROCK can lower renal blood pressure and improve renal microcirculation. This dual-target mechanism of action may achieve the simultaneous control of the primary disease and the associated symptoms. This single-agent approach avoids the patient compliance challenges caused by drug incompatibility in combination therapy regimens. In addition, JAK1 inhibition also blocks the pruritus-related signal transduction, which is expected to relieve the associated pruritus in patients with advanced autoimmune kidney diseases.

In pre-clinical studies, PG-018 achieved relatively higher concentrations at sites of renal pathology while substantially reducing systemic exposure. This could significantly enhance treatment safety and provide a strong tolerability foundation for long-term standardized therapy in patients with autoimmune kidney diseases.

Phase I Single Ascending Dose Study

Overview. We initiated a Phase I single ascending dose study of PG-018 in healthy adult participants in China in September 2023 and completed it in February 2024.

Trial design. The single ascending dose study was a randomized, double-blind, placebo-controlled, parallel-group, dose-escalation study conducted in healthy adult participants. Each cohort enrolled eight participants (six receiving PG-018 and two receiving placebo), with a male-to-female ratio of approximately 1:1.

Safety Results. A total of 19 participants experienced TEAEs, including six participants (50.0%) in the placebo group and 13 participants (36.1%) in the PG-018 treatment groups. The incidence of TEAEs in the 15 mg to 270 mg dose groups was lower than that observed in the placebo group, while the incidence increased in the 360 mg dose group and exceeded that of placebo. In the 360 mg cohort, two moderate and one severe adverse event of decreased blood pressure were reported. All other TEAEs were mild in severity. All TEAE cases were resolved or recovered.

Phase Ib Multiple Ascending Dose Study

We initiated a Phase Ib multiple ascending dose study of PG-018 in healthy adult participants in China in April 2024 and completed it in November 2025. We enrolled 72 healthy adult participants in this double-blind, placebo-controlled clinical trial. As of April 25, 2026, we were finalizing data processing and preparing the clinical study report.

Clinical Development Plan

We plan to initiate a Phase II clinical trial of PG-018 oral tablet for the treatment of membranous nephropathy in China in 2027. We plan to formulate further clinical development plans for PG-018 subject to the completion and results of such clinical trials.

Licenses, Rights and Obligations

We internally discovered and developed PG-018, and maintain the global rights to develop and commercialize this drug candidate.

BUSINESS

Material Communications with Competent Authorities

We had not received any relevant regulatory agency’s objections or negative feedback relating to our clinical development plans for PG-018 as of the Latest Practicable Date.

OUR SELECTED PRE-CLINICAL PIPELINE CANDIDATES

PG-040: ROCK-JAK Dual-target Inhibitor for Treatment of Glaucoma

Overview

PG-040 is a small molecule drug for the treatment of glaucoma that selectively inhibits both ROCK and JAK. Through dual pathway regulation, PG-040 is designed to simultaneously reduce intraocular pressure (“**IOP**”) and attenuate local ocular inflammatory responses, thereby offering a new generation therapeutic approach and potential comprehensive solution for the treatment of glaucoma. Glaucoma is a degenerative disease characterized by elevated IOP, leading to visual acuity decline and visual field defects. It causes damage to the optic nerve and, if left untreated, may result in irreversible vision loss and eventual blindness. According to Frost & Sullivan, glaucoma is one of the three leading causes of blindness worldwide.

Mechanism of Action

PG-040 is designed as a dual-target ROCK-JAK inhibitor, intended to improve clinical outcomes for glaucoma treatment through a synergistic mechanism integrating IOP reduction and anti-inflammatory activity. Elevated IOP is the primary and currently the only clinically modifiable risk factor for glaucoma onset and progression. The ROCK signaling pathway plays a critical regulatory role in cytoskeletal dynamics and is closely involved in glaucoma pathogenesis. Specifically, ROCK inhibition by PG-040 can reduce aqueous humor outflow resistance by relaxing trabecular meshwork cells and lowering episcleral venous pressure, thereby enhancing aqueous humor drainage and reducing IOP.

In addition to IOP elevation, glaucoma is also increasingly recognized as a multifactorial inflammatory disorder. Retinal ganglion cell (“**RGC**”) dysfunction, combined with sustained excessive glial activation, triggers extensive immune responses, including T cell-predominant adaptive immunity. This ultimately drives progressive glaucomatous neurodegeneration. Correspondingly, JAK inhibition by PG-040 can suppress these pathological inflammatory processes, protect RGCs, and delay neurodegeneration associated with glaucoma.

Combining the ROCK and JAK inhibiting properties, PG-040 is anticipated to achieve a synergistic effect and deliver a distinct, next-generation glaucoma therapy that simultaneously reduces IOP, alleviates inflammation, and provides enhanced optic nerve protection via one single agent.

Clinical Development Plan

We submitted an IND application to the NMPA of PG-040 for the treatment of glaucoma in May 2026. We expect to initiate a Phase I clinical trial of PG-040 in 2027. We also plan to submit an IND application including the available interim clinical trial results in China (if applicable) to the FDA of PG-040 for the treatment of glaucoma in 2027. We plan to formulate further clinical development plan of PG-040 subject to the completion and results of its early-stage clinical trials.

Material Communications with Competent Authorities

We had not received any relevant regulatory agency’s objections or negative feedback relating to our clinical development plan for PG-040 as of the Latest Practicable Date.

BUSINESS

PG-312: A Small Molecule MRGPRX2 Inhibitor for Treatment of Chronic Refractory Urticaria

PG-312 is a novel small molecule Mas-related G-protein coupled receptor member X2 (“MRGPRX2”) inhibitor for the treatment of chronic refractory urticaria. Urticaria is a localized edematous reaction caused by dilation of cutaneous and mucosal blood vessels and increased vascular permeability. In both China and overseas markets, antihistamines are commonly used as the standard clinical treatment. However, approximately 10% to 50% of patients fail to achieve adequate symptom control, a condition clinically referred to as chronic refractory urticaria.

PG-312 is designed to address a significant unmet medical need by providing a novel, target-based therapeutic approach for patients with chronic refractory urticaria. As of the Latest Practicable Date, there was no approved therapy targeting MRGPRX2 globally, and therapeutic development targeting this mechanism remained at an early stage. As of the Latest Practicable Date, PG-312 was in pre-clinical stage. We expect to submit IND application to the NMPA in 2027.

OUR GENERIC DRUG PIPELINE CANDIDATES

Utilizing our R&D capabilities and complex topical drug formulation innovation platform, we are developing multiple generic drug candidates, primarily for the topical treatment of chronic inflammatory diseases. We believe the indications covered by our generic drug candidates effectively supplement our innovative drug product portfolio, building a more synergetic product matrix with a strategic focus on dermatological diseases through such combination.

PG-F02: An adapalene and benzoyl peroxide gel generic

PG-F02 is an adapalene and benzoyl peroxide gel indicated for the treatment of acne vulgaris in children aged nine years and above and in adults. In May 2025, we submitted an abbreviated new drug application (“ANDA”) to the NMPA for PG-F02, and expect to receive the approval in the fourth quarter of 2026. Subject to such approval, we plan to commercialize PG-F02 in the third quarter of 2027.

PG-F03: An ivermectin cream generic

PG-F03 is an ivermectin cream indicated for the treatment of rosacea. We have completed pilot-scale studies for PG-F03 and expect to initiate the bioequivalency study by the end of 2026. Subject to the study results, we plan to submit an ANDA of PG-F03 to the NMPA in 2027.

PG-F04 Capsules: An emedastine difumarate sustained-release capsule generic

PG-F04 sustained-release capsules contain emedastine difumarate and are indicated for the treatment of urticaria and allergic rhinitis. We have completed pilot-scale studies for PG-F04 sustained-release capsules and expect to initiate the bioequivalency study by the end of 2026. Subject to the study results, we plan to submit an ANDA of PG-F04 capsules to the NMPA in 2027. Subject to such approval, we plan to commercialize PG-F04 capsules in the third quarter of 2028.

PG-F04 Ophthalmic Solution: An emedastine difumarate ophthalmic solution generic

PG-F04 ophthalmic solution contains emedastine difumarate and is indicated for the treatment of allergic conjunctivitis. In June 2026, we submitted an ANDA to the NMPA for PG-F04 ophthalmic solution, and expect to receive the approval in 2027. Subject to such approval, we plan to commercialize PG-F04 ophthalmic solution in the first quarter of 2028.

PG-F06: A fusidic acid cream generic

PG-F06 is a fusidic acid cream indicated for the treatment of bacterial skin infections. In August 2025, we submitted an ANDA to the NMPA for PG-F06. We expect to receive the approval in 2027. Subject to such approval, we plan to commercialize PG-F06 in the first quarter of 2027.

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MAJOR COLLABORATION AND LICENSING ARRANGEMENTS

Cooperation Agreement with Jumpcan Pharmaceutical

On January 2, 2026, we entered into an exclusive cooperation agreement regarding the future marketing and distribution of Pumecitinib nasal spray (the “**Pumecitinib Nasal Spray Cooperation Agreement**”) with Jumpcan Pharmaceutical Group Limited (“**Jumpcan Pharmaceutical**”), a leading biopharmaceutical company incorporated in China and a wholly owned subsidiary of Hubei Jumpcan Pharmaceutical Co., Ltd., a company listed on the Shanghai Stock Exchange. Jumpcan Pharmaceutical’s primarily business is developing, manufacturing and commercializing drug products in fields of pediatrics, respiratory, gastroenterology, and gynecology diseases.

Obligations and Responsibilities

Pursuant to the Pumecitinib Nasal Spray Cooperation Agreement, we grant to Jumpcan Pharmaceutical an exclusive and sublicensable license to commercialize, distribute, market and promote Pumecitinib nasal spray in all strengths and presentations in the People’s Republic of China (including the Chinese mainland, Hong Kong, the Macau Special Administrative Region and the Taiwan region) (the “**Jumpcan Subject Region**”) with respect to all indications approved for Pumecitinib nasal spray. We possess and retain all intellectual property rights related to Pumecitinib nasal spray or any improvements thereto. We did not grant Jumpcan Pharmaceutical any license with respect to the intellectual properties related to Pumecitinib nasal spray pursuant to the Pumecitinib Nasal Spray Cooperation Agreement. Under the Pumecitinib Nasal Spray Cooperation Agreement, we shall be responsible for developing Pumecitinib nasal spray at our own expense and obtaining and maintaining marketing authorization for the sale and production of Pumecitinib nasal spray in the Chinese mainland by June 30, 2028, and in other parts of the Jumpcan Subject Region as may be further agreed between us and Jumpcan Pharmaceutical. We will be the marketing authorization holder for Pumecitinib nasal spray. Jumpcan Pharmaceutical is not obligated to bear or share any of our cost relating to the development or regulatory approval of Pumecitinib nasal spray.

The Pumecitinib Nasal Spray Cooperation Agreement does not grant Jumpcan Pharmaceutical any first right of negotiation or similar preferential rights in relation to other dosage formulations of Pumecitinib.

Manufacturing and Supply

We will be responsible for the manufacturing of Pumecitinib nasal spray, either by ourselves or through third parties of our choosing. We will bear the cost of returns or exchanges due to quality issue arising from the production, storage or transportation of Pumecitinib nasal spray.

Promotion and Commercialization

Jumpcan Pharmaceutical shall use commercially reasonable efforts to promote and market Pumecitinib nasal spray within the Jumpcan Subject Region. With respect to the promotion activities carried out by Jumpcan Pharmaceutical, we agree to pay promotion service fees to Jumpcan Pharmaceutical based on the actual sales value of Pumecitinib nasal spray. The rate of such promotion fees was determined through arm’s-length negotiations based on the estimated market size and competitive landscape for Pumecitinib nasal spray, the relevant patent protection period and expected inclusion of Pumecitinib nasal spray into national healthcare reimbursement program, and the published standard fee rate of Jumpcan Pharmaceutical. Jumpcan Pharmaceutical shall bear the costs and other expenses (unless otherwise agreed) to independently or through its agents conduct various commercialization activities within China related to Pumecitinib nasal spray. There is no revenue or profit sharing arrangement under the Pumecitinib Nasal Spray Collaboration Agreement other than the payment of promotion service fees.

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Cooperation Management

We and Jumpcan Pharmaceutical have established a joint steering committee (“JSC”) consisting of two representatives appointed by each party for the overall coordination and discussion of activities under the Pumecitinib Nasal Spray Cooperation Agreement. The functions of the JSC include, among others, reviewing and discussing annual promotion plans and modifications, evaluating and discussing commercialization activities of Pumecitinib nasal spray, discussing regulatory matters that may affect the Cooperation Agreement, discussing remedial and adjustment plans for supply shortages, discussing supply prices, sales targets and other objectives. In the event of disagreement on any matter regarding the marketing and distribution of Pumecitinib nasal spray, our representatives shall have the final decision regarding the research and development, registration and manufacturing of Pumecitinib nasal spray, and Jumpcan Pharmaceutical’s representatives shall have the final decision regarding commercialization matters.

Upfront and Milestone Payments

As the consideration for granting the commercialization rights to Jumpcan Pharmaceutical and subject to the terms and conditions of the Pumecitinib Nasal Spray Cooperation Agreement, we are entitled to receive from Jumpcan Pharmaceutical (i) a one-time upfront payment of RMB40 million upon entering to the Pumecitinib Nasal Spray Cooperation Agreement, and (ii) a one-time milestone payment of up to RMB60 million upon obtaining the regulatory approval to commercialize Pumecitinib nasal spray for the treatment of moderate-to-severe SAR in China. Such upfront and milestone payments are not refundable or subject to reduction, deferral or re-negotiation. As of the Latest Practicable Date, we had received in full the one-time upfront payment of RMB40 million from Jumpcan Pharmaceutical.

We are not entitled to any royalty payment under the Pumecitinib Nasal Spray Cooperation Agreement.

Term and Termination

Jumpcan Pharmaceutical may terminate the Pumecitinib Nasal Spray Cooperation Agreement and claim a liquidated damage of 30% of the one-time upfront and milestone payments upon, among others, (i) our failure to obtain regulatory approval to commercialize Pumecitinib nasal spray by June 30, 2028 or such regulatory approval being withdrawn; (ii) any legal proceeding claiming an infringement of other persons’ intellectual property rights or claiming the invalidity of our patent, in each case relating to Pumecitinib nasal spray and resulting in the impossibility to promote and sell Pumecitinib nasal spray for a specified time period; (iii) a mandatory recall, severe adverse effect or mass adverse effect relating to Pumecitinib nasal spray; (iv) any other drug with identical molecule and dosage form being approved and commercialized before 2037; or (v) our material violation of related laws and regulations.

We may terminate the Pumecitinib Nasal Spray Cooperation Agreement if Jumpcan Pharmaceutical fails to achieve the agreed-upon minimum sales volume for Pumecitinib nasal spray, or if it is otherwise prevented from performing its obligations due to its material violations of laws or regulations for a specified time period.

The Pumecitinib Nasal Spray Cooperation Agreement may be terminated by either party if (i) the other party materially breaches its obligations under the Pumecitinib Nasal Spray Cooperation Agreement and fails to remedy within 30 days after the no-fault party demands remedy in writing, or (ii) the other party undergoes certain enumerated financial stress, such as bankruptcy, receivership, dissolution or liquidation.

Unless terminated earlier, the Pumecitinib Nasal Spray Cooperation Agreement shall remain in effect until 10 years after the regulatory approval to commercialize Pumecitinib nasal spray.

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Cooperation Agreement with Simcere Pharmaceutical

In May 2026, we entered into an exclusive cooperation agreement regarding the future marketing and distribution of Pumecitinib gel (the “**Pumecitinib Gel Cooperation Agreement**”) with Jiangsu Simcere Pharmaceutical Co., Ltd. (“**Simcere Pharmaceutical**”), a leading biopharmaceutical company incorporated in China. Simcere Pharmaceutical is a wholly owned subsidiary of Simcere Pharmaceutical Group Limited, a company listed on the Hong Kong Stock Exchange. It specializes in developing and commercializing drug products in fields of neuroscience, oncology, autoimmune, and anti-infectives.

Obligations and Responsibilities

Pursuant to the Pumecitinib Gel Cooperation Agreement, we grant to Simcere Pharmaceutical an exclusive right to commercialize, distribute, market and promote Pumecitinib gel in all strengths and presentations (but not including in gel II) in the Chinese mainland, Hong Kong and the Macau Special Administrative Region (the “**Simcere Subject Region**”) with respect to all indications approved for Pumecitinib gel. Under the Pumecitinib Gel Cooperation Agreement, we are responsible for obtaining and maintaining marketing authorization for the sale and production of Pumecitinib gel in the Chinese mainland by the end of 2027. Simcere Pharmaceutical is not obligated to bear or share any of our cost relating to the development or regulatory approval of Pumecitinib gel. We will be the marketing authorization holder for Pumecitinib gel.

Neither we nor Simcere Pharmaceutical may develop, manufacture, sell, promote, import, or supply other Pumecitinib products as topical dermatological drugs in ointment, gel, cream or similar dosage forms (“**Competing Products**”) without the consent of the other party. We are required to grant Simcere Pharmaceutical a first right of refusal if we develop any such Competing Product and plan to collaborate with any third party on the development, manufacturing or sale of the Competing Product.

Intellectual Property

Under the Pumecitinib Gel Cooperation Agreement, Simcere Pharmaceutical will be the holder of all trademarks for Pumecitinib gel. We retain all intellectual rights with respect to the packaging design of Pumecitinib gel, but are required to grant a license, free of charge, to Simcere Pharmaceutical to use such packaging design. Neither we nor Simcere Pharmaceutical may use the relevant trademark or packaging design for any product other than Pumecitinib gel to be sold under the Pumecitinib Gel Cooperation Agreement without the consent of the other party.

Other than the above, we own and retain all intellectual property relating to Pumecitinib gel.

Manufacturing and Supply

We will be responsible for the manufacturing of Pumecitinib gel, and shall ensure the manufacturing of Pumecitinib gel comply with all applicable legal and regulatory standards and industrial GMP. We remain fully responsible for any product quality liability relating to Pumecitinib gel. If we plan to engage any CMO or independent third party to manufacture Pumecitinib gel, we are required to grant Simcere Pharmaceutical and its affiliates a right of first refusal for such engagement.

Promotion and Commercialization

Simcere Pharmaceutical shall use commercially reasonable efforts to promote and market Pumecitinib gel within the Simcere Subject Region, and formulate annual plans for the marketing and promotion of Pumecitinib gel. With respect to the promotion activities carried out by Simcere Pharmaceutical, we agree to pay promotion service fees to Simcere Pharmaceutical, which shall be calculated based on the annual sales value of Pumecitinib gel in accordance with the formula and

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rates set forth in the Pumecitinib Gel Cooperation Agreement. The rate of such promotion fees was determined through arm’s-length negotiations based on the estimated market size and competitive landscape for Pumecitinib gel, the relevant patent protection period and expected inclusion of Pumecitinib gel into national healthcare reimbursement program, and the published standard fee rate of Simcere Pharmaceutical. Unless otherwise agreed, Simcere Pharmaceutical shall bear all costs and expenses incurred in connection with the promotion of Pumecitinib gel within the Simcere Subject Region. There is no revenue or profit sharing arrangement under the Pumecitinib Gel Collaboration Agreement other than the payment of promotion service fees.

Cooperation Management

We and Simcere Pharmaceutical have established a JSC consisting of four representatives (two appointed by each party) for the overall coordination and discussion of activities under the Pumecitinib Gel Cooperation Agreement. The functions of the JSC include, among others, reviewing and discussing development and production plans and overseeing their implementation, coordinating and overseeing clinical trials and regulatory application process, reviewing and discussing commercialization, market strategies and promotion strategies (including reviewing promotion reports, determining pricing range, and discussing NRDL inclusion matters), resolving adverse events and product recalls, and sharing information that could materially affect the development, registration, manufacturing or commercialization of the Pumecitinib gel within the Simcere Subject Region. Unless otherwise agreed, in the event of a disagreement on any matter at a JSC meeting, our representatives shall have the final decision regarding the research and development, registration and manufacturing of Pumecitinib gel (except for R&D requested or initiated by Simcere Pharmaceutical under the Pumecitinib Gel Cooperation Agreement, which shall be finally decided by Simcere Pharmaceutical), and Simcere Pharmaceutical’s representatives shall have the final decision regarding commercialization matters of Pumecitinib gel within the Simcere Subject Region (except for the selection of primary distributors, which shall be finally determined by us).

Upfront and Milestone Payments

As consideration for granting the commercialization rights to Simcere Pharmaceutical and subject to the terms and conditions of the Pumecitinib Gel Cooperation Agreement, we are entitled to receive from Simcere Pharmaceutical (i) a one-time upfront payment of RMB60 million within 30 calendar days after the execution of the Pumecitinib Gel Cooperation Agreement, and (ii) several milestone payments upon the achievement of certain regulatory milestones, including Pumecitinib gel being approved by NMPA for various indications (including atopic dermatitis, vitiligo, acne rosacea and other dermatology indications), in an aggregate amount of up to RMB140 million. Such upfront and milestone payments are not refundable or subject to reduction, deferral or re-negotiation. As of the Latest Practicable Date, we had received in full the one-time upfront payment from Simcere Pharmaceutical.

We are not entitled to any royalty payment under the Pumecitinib Gel Cooperation Agreement.

Term and Termination

Simcere Pharmaceutical may terminate the Pumecitinib Gel Cooperation Agreement if, among others, (i) we grant any person other than Simcere Pharmaceutical a license to develop, manufacture or sell any Competing Product in the Simcere Subject Region without the written consent of Simcere Pharmaceuticals; (ii) the Pumecitinib Gel Cooperation Agreement is impossible to be performed due to material obstacles or risks arise from us or our designated manufacturer of Pumecitinib gel (if any), and such impossibility is not remedied to the satisfaction of Simcere Pharmaceutical within three months; (iii) the patent protection for the Pumecitinib gel has expired; or (iv) the Pumecitinib gel is included in the centralized procurement. Simcere Pharmaceutical is entitled to a liquidated damage of RMB40 million if such termination is due to our breach (knowingly or as a result of gross negligence) of certain representations, warranties or undertakings.

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We may terminate the Pumecitinib Gel Cooperation Agreement if (i) Simcere Pharmaceutical fails to achieve the agreed-upon minimum sales volume for two consecutive years; (ii) the Pumecitinib Gel Cooperation Agreement is impossible to be performed due to a material breach by Simcere Pharmaceutical, which is not remedied within three months after we have notified Simcere Pharmaceutical of the same; or (iii) Simcere Pharmaceutical or its affiliates develop and manufacture Pumecitinib gel or any Competing Product without our consent.

The Pumecitinib Gel Cooperation Agreement may be terminated by either party if (i) the other party materially breaches its obligations under the Pumecitinib Gel Cooperation Agreement and fails to remedy such breach or obtain a waiver from the non-fault party within 90 days after receiving written notice, or (ii) a force majeure event continues for more than six months and the parties fail to reach any necessary or appropriate amendments.

RESEARCH AND DEVELOPMENT

For the year ended December 31, 2024 and 2025 and the four months ended April 30, 2025 and 2026, we recorded research and development expenses of RMB146.2 million, RMB128.4 million, RMB36.3 million and RMB54.5 million, respectively, with R&D expenses of RMB88.7 million, RMB84.0 million, RMB22.0 million and RMB38.5 million attributable to our Core Product, respectively, representing 60.7%, 65.4%, 60.6% and 70.6% of our total research and development expenses in the respective period. We anticipate to continue to significantly invest in our R&D efforts, since we plan to expand the indications and continue the clinical development of our Core Product, advance more pipeline candidates along clinical trials and conduct additional pre-clinical studies.

R&D Strategy

We adhere to an in-house drug development strategy driven by medical needs. Our R&D process comprises compound discovery and development, pre-clinical studies, IND application, clinical trials, new drug application, and post-marketing studies. Our in-house R&D capabilities cover all key stages of drug development, from early discovery to late-stage development, including target discovery and mechanism validation, translational medicine research, compound molecular design and screening, pre-clinical studies, CMC, and clinical trial design and execution.

We maintain strong competitiveness in terms of technological advancement and platform completeness, enabling us to manage and control the entire drug development process, which facilitates efficient R&D decision-making and execution. We have established an integrated, full-chain drug R&D system with comprehensive technical capabilities covering the entire value chain of new drug development. We have advanced multiple compounds from in-house discovery at the source to the clinical stage, enabling efficient cross-disciplinary and cross-functional collaboration throughout the development and industrialization of topical formulations.

R&D Team

Our R&D team has strong expertise, deep understanding and extensive experience in drug development, spanning from biochemistry, molecular biology, structural biology, immunology, clinical medicine, pharmacology to pharmaceutical engineering. As of December 31, 2024 and 2025, and April 30, 2026, our R&D team consisted of 66, 61 and 66 full-time employees, respectively. The slight decrease in the size of our R&D team in 2025 was primarily attributable to the decreased number of pre-clinical development personnel, as we focused our resources in the clinical development of our Core Product. As such, the slight decrease in the size of our R&D team in 2025 did not have any material impact on the schedule and development milestones of our Core Product.

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As of the Latest Practicable Date, our R&D team consisted of 63 full-time employees, 61.9% of which had obtained advanced degrees, including 10 members with doctorate degrees and 29 members with master's degrees. The following table sets forth a breakdown of our R&D team members by function as of the Latest Practicable Date:

Functions	Number of employees by function
Early research	6
Pre-clinical development	6
Clinical development	19
CMC	25
Quality control	7
Total	63

We have established an end-to-end R&D framework to ensure the quality of our research and development outcome. Our R&D team is led by a team of distinguished scientists with extensive drug development experience, who lead our early research, clinical development, CMC, formulation development, pharmacology and toxicology studies, clinical registration, and project management.

Our core R&D personnel consists of four members with extensive experience of over 15 years in the pharmaceutical industry and expertise covering the fields of chemistry, biology, pharmacology and medicine. Our core R&D team has remained stable since 2021. The following table sets forth the identities, positions and expertise of our core R&D personnel and their involvement and contributions to the R&D activities since the discovery of PG-011 (Pumecitinib) and up to the Latest Practicable Date.

Identities	Positions	Expertise	Involvement and contributions to the R&D activities of PG-011 (Pumecitinib)	Year of joining our Group
Mr. Zhu Li	Senior director of Medical Chemistry	Over 17 years experience in small molecule drug R&D	Spearheaded the rational design and de novo synthesis of the PG-011 molecule, coordinated preclinical toxicology assessments, and led IND-enabling studies	2017
Mr. Hu Wei	Senior researcher of Medical Chemistry	Over 17 years experience in small molecule drug R&D	Involved in the synthesis, chemical characterization and scale-up production of PG-011 molecule candidates	2021
Ms. Zhang Hui . .	Director of Biology R&D	Over 18 years experience in drug R&D	Led the target validation, pharmacological profiling and MoA studies of PG-011	2018
Mr. Ma Sufeng . .	Director of Synthetic Process R&D	Over 16 years experience in drug R&D	Led synthetic process development, polymorph investigation, purification optimization and impurity profiling for PG-011	2016

Our Platforms

We have established and leveraged a proven, integrated drug discovery and development system spanning target discovery, molecular discovery and evaluation, translational science and clinical development. Our technological capabilities include design and discovery of original molecular structures and new molecular entities, investigation of drug process and quality

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standards, exploration of clinical development in all relevant stages, as well as formulation development and quality evaluation for complex topical dosage forms. These research and development capabilities organically constitute our drug development framework, which enables us to efficiently advance pipeline programs through different developmental stages.

Our R&D platforms are established and led by our R&D leaders with over a decade of experience in kinase inhibitor research and topical formulation development. The core technologies spanning molecular design and topical delivery are iteratively developed in-house by our R&D team members.

Our R&D platforms primarily utilize standardized, commercially available software and tools. We believe this approach best suits our business and R&D needs and we have not developed proprietary R&D tools covered by patents. Instead, we rely on our in-house R&D experience, know-how, cumulation of historical, chemical, pharmacological and formulation data, as well as publicly available data, to support our drug development activities.

Our competitive advantages are established by the ability to design molecule candidates from the origin with low systemic exposure, and to develop viable drug candidates with differentiated formulation processes.

Through our drug discovery and development system, we have achieved stable R&D output, with one NDA submitted for our Core Product PG-011, four clinical-stage drug candidates currently being developed. During the Track Record Period, we submitted 11 patent applications based on the R&D outcome of our drug discovery and development system, including eight candidate molecules for early research, pending pre-clinical candidate (PCC) screening.

Novel Drug Design and Discovery Platform

We use AI-enabled tools to conduct exploration of pathogenesis and target proteins, forming a differentiated drug design and discovery platform. The core of this platform is a proprietary multi-dimensional evaluation and design framework. Prior to any molecular design, we conduct strategic assessments across three dimensions: (i) the disease dimension, in which we analyze pathological similarities and differences among inflammatory diseases within local tissue microenvironments to define mechanisms of action, (ii) the cellular dimension, in which we dissect signaling pathways in key immune and tissue cells to identify precise intervention targets, and (iii) the drug property dimension, in which we pre-define ideal tissue distribution and penetration characteristics to establish an anchor for molecular design.

Our drug design and discovery platform employs a toolkit including CADD/AIDD and the PRED-DERM transdermal PK and physicochemical parameter design model to enable directed molecular creation and optimization. For locally targeted drugs, the PRED-DERM model is used to proactively optimize physicochemical properties to prioritize high tissue retention and low systemic exposure, a design philosophy exemplified by our Core Product PG-011 (Pumecitinib). For diseases with complex mechanisms, the platform applies a multi-target design strategy to integrate mechanisms of action to achieve synergistic efficacy or overcome development difficulties. This multi-target design capability is particularly demonstrated by our development of dual-target molecules such as PG-018 and PG-040. The platform ultimately delivers not isolated molecules, but a portfolio of rationally designed and early-validated drug candidates with clear differentiation. As of the Latest Practicable Date, we had also been granted a software copyright for our PRED-DERM model.

Immunology, Inflammation and Dermatology Translational Medicine Platform

Our translational medicine platform serves as the strategic bridge between source innovation and clinical validation. Based on deep understanding of the basic science and clinical aspects of immune-related diseases, we integrate biology, medicinal chemistry, ADME and external resources

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such as live-cell and skin imaging to establish a distinctive translational medicine platform for immunology, inflammation and dermatology. The platform systematically analyzes clinical phenotypes and immunobiological mechanisms to construct a comprehensive translational research framework.

The platform’s differentiated advantage is built on three core capabilities: (i) target-to-clinic translation, which converts biological characteristics of novel targets into clear clinical development pathways to support project initiation, (ii) clinical decision acceleration, which aligns biological insights with clinical strategy to improve development efficiency, and (iii) evidence value maximization, which iteratively refines predictive models through integration of accumulated knowledge and reverse validation using clinical data.

We have established translational research collaborations with hospitals and academic institutions in China, including TRPV3-related collaborations with Southern Medical University Dermatology Hospital, pruritus-related collaborations with Wuhan University, and glaucoma-related pharmacodynamic model collaborations with the Second Xiangya Hospital of Central South University.

Complex Topical Drug Formulation Innovation Platform

Our formulation innovation platform possesses formulation development and quality evaluation capabilities for complex dosage forms. It has completed formulation development for a number of innovative compounds and generic drugs, which have progressed to different clinical stages. The platform has accumulated extensive experience in topical formulation development and follows a philosophy of “product needs driving platform development and technological innovation.”

We have developed a wide range of dosage forms, including gels, creams, ointments, nasal sprays and ophthalmic solutions, which have been successfully applied to the development of our pipeline products such as our Core Product PG-011 (Pumecitinib). Through extensive candidate screening and formulation development efforts, the platform has accumulated mature expertise in formulation and process development, animal evaluation and scale-up manufacturing across multiple dosage forms, as well as in the exploration of novel formulations, technologies and methodologies.

The platform enables solubilization of poorly soluble drugs, enhanced transdermal absorption, increased dermal retention and retention time, and improved development capabilities for nanomedicine formulations (such as micelles, microemulsions, nanoemulsions, nanoparticles and liposomes). It provides systematic solutions for dermatology, respiratory, otolaryngology and other specialized therapeutic needs, benefiting large patient populations such as those with atopic dermatitis, allergic rhinitis and non-segmental vitiligo.

In terms of quality evaluation of complex topical formulations, the platform supports analytical method development, validation and testing, microstructural characterization, rheological studies, *in vitro* release test (“IVRT”) and *in vitro* permeation test (“IVPT”) studies, polymorph and particle size analysis, nanomedicine evaluation and stability studies. It has established standardized and systematic evaluation methodologies for key quality attributes of topical and transdermal products. The platform has accumulated extensive experience in rheology, IVRT, IVPT, microstructural characterization, IVPT development and validation for poorly soluble compounds, reproducibility testing, skin layer distribution and retention studies.

We have also collaborated with renowned academic institutions on the development of new drug formulations. For example, we founded a joint complex formulation innovation lab with China Pharmaceutical University, where we collaborate with China Pharmaceutical University in the development of complex drug formulation and delivery, the assessment of key technologies and the research of new materials.

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Clinical Development

Clinical Development Team

As of the Latest Practicable Date, our clinical development team consisted of 19 members, including scientists and physicians with strong drug development experience, who participate in the formulation of our clinical development strategies, clinical trial protocol design and clinical trial operation organization. Many of our clinical development team members had extensive relevant work experience. Among our clinical development team members, 68.4% have obtained post-graduate degrees. Our clinical development team is generally responsible for the clinical development of our Core Product and other pipeline products.

Clinical Trial Design and Implementation

Our clinical development team manages all stages of clinical trials, from protocol design to overseeing the operations and conduct of clinical trials. Our rapid trial advancements are driven by (i) our strategic decision to initiate clinical phase trials based on pre-clinical results that are assessed as promising, (ii) optimized trial design and whole-process oversight, and (iii) long-term partnership with various hospitals and principal investigators from different regions to achieve smooth execution.

Our clinical development team is also responsible for the selection of trial sites. Our site selection criteria include the site’s overall experience, understanding of the disease state, access to relevant experts and patients, regulatory and quality management, and staff proficiency. We have collaborated with numerous hospitals and PIs located in China that can support our clinical trials of different indications and at different stages. We believe the size and geographic diversity of these facilities provide us with an advantage in implementing large-scale clinical trials in China and also enable us to conduct multiple clinical trials concurrently.

During the Track Record Period, we cooperated with more than 100 PIs, to conduct the clinical trials of our product candidates that involved multiple centers across China for efficient clinical development and a relatively large number of participants enrolled. According to Frost & Sullivan, it is in line with industry practice for chronic diseases drug development to conduct multi-center trials and engage a large number of PIs. To the best of our Company’s knowledge, none of them have any past or present relationships with us, our Directors, shareholders, senior management or any of their respective associates. We provided organized trainings, demonstration materials and protocols to the PIs upon the initiation of a clinical trial. The PIs are responsible for conducting site-level clinical research activities according to our trial protocols and in accordance with laws, regulations, and the GCP Guideline, a quality standard for the overall conduct of the clinical trial. Each trial has a leading PI with primary responsibility to ensure compliance with trial protocol and good clinical practice over the entire trial, and we coordinate the process where appropriate.

Relationship with CROs

We collaborate with CROs to conduct and support our pre-clinical and clinical trials in line with industry practice. We select our CROs by weighing various factors. Upon business engagement, we assess CROs based on their business focus, capabilities and overall market recognition. Secondly, we also value the R&D capabilities of the CROs and the management skills of their leaders based on their experience and previous track records. Overall, we aim to select CROs that have optimal compatibility with our pre-clinical and clinical development programs. When collaborating with CROs on a given project, our internal project team manage such project on an end-to-end basis and closely monitors the progress, engages in regular communication with the CRO teams to understand project milestones, identify potential risks, and ensure the project

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deliverables. Simultaneously, the project/trial leader maintains close contact with the financial departments of both our Company and the CROs, implementing stringent financial controls at different stages of the project to ensure the timely and quality completion of the project and accurate recording of relevant expenses.

In terms of the involvement and contributions of each of the major CROs to the development of our product candidates, the pre-clinical CROs mainly provide us with services related to pre-clinical toxicity and safety evaluations, such as animal studies, of our product candidates in accordance with agreed study design and under our supervision. The clinical CROs provide us with an array of services necessary for complex clinical trials in accordance with agreed trial design and under our supervision, including trial preparation, trial management, clinical safety management, data management, and report preparation. We choose CROs based on the complexity and workload of a specific trial. We closely monitor the work of our CROs and provide specific directions to ensure the quality and efficiency of the trial execution. This approach allows us to leverage the experience of our in-house team to better focus on critical clinical trial elements, such as trial design, data analysis and decision-making. All studies of our product candidates on humans are conducted in compliance with the applicable laws, regulations and in line with the industry standards. We believe our ability to work closely with CROs to conduct pre-clinical studies and clinical trials helps us to shorten the time required for product development as well as generate the requisite data in a reliable and efficient way.

We mainly determine the service fees paid to the CROs in accordance with market prices of similar services, the number of enrolled patients, the duration of the clinical trials, and the quality and contents of the services provided.

Regulatory Affairs

Our regulatory affairs team is responsible for the regulatory process of our product candidates, including assembling application dossiers for IND and NDA, addressing inquiries from relevant authorities and monitoring our R&D projects to ensure their compliance with relevant regulations. Our regulatory affairs team manages the regulatory submission process for our product candidates, which requires filings to be made to and approved by the relevant authorities before clinical trials and commercialization can be initiated. The regulatory affairs team prepares and manages regulatory filings by coordinating filing dossiers drafting, addressing regulatory questions and conducting CMC and GMP readiness assessments for our product candidates. We possess extensive knowledge and experience with regard to regulatory filings in China and we can design our clinical trials to maximize operational efficiency.

MANUFACTURING & CONTROLS

As of the Latest Practicable Date, we did not have commercialization-scale manufacturing facility. We currently plan to establish our own manufacturing facility in the Beijing Economic-Technological Development Area to support the production of our Core Product after commercialization. We expect to start renovation and construction work in the third quarter of 2026 and installment of equipment by the end of 2026. After all equipment installment is completed, we expect to conduct necessary inspections and verification of the manufacturing facility in 2027, and plan to initiate manufacturing by the end of 2027. As of the Latest Practicable Date, we had not experienced any material delay in the construction of such manufacturing facility as compared to our intended timetable. We have a designated officer, Mr. Ye Dongxin (“**Mr. Ye**”) who joined our Company in 2022, to oversee the establishment and future operation of our manufacturing facility. Mr. Ye has 25 years of experience in the pharmaceutical industry with extensive experience in production management, quality control, technology management, as well as planning and execution of construction projects for pharmaceutical companies. Mr. Ye leads a team of 15 members with professional background and experience in biotechnology, pharmacy and pharmaceutical manufacturing, all of which are currently employed by our Company, to carry out the development of our manufacturing facility. Upon completion and reaching full capacity, we

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expect the manufacturing facility is able to produce more than five million units of gel formulation products and seven million units of nasal spray products annually. Based on such production capacity and our estimate of the market demand for our products (Pumecitinib nasal spray and Pumecitinib gel in particular) after approval, we believe that the capacity of our manufacturing facility will be sufficient to meet the anticipated commercial demand from the initial to ramp-up stage of commercialization of our Core Product, PG-011 (Pumecitinib) gel and nasal spray. We expect that, after the completion of such manufacturing facility, we will manufacture our approved drug products (including Pumecitinib gel and nasal spray, as well as certain generic drug products) primarily through such proprietary facility. We will allocate the production capacity of our facility based on the market need of the relevant products, and will monitor the market demand for our approved drug products in a continued manner. When the demand for our drug products exceeds the production capacity of our manufacturing facility, we may decide, based on resources available to us and our business development plans at the time, to expand such facility or engage CMOs as appropriate. We are not subject to any commitment or undertaking to any government authority as to future investment, revenue or tax targets with respect to our manufacturing facility in Beijing.

Collaboration with CDMO Partners

We currently collaborate with CDMOs (including CMOs) to manufacture our drug candidates to supply for pre-clinical studies and clinical trials. We also plan to collaborate with CDMOs (including CMOs) to manufacture our generic drug products. We have established a comprehensive marketing authorization holder (“MAH”) management system in accordance with the regulatory requirements regarding the safety, efficacy and quality control of our drug products. Under our MAH management system, we enter into written quality control agreements with CDMOs (including CMOs) to require them to comply with our safety and quality standards for the drug products they manufacture.

We have entered into quality agreements with our contract manufacturing partners. Such agreements require, among other things, that the contract manufacturers shall possess the relevant qualifications under the GMP, and comply with the standard operating procedures formulated by us and all applicable laws and regulations when manufacturing our drug candidates. Our contract manufacturers are also required to conduct quality testing before delivering any drug candidate to us, and to ensure the drug candidate delivered meet the quality standards as mutually agreed in our agreements with them.

We did not experience any material product quality issues in respect of the products manufactured by our CDMO partners during the Track Record Period. Under our agreement with our CDMO partners, the CDMO partners are required to perform their services according to the prescribed time frame as set out in the agreement. Usually, we pay the CDMO partners in installments, with a specified credit period. Our CDMO partners are responsible for manufacturing our required products in accordance with certain product specifications, in compliance with cGMP requirements (where applicable), our quality standards and other applicable laws and regulations. We retain all the intellectual property rights and grant our CDMO partners the right to use our intellectual property rights for such manufacturing and packaging activities during the contract period. We are entitled to inspect and audit our CDMO partners’ manufacturing process. We mainly determine the service fees paid to the CDMOs in accordance with market prices of similar services, the number of products manufactured, and the quality and contents of the services provided. We do not share our IPs, know-hows and trade secrets with CDMOs.

Quality Control

We strictly comply with the applicable laws, regulations, rules, standards and guidelines in our quality control processes. We have established a scientific, comprehensive and full-lifecycle quality operation, management and supervision system covering the entire lifecycle of drug research and development, manufacturing, distribution and use. This system ensures that information throughout

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the drug lifecycle is authentic, accurate, complete and traceable, and continuously safeguards the safety, efficacy and quality controllability of our products throughout their lifecycle. We have also established a Quality Management Committee with overall responsibility for quality-related activities and issues.

We have established comprehensive quality control and quality assurance procedures to ensure compliance with applicable regulatory requirements and our internal quality standards. We select qualified raw material suppliers and recruit manufacturing and quality management personnel in accordance with stringent standards. We conduct regular inspections of facilities and equipment to ensure proper operation, and we require CMOs/CDMOs to closely monitor the manufacturing environment, with a particular focus on key parameters such as microbiological control, temperature and humidity. We typically conduct comprehensive internal reviews on an annual basis and engage external experts and legal advisers to perform quality audits. We benchmark our quality systems against domestic and international standards and remain committed to the continuous enhancement and improvement of our quality control framework to ensure patient safety and regulatory compliance.

COMMERCIALIZATION

We currently have no drug approved or in commercial stage yet. However, we have been building up our commercial planning and portfolio management capability since our pipeline drug candidates entered the late stages of clinical trials. To date, we did not have an in-house marketing team. In the long run, as we identify favorable market opportunities, we plan to assemble a dedicated in-house marketing force with extensive experience in our focused therapeutic areas including our generic drug products. This marketing team shall be primarily responsible for marketing strategy, product positioning, market access, market penetration, promotion activities and patient support. We expect this team will work synergistically with our partners to ensure the penetration of our products in major markets.

In particular, with respect to our Core Product, PG-011 (Pumecitinib), we have formulated an adaptive commercialization strategy to accelerate its market penetration in the foreseeable future in China upon receiving relevant marketing approval. We plan to initially collaborate with leading pharmaceutical companies and/or industry-recognized contract sales organizations (CSOs) with experience in selling drugs, capitalizing on their extensive sales networks and distribution channels to facilitate rapid market entry and increase market coverage for our Core Product, including public hospitals, retail pharmacies and third-party e-commerce platforms. We plan to select such commercialization partners who have strong commercialization capability and rich experience in the therapeutical fields we are focusing on, to leverage their access to a wide range of pharmacies, clinics and hospitals, and to utilize their well-established sales networks and other resources to achieve mutually beneficial results and cost-efficiently maximize the commercial value of our product candidates.

Meanwhile, we intend to foster direct and interactive communication with influential KOLs and physicians to build advocacy for our Core Product. We maintain rigorous criteria to select the principal investigators (PI) of our ongoing or prospective clinical trials, taking into account factors such as their credentials, academic achievements, recognition and past experience in their respective fields. We believe the academic influence, authenticity and market recognition of potential PIs would contribute to the successful management and further development of our clinical trials, as well as facilitate our future market entry and recognition. We also intend to identify a number of hospitals, clinics and physicians that specialize in atopic dermatitis and SAR treatment, and to visit the sites and physicians in person for pre-launch training and engagement. We believe collaborating with renowned hospitals and healthcare professionals not only builds credibility but also facilitates access to a vast patient pool.

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Further, we believe academic-oriented marketing efforts will be beneficial for improving alignment of expert opinion on, and promoting clinical use of, our Core Product. We have actively participated in and will continue to attend and organize academic conferences and seminars to publicize the clinical data and research results of our drug candidates, so as to raise our brand awareness and recognition.

As of the Latest Practicable Date, we had entered into an exclusive cooperation agreement with Jumpcan Pharmaceutical regarding the marketing and distribution of Pumecitinib nasal spray and an exclusive cooperation agreement with Simcere Pharmaceutical regarding the marketing and distribution of Pumecitinib gel. For details, see “— Major Collaboration and Licensing Arrangements.”

For our other product candidates, we plan to formulate more detailed commercialization strategies towards their respective late stages of clinical development, and we may also select commercialization and/or co-development partners to foster win-win cooperation in order to maximize the commercial value of our evolving product pipeline. As of the Latest Practicable Date, we had not identified any of such partner.

We believe our generic drug candidates could supplement our innovative drug product portfolio, building a more synergetic product matrix. We expect that the commercialization of such generic drug products will enable us to realize monetary values at an expedited pace with manageable development costs, as well as build up and strengthen our commercialization capabilities. Nonetheless, we aim to balance the resource allocation to our innovative and generic drug candidates and prioritize the development and commercialization of our Core Product.

We plan to establish an in-house sales and marketing team for our generic drug candidates upon their commercialization. For details of the expected commercialization timetable, see “— Our Generic Drug Pipeline Candidates.” We may also engage third-party distributors for the sales of our generic drugs upon their commercialization, and we plan to formulate concrete plans in the due course according to our available resources and market conditions.

OUR SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of CROs and CDMOs, and we did not experience any material disputes with our suppliers. During the Track Record Period, we collaborated with nine CDMOs (including CMOs) and 18 key CROs for major R&D activities, including certain leading suppliers of CRO and/or CDMO services in the relevant area. Given the large number of CROs and CDMOs (including CMOs) with which we have established collaboration relationships, we believe we do not have any material reliance on any specific CRO or CDMO. In addition, we believe that adequate alternative sources for such supplies exist, and we have developed alternative sourcing strategies for these supplies.

Below is a summary of the key terms of a typical agreement with our CROs and CDMOs.

- *Services.* The CROs or CDMOs provide us with services such as implementing a clinical research project, manufacturing products and/or providing materials as specified in the master agreement and completing ad-hoc work orders.
- *Term.* The CROs or CDMOs are required to perform its services according to the prescribed time frame set out in the master agreement or a work order.
- *Payment.* We are required to make payments to the CROs or CDMOs according to the payment schedule agreed by the parties.
- *Confidentiality.* We and the CROs or CDMOs agree to keep confidential any information in relation to the performance of the master agreement.

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- *Intellectual property.* We own all intellectual property derived from the clinical research project, and we are entitled to apply patent for such intellectual properties.
- *Liabilities and termination.* The liability of a CRO or CDMO arises at the failure to provide services in accordance with the agreed upon service schedule, and our liability arises at the failure to make timely arrangements for payment. If either party is prevented from or delayed in the performance of its obligations under the agreement by force majeure for a prolonged or if either party is in material breach of the agreement and fails to remedy its breach for more than a given time period, the non-breaching party shall have the right to terminate the agreement.

For the year ended December 31, 2024 and 2025 and the four months ended April 30, 2026, our purchases from our five largest suppliers for each year/period in aggregate amounted to RMB32.1 million, RMB24.9 million and RMB5.9 million, representing 30.6%, 27.1% and 19.8% of our total corresponding purchases in the respective period, and our purchases from the largest supplier for each period accounted for 11.0%, 7.7% and 5.9% of our total corresponding purchases for the respective period.

The following table sets forth details of our five largest suppliers during the Track Record Period.

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount (RMB in thousands)	% of Total Purchases for the Period
<i>For the four months ended April 30, 2026</i>						
Supplier A . . .	A domestic Chinese CRO service provider listed on NEEQ	CRO service	20 business days	2021	1,763	5.9%
Chifeng Saliont .	A private company in China primarily engaging in the manufacturing and sale of generic drugs and contracted manufacturing of drug ingredients and products	CMO service	10 calendar days	2019	1,109	3.7%
Supplier B . . .	A private company in China primarily providing financial advisory and business development services	Business development consulting and advisory	30 business days	2021	1,038	3.5%
Supplier C . . .	A leading global contract research organization	CRO service	20 business days	2022	1,005	3.4%
Supplier D . . .	A group of private companies in Beijing that engage in, among others, property leasing and property management services	Property leasing and property management services	10 business days	2019	967	3.3%
Total					5,882	19.8%

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Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount (RMB in thousands)	% of Total Purchases for the Period
<i>For the year ended December 31, 2025</i>						
Supplier A . . .	See above	CRO service	20 business days	2021	7,088	7.7%
Chifeng Saliont .	See above	CMO service	10 calendar days	2019	5,763	6.3%
Supplier E . . .	A leading pharmaceutical contract research, development and manufacturing service provider listed in Chinese mainland and Hong Kong	CRO service	30 calendar days	2017	5,436	5.9%
Supplier D . . .	See above	Property leasing and property management services	10 business days	2019	3,436	3.7%
Supplier C . . .	A leading global contract research organization	CRO service	20 business days	2022	3,193	3.5%
Total					24,916	27.1%

Supplier	Background	Major Purchases	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount (RMB in thousands)	% of Total Purchases for the Period
<i>For the year ended December 31, 2024</i>						
Chifeng Saliont .	See above	CMO service	10 calendar days	2019	11,596	11.0%
Supplier C . . .	See above	CRO service	20 business days	2022	6,773	6.4%
Supplier E . . .	See above	CRO service	30 calendar days	2017	4,824	4.6%
Supplier F . . .	A public hospital in Beijing	Clinical trial administration	10 business days	2022	4,627	4.4%
Supplier G . . .	A Chinese CRO service provider listed on NEEQ	CRO service	10 business days	2023	4,261	4.1%
Total					32,081	30.6%

Except for Chifeng Saliont, which is controlled by our Controlling Shareholder, Mr. Li, all of our five largest suppliers in each year/period during the Track Record Period are Independent Third Parties. Except as disclosed above, none of our Directors or any Shareholder who, to the knowledge of our Directors, owns more than 5% of our issued share capital immediately following completion of the [REDACTED], nor any of their respective associates had any interest in any of our five largest suppliers during the Track Record Period.

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All our transactions with Chifeng Saliont during the Track Record Period were authorized in accordance with applicable laws and regulations and our corporate governance rules. Our Directors are of the view that such transactions with Chifeng Saliont were made on a reasonable basis and necessary for our business operations, and confirm that our historical transactions with Chifeng Saliont have been conducted on arm’s-length basis.

INTELLECTUAL PROPERTY

Intellectual property rights are pivotal to the success of our business. Our commercial future will depend, in part, on our ability to acquire and protect our intellectual property rights for commercially significant technologies, inventions and know-how. This includes obtaining new patents, defending existing patents, and protecting our trade secrets. We will also have to operate without infringing, misappropriating, or otherwise violating third parties’ valid, enforceable intellectual property rights.

We have a global portfolio of patents to protect our drug candidates and technologies. As of the Latest Practicable Date, we held nine patents issued in China, 36 patents issued overseas (including two for which notices of allowance had been received), and 76 pending patent applications, of which two patents issued in China, nine patents issued overseas (including two for which notices of allowance had been received) and 13 pending patent applications were attributed to our Core Product PG-011. All inventors of such issued patents and patent applications relating to our Core Product are our R&D personnel or former R&D personnel who were employed by our Company at the time of the relevant invention. As of the Latest Practicable Date, we had not received any material concerns or inquiries from relevant competent authorities that make us believe that any of the pending patent applications will be rejected.

The following table sets forth an overview of the portfolio of our patents and patent applications as of the Latest Practicable Date that are material to our business operation. All of the patents and patents applications below are held by our Company.

Related Product	Name of Patent	Jurisdiction	Status	Date of Grant/Notice of Allowance	Date of Expiration	Commercial rights
PG-011	Pyrrolopyrimidine derived compound and pharmaceutical composition and uses thereof	China	Grant	2021-01-19	2037-12-01	All
	Polymorphs of JAK tyrosine Kinase inhibitor and preparation method thereof	China	Grant	2025-08-19	2043-02-24	All
	Preparation method for pyrrolopyrimidine compound	India	Grant	2024-02-05	2041-08-25	All
	Preparation method for pyrrolopyrimidine compound	Europe	Grant	2026-03-04	2041-08-25	All
	Preparation method for pyrrolopyrimidine compound	U.K.	Grant	2026-03-04	2041-08-25	All
	Preparation method for pyrrolopyrimidine compound	Switzerland	Grant	2026-03-04	2041-08-25	All
	Preparation method for pyrrolopyrimidine compound	U.S.	Notice of allowance received	2026-03-31	2041-08-25	All
	Preparation method for pyrrolopyrimidine compound	Turkey	Grant	2026-03-04	2041-08-25	All
	Preparation method for pyrrolopyrimidine compound	Poland	Grant	2026-03-04	2041-08-25	All

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Related Product	Name of Patent	Jurisdiction	Status	Date of Grant/Notice of Allowance	Date of Expiration	Commercial rights
PG-018	Preparation method for pyrrolopyrimidine compound	Spain	Grant	2026-03-04	2041-08-25	All
	Preparation method for pyrrolopyrimidine compound	China	Pending	Inapplicable	Inapplicable	All
	Polymorph of JAK tyrosine kinase inhibitor and preparation method therefor	Europe	Pending	Inapplicable	Inapplicable	All
	Polymorph of JAK tyrosine kinase inhibitor and preparation method therefor	U.S.	Pending	Inapplicable	Inapplicable	All
	Polymorph of JAK tyrosine kinase inhibitor and preparation method therefor	Japan	Notice of allowance received	2026-04-07	2043-02-24	All
	Topical gel for jak inhibitor and use thereof	PCT	Pending	Inapplicable	Inapplicable	All
	Crystal forms of a JAK inhibitor	China	Pending	Inapplicable	Inapplicable	All
	Crystal forms of salts of a JAK inhibitor	China	Pending	Inapplicable	Inapplicable	All
	Tyrosine kinase inhibitor nasal spray	PCT	Pending	Inapplicable	Inapplicable	All
	JAK inhibitor for treatment of allergic rhinitis	PCT	Pending	Inapplicable	Inapplicable	All
	Inhibitor for promoting collagen expression	PCT	Pending	Inapplicable	Inapplicable	All
	Pyrrolopyrimidine derived compound and pharmaceutical composition and uses thereof	China	Grant	2020-10-30	2037-12-01	All
	Prodrug of JAK inhibitor compound, preparation method and application	China	Grant	2022-11-15	2042-07-20	All
	Method for preparing pyrrolopyrimidine compound or pharmaceutically acceptable salt thereof	China	Pending	Inapplicable	Inapplicable	All
	Polymorphs of a JAK tyrosine kinase inhibitor and the use thereof	China	Pending	Inapplicable	Inapplicable	All
	Polymorphs of a JAK tyrosine kinase inhibitor and the use thereof	Europe	Pending	Inapplicable	Inapplicable	All
	Polymorphs of a JAK tyrosine kinase inhibitor and the use thereof	U.S.	Pending	Inapplicable	Inapplicable	All
	Fumarate crystal form of JAK tyrosine kinase inhibitor, preparation method therefor, and application thereof	China	Pending	Inapplicable	Inapplicable	All
PG-033	Pharmaceutical composition	PCT	Pending	Inapplicable	Inapplicable	All
	A Nitrogen-containing spirocyclic compound, pharmaceutical composition and use thereof	China	Pending	Inapplicable	Inapplicable	All

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Related Product	Name of Patent	Jurisdiction	Status	Date of Grant/Notice of Allowance	Date of Expiration	Commercial rights
PG-040	A Nitrogen-containing spirocyclic compound, pharmaceutical composition and use thereof	Australia	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spirocyclic compound, pharmaceutical composition and use thereof	Canada	Pending	Inapplicable	Inapplicable	All
	A Nitrogen-containing spirocyclic compound, pharmaceutical composition and use thereof	Europe	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spiro compound, a pharmaceutical composition and application thereof	Japan	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spiro compound, a pharmaceutical composition and application thereof	Korea	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spiro compound, a pharmaceutical composition and application thereof	Russia	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spiro compound, a pharmaceutical composition and application thereof	Hong Kong	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spiro compound, a pharmaceutical composition and application thereof	Indonesia	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spirocyclic compound, pharmaceutical composition and use thereof	U.S.	Pending	Inapplicable	Inapplicable	All
	A nitrogen-containing spirocyclic compound, pharmaceutical composition and use thereof	Brazil	Pending	Inapplicable	Inapplicable	All
	Azacycloalkane compound and pharmaceutical composition, and use thereof	China	Pending	Inapplicable	Inapplicable	All
	Azacycloalkane compound and pharmaceutical composition, and use thereof	Europe	Pending	Inapplicable	Inapplicable	All
	Azacycloalkane compound and pharmaceutical composition, and use thereof	U.S.	Pending	Inapplicable	Inapplicable	All
	Azacycloalkane compound and pharmaceutical composition, and use thereof	Japan	Pending	Inapplicable	Inapplicable	All

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The term of an individual patent may vary based on the countries/regions in which it is granted. The actual protection afforded by a patent varies on a claim-by-claim and country-by-country basis and depends upon many factors, including the type of patent, the scope of its coverage, the availability of any patent term extension or adjustment, the availability of legal remedies in a particular country/region and the validity and enforceability of the patent. We cannot provide any assurance that patents will be issued with respect to any of our pending patent applications or any such patent applications that may be filed in the future, nor can we provide any assurance that any of our owned, or in-licensed issued patents or any such patents that may be issued in the future will be commercially useful in protecting our product candidates and the methods of manufacturing the same.

We may rely, in some circumstances, on trade secrets and/or confidential information to protect aspects of our product candidates. We seek to protect our proprietary product candidates and processes, in part, by entering into confidentiality agreements with consultants, scientific advisors and contractors, and invention assignment agreements with our employees. We have entered into confidentiality agreements with our senior management and key members of our R&D team and other employees who have access to trade secrets or confidential information about our business. Our standard employment contract, which we used to employ each of our employees, contains an assignment clause, under which we own all the rights to all inventions, technology, know-how and trade secrets derived during the course of such employee’s work.

These agreements may not provide sufficient protection of our trade secrets and/or confidential information. These agreements may also be breached, resulting in the misappropriation of our trade secrets and/or confidential information, and we may not have an adequate remedy for any such breach. In addition, our trade secrets and/or confidential information may become known or be independently developed by a third party, or misused by any collaborator to whom we disclose such information. Despite any measures taken to protect our intellectual property, unauthorized parties may attempt to or successfully copy aspects of our products or to obtain or use information that we regard as proprietary without our consent. As a result, we may be unable to sufficiently protect our trade secrets and proprietary information.

We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems. Despite any measures taken to protect our data and intellectual property, unauthorized parties may attempt to or successfully gain access to and use information that we regard as proprietary. Please see “Risk Factors — Risks Relating to Our Business and Industry — Risks Relating to Our Intellectual Property Rights” for a description of risks related to our intellectual property.

We conduct our business under the brand name of “普祺醫藥.” As of the Latest Practicable Date, 普祺醫藥 had not been registered as trademark in China. See “Risk Factors — Risks Relating to Our Business and Industry — Risks Relating to Our Intellectual Property Rights — Our brand name has not been registered as trademark in China and therefore may not be adequately protected. This could adversely affect our ability to build brand recognition in our intended market, and our reputation and business could be adversely affected.”

As of the Latest Practicable Date, we held 42 registered trademarks in China. We are also the owner of five domain names and eight software copyrights.

Based on the freedom-to-operate (FTO) analysis of our Core Product conducted by our legal advisor as to PRC intellectual property laws, we are not aware of any issued patents that may affect our rights to conduct research and development or commercialize our Core Product in China at the contemplated timeframe. Furthermore, as of the Latest Practicable Date, there were no pending claims, lawsuits, judicial proceedings or patent invalidation proceedings in China involving patents or patent applications related to PG-011, and we had not received any notice threatening to bring such claims. Based on the results of such FTO analysis and the relevant legal assessment, our legal

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advisor as to PRC intellectual property laws is of the view that the risk that our research and development activities related to PG-011 will infringe any third-party patents or intellectual property rights in China is low. FTO analysis is a patent investigation, based on a search of patent databases, that is commonly used to determine whether any existing patents cover a company’s products, and whether making, using, offering to sell, or selling the products would infringe any existing patents. However, we cannot provide any assurance that all relevant third party patents were identified or that conflicting patents will not be issued in the future.

During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of, and we had not received notice of any material claims of infringement, misappropriation or other violations of, third-party intellectual property; and (ii) we were not involved in any proceedings or claim in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the research and development for any of our product candidates in which we may be a claimant or a respondent.

COMPETITION

The pharmaceutical industry is characterized by rapidly advancing technologies, competition and a strong emphasis on proprietary drugs. While we believe our pipeline of clinical and pre-clinical stage proprietary assets, leading R&D capability, technology platforms and seasoned management team provide us with competitive advantages, we face potential competition from many different sources, including major pharmaceutical companies, academic institutions, and public and private research institutions. Any product candidates that we successfully develop and commercialize will compete with existing drugs and new drugs that may become available in the future. For more detailed insights into the competitive landscape of our drug candidates, please see “Industry Overview” and “— Our Drug Candidates.”

We focus on leveraging our industry experience and established R&D capabilities for the in-house discovery and development of differentiated therapeutics in the fields of autoimmune and inflammatory diseases. We face fierce competition from existing products and product candidates under development in the market. We face uncertainties in clinical trial development which are subject to a variety of factors, including satisfactory safety and efficacy results from clinical trials, successful enrollment of patients, and performance of CROs and other parties involved in clinical trial development and others.

PROPERTIES

We are headquartered in Beijing, PRC and our R&D center is located in Beijing, PRC.

Owned Properties

As of the Latest Practicable Date, we did not own any real property.

Leased Properties

As of the Latest Practicable Date, we held leases with respect to seven properties for business operation in China with an aggregate GFA of approximately 12,476.48 sq.m. We did not lease any properties overseas. We believe our current facilities are sufficient to meet our near-term business operation needs, and additional space can be obtained on commercially reasonable terms to meet our future needs.

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The following table sets forth the details of our leased properties as of the Latest Practicable Date:

Actual usage	Location	GFA (sq.m)	Expiry Date
Office	Beijing	610	April 8, 2027
Office	Beijing	700	April 8, 2027
Office	Beijing	290	April 8, 2027
Office	Beijing	280	April 8, 2027
Office	Beijing	1,280	April 8, 2027
Office, R&D and manufacturing facility	Beijing	9,306	February 28, 2031/November 29, 2026
Office	Beijing	10	May 7, 2027

As of the Latest Practicable Date, one of our lease agreements for properties for our business operation had not been registered with relevant authorities in China. As advised by our PRC Legal Advisor, the non-registration of lease agreements will not affect the validity of the lease agreements, but the relevant local housing administrative authorities can require us to complete registrations within a specified timeframe and if we fail to so rectify, we may be subject to a fine of between RMB1,000 and RMB10,000 for each of these leasing properties. For details, see “Risk Factors — Other Risks Relating to Our Operations — We are subject to risks associated with leasing space.” We believe additional and/or substitutional space can be obtained on commercially reasonable terms to meet our operational needs if any of our leases is terminated. We do not expect to experience any material difficulty in relocating any of the foregoing facilities if necessary. Based on the aforementioned, our Directors are of the view that the non-registration and a potential termination of our leases will not have a material adverse impact on our overall business operations and financial performance. Based on the aforementioned Directors’ view and taking into account that the maximum fine that the Company may be imposed for the non-registration of the leasing agreement is RMB10,000, which is not material, nothing has come to the Joint Sponsors’ attention that would reasonably cause them to cast doubt on such view. We plan to comply with the lease agreement registration requirement regarding our lease agreements. However, as the filing of the lease agreements requires the coordination of both lessors and lessees, the lessors may not cooperate and complete the registration in a timely manner. During the Track Record Period and up to the Latest Practicable Date, we have not been required by the relevant local housing administration authorities to complete the registration, nor have we been subject to any penalties or fines imposed by the relevant authorities in connection with such matters.

As of the Latest Practicable Date, no single property interest that formed part of non-property activities had a carrying amount of 15% of our total assets. Therefore, according to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this Document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to our interests in land or buildings.

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EMPLOYEES

As of April 30, 2026, we had a total of 88 full-time employees. As of April 30, 2026, employees with a master’s or doctoral degree accounted for more than 50% of our total full-time employees, and R&D personnel accounted for 75.0% of the employees. The following table sets forth a breakdown of our full-time employees categorized by function as of April 30, 2026:

Function	Number	Percentage
Management	4	4.5%
R&D	66	75.0%
Administration	14	16.0%
Finance	4	4.5%
Total	88	100.0%

The following table sets forth a breakdown of our full-time employees categorized by educational background as of April 30, 2026:

Educational Background	Number	Percentage
Doctoral Degree	10	11.4%
Master’s Degree	41	46.6%
Bachelor’s Degree	30	34.0%
Others	7	8.0%
Total	88	100.0%

We enter into individual employment contracts with our employees that covering salaries, bonuses, employee benefits, workplace safety, confidentiality and non-competition, work product assignment clause and grounds for termination.

To maintain our workforce’s quality, knowledge, and skill levels, we provide continuing education and training programs, including internal training, to improve their technical, professional or management skills. We also provide training programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects. Furthermore, we provide various incentives and benefits to our employees, including competitive salaries, bonuses and share-based payment, particularly our key employees.

Our employees’ remuneration comprises salaries, bonuses, provident funds, social security contributions, and other welfare payments. We have made contributions to our employees’ social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds pursuant to applicable laws and regulations. We have complied with all statutory social security insurance fund and housing fund obligations applicable to us under the laws and regulations in China in all material aspects during the Track Record Period and as of the Latest Practicable Date.

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Training and Development

We provide our employees with a diverse array of professional development opportunities and foster a performance-driven environment. Our focus is on cultivating a culture that promotes retention and engagement. With our emphasis on our integrated in-house research and development capabilities, we place significant importance on the growth of internal talent. We consistently seek out advancement opportunities for our staff through various internal and external training and development programs, including pre-job training, on-the-job practice, cross-training, special skills training, and talent echelon development training.

Workplace Safety

We have adopted and maintained a series of rules, standard operating procedures, and measures to maintain our employees’ healthy and safe environment. We implement safety guidelines to set out information about potential safety hazards and procedures. We require employees to participate in safety training to familiarize themselves with the relevant safety rules and procedures. Also, we have policies in place and have adopted relevant measures to ensure the hygiene of our work environment and the health of our employees.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material penalty in relation to health, work safety, social and environmental protection.

Labor Disputes

As of the Latest Practicable Date, we were not aware of any material labor disputes that had resulted in the interruption of our operations.

INSURANCE

We maintain insurance policies that we consider to be in line with market practice and adequate for our business. Our insurance policies cover adverse events in clinical trials. We currently do not maintain insurance for environmental liability or property loss. Please refer to “Risk Factors — Other Risks Relating to Our Operations — Our insurance coverage may not completely cover the risks related to our business and operations, which could expose us to significant costs and business interruptions.”

We consider that the coverage from the insurance policies maintained by us is adequate for our present operations and is in line with the industry norm. During the Track Record Period, we had not made or been the subject of any material insurance claims.

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ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY MATTERS

ESG Governance

ESG Governance Structure

We have established an ESG governance framework encompassing decision-making, management and execution dimensions, forming a governance structure with clearly delineated responsibilities and seamless coordination. This provides robust organizational safeguards for systematically advancing ESG initiatives and enhancing disclosure quality.

As the supreme decision-making body for ESG matters, the Board of Directors bears ultimate responsibility for ESG management. It is tasked with reviewing, evaluating and approving major ESG issues, operational objectives, key policies and external disclosure reports.

The Board office serves as the central governance hub, undertaking the day-to-day management and coordination of ESG affairs. The ESG Working Group reports directly to it. All materiality assessments, key data, and draft reports must be submitted to the Board office for discussion and confirmation. Subsequently, the Board Secretary reports to the Board, ensuring the accurate communication of decision-making information.

The ESG Working Group, as the operational body, oversees the coordination and implementation of ESG initiatives. It organizes and coordinates ESG activities across our entire operations, ensuring timely, complete and accurate disclosure of information. Through quarterly communication meetings, it continuously monitors data submission, addresses anomalies and drives improvements, thereby ensuring effective execution of all tasks mandated by Board decisions.

ESG Risk Management and Strategies

We uphold a “zero tolerance” policy towards illegal and non-compliant activities, integrating a culture of compliance into our corporate governance framework. Through comprehensive risk identification and assessment procedures, we have established a multi-dimensional oversight mechanism covering core business areas including financial reporting, compliant operations, intellectual property protection, and anti-corruption. This achieves synergy between risk prevention and our sustainable development objectives.

Environmental

Indicators

We proactively implement carbon reduction and environmental principles, adopting a series of measures to address environmental risks, including climate change and energy scarcity. Through conducting environmental impact assessments, we ensure our activities meet sustainability standards. With reference to guidelines such as the Environmental Key Performance Indicators Reporting Guidance issued by the Stock Exchange, we monitor all energy consumption metrics, ensuring full alignment with our ESG governance framework and green energy-saving targets. We persistently enhance energy utilization efficiency to achieve our sustainable development objectives.

Our core business is pharmaceutical R&D. We do not directly engage in manufacturing activities and have no subsidiaries. As we do not own or lease vehicles on a long-term basis, our primary energy consumption stems from water and electricity usage in offices and laboratories.

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The following table sets forth a breakdown of our key energy consumption during the Track Record Period:

	Year ended December 31,		For the four months ended April 30,
	2024	2025	2026
Resource consumption			
Water (<i>tons</i>)	1,246.00	1,036.00	252.00
Electricity (<i>MWh</i>)	179.66	190.63	62.13

We are committed to strengthening the monitoring of our greenhouse gas (GHG) emissions and have conducted a comprehensive verification of emissions from our operations during the Track Record Period.

The following table sets forth a breakdown of our key greenhouse gas emissions during the Track Record Period:

	Year ended December 31,		For the four months ended April 30,
	2024	2025	2026
Greenhouse gas emissions			
Total green house gas emissions	100.25	106.37	34.67
Scope 1 greenhouse gas emissions (tons of CO ₂ equivalent)	—	—	—
Scope 2 greenhouse gas emissions (tons of CO ₂ equivalent)	100.25	106.37	34.67

Note: The total greenhouse gas emissions represent the sum of Scope 1 and Scope 2 greenhouse gas emissions. Due to our asset-light operating model, we have limited control over the supply chain. Given the practical difficulties, we have not disclosed data related to Scope 3 greenhouse gas emissions.

Energy Conservation, Emissions Reduction Targets and Safety Objectives

Taking into account the business nature of innovative drug research and development, and based on historical operating data for the years of 2024, 2025 and the first four months of 2026, we have established core ESG targets that are measurable, achievable and monitorable. These targets include clearly defined timelines, calculation methodologies and underlying assumptions, and are used to continuously track the effectiveness of ESG initiatives. All targets are incorporated into the our daily operational management and supervision framework. Where review and optimization of such targets are required due to business development or regulatory changes, the reasons for and results of such adjustments will be formally disclosed.

The following table sets forth our objectives towards energy conservation, emissions reduction and workplace safety:

Objectives	Reference Value
Reduction in electricity consumption intensity by 2030 relative to 2024 ⁽¹⁾	5%
Workplace environmental pollution incidents ⁽²⁾	0
Compliant disposal rate for laboratory hazardous waste ⁽³⁾	100%
Of which: Major laboratory safety incidents ⁽⁴⁾	0

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Objectives	Reference Value
Pre-employment safety training coverage rate ⁽⁵⁾	100%
Major complaints from clinical trial subjects and serious ethical violation incidents ⁽⁶⁾	0
Regulatory penalty incidents due to failure to disclose major information truthfully, accurately, and timely ⁽²⁾	0
Senior management held accountable for violations of integrity principles ⁽²⁾	0
Major administrative penalties due to unfair competition ⁽²⁾⁽⁷⁾	0
R&D data breach incidents ⁽²⁾	0

Notes:

- (1) To be achieved by 2030, assuming that there is no significant expansion of R&D premises during the period. Electricity intensity calculated by dividing (i) total electricity consumption by (ii) total gross floor area.
- (2) Number of incidents determined based on administrative penalties imposed, investigations conducted, or other records maintained, by the relevant administrative and/or judicial authorities.
- (3) Calculated by dividing (i) the amount of hazardous waste disposed of in compliance with applicable laws and regulations by (ii) the total hazardous waste generated during the period. Compliance status to be determined based on qualifications of third-party disposal institutions and acceptance records from environmental authorities.
- (4) Refers to laboratory incidents resulting in casualties, significant property losses, or major environmental violations, as determined based on regulatory records.
- (5) Calculated by dividing (i) the number of new employees having completing and passing training by (ii) the total number of new employees.
- (6) Determined based on feedback and records from clinical trial institutions, drug regulatory authorities and ethics committees.
- (7) A significant incident refers to a penalty with a material adverse impact on our operations or reputation.

Emissions

Our core business is drug research and development. Production of clinical-stage drugs is conducted via CMOs. We do not possess our own production facilities, and thus there are no emissions of exhaust gases, wastewater, or solid waste generated from production processes.

During the Track Record Period, we have no records of environmental compliance violations or penalties. Laboratory waste treatment processes have passed environmental acceptance inspections. We regularly upgrade pollution treatment facilities and continuously improve environmental management procedures.

The following table sets forth the hazardous waste amount during the Track Record Period:

	Year ended December 31,		For the four months ended April 30,
	2024	2025	2026
Total Hazardous Waste (<i>tons</i>)	3.95	3.42	0.63

Climate Change

We recognize climate change as a key challenge. We will monitor climate risks and opportunities, conduct systematic assessments, and improve mitigation measures and environmental strategies. Physical risks like high winds or extreme heat may temporarily close our offices, causing

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asset damage, R&D disruption, safety threats, and revenue loss. We monitor disastrous weather, implement emergency plans, and adjust to temperature changes to ensure business continuity. We also invest in disaster recovery equipment, protect our archives with anti-theft, fire, heat, mold, damp, and pest controls, and perform regular backups to prevent data loss.

During the Track Record Period, we were not significantly affected by climate-related risks. Going forward, we will continue to fulfill our climate responsibilities reduce our carbon footprint, and minimize negative environmental impact.

Social

Employment

We are committed to continuously improving our employment system, creating a safe and comfortable working environment and a diversified development platform for our employees. Our employee structure is of high quality. We focus on talent acquisition and cultivation, safeguarding employees’ equal rights in terms of employment conditions, training, promotion, and compensation.

Our recruitment is based on business development needs and role requirements. Where possible, we prioritize internal candidates who meet the position’s criteria. Should no suitable internal candidates be available, we then seek qualified external applicants. Throughout the recruitment process, there is no discrimination based on gender, age, ethnicity, religious beliefs, disability, or similar factors. We firmly oppose any form of employment discrimination.

We strictly adhere to labor-related laws and regulations. During the recruitment process, we avoid illegal or non-compliant employment through prudent information collection and approval procedures. We also prohibit forced labor, respect employees’ right to choose employment, and base work arrangements strictly on labor contract terms, without any use of violence, threats, or other forms of forced labor, fully protecting employees’ legitimate rights and interests.

The following table sets forth the key employment performance indicators:

	Year ended December 31,		For the four months ended April 30,
	2024	2025	2026
Male	43	43	43
Female	51	45	45
Employee Turnover Rate	20%	13%	6%

Occupational Health and Safety

We comply with employee safety and health-related laws and regulations. We provide annual health check-ups for all employees, demonstrating our commitment to their physical and mental well-being. Furthermore, we equip R&D personnel with professional protective equipment such as gloves, goggles, and protective clothing. We also purchase group accident insurance for eligible employees. New employees must undergo training and pass corresponding assessments before assuming their posts.

Clinical Trial Subject Protection

As an R&D-focused pharmaceutical company, we strictly adhere to the Good Clinical Practice (GCP) and are committed to building a comprehensive subject protection system throughout the entire process.

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We implement a complete informed consent process, using clear and understandable language to fully inform subjects (or their guardians) about the clinical trial’s purpose, procedures, potential risks, rights protection, etc., ensuring subjects voluntarily sign the informed consent form with full understanding. Subject-related data is encrypted and stored with hierarchical access control. When involving contract R&D services, we require the entrusted organizations to strictly comply with regulatory provisions to safeguard subject data compliance and rights.

Clinical Trial Ethics and Safety Management

We comply with GCP and applicable ESG and regulatory standards on clinical trial ethics, safety, and environmental risks.

Ethics: Our procedures are ethics-committee approved. The consent forms for trial participants use clear language to disclose trial purpose, risks, and participants’ rights. Patients’ data are encrypted and managed with hierarchic access control.

Patient safety: We have adopted an end-to-end protection framework to prevent risks from improper handling of biological materials and hazardous substances.

Employee safety: We have adopted clear policies covering the storage, use, transport, and disposal of hazardous chemicals. We provide employees with PPE, fire/alarm systems, pre-job and ongoing training, as well as safety data sheets to follow.

Environmental risks: Hazardous chemicals are stored by category with ventilation, daily checks, and fire signage. Packaging and residues are recycled and/or disposed of under designated supervision to prevent unauthorized dumping and mitigate pollution risks at source.

Anti-Corruption

We consistently regard anti-corruption compliance as a core principle of corporate operations. By building and improving a management system, implementing full-chain risk prevention and control, conducting regular training and education, and establishing unobstructed supervision and reporting channels, we create an honest and compliant business operating environment, prohibiting any form of corruption, bribery, or improper benefit transfers. We explicitly prohibit providing improper benefits (such as rebates, excessive sponsorships, bid-rigging, etc.) to relevant parties including suppliers (including CROs, SMOs, reagent suppliers, etc.), clinical trial institutions, and government departments. Bribery, acceptance of bribes, and commercial fraud are strictly prohibited. The regulations also stipulate that for procurement and outsourcing businesses, contract negotiations must involve professionals from legal, technical, and other departments. Major contracts undergo multi-level approval, and contract texts must be reviewed by the legal department, with anti-corruption responsibilities and consequences for breach clearly defined in key clauses.

PERMITS, LICENSES AND OTHER APPROVALS

As of the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant authorities that are material to our operations in the PRC and such licenses, permits and certifications all remain in full effect. For more details regarding the laws and regulations to which we are subject, see “Regulatory Overview.” We had not experienced any material difficulty in renewing such licenses, permits, approvals and certificates during the Track Record Period and up to the Latest Practicable Date, and we currently do not expect to have any material difficulty in renewing them when they expire, if applicable. There is no material legal impediment in renewing such licenses, permits, approvals and certificates as they expire in the future as long as we are in compliance with applicable laws, regulations and rules. During the Track

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Record Period and up to the Latest Practicable Date, we had not been penalized by any government authorities for any non-compliance relating to maintenance and renewal of our material licenses, permits, approvals and certificates.

The following table sets forth the details of our material licenses, permits and approvals as of the Latest Practicable Date:

License/Permit	Issuing Authority	Holder	Grant Date	Expiration Date
Drug Manufacturing License (藥品生產許可證)	Beijing Municipal Medical Products Administration	Our Company	2026-05-20	2030-01-21
Filing Certificate for Enterprises Engaged in Explosive-Precursor Hazardous Chemicals (易制爆危險化學品從業單位備案證明)	Beijing Municipal Public Security Bureau Fengtai District Branch	Our Company	2020-12-02	N/A

LEGAL PROCEEDINGS AND NON-COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, we were not a party to any actual or threatened legal or administrative proceedings. We are committed to maintaining the standards of compliance with the laws and regulations applicable to our business. However, we may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business.

Legal Compliance

Our current research facility, which is located in one of our leased properties in Fengtai District, Beijing, did not fully comply with the applicable approval or acceptance requirements during its renovation in 2019. Such historical non-compliance primarily include failure to obtain the construction permit and to conduct the completion acceptance procedures. Failure to obtain such permits or conduct such acceptance procedure may give rise to administrative actions by the relevant local authorities, including fines and mandatory remedial actions. Our Directors confirm that the foregoing historical non-compliance have not had and are not expected to have any material adverse effect on our licenses, permits, business operations or clinical and business development, considering that: (i) up to the Latest Practicable Date, we had not been subject to any penalty or administrative action with respect to such historical non-compliance; (ii) the potential aggregate fines resulting from such historical non-compliance will not have a material impact on our financial condition; and (iii) we are planning our new research and manufacturing facility in the Beijing Economic-Technological Development Area, and will no longer use the current facility involved in such historical non-compliance after the new facility is completed.

According to our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operation. Our Directors confirmed that we had complied with all material applicable laws and regulations for our operations in the PRC and we were not involved in any material or systemic non-compliance incidents in the PRC.

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RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We are exposed to various risks in our business operations, and we believe that risk management is important to our success. For more details, see “Risk Factors — Other Risks Relating to Our Operations.” Our Directors oversee and manage the overall risks associated with our operations. We have prepared written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules.

To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [REDACTED], we have adopted or will continue to adopt, among other things, the following risk management measures:

- establish an Audit Committee to review and supervise our financial reporting process and internal control system;
- adopt various policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure;
- provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations; and
- attend training sessions by our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies listed in Hong Kong.

Internal Control

We have employed an independent internal control consultant to assess our internal control system in connection with the [REDACTED]. The internal control consultant has conducted a review procedure on our internal control system in certain aspects, including financial reporting and disclosure controls, corporate level controls, information system control and other procedures for our operations. Accordingly, we have improved our internal control by adopting and implementing the corresponding enhanced internal control measures. Going forward, we will continue to regularly review and improve these internal control policies, measures and procedures.

We have also appointed external legal counsel to advise us on compliance matters, such as compliance with the regulatory requirements on clinical R&D. Under our whistle blowing policy, we make our internal reporting channel open and available for our employees to report, on an anonymous basis, any non-compliance incidents and acts, including bribery and corruption. Reported incidents and persons will be investigated and appropriate measures will be taken in response to the findings. We have also established anti-bribery guidelines and compliance requirements. After considering the remedial actions we have taken, our Directors are of the view that our internal control system is adequate and effective for our current operations.

We plan to provide our Directors, senior management, and relevant employees with continuous training programs and updates regarding the relevant laws and regulations regularly to proactively identify any concerns and issues relating to any potential non-compliance.

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Anti-bribery

We maintain a strict code of conduct and anti-corruption policies among our employees. We believe we will be less affected by the increasingly stringent measures taken by the PRC government to correct corruptive practices in the pharmaceutical industry. We strictly prohibit bribery or other improper payments in our business operations. This prohibition applies to all business activities, anywhere globally, whether involving government officials or healthcare professionals. Improper payments prohibited by this policy include bribes, kickbacks, excessive gifts or entertainment, or any other payment made or offered to obtain an undue business advantage. We keep accurate books and records that reflect transactions and asset dispositions in reasonable detail. Requests for false invoices or payment of unusual, excessive or inadequately described expenses should be rejected and promptly reported. Misleading, incomplete or false entries in our books and records are never acceptable.

We have adopted comprehensive internal control measures for anti-corruption and anti-bribery by (i) providing regular anti-corruption and anti-bribery compliance training for senior management and employees, including daily compliance team meeting, annual compliance training and other ad hoc compliance training sessions, to enhance their knowledge and compliance with applicable law and regulations; (ii) monitoring books, records and accounts with respect to supplier management, tendering and bidding process management and financial payment management to identify any false, misleading or undisclosed entries; (iii) establishing whistle-blowing mechanisms and encouraging all employees, suppliers, and other relevant parties to report suspicious activities and violations of the policies.

Conflict of Interest and Non-Competition

Our code of conduct clearly defines the scope of conflicts of interest, including supplier and customer relationships, hospitality and gifts, financial interests and personnel matters. Our employees, including but not limited to our Directors and R&D team members, may not have or be suspected of having a personal interest in business dealings with our suppliers, business partners, or competitors; accept monetary, financial or other benefits from our suppliers, customers, competitors or distributors; have close relatives who work for our suppliers, customers, competitors or distributors; serve as a consultant or director in an association or company in the same market or industry. At the same time, employees shall keep confidential information strictly confidential and agree on the definition of confidential information, the content covered, the use of intellectual properties, including but not limited to any transfer of know-how, acquisition of technologies, and potential breach liabilities.

Our employee agreements have included non-competition clauses, which prohibit employees from engaging in or directly or indirectly assisting any third party to engage in the same, similar and competitive business activities as our Company for a period of two years from the date of termination of employment. Any of our employees shall not, without prior written approval from our Company, own, manage, operate or control any other entity that competes with our Company.

Data Privacy Protection

We are subject to the relevant local, state, national and international data protection and privacy laws, directives regulations and standards that apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal data in the various jurisdictions in which we operate and conduct our clinical trials, as well as contractual obligations.

We do not have direct access to the personal information of patients participating in our clinical trials. Such information is cleansed before we receive clinical trial data from our CROs or the CROs receive relevant trial information from the hospitals administering the trials. We require that all parties involved in clinical trials, both external and internal, comply with applicable confidentiality obligations. Our CROs and other partners are obligated to safeguard the

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confidentiality of such information pursuant to our contracts with them. Compliance with GCP and relevant rules ensures that only approved personnel can access clinical trial data. Data utilization is strictly confined to the use consented to by the patients, which is in line with the Informed Consent Form (“ICF”). We ensure to obtain further consent from patients for any data usage that extends beyond the ICF’s scope. Any data transfer related to our product development activities and regulatory communications must comply with relevant local data protection and privacy laws. Despite the evolving nature of these laws and our potential clinical trials, we have not encountered significant issues with data transfers so far. We believe our practices related to transferring clinical trial data are in line with industry standards.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any breach of confidential personal information or any other personal information-related incidents which could cause a material adverse effect on our business, financial condition or results of operations. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material penalty in relation to data privacy, and had been in compliance with the relevant PRC laws and regulations in all material aspects in this regard.

AWARDS AND RECOGNITIONS

The table below sets forth a summary of the major awards and recognition we received during the Track Record Period.

Year of Grant	Award/Recognition	Issuing Authority
2019, 2022 and 2026	National High-Tech Enterprise (國家級高新技術企業)	Municipal Science and Technology Commission/ Finance Bureau/Beijing Tax Bureau
2025	Zhongguancun High-Tech Enterprise (中關村高新技術企業)	Zhongguancun Science Park Administrative Committee
2023	National-level Specialized, Sophisticated, Unique and Innovative “Little Giant” Enterprise (國家級專精特新“小巨人”企業)	Ministry of Industry and Information Technology
2023	Beijing Intellectual Property Pilot Unit (北京市知識產權試點單位)	Beijing Intellectual Property Office
2022	Beijing Municipal Specialized, Sophisticated, Unique and Innovative SME (北京市“專精特新”中小企業)	Beijing Municipal Bureau of Economy and Information Technology (北京市經濟和信息化局)