

INDUSTRY OVERVIEW

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OVERVIEW OF ONCOLOGY DRUG MARKET

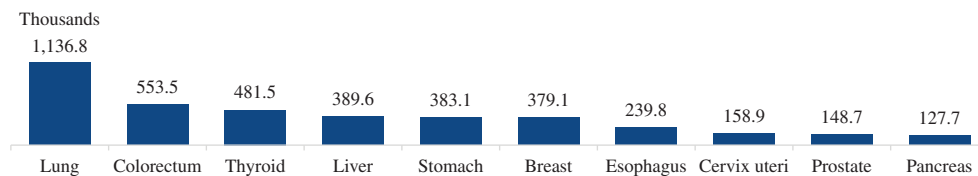
Overview

Cancer is a broad group of diseases that involve uncontrolled growth and development of cells in the body. Despite advancements in cancer treatments in recent years, there continue to be substantial medical needs for differentiated therapeutics to improve duration of response and overall survival in oncology patients.

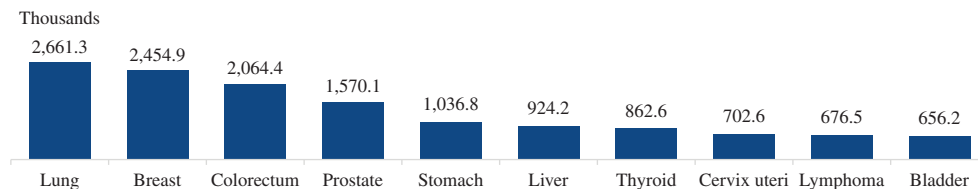
Incidence of Cancer Globally and in China

Cancer is a leading cause of death worldwide. According to Frost & Sullivan, new cases of total cancer globally grew from 19.7 million in 2021 to 21.9 million in 2025, with a CAGR of 2.6%. The number of new cases is expected to reach 27.1 million in 2035, with a CAGR of 2.1% from 2030 to 2035. The new cases of total cancer in China increased from 4.7 million in 2021 to 5.1 million in 2025, with a CAGR of 2.1%. The number of new cases is expected to reach 6.0 million in 2035, with a CAGR of 1.5% from 2030 to 2035. The diagram below illustrates the top 10 cancer types by incidence globally and in China in 2025.

China Top 10 Cancers by Incidence, 2025



Global Top 10 Cancers by Incidence, 2025



Note: Head and neck cancer is a collective term for cancers that occur in various parts of the head and neck, so it is not included in the ranking of single cancer incidence.

Source: Globocan, IARC, NCCR, Frost & Sullivan analysis

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Market Size of Oncology Drugs

The global oncology drug market grew from US\$181.7 billion in 2021 to US\$278.2 billion in 2025 with a CAGR of 11.2%, and is expected to reach US\$683.0 billion in 2035 with a CAGR of 9.4% from 2025 to 2030 and 9.4% from 2030 to 2035. China’s oncology drug market grew from US\$35.8 billion in 2021 to US\$38.8 billion in 2025 with a CAGR of 2.0%, and is expected to reach US\$136.3 billion in 2035 with a CAGR of 12.5% from 2025 to 2030 and 14.2% from 2030 to 2035.

Growth Drivers and Future Trends of Oncology Drug Market

Increasing Number and Longer Survival Time of Cancer Patients. Influenced by an aging population, environmental pollution, smoking, lack of exercise, high-calorie diets, and other unhealthy lifestyle factors, the number of new cancer cases in China continues to increase. Also, there is an increasing awareness and improved diagnosis for cancer. In China, the number of outpatient visits to medical institutions has been steadily increasing, growing from 7.74 billion in 2020 to 10.15 billion in 2024. With the expanding available treatment options for cancer patients, especially those who suffer from drug resistance, the overall survival of those patients is gradually improving. The longer survival time of cancer patients indicates a greater need for oncology drugs that can treat patients in later stages.

Increasing Clinical Needs for Novel Cancer Therapies. The increasing clinical needs for novel therapies to combat cancer is driving up R&D resources devoted to oncology drugs. The commitment of pharmaceutical companies to innovate and develop these new treatments is expected to significantly contribute to the expansion of the oncology drug market.

Policy Support and R&D Investment. Governments worldwide have improved drug accessibility and driven market development. In China, the CDE in December 2025 released the “Technical Guidance Principles for Single-Arm Clinical Trials to Support Routine Marketing Authorization Applications for Antitumor Drugs” (單臂臨床試驗用於支持抗腫瘤藥物常規上市申請技術指導原則), which aimed to standardize the use of single-arm clinical trial results as confirmatory evidence to support NDA for anti-tumor drugs under specific circumstances (such as when randomized controlled trials are difficult to conduct). In the U.S., the FDA in July 2025 released a draft guidance, “Development of Cancer Drugs for Use in Novel Combination — Determining the Contribution of the Individual Drugs’ Effects Guidance for Industry,” which proposed that, under specific conditions, external data (such as real-world data and patient registry data) could replace some requirements of traditional trial design to reduce R&D costs and time. Furthermore, pharmaceutical companies have prioritized anti-tumor drugs in their R&D efforts, investing significant funds and resources to accelerate the market launch of innovative drugs.

Expansion of National Reimbursement Drug List (“NRDL”). With the release of the updated NRDL, innovative anti-cancer drugs are increasingly being included in medical insurance through price negotiations and dynamic adjustments, which will become the norm in the future. The National Healthcare Security Administration typically considers the following key aspects when evaluating the inclusion of innovative drugs in the NRDL: (1) the degree of R&D innovation, including significant breakthroughs or innovations in the underlying technology, mechanism of action, and molecular structure; (2) clinical value and patient benefit, requiring drugs that can significantly improve treatment efficacy, enhance patients’ quality of life, prolong survival, or address unmet clinical needs in clinical applications; and (3) product uniqueness and competitive landscape, focusing drugs with an exclusive position in the market without direct competitive substitutes. Our Company’s pipeline products meet the above requirements for innovation.

Targeted Oncology Drug Market

Over the past century, the oncology treatment paradigm has shifted from conventional broad-spectrum treatments to precision treatments. Targeted therapies (including small molecule and antibody-based targeted therapies) and immunotherapies offer oncology patients more accurate prognosis and better chances of survival. The global targeted oncology drug market grew from US\$110.8 billion in 2021 to US\$166.9 billion in 2025 with a CAGR of 10.8% and is projected to reach US\$334.8 billion in 2035 with a CAGR of 6.0% from 2030 to 2035. The China targeted oncology drug market grew from US\$11.7 billion in 2021 to US\$19.5 billion in 2025 with a CAGR of 13.7% and is projected to reach US\$67.3 billion in 2035 with a CAGR of 11.2% from 2030 to 2035.

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Selective Estrogen Receptor Degraders (“SERDs”)

SERDs are small molecules that selectively bind to estrogen receptor (“ER”). With an affinity similar to estrogen (the natural ligand for ER), SERDs can competitively bind to ER and accelerate ER degradation, thereby downregulating ER-mediated tumor cell growth and proliferation.

Competitive Landscape of SERD Drugs

Globally, there were four oral SERD drugs (including one in China) and one non-oral SERD drug (i.e., fulvestrant, approved in China) approved as of the Latest Practicable Date, as set forth in the below table.

Drugs	Company	Indications	Treatment Line	Route of Administration	Type of Technology Used	First Approved Date	Expiration of key IP rights	Regions	Safety	Effectivity	Annual Treatment Costs	NRDL	Market Share in 2025
Fulvestrant	AstraZeneca	HR-positive, HER2-negative Breast Cancer	1L+	Injection (500mg/month)	Small molecule	2002-04	2021	China, US, EU, etc.	Grade 3-4 severe adverse rate 13.0%	Mutant type ORR <10.0% PFS 3.7 months	36,000 USD	YES	39%
Elaeestrant	Radius Health	HR-positive, HER2-negative Breast Cancer	2L+	Oral (345mg/day)	Small molecule	2023-01	2038	US, EU, etc.	Grade 3-4 severe adverse rate 7.2%	Mutant type ORR 11.3% PFS 3.8 months	156,000 USD	NO	60%
Imilunestrant	Lilly	ER+/HER2-patients with advanced or metastatic breast cancer carrying ESR1 mutations	2L+	Oral (400mg/day)	Small molecule	2025-09	2039	China, US, EU, etc.	Grade 3-4 severe adverse rate 10%	Mutant type ORR 14.3% PFS 5.5 months	293,000 USD	NO	1%
Vepdegestrant	Pfizer	ER+/HER2-patients with advanced or metastatic breast cancer carrying ESR1 mutations	2L+	Oral (200mg/day)	Small molecule	2026-05	NA	US	Grade 3-4 severe adverse rate 8%	Mutant type ORR 18.6% PFS 5.0 months	NA	NO	NA
Elcamab	AstraZeneca	ER+/HER2-patients with advanced or metastatic breast cancer carrying ESR1 mutations	1L (Combination CDK4/6 inhibitors)	Oral (75mg/day)	Small molecule	2026-06	2035	Japan, EU	Grade 3-4 severe adverse rate 8.0%	Mutant type ORR 27.0% PFS 16.0 months	NA	NO	NA

Source: Frost & Sullivan

As of the Latest Practicable Date, there were one SERD drug candidate in the NDA stage and four in the Phase III stage globally, and there were three SERD drug candidates in Phase III clinical trials in China, as set forth in the table below. All of these drug candidates are orally administered.

Drugs	Company	Indications	Type of Technology Used	Treatment Line	Route of Administration	Expiration of key IP rights	Phase	Effectivity	Safety	First Posted Date	Regions
GDC-9545	Roche	ER-positive, HER2-negative breast cancer	Small molecule	2L+	Oral	NA	NDA	NA	Grade 3-4 severe adverse rate 12.0%	2026-02-20	US
D-0502	InventisBio	ER-positive, HER2-negative breast cancer	Small molecule	2L+	Oral	2041	III	Wild type ORR 13.0% Mutant type ORR 22.2%	Grade 3-4 severe adverse rate 6.7%	2022-03-11	China
OP-1250	Olema Pharmaceuticals	ER-positive, HER2-negative breast cancer	Small molecule	1L/2L+	Oral	2041	III	Wild type ORR 7.6% Mutant type ORR 58.6%	Grade 3-4 severe adverse rate 9%-12%	2023-08-30	Global
SIM0270	Sincere Pharmaceutical Group	ER-positive, HER2-negative breast cancer	Small molecule	2L+	Oral	NA	III	NA	Grade 3-4 severe adverse rate 14%	2024-11-04	China
HRS-8080	Jangsu Hengrui Pharmaceuticals	ER-positive, HER2-negative breast cancer	Small molecule	2L+	Oral	NA	III	Mutant type ORR 34.4%	Grade 3-4 severe adverse rate 20%	2025-06-17	China

Source: Frost & Sullivan

None of the SERDs used as monotherapy has demonstrated PFS of more than six months, and SERDs are mostly used in combination therapies, for the following reasons. The first is to overcome potential cancer drug resistance. When a signaling pathway in tumor cells is inhibited, they often undergo compensatory proliferation by activating other alternative pathways. SERD drugs, when combined with other pathway inhibitors, can block these compensatory pathways and prevent tumor escape. The second is to enhance efficacy. SERD drugs, combined with other pathway inhibitors, can target different signaling pathways involved in cancer cell proliferation, thus amplifying the inhibitory effect on cancer cells. The third is to cover more cancer cell subpopulations. There can be substantial cellular heterogeneity within a tumor, where different cancer cells have varying sensitivities to a treatment. Combination therapy can simultaneously target different key signaling pathways, such as ER and cell cycle regulators, thereby covering more cancer cell subpopulations and improving overall treatment efficacy. The fourth is to reduce side effects. A combination therapy can reduce the toxicity of the monotherapy, while ensuring efficacy and improving tolerability by rationally formulating drug dosages.

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Size of SERD Drug Market

The China market of SERD drug was US\$0.1 billion in 2021 and 2025, with a CAGR of -3.3% from 2021 to 2025. The number is projected to reach US\$0.3 billion in 2030 and US\$0.8 billion in 2035, with a CAGR of 22.0% from 2025 to 2030 and 20.3% from 2030 to 2035. The U.S. market of SERD drug was US\$0.1 billion in 2021 and US\$0.6 billion in 2025, with a CAGR of 41.9% from 2021 to 2025. The number is projected to reach US\$1.7 billion in 2030 and US\$3.5 billion in 2035, with a CAGR of 22.8% from 2025 to 2030 and 15.9% from 2030 to 2035.

The decline of the China SERD market from 2021 to 2025 was due to the approval of generic version for fulvestrant in China since 2020. The price of generic drugs is significantly lower than that of the original products, thus impacting the overall market size. In the U.S. market, the impact of generic drugs was offset by the approval of the innovative oral SERD product elacestrant in 2023 and its subsequent rapid sales growth, thereby resulting in growth of the overall market.

Growth Drivers and Future Trends of SERD Drug Market

Unmet Clinical Need. The large patient population for breast cancer represents a substantial market opportunity. The annual number of new breast cancer patients in China increased from 330 thousand in 2019 to 380 thousand in 2025. With changes of lifestyles and the advancement of screening and diagnostic technologies, the annual number of new cases is expected to continue to grow in the future. ER+/HER2- breast cancer patients account for a large proportion of breast cancer patients. Existing endocrine therapies have significant drawbacks. For example, tamoxifen (a selective estrogen receptor modulator) is associated with an increasing risk of endometrial cancer and drug resistance, and aromatase inhibitors (*e.g.*, anastrozole) might lead to the development of mutations in the estrogen receptor 1 (“ESR1”) gene and reduce bone mineral density. SERDs, which adopt a dual mechanism of ER antagonism and degradation, are emerging as promising antitumor agents to address the resistance issue, filling a critical unmet clinical need.

Regulatory Validation and Market Potential. The FDA approval of elacestrant, an oral SERD, for breast cancer treatment is a pivotal market driver. The approval has validated a viable regulatory pathway for SERDs, which encourages further investment in the field. Since the approval of elacestrant in 2023, more SERDs have received regulatory approval, with an annual growth rate of over 50%. Currently, there are three SERD drug candidates in Phase III clinical trials in China, and their future approval will drive rapid growth in the overall market. The proven mechanism of SERDs also opens the possibilities for treating other ER-positive conditions and for use in combination therapies (*e.g.*, with ADCs).

Shift to Oral Bioavailability. A major market driver is the development of orally available SERDs to replace SERD injections. Orally available SERDs promise significantly improved patient compliance and convenience of use. The sales of elacestrant have been steadily increasing since its launch in 2023, impacting the competitive position of traditional injectable drugs. Due to the higher acceptance of oral products by doctors and patients, the penetration rate of oral SERD drugs is expected to continue to rise in the future. Currently, there are one oral SERD drug candidate in the NDA stage and four in the Phase III stage globally. With the continued approval and launch of subsequent products, the market size is expected to continue to grow.

Major Indications of SERDs

Breast Cancer

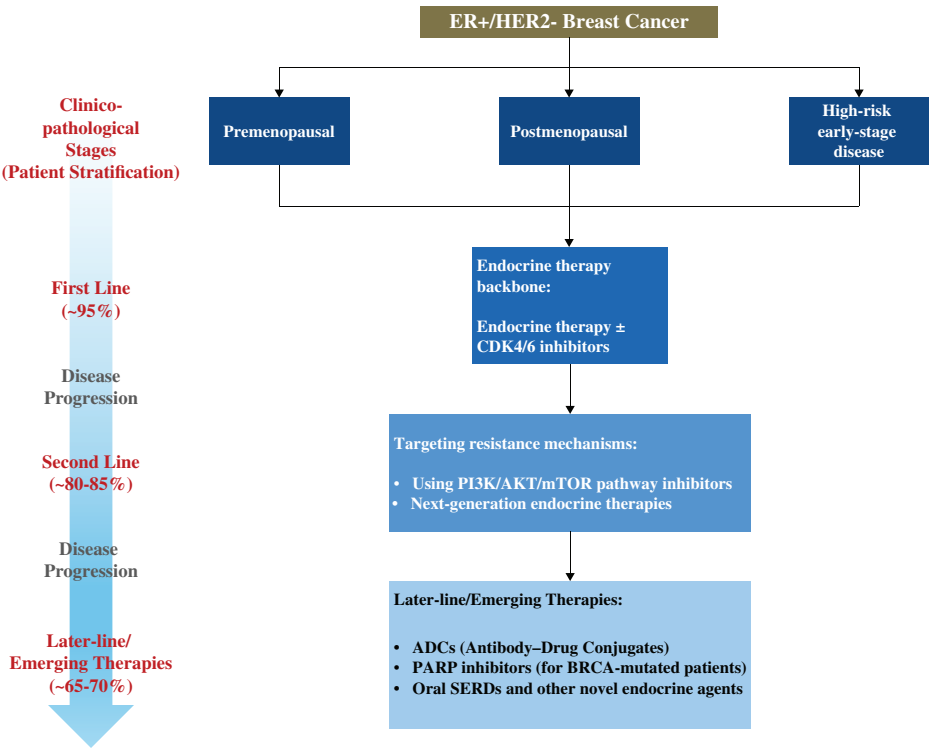
Breast cancer occurs in the epithelial tissue of the breast and is the most common malignant tumor among women, though it can rarely occur in men. Of the new cases of breast cancer each year, about 5% to 10% of patients have distant metastasis at the time of diagnosis. Advanced-stage breast cancer has a poor prognosis, with a median survival time of only 2 to 3 years and a 5-year survival rate of approximately 20%.

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There are multiple subtypes of breast cancer, which can be categorized according to the expression status of different receptors, such as ER, progesterone receptor (“PR”), and human epidermal growth factor receptor 2 (“HER2”). ER-positive (“ER+”) breast cancer refers to the breast cancer that tests positive for ER. HER2-negative (“HER2-”) breast cancer refers to the breast cancer that tests negative for HER2. Hormone receptor-positive breast cancer refers to the breast cancer that have either ER or PR or both. Triple-negative breast cancer (“TNBC”) is an aggressive type of breast cancer that lacks ER, PR and HER2.

The global incidence of ER+/HER2- breast cancer was 1.6 million in 2025, with a CAGR of 1.6% from 2021 to 2025. It is expected to grow at a CAGR of 1.7% to reach 1.9 million from 2030 to 2035. The incidence of ER+/HER2- breast cancer in China was 238.8 thousand in 2025, with a CAGR of 2.3% from 2021 to 2025. It is expected to grow at a CAGR of 0.5% to reach 256.9 thousand from 2030 to 2035. The incidence of ER+/HER2- breast cancer in the U.S. was 184.7 thousand in 2021 and 207.8 thousand in 2025, with a CAGR of 3.0% from 2021 to 2025, and is expected to grow at a CAGR of 2.3% reach 260.8 thousand from 2030 to 2035. The advanced or metastatic (2L+) ER+/HER2- breast cancer patients account for about 30-50% of all breast cancer patients.

The following charts set forth the treatment paradigm of ER+/HER2- breast cancer according to the 2025 CSCO guidelines.



Source: Adapted from CSCO 2025, Takahashi et al., 2025, Takahashi et al., 2025, Frost & Sullivan Analysis

There are significant growth opportunities for the market of breast cancer drugs. The growth factors for the Chinese market include: (1) huge disease burden and medical needs: breast cancer is the most common malignant tumor among the Chinese females, and the onset of the disease occurs at an increasingly younger age, with the proportion of patients under 40 years old gradually increasing; (2) development of precision medicine and targeted therapy: molecular subtyping (such as HER2+, HR+ and triple negative) has become the core component for breast cancer treatment, and targeted drugs have significantly prolonged the survival period of patients and improved their quality of life by precisely intervening in specific molecular pathways involved in disease development, which has become a core engine of market growth; (3) continuous adjustment of the national medical insurance catalog: multiple breast cancer drugs have been included in the reimbursement scope or the

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reimbursement restrictions have been lifted, which has improved drug accessibility; (4) technological innovation and R&D breakthroughs: new technology platforms such as ADC, bispecific antibodies, and proteolysis targeting chimera have emerged, and new ADC drugs such as detrastuzumab and luconsartuzumab have shown excellent efficacy in advanced-stage patients with drug resistance.

The growth factors of the U.S. market include: (1) high incidence and patient base: breast cancer is one of the most common cancers among females in the U.S., with the annual number of new patients exceeding 300 thousand in 2025, continuing to generate demand for drugs; (2) technological and modality innovation, such as breakthroughs in targeted therapy, the rise of ADC drugs, and the exploration of emerging targets such as PI3K/AKT/mTOR pathway inhibitors; (3) demand for precision medicine: the wide use of technologies such as gene testing and biomarker analysis enables doctors to formulate personalized treatment plans based on the molecular subtyping of patients, improve the accuracy and effectiveness of drug treatment, and promote the use of high-end targeted drugs and combination therapies; (4) medical insurance coverage and payment support: commercial and medical insurance plans in the U.S. include breast cancer drugs in the medical insurance catalog, which improves drug accessibility and accelerates the market penetration of drug products.

Epidermal Growth Factor Receptor (“EGFR”) Targeting Drugs

EGFR belongs to a 4-member family of receptor tyrosine kinases. Mutation or dysregulation of EGFR is closely linked to different types of cancer. As such, EGFR becomes the target of multiple cancer therapies. The EGFR tyrosine kinase inhibitor (“TKI”) is a substance that can block the activity of the EGFR protein, thereby impeding cancer cell growth. The table below shows the approved EGFR-TKI drugs globally as of the Latest Practicable Date.

	Brand name	Generic name	Originator	Treatment line	NMPA approval	NRDL status
1st generation	Iressa	Gefitinib	AstraZeneca	1L/2L/3L	Dec, 2004	List B
	Tarceva	Erlotinib	Roche	1L/2L/3L	Apr, 2006	List B
	Conmana (凯美纳)	Icotinib	Betta Pharmaceuticals	1L/2L/Adj	Jun, 2011	List B
	Tykerb (泰立沙)	Lapatinib	GSK	2L	Jan, 2013	Not Included
2nd generation	Giotrif	Afatinib	Boehringer Ingelheim	1L/2L	Feb, 2017	List B
	Vizimpro	Dacomitinib	Pfizer	1L	May, 2019	List B
	Mairuidong (邁瑞東)	Mefatinib	Huadong Medicine	1L	Oct, 2025	Not Included
3rd generation	Tagrisso	Osimertinib	AstraZeneca	1L/2L/Adj	Mar, 2017	List B
	Ameile	Aumolertinib	Jiangsu Hansoh Pharmaceutical	1L/2L/Adj	Mar, 2020	List B
	Aifusha	Alflutinib	Allist	1L/2L	Mar, 2021	List B
	Saimena (賽美納)	Befotertinib	Betta Pharmaceuticals/ InventisBio	1L/2L	May, 2023	List B
	Zegfrovy	Sunvozertinib	Dizal Pharmaceutical Co., Ltd	2L	Aug, 2023	List B
	Sanrisso	Rilertinib	Nanjing Shenghe Pharm	1L/2L	Jun, 2024	List B
	Ruibida	Rezivertinib	Beta Pharm	1L/2L/3L	May, 2024	List B
	Zorifer	Zorifertinib	AstraZeneca/Chentai Pharm	1L	Dec, 2024	Not Included
	Aoyixin	Limertinib	Innovent/ASK Pharm	1L/2L	Jan, 2025	Not Included
	Lazcluze	Lazertinib	Johnson & Johnson	1L	Jul, 2025	Not included
	HYRNUO	Sevabertinib	Bayer	2L	/	Not Included

Source: NMPA, Frost & Sullivan Analysis

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Major Indication of EGFR-TKI

NSCLC

NSCLC refers to any type of epithelial lung cancer other than small cell lung cancer. In China, the incidence of NSCLC with EGFR mutations increased from 322.1 thousand in 2019 to 367.3 thousand in 2024, with a CAGR of 2.7%. It is expected to reach 450.5 thousand in 2035, with a CAGR of 1.8% from 2030 to 2035. The choice of NSCLC treatment options mainly depends on the disease stage and specific gene mutation.

KRAS Targeting Drugs

KRAS is involved in transducing extracellular signals to the nucleus, leading to cell survival, proliferation or differentiation. Mutations in KRAS may result in continuous activation of the protein, thereby promoting continuous cell proliferation and tumor formation. KRAS inhibitors can suppress cell proliferation by blocking KRAS activation. A common mutation in the KRAS gene is G12C, representing about 30-40% of all KRAS mutations, and it is also the most prevalent variant of KRAS mutations in NSCLC. The KRAS G12C variant favors the active form of the KRAS protein, resulting in a predominantly GTP-bound KRAS oncoprotein. This leads to enhanced proliferation and survival in tumor cells. The KRAS G12C mutation occurs in approximately 13% of NSCLC and in 3% to 4% of CRC.

Competitive Landscape of KRAS G12C Inhibitors

Globally, there were six KRAS G12C inhibitor drugs that had been approved as of the Latest Practicable Date. Garsorasib is the second KRAS G12C inhibitor drug that received approval in China. The following table sets forth the approved KRAS G12C inhibitor drugs.

Brand Name	Generic Name	Company	Indication	Type of Technology Used	Treatment Line	Nature of Drug Program	Expiration Date of Core Patent	First Approval Time	Route of Administration	Efficacy	Safety	Treatment schedules	NRDL	Annual Treatment Costs	Market Share in 2025
捷伯特	Fulzerasib	Innovent/GenFleet	KRAS G12C mutated advanced NSCLC adult patients	small molecule drugs	2L+	Mono	NA	2024/08/21 (NMPA)	oral	ORR 49.1% DCR 90.5% mPFS 9.7 months OS 13.3 months	SAE 14.0%, TRAEs led to dose reduction 18.3%, drug interruption 32.6%, permanent discontinuation 2.7%	600mg, BID	YES	RMB62,536	5.1%
安方寧	Garsorasib	Chia Tai Tianqing/Ivenbio	KRAS G12C mutated advanced NSCLC adult patients	small molecule drugs	2L+	Mono	NA	2024/11/08 (NMPA)	oral	ORR 52.0% DCR 88.6% mPFS 9.1 months OS 14.1 months	TRAEs led to dose reduction 30.1%, drug interruption 41.5%, permanent discontinuation 0%	600mg, BID	YES	RMB36,893	3.5%
艾瑞凱	Gleircirasib	Jacobio/Allist	KRAS G12C mutated advanced NSCLC adult patients	small molecule drugs	2L+	Mono	2040	2025/5/20 (NMPA)	oral	ORR 47.9% DCR 86.3% mPFS 8.2 months mOS 13.6 months	TRAEs 97.5% TRAEs led to dose reduction 37.8%, drug interruption 18.5%, permanent discontinuation 5.0%	800mg, QD	YES	RMB43,200	0.9%
Krazati	Adagrasib	BMS	KRAS G12C mutated locally advanced or metastatic NSCLC adult patients	small molecule drugs	2L+	Mono	2022/12/12 (FDA) 2024/01/05 (EMA)	oral	oral	ORR 42.9% mPFS 6.5 months OS 12.6 months	TRAEs led to dose reduction 28%, drug interruption 77%, permanent discontinuation 13%	600mg, BID	NO	USD237,000	32.6%
			KRAS G12C mutated metastatic CRC		2L	Combo with cetuximab	2024/06/21 (FDA)			ORR 34% DCR 85.1% mPFS 6.9 months mOS 15.9 months	TRAEs led to dose reduction 35%, drug interruption 62%, permanent discontinuation 2 patients (about 0.02%)				
Lumakras	Sotorasib	Amgen	KRAS G12C mutated locally advanced or metastatic NSCLC adult patients	small molecule drugs	2L+	Mono	2021/05/28 (FDA) 2022/01/06 (EMA) 2022/01/20 (PMDA)	oral	oral	ORR 37.1% DCR 80.6% mPFS 6.3 months mOS 12.5 months	SAE 14.0%, TRAEs led to dose reduction 5%, drug interruption 34%, permanent discontinuation 9%	960mg, QD	NO	USD216,000	57.8%
			KRAS G12C mutated metastatic CRC		2L	combo with panitumumab	2025/11/17 (FDA)			ORR 26% mPFS 5.6 months mOS Not Reached	TRAE 45.3%				
濟集美	Sosimerasib	Jemincare	Patients with advanced non-small cell lung cancer with a KRAS G12C mutation	small molecule drugs	2L+	Mono	NA	2026/02/28 (NMPA)	oral	ORR 52.4% DCR 87.6% mPFS 7.2 months	TRAE grades 3-4 was 40.0%	500 mg, QD	NO	NA	NA

Notes:

- The annual cost is calculated based on the patient using the product for one year and price in 2025;
- The reimbursement coverage only applies to drugs approved by NMPA, and drugs listed in the United States are covered by different commercial insurances, which cannot be exhaustive.

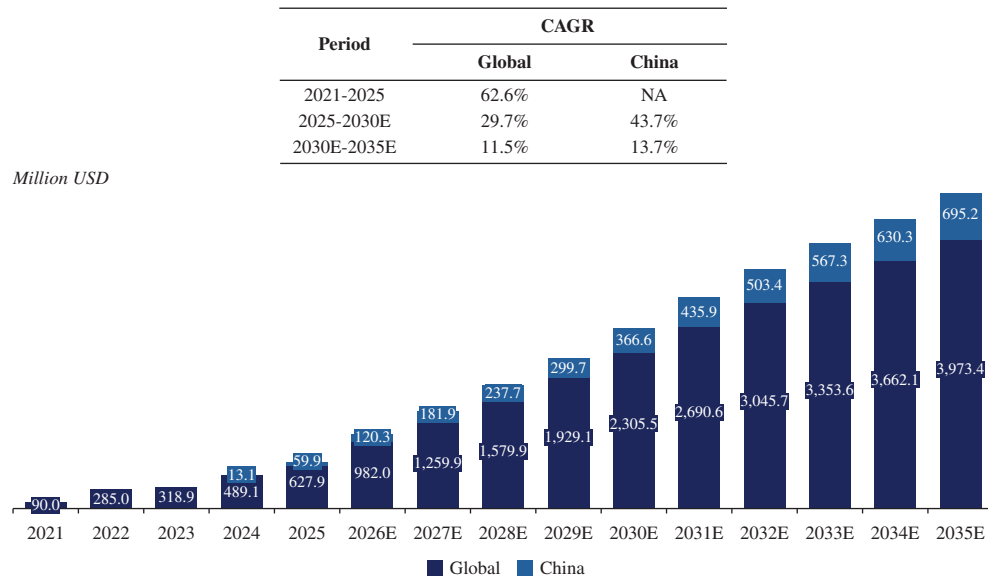
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Source: Annual Report, NMPA, FDA, EMA, PMDA, Frost & Sullivan Analysis

The market shares of the commercialized KRAS G12C inhibitors in 2025 were as follows: Fulzerasib 5.1%; Garsorasib 3.5%; Adagrasib 32.6%; and Sotorasib 57.8%. Globally, there are multiple KRAS G12C inhibitors in the clinical stage, with over 10 drug candidates in the Phase II stage or beyond.

Size of KRAS G12C Inhibitor Drug Market

Global and China KRAS G12C Drug Market, 2021-2035E



Source: Frost & Sullivan Analysis

Major Indications of KRAS G12C Inhibitors

NSCLC

Globally, the incidence of NSCLC with the KRAS G12C mutation increased from 266.3 thousand in 2021 to 292.3 thousand in 2025, with a CAGR of 2.4%. It is expected to reach 380.2 thousand in 2035, with a CAGR of 2.5% from 2030 to 2035. In China, the incidence of NSCLC with the KRAS G12C mutation increased from 37.7 thousand in 2021 to 41.5 thousand in 2025, with a CAGR of 2.5%. It is expected to reach 53.9 thousand in 2035, with a CAGR of 2.4% from 2030 to 2035.

Colorectal Cancer (“CRC”)

CRC refers to any cancer that affects the colon and the rectum. Globally, the incidence of CRC with the KRAS G12C mutation increased from 67.5 thousand in 2021 to 70.7 thousand in 2025, with a CAGR of 1.2%. It is expected to reach 91.6 thousand in 2035, with a CAGR of 2.5% from 2030 to 2035. In China, the incidence of CRC with the KRAS G12C mutation increased from 17.6 thousand in 2021 to 19.4 thousand in 2025, with a CAGR of 2.4%. It is expected to reach 25.0 thousand cases by 2035, with a CAGR of 2.4% from 2030 to 2035.

Pancreatic Cancer (“PC”)

PC is caused by the abnormal and uncontrolled growth of cells in the pancreas. Globally, the incidence of PC with the KRAS G12C mutation increased from 7.6 thousand in 2021 to 8.3 thousand in 2025, with a CAGR of 2.1%. It is expected to reach 10.9 thousand in 2035, with a

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CAGR of 2.8% from 2030 to 2035. In China, the incidence of PC with the KRAS G12C mutation increased from 2.1 thousand in 2021 to 2.3 thousand in 2025, with a CAGR of 2.8%. It is expected to reach 3.1 thousand in 2035, with a CAGR of 2.7% from 2030 to 2035.

Werner Syndrome Protein (“WRN”) Targeting Drugs

Synthetic lethality refers to a concept where simultaneous defects in two or more genes lead to cell death, whereas defects in any single gene do not lead to cell death. Taking advantage of the genetic vulnerability that exists within cancer cells, a synthetic lethality agent theoretically has no negative impact on healthy cells and has fewer side effects than non-specific chemotherapy. The inhibitors of WRN represent a type of synthetic lethality agent. WRN is a helicase essential for maintaining genome stability. As a result, WRN is an emerging therapeutic target for cancer, showing great potential, particularly in the treatment of microsatellite instability (“MSI”) tumors (such as in CRC and gastric cancer). Removing or inhibiting WRN can induce synthetic lethality in MSI tumor cells, causing tumor cell death while having minimal impact on normal cells.

Growth Drivers and Future Trends of WRN Inhibitor Drug Market

Unmet Clinical Needs. MSI-H cancer patients have low response rates to existing chemotherapy and immunotherapy, indicating unmet treatment needs. WRN inhibitors, as potential precision medicines, offer new hope for these patients, especially for MSI-H common cancers such as CRC, endometrial cancer, and gastric cancer.

R&D Progress. Some WRN inhibitors that have entered the clinical stage demonstrated specific inhibitory activity against MSI-H tumors, validating the effectiveness of WRN inhibitors and enhancing market confidence.

Technological Advancement and Innovations. The advancements of chemical proteomics and structural biology have facilitated the design and optimization of WRN inhibitors. The activity, selectivity and pharmacokinetic properties of WRN inhibitors can be improved by introducing selected chemical structures, thus advancing drug development.

Major Indications of WRN Inhibitors

MSI-H CRC

Normally, cells use a system called mismatch repair (“MMR”) to check and fix mistakes during cell division. If this system stops working, the errors keep building up and could lead to MSI-H. The global incidence of MSI-H CRC was 336.7 thousand cases in 2025, with a CAGR of 1.2% from 2021 to 2025 and is projected to grow at a CAGR of 2.5% to reach 436.2 thousand from 2030 to 2035. The incidence of MSI-H CRC in China was 75.5 thousand cases in 2021, with a CAGR of 2.4% from 2021 to 2025 and is projected to grow at a CAGR of 2.4% to reach 107.2 thousand from 2030 to 2035.

MSI-H Gastric Cancer

MSI-H gastric cancer is a specific subtype of gastric cancer. MSI-H gastric cancer has unique characteristics, including a distinct immune environment, different patient profiles and, most importantly, a different response to treatments compared to other gastric cancers. The causes of MSI-H gastric cancer are linked directly to the failure of the MMR system, either sporadic or hereditary.

The global incidence of MSI-H gastric cancer was 150.3 thousand cases in 2025, with a CAGR of 2.4% from 2021 to 2025 and is projected to grow at a CAGR of 2.6% to reach 195.9 thousand from 2030 to 2035. The incidence of MSI-H gastric cancer in China was 50.5 thousand cases in 2021, with a CAGR of 2.4% from 2021 to 2025 and is projected to grow at a CAGR of 2.6% to reach 72.9 thousand from 2030 to 2035.

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MSI-H Endometrial Cancer

The global incidence of MSI-H endometrial cancer was 395.0 thousand in 2025, with a CAGR of 0.8% from 2021 to 2025 and is projected to grow at a CAGR of 1.6% to reach 469.9 thousand from 2030 to 2035. The incidence of MSI-H endometrial cancer in China was 73.9 thousand in 2025, with a CAGR of 1.7% from 2021 to 2025 and is projected to grow at a CAGR of 0.6% to reach 78.6 thousand from 2030 to 2035.

KIF18A Targeting Drugs

The inhibitors of KIF18A represent another type of synthetic lethality agent. KIF18A is a kinesin motor protein that interacts with microtubules, and it is required for ensuring the correct alignment of chromosomes during cell division. KIF18A inhibitors may prevent KIF18A from driving microtubule movement and chromosome alignment, thereby disrupting the cell division process.

Growth Drivers and Future Trends of KIF18A Inhibitor Drug Market

The Growing Demand for Cancer Treatments. KIF18A is overexpressed in various cancers (such as ovarian cancer, breast cancer, and CRC) and is associated with chromosomal instability, providing a target for the development of novel anticancer drugs. Inhibitors targeting KIF18A hold the promise of precisely targeting cancer cells, reducing the damage to normal cells, and meeting the clinical need for more effective and safer anticancer drugs.

Clinical Trial Progress and Potential. Several KIF18A inhibitors have entered clinical trials. Early clinical data have shown their potential efficacy against specific cancer types (such as high-grade serous ovarian cancer and TNBC), boosting confidence in market development.

Potential for Combination Therapies. Combining KIF18A inhibitors with PARP inhibitors, immunotherapy, and other therapies may enhance anti-tumor effects and expand their applicability. Exploring combination therapy strategies provides new directions for market expansion, attracting more companies to participate in R&D.

Major Indications of KIF18A Inhibitors

Ovarian Cancer

Ovarian cancer develops when cells in the ovaries begin to grow out of control. The global incidence of ovarian cancer rose from 319.8 thousand to 347.0 thousand between 2021 and 2025, showing a CAGR of 2.1%. Projections suggest that this figure will further increase to 415.6 thousand by 2035, reflecting a CAGR of 1.7% from 2030 to 2035. The incidence of ovarian cancer in China rose from 60.3 thousand to 65.1 thousand between 2021 and 2025, showing a CAGR of 1.9%. Projections suggest that this figure will further increase to 72.3 thousand by 2035, reflecting a CAGR of 1.0% from 2030 to 2035.

TNBC

TNBC is a type of breast cancer defined by immunohistochemistry as being negative for ER, PR, and HER2. It accounts for approximately 15% of all breast cancer cases globally. The global incidence of TNBC rose from 345.2 thousand to 368.2 thousand between 2021 and 2025, showing a CAGR of 1.6%. Projections suggest that this figure will further increase to 440.4 thousand by 2035, reflecting a CAGR of 1.7% from 2030 to 2035. The China incidence of TNBC rose from 52.2 thousand to 56.9 thousand between 2021 and 2025, showing a CAGR of 2.2%. Projections suggest that this figure will further increase to 61.2 thousand by 2035, reflecting a CAGR of 0.5% from 2030 to 2035.

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OVERVIEW OF AUTOIMMUNE DISEASE DRUG MARKET

Overview of Autoimmune Disease

An autoimmune disease is a condition in which the body’s immune system mistakenly attacks the body’s normal cells, which can be associated with either abnormally low activity or over-activity of the immune system. There are more than one hundred different types of autoimmune diseases, which can affect almost any part of the body. Autoimmune diseases can be divided into organ-specific and systemic autoimmune diseases based on the self-antigens targeted by immune cells.

Autoimmune Disease Drug Market

The global market of autoimmune disease drug increased from US\$127.7 billion to US\$154.9 billion with a CAGR of 5.0% from 2021 to 2025. The number is projected to reach US\$218.8 billion in 2030 and US\$272.8 billion in 2035 with a CAGR of 7.2% from 2025 to 2030 and a CAGR of 4.5% from 2030 to 2035. In China, the market of autoimmune disease drug increased from US\$3.0 billion to US\$5.3 billion with a CAGR of 15.3% from 2021 to 2025. The number is projected to reach US\$17.2 billion in 2030 and US\$43.6 billion in 2035 with a CAGR of 26.6% from 2025 to 2030 and 20.4% from 2030 to 2035.

Growth Drivers and Future Trends of Autoimmune Diseases Drug Market

Increasing Healthcare Coverage. The Chinese government is increasingly prioritizing the healthcare of autoimmune diseases, as evidenced by the “Guidelines for the Construction and Management of Rheumatology and Immunology Departments in General Hospitals (Trial)” (綜合醫院風濕免疫科建設與管理指南(試行)) issued in October 2019 by the National Health Commission. This guideline mandates that all tertiary hospitals establish independent rheumatology and immunology departments and recommends that comprehensive hospitals at the secondary level or higher also create such departments. As more diagnostic and treatment institutions implement these guidelines and establish dedicated departments, access to medical resources for autoimmune diseases will significantly improve, leading to enhanced diagnosis and treatment opportunities for patients.

Large Patient Number and Long-term Treatment. According to statistics from the National Health Commission, approximately 80 million people in China suffer from autoimmune diseases. Autoimmune diseases are difficult to cure. Once they develop, most patients require long-term or even lifelong medication. For some patients, the severity of their condition severely impacts their quality of life. Autoimmune diseases have now become the third most common chronic disease, following cardiovascular disease and cancer.

Growing Public Awareness of Autoimmune Diseases. To date, more than 100 types of autoimmune diseases have been identified. As public awareness of disease diagnosis and management grows, more patients recognize the importance of early detection and proactive care. This increased health consciousness contributes to higher diagnosis and treatment rates for autoimmune diseases. Consequently, more people are seeking medical guidance earlier, which has raised the demand for effective management of autoimmune conditions.

Growing Demand for Personalized Treatment. Most autoimmune disease drugs currently on the market have broad indications, suboptimal therapeutic effects, and varying degrees of side effects. In contrast, personalized treatment plans tailored to specific autoimmune diseases can effectively enhance clinical outcomes and reduce drug toxicity reactions. As public awareness of healthcare continues to deepen, the demand for personalized treatment among autoimmune disease patients, along with advancements in genetics and medicine, is driving the discovery and development of effective personalized drugs for autoimmune diseases.

Advanced Understanding of Pathology and Biological Pathways. More advanced understanding of their pathology and related biological pathways are driving the development of innovative therapies.

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Tyrosine Kinase 2 (“TYK2”) Inhibitors

TYK2 is a member of the Janus kinase (“JAK”) family of intracellular signaling molecules. It is mainly involved in the signal transduction downstream of multiple cytokines. TYK2 has been found to mediate the inflammatory responses involved in several autoimmune diseases, including psoriasis, inflammatory bowel disease (“IBD”), systemic lupus erythematosus (“SLE”) and multiple sclerosis (“MS”). TYK2 inhibitors can bind to specific domains of TYK2, thus blocking the downstream transmission of cytokine signals that lead to inflammatory responses. As such, TYK2 inhibitors can be developed into autoimmune disease treatments.

Competitive Landscape of TYK2 Inhibitors

As of the Latest Practicable Date, there was one approved TYK2 inhibitor drug globally, as set forth in the table below.

Global Marketed TYK2 Inhibitors

Drugs	Company	Indications	Route of Administration	Type of Technology Used	First Approved Date	Expiration of key IP rights	Regions	Safety	Effectivity	Annual Treatment Costs	NRDL
Sotyktu	Bristol Myers Squibb	Psoriasis	Oral (6mg/day)	Small molecule	2022-09-09	2033	China, US, Japan, etc	SAE 2.0%	ORR 69%	11,400 USD	NO
		Active psoriatic arthritis			2026-03-06						

Source: Frost & Sullivan

As of the Latest Practicable Date, there were six TYK2 inhibitor drug candidates in the Phase III clinical stage, as set forth in the table below.

Global and China TYK2 Inhibitors in Development

Drugs	Company	Indications	Route of Administration	Type of Technology Used	Expiration of key IP rights	Phase	First Posted Date	Safety	Effectivity	Regions
NDI-034858	Takeda Pharmaceutical	Plaque psoriasis	Oral	Small molecule	NA	III	2023-10-18	SAE 1.5%	PASI-75 67%	Global
ESK-001	Haisco Pharmaceutical	Plaque psoriasis	Oral	Small molecule	NA	III	2024-09-19	SAE 3.7%	PASI-75 64%	Global
HS-10374	Hansoh Pharmaceutical	Plaque psoriasis	Oral	Small molecule	NA	III	2024-10-14	SAE 0%	PASI-75 72.1%	China
ICP-488	InnoCare Pharma	Plaque psoriasis	Oral	Small molecule	NA	III	2025-02-20	NA	PASI-75 78.6%	China
D-2570	InventisBio	Plaque psoriasis	Oral	Small molecule	NA	III	2025-07-02	SAE 0%	PASI-75 90%	China
TQH-3906	Chia Tai Tianqing	Plaque psoriasis	Oral	Small molecule	NA	III	2026-07-21	SAE 0%	PASI-75 90%	China

Source: Frost & Sullivan

TYK2 inhibitors, as oral small molecule drugs, are welcomed by some patients and physicians due to their convenience of administration and better safety, especially for patients who are unwilling or unable to undergo injection. In terms of efficacy, the PASI 75 response rate of Sotyktu is approximately 60%-70%, and its PASI 90 response rate is approximately 40%-50%. Biologics that target plaque psoriasis, ulcerative colitis or other autoimmune/inflammation conditions, such as

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anti-IL-17 (e.g., bimekizumab) and anti-IL-23 (e.g., risankizumab), typically have higher PASI 75 response rates (over 80%-90%). However, TYK2 inhibitors show better safety, with common side effects including mild upper respiratory tract infections and nasopharyngitis. No serious safety warnings (such as death, cancer, or major cardiovascular events) have been reported, and there are no black box warnings. The SAE rate is approximately 2.0%. Biologics, on the other hand, may increase the risk of infection (such as tuberculosis and fungal infections), and some drugs have immunogenicity issues, potentially triggering allergic reactions or autoimmune phenomena. Some biologics (such as certain anti-TNF- α drugs) are associated with cardiovascular risk, cancer risk, etc., and require closer monitoring. For example, the rate of SAE for bimekizumab is about 6%.

Growth Drivers and Future Trends of TYK2 Inhibitor Market

Large Patient Population Demands. The number of patients with autoimmune diseases such as psoriasis, IBD and SLE is large. The incidences of these diseases are described below in “—Major Indications of TYK2 inhibitors.” These diseases are prone to relapse, severely impacting their quality of life. Current treatments have multiple limitations, such as the inconvenience of injecting biological agents and the limited efficacy of traditional oral medications. Patients urgently need new, effective, and convenient treatments.

Precision Treatment. Next-generation TYK2 inhibitors are expected to selectively target TYK2, precisely blocking its inflammatory signaling pathways, reducing off-target effects and lowering the risk of common side effects such as anemia and thrombosis associated with traditional JAK inhibitors. In 2022, Sotyktu, the world’s first TYK2 inhibitor, was approved for marketing in the U.S. for the treatment of moderate-to-severe plaque psoriasis. Compared with pan-JAK inhibitors and biologics, TYK2 inhibitors have higher targeting selectivity and safety, as well as advantages such as high efficacy, long-lasting effect and convenient oral administration. Sotyktu has achieved significant sales growth since its launch and has gained wide market recognition. Currently, there are six TYK2 inhibitor products in Phase III clinical trials globally, and the overall market size will continue to grow as more products are approved and launched. The penetration rate of TYK2 inhibitors among patients with plaque psoriasis is expected to continue to increase in the future.

Potential for Expanding Indications. In addition to psoriasis, TYK2 inhibitors have made positive progress in clinical studies of PsA, IBD, SLE and other autoimmune diseases. In 2026, Sotyktu received the FDA approval for a new indication of active psoriatic arthritis. The target patient population is expected to be greatly expanded, further expanding the market opportunities.

Technological Innovation and Differentiated Competition. The development of novel types of TYK2 inhibitors, including allosteric inhibitors (e.g., deuterocexletinib) and dual-target inhibitors (e.g., the TYK2/JAK1 inhibitor), is expected to achieve improved efficacy and safety through innovative mechanisms of action, creating a differentiated competitive advantage.

TYK2 Inhibitor Market Size

The market of TYK2 inhibitors started in 2022, when Sotyktu became the first approved TYK2 inhibitor globally. The China market of TYK2 inhibitors for plaque psoriasis started from 2024, and it reached RMB266.9 million in 2025 and is expected to increase to RMB1,683.9 million in 2030, with a CAGR of 43.8% from 2025 to 2030. The number is expected to reach RMB5,450.6 million in 2035 with a CAGR of 26.5% from 2030 to 2035. The U.S. market of TYK2 inhibitors for plaque psoriasis started in 2022, and it reached US\$541.8 million in 2025 and is expected to increase to US\$1,466.1 million, with a CAGR of 22.0% from 2025 to 2030. The number is expected to reach US\$3,518.1 million in 2035 with a CAGR of 19.1% from 2030 to 2035.

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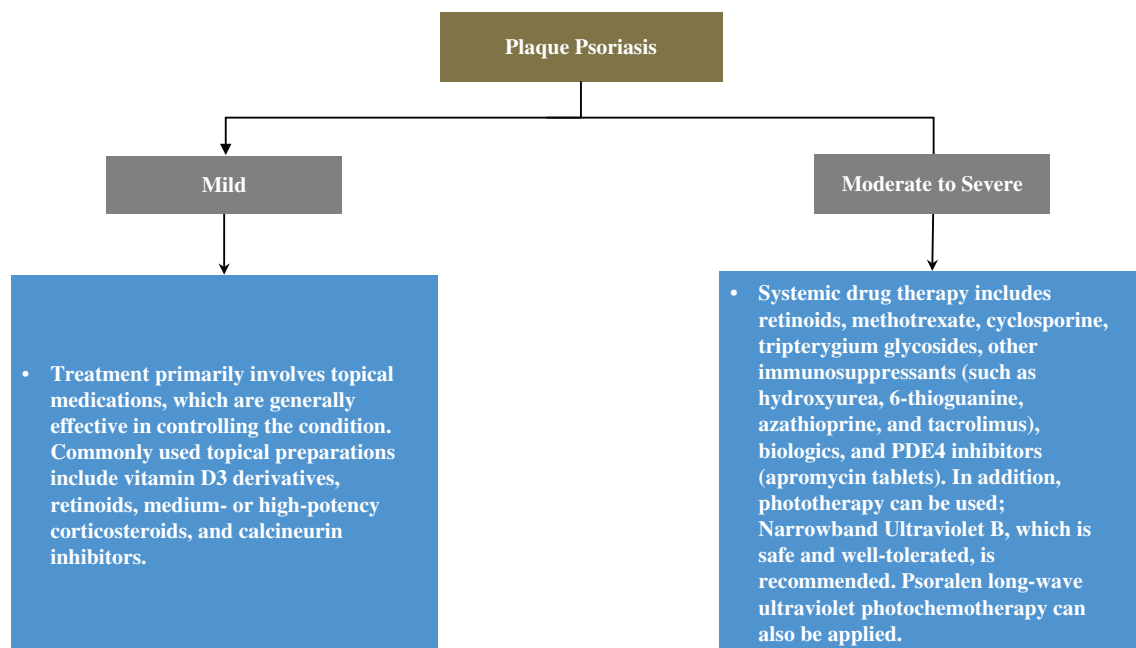
Major Indications of TYK2 inhibitors

Psoriasis

Psoriasis is an autoimmune disease triggered by certain environmental exposures that result in chronic inflammatory skin condition, which typically results in the growth of extra blood vessels and over-rapid replication of skin cells. Psoriasis is characterized by recurrent episodes, resistance to complete cure, and frequent association with other systemic comorbidities. Plaque psoriasis is the most common type of psoriasis. It causes dry, itchy, raised skin patches (plaques) covered with scales, which usually appear on the elbows, knees, lower back and scalp.

The number of patients with plaque psoriasis globally was 167.6 million in 2021 and 174.5 million in 2025, with a CAGR of 1.0% from 2021 to 2025, and is expected to reach 181.6 million in 2030 and 188.2 million in 2035, with a CAGR of 0.8% from 2025 to 2030 and a CAGR of 0.7% from 2030 to 2035. The number of patients with plaque psoriasis in China was 5,895 in 2021 and 5,924 thousand in 2025, with a CAGR of 0.3% from 2021 to 2025, and is expected to reach 6,007 thousand in 2030 and 6,087 thousand in 2035, with a CAGR of 0.3% from 2025 to 2030 and a CAGR of 0.3% from 2030 to 2035. The number of patients with plaque psoriasis in the U.S. was 7,970 thousand in 2021 and 8,203 thousand in 2025, with a CAGR of 0.7% from 2021 to 2025, and is expected to reach 8,387 thousand in 2030 and 8,553 thousand in 2035, with a CAGR of 0.4% from 2025 to 2030 and a CAGR of 0.4% from 2030 to 2035. The moderate-to-severe plaque psoriasis patients account for about 50-70% of all plaque psoriasis patients.

The global psoriasis drug market size reached US\$26.1 billion in 2025, with a CAGR of 5.9% from 2021 to 2025. The market size is expected to climb to US\$40.6 billion in 2030 and US\$55.9 billion in 2035, with a CAGR of 9.2% from 2025 to 2030 and 6.6% from 2030 to 2035. China’s psoriasis drug market size reached US\$2.9 billion in 2025, with a CAGR of 27.9% from 2021 to 2025. The market size expected to climb to US\$7.3 billion in 2030 and US\$11.6 billion in 2035, with a CAGR of 19.9% from 2025 to 2030 and 9.7% from 2030 to 2035. The U.S. plaque psoriasis drug market size reached US\$15.4 billion in 2025, with a CAGR of 7.1% from 2021 to 2025. The market size is expected to climb to US\$24.9 billion in 2030 and US\$32.5 billion in 2035, with a CAGR of 10.1% from 2025 to 2030 and 5.5% from 2030 to 2035. The following chart sets forth the treatment paradigm of psoriasis in the Chinese Guidelines for the Diagnosis and Treatment of Psoriasis.



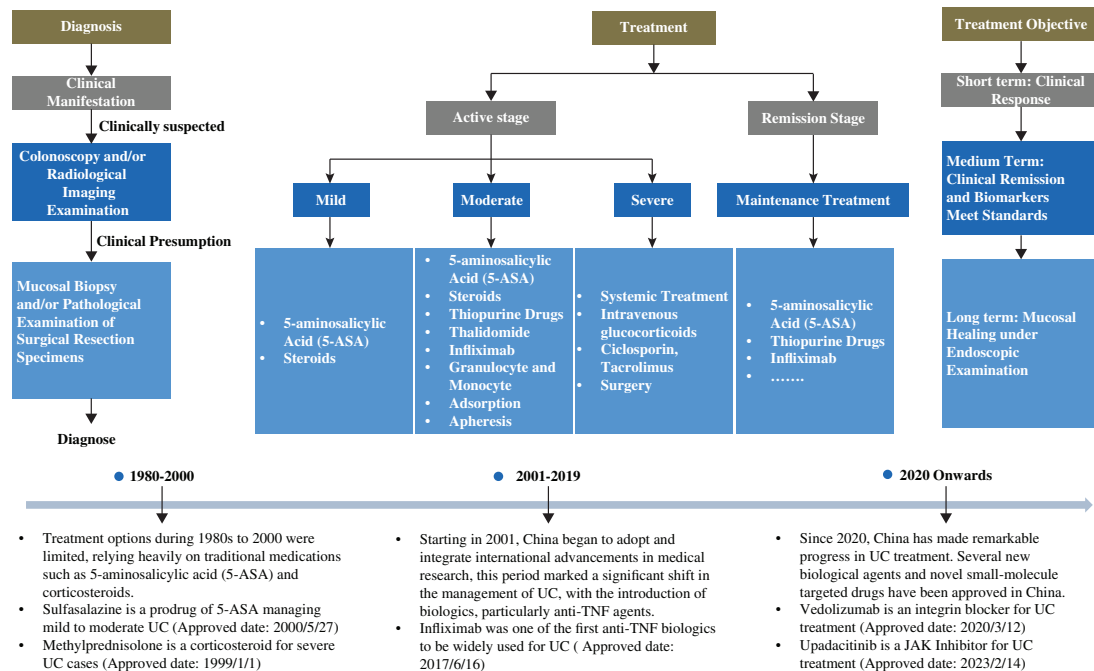
Source: Chinese Guidelines for the Diagnosis and Treatment of Psoriasis (2023 Edition), Frost & Sullivan Analysis

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Ulcerative Colitis

UC, a form of IBD, is an immune-mediated disorder characterized by chronic mucosal inflammation of the colon and alternating periods of active disease and remission. While UC is more common in Western countries, the incidence and prevalence of UC have been steadily rising in China. Though the pathology of UC has not been fully elucidated, the onset of UC is considered to be associated with immune system malfunction. The global number of patients with UC increased from 4.3 million in 2021 to 5.3 million in 2025, with a CAGR of 5.0%. The number is expected to grow to 6.2 million in 2030 and 6.9 million in 2035, with a CAGR of 3.3% between 2025 and 2030 and 2.2% between 2030 and 2035. The number of patients with UC in China increased from 465.8 thousand in 2021 to 628.1 thousand in 2025, with a CAGR of 7.8%. The number is expected to grow to 892.7 thousand in 2030 and 1,153.5 thousand in 2035, with a CAGR of 7.3% between 2025 and 2030 and 5.3% between 2030 and 2035. The moderate-to-severe active UC patients account for about 30-40% of all UC patients.

The global UC drug market increased from US\$6.4 billion in 2021 to US\$9.7 billion in 2025, with the CAGR of 11.0% from 2021 to 2025. It is estimated to grow to US\$13.2 billion in 2030 and reach US\$16.0 billion by 2035, with the CAGR of 6.4% from 2025 to 2030 and a CAGR of 3.9% from 2030 to 2035. The China ulcerative colitis drug market increased from US\$0.2 billion in 2021 to US\$0.3 billion in 2025, with the CAGR of 6.5% from 2021 to 2025. It is estimated to grow to US\$0.4 billion by 2035, with a CAGR of 3.6% from 2030 to 2035. The following chart sets forth the treatment paradigm of UC in China.



Source: Guideline for the diagnosis and treatment of UC in China, Frost & Sullivan Analysis

SLE

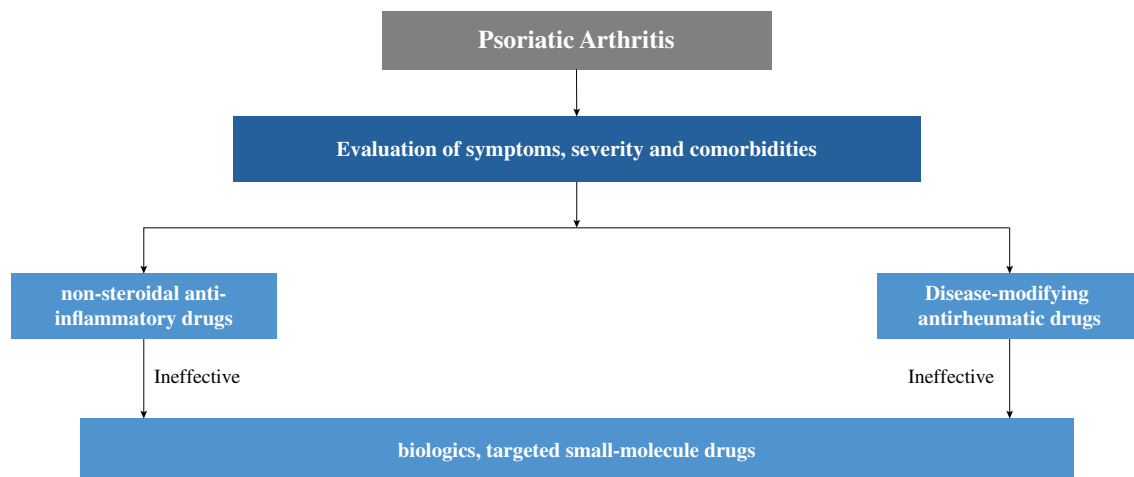
SLE is an autoimmune disease associated with substantial morbidity and mortality. SLE can cause widespread inflammation and tissue damage in the affected organs. Patients with SLE have unusual antibodies in their blood that are targeted against their body tissues. In 2025, the global prevalent SLE population is approximately 8.2 million. The number is expected to increase to 9.2 million in 2035, representing a CAGR of around 1.0% from 2030 to 2035. In 2025, the prevalent SLE population in China is approximately 1.1 million. The number is expected to increase to 1.2 million by 2035, representing a CAGR of around 1.0% from 2030 to 2035. The active SLE patients account for about 50-60% of all SLE patients.

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The global SLE drug market size grew from US\$2.2 billion in 2021 to US\$4.2 billion in 2025, with a CAGR of 17.8%. It is expected to continue increasing to US\$25.2 billion in 2035. China’s SLE drug market size grew from US\$0.4 billion in 2021 to US\$0.8 billion in 2025, with a CAGR of 19.7%. It is expected to continue increasing to US\$5.5 billion by 2035.

PsA

PsA occurs in some patients with psoriasis. If affected, joints of these patients would become swollen, stiff and painful. It is a long-term condition that could eventually lead to permanently damaged or deformed joints where surgeries might be needed. Therefore, early diagnosis and treatment of PsA are needed to effectively prevent or minimize permanent damage to the joints. The number of patients with PsA was 23.8 million in 2025, with a CAGR of 2.4% during 2021 and 2025. This number is expected reach 26.4 million in 2030 and 29.1 million in 2035 at a CAGR of 2.0% from 2025 to 2030 and 2.0% from 2030 to 2035. The number of patients with psoriatic arthritis in China was 700.8 thousand in 2025, with a CAGR of 1.2% during 2021 and 2025. This number is expected reach 746.9 thousand in 2030 and 795.2 thousand in 2035 at a CAGR of 1.3% from 2025 to 2030 and 1.3% from 2030 to 2035. The active PsA patients account for about 60-70% of all PsA patients. The following chart sets forth the treatment paradigm of PsA in the Guidelines for the Diagnosis and Treatment of Psoriasis in China.



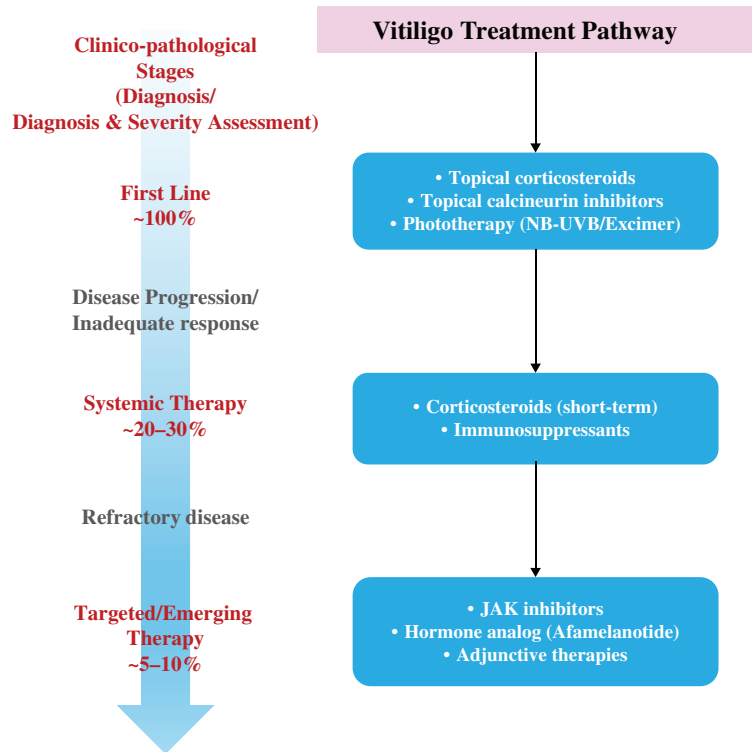
Source: Guideline for the diagnosis and treatment of psoriasis in China, Frost & Sullivan analysis

Vitiligo

Vitiligo is characterized by the loss of epidermal melanocytes. In vitiligo patients, the immune system appears to attack the melanocytes in the skin, and the resultant pigmentary abnormalities may involve hair, eyelashes or eyebrows, and eyes. Globally, the number of patients with vitiligo reached 63.1 million in 2025, with a CAGR of 1.4% during 2021 and 2025. This number is expected to be 66.6 million in 2030 and 69.4 million in 2035 at a CAGR of 1.1% from 2025 to 2030 and 0.8% from 2030 to 2035. In China, the number of patients with vitiligo was 7.06 million in 2025, with a CAGR of 0.1% during 2021 and 2025. This number is expected to be 7.14 million in 2030 and 7.21 million in 2035 at a CAGR of 0.2% from 2025 to 2030 and 0.2% from 2030 to 2035. The nonsegmental vitiligo patients account for about 80-90% of all vitiligo patients.

Currently, there are several treatment options for vitiligo, including systemic drug treatment, topical treatments, targeted therapy, biological therapy, phototherapy, and surgical treatment. To enhance treatment effectiveness, sequential or combination therapies are often used. The following chart sets forth the major treatment strategies for vitiligo.

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Note: Vitiligo management generally follows a step-wise treatment approach rather than strict first-, second-, or third-line therapies. Patient proportions are estimated based on published literature and clinical practice patterns.

Source: American Academy of Dermatology, European Academy of Dermatology and Venereology, Yuval Ramot et al., 2024, Bae et al., 2017, Frost & Sullivan Analysis

Signal Transducer and Activator of Transcription 6 (“STAT6”) Targeting Drugs

STAT6 is a key signal transduction protein in the immune system, and a key component of the JAK/STAT signaling pathway. STAT6 primarily participates in cytokine signaling and regulation of immune processes. The abnormal activation of STAT6 is closely related to allergic diseases (such as asthma and atopic dermatitis), autoimmune diseases (such as systemic lupus erythematosus), and lymphoma.

Growth Drivers and Future Trends of STAT6 Targeting Drug Market

Technological Breakthroughs and Improved Druggability. Recent breakthroughs in protein degradation technologies (such as proteolysis targeting chimera) may overcome the technical bottleneck of STAT6 as a “difficult-to-drug” target. Some STAT6 targeting drug candidates have achieved efficient STAT6 degradation through the proteolysis targeting chimera technology and promising inhibitory effect on type 2 inflammatory markers.

Major Market Player Involvement and Capital Investment. Several multinational pharmaceutical companies are accelerating their R&D efforts relating to STAT6 targeting drugs through high-value business development deals. These collaborations not only provide financial support but also increase market attention and confidence in STAT6 targeting drugs.

Differentiated Competitive Advantages. Compared to existing therapies, STAT6 targeting drugs may offer higher targeting specificity, lower risk of side effects, and oral formulations that improve patient adherence. If validated in clinical trials, STAT6 targeting drugs will be differentiated from biologics and JAK inhibitors.

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Oral Formulations Becoming the Primary Choice for Patients. The prices of injectable drugs are generally higher than oral medications, and it is more difficult to obtain doctor prescription for injectable drugs. Additionally, injectable drugs pose a higher risk of immunogenicity compared to oral medications. Furthermore, injectable drugs typically require refrigeration storage, which places higher demands on storage equipment and condition, increasing the risk of drug degradation or failure. As such, oral formulations represent a more convenient option for drug administration and tend to result in improved patient compliance. The successful launch of oral STAT6 targeting drugs would meet patients’ needs for convenience.

Major Indications of STAT6 Targeting Drugs

AD

AD is a chronic condition that causes skin discoloration and itchy rashes. It usually starts in childhood, and flare-ups can continue through adulthood. AD results in significant patient-level and societal burden. Globally, the number of patients with AD was 711.4 million in 2025, with a CAGR of 1.5% during 2021 and 2025. This number is expected reach 763.1 million in 2030 and 814.4 million in 2035 at a CAGR of 1.4% from 2025 to 2030 and 1.3% from 2030 to 2035. In China, the number of patients with AD was 74.1 million in 2025, with a CAGR of 1.8% during 2021 and 2025. This number is expected reach 79.1 million in 2030 and 81.2 million in 2035 at a CAGR of 1.3% from 2025 to 2030 and 0.5% from 2030 to 2035.

Asthma

Asthma is a chronic lung disease that affects the airways in the lungs. It is caused by inflammation and muscle tightening around the airways, which makes it harder to breathe. Symptoms can include coughing, wheezing, shortness of breath and chest tightness. The global number of patients affected by asthma reached 808.8 million in 2025, with a CAGR of 1.7% from 2021 to 2025, and this number is forecasting to reach 919.2 million in 2035. In China, the number of patients affected by asthma reached 70.6 million in 2025, with a CAGR of 1.7% from 2021 to 2025, and this number is forecasting to reach 81.0 million in 2035.

OVERVIEW OF METABOLIC DISEASE DRUG MARKET

Overview of Metabolic Disease

Metabolism refers to all the physical and chemical processes in the body that convert or use energy. When there is a dysfunction in these processes, metabolic diseases may occur, such as diabetes, obesity and nonalcoholic steatohepatitis. These diseases have the potential to impact all tissues and organs throughout the body, and can extend their effects to cognitive functions, growth and development, and mental states.

Metabolic Disease Drug Market Size

The global market size of metabolic disease drug was US\$113.1 billion in 2021 and US\$179.7 billion in 2025, with a CAGR of 12.3% during this period. It is projected that by 2030, the market size will grow to US\$278.5 billion, and by 2035, it will reach US\$368.6 billion. The CAGR will be 9.2% from 2025 to 2030, and 5.8% from 2030 to 2035. The China market size of metabolic disease drug was US\$15.0 billion in 2021 and US\$17.2 billion in 2025, with a CAGR of 3.4% during this period. It is projected that by 2030, the market size will grow to US\$33.4 billion, and by 2035, it will reach US\$57.8 billion. The CAGR will be 14.3% from 2025 to 2030, and 11.6% from 2030 to 2035.

Growth Drivers and Future Trends of Metabolic Disease Drug Market

Rising Health Awareness and Expenditure. There is a growing awareness on managing chronic metabolic diseases, such as diabetes and obesity. In China, the healthcare expenditure for diabetes has been steadily increasing in recent years.

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Aging Population and Clinical Demand. Lifestyle changes, including unhealthy eating habits, lack of exercise, smoking and drinking, have increased the risk of metabolic diseases. In addition, as people age, their metabolic rate naturally decreases and their sensitivity to insulin decreases. These physiological changes make the elderly more susceptible to metabolic disorders such as diabetes, hyperlipidemia and obesity. The aging population, combined with the lifestyle changes, has led to a steady increase in the prevalence of metabolic diseases and hence the need for drugs that offer long-term safety and efficacy. The escalating disease burden is propelling the quest for cutting-edge therapeutics capable of adeptly managing these chronic conditions over extended periods.

Insurance-Driven Innovation. The dynamic adjustment of the NRDL has played a significant role in supporting the inclusion of innovative drugs designed for long-term management of metabolic diseases. These drugs are increasingly recognized for their ability to meet the evolving needs of patients with chronic metabolic conditions. Insurance policies advocating for the inclusion of these drugs are the catalyst for innovation, spurring the advancement of therapies with enhanced safety, superior efficacy, and a spectrum of holistic benefits tailored for patients.

Patient Compliance-Oriented Development. The chronic nature of metabolic diseases demands therapeutic approaches that prioritize high patient compliance. Non-adherence to treatment protocols may result in pronounced oscillations in disease management, adversely affecting health outcomes. The innovation of long-acting formulations that minimize dosing frequency and bolster patient adherence is vital for the efficacious stewardship of these conditions. Such advancements are pivotal in curbing the trajectory of metabolic diseases and have become a central focus within the contemporary pharmaceutical development landscape, ensuring that patients receive treatments that are not only effective but also convenient and sustainable in the long term.

Urate Transporter 1 (“URAT1”) Inhibitors

URAT1 is a major transporter protein mediating uric acid reabsorption in the kidney. Uric acid is the end product of purine metabolism in the body and is further converted to allantoin via an enzyme called uricase. Gout occurs as a result of the high levels of uric acid in the blood and its subsequent deposition in the form of monosodium urate in one or more joints causing inflammation.

Competitive Landscape of URAT1 Inhibitor Drugs

As of the Latest Practicable Date, there were three approved URAT1 inhibitors globally, as set forth in the table below.

Drugs	Company	Indications	Route of Administration	Type of Technology Used	First Approved Date	Expiration of key IP rights	Regions	Safety	Effectivity	Annual Treatment Costs
Benzbromarone	Labaz	Gout with hyperuricemia	Oral (50-100mg/day)	Small molecule (benzofuran derivatives)	1971	Expired (First marked in 1971)	China, Germany, France, etc	Prevalence of severe liver damage: 0.09%. Prevalence of liver function impairment: 0.17%	Serum uric acid levels decreased by 25%-50%, with approximately 91% of patients achieving sUA < 6 mg/dL.	226 RMB
Dotinurad	Mochida/Fuji Yakuhin	Gout with hyperuricemia	Oral (0.5-4mg/day)	Small molecule (highly selective)	2020-01-23	2033-2035	China, Japan, Thailand, etc	No cases of severe liver damage attributed to the medication have been observed	Serum uric acid levels decreased by approximately 46% at 2 mg dose; the target attainment rate (sUA < 6 mg/dL) approached 100% at 4mg dose.	2700 RMB
Ruzinurad	Jiangsu Hengrui Pharmaceuticals	Gout with hyperuricemia	Oral (1mg/day)	Small molecule (highly selective)	2026-05-27	2035-2040	China	No cases of severe liver damage attributed to the medication have been observed	At the end of the 16-week treatment period, the sUA level in the Luzorena group had decreased by an average of — 209.23 μmol/L from the baseline value (a reduction percentage of -36.27%)	NA

Source: Frost & Sullivan

INDUSTRY OVERVIEW

As of the Latest Practicable Date, there were three URAT1 inhibitor drug candidates under clinical development in both China and the U.S., as set forth in the table below.

Drugs	Company	Indications	Phase	First Posted Date	Regions
ABP-671	Atom Therapeutics	Gout	III	2023-04-18	Global
AR882	ApicHope	Gout	III	2024-04-02	Global
D-0120	InventisBio	Gout	II	2022-06-28	Global

Source: Frost & Sullivan

Growth Drivers and Future Trends of URAT1 Inhibitor Market

More Regulatory Approval of Innovative Drugs. The URAT1 inhibitor market has seen rapid growth since dotinurad received market approval in Japan in 2020, generating more than US\$300 million in sales by 2024. The regulatory approval of URAT1 inhibitors in China is expected to drive rapid market expansion. Currently, there are three innovative URAT1 products in China at or beyond the Phase II stage.

Large Patient Population. The number of gout patients continues to rise. In China, the prevalence of gout represents a large patient base. With changes in lifestyle and dietary patterns, the incidence rate of gout is trending younger, providing a vast market demand.

Limitations of Existing Drugs. Current gout treatments (such as allopurinol, febuxostat, and benzbromarone) have side effects, such as liver injury, anaphylaxis and kidney injury. Patients urgently need safer and more effective drugs, driving the development of URAT1 inhibitors.

Significant Efficacy of URAT1 Inhibitors. As a new generation of uricosuric drugs, URAT1 inhibitors lower serum uric acid levels by inhibiting uric acid reabsorption and promoting excretion, exhibiting outstanding efficacy and good safety.

URAT1 Inhibitor Drug Market Size

The global URAT1 inhibitor market was US\$131.0 million in 2021 and US\$448.7 million in 2025, with a CAGR of 36.0% during this period. It is projected that by 2030, the market size will grow to US\$3,048.6 million, and by 2035, it will reach US\$9,025.8 million. The CAGR will be 46.7% from 2025 to 2030, and 24.2% from 2030 to 2035. The China URAT1 inhibitor market was US\$82.4 million in 2021 and US\$61.6 million in 2025, with a CAGR of -7.0% during this period. It is projected that by 2030, the market size will grow to US\$980.2 million, and by 2035, it will reach US\$2308.6 million. The CAGR will be 73.9% from 2025 to 2030, and 18.7% from 2030 to 2035.

Major Indications of URAT1 Inhibitors

Gout

Gout occurs as a result of the high levels of uric acid in the blood. Uncontrolled uric acid levels in the blood can lead to the formation of lumps called tophi stones, which can become painful and cause joint damage. Gout often attacks the foot, especially the bunion joint. Between 2021 and 2025, the global number of gout patients increased from 58.3 million to 69.0 million, with a CAGR of 4.3%. It is projected that by 2030, the number of gout patients will reach 82.9 million, at a CAGR of 3.7%. By 2035, the number is expected to rise to 97.9 million, maintaining a CAGR of 3.4%.

INDUSTRY OVERVIEW

Between 2021 and 2025, the number of gout patients in China increased from 16.8 million to 25.5 million, with a CAGR of 5.6%. It is projected that by 2030, the number of gout patients in China will reach 36.1 million, at a CAGR of 5.6%. By 2035, the number is expected to rise to 47.4 million, maintaining a CAGR of 5.6%.

The large patient population and demand for gout therapies are driving the continuous growth of the gout drug market. The global market size of gout drugs was US\$3.2 billion in 2025. It is projected that by 2030, the market size will grow to US\$7.7 billion, and by 2035, it will reach US\$17.0 billion. The CAGR will be 18.8% from 2025 to 2030, and 17.2% from 2030 to 2035. The market size of gout drugs in China was US\$0.4 billion in 2025. It is projected that by 2030, the market size will grow to US\$1.4 billion, and by 2035, it will reach US\$3.9 billion. The CAGR will be 29.5% from 2025 to 2030, and 22.0% from 2030 to 2035.

REPORT COMMISSIONED BY FROST AND SULLIVAN

In connection with the [REDACTED], we have engaged Frost & Sullivan to conduct a detailed analysis and to prepare an industry report on the major markets for which our drug candidates are positioned. Frost & Sullivan is an independent global market research and consulting company founded in 1961 and is based in the U.S. We have agreed to pay Frost & Sullivan a total fee of approximately RMB750 thousand for the preparation of the Frost & Sullivan Report, and we believe that such fee is consistent with the market rate. The payment of such amount was not contingent upon our successful [REDACTED] or on the content of the Frost & Sullivan Report. Except for the Frost & Sullivan Report, we did not commission any other industry report in connection with the [REDACTED].

The market projections in the Frost & Sullivan Report were based on the following key assumptions: (i) the overall social, economic and political environment globally and in China is expected to remain stable during the forecast period; (ii) the economic and industrial development globally and in China is likely to maintain a steady growth trend over the next decade; (iii) related key industry drivers are likely to continue driving the growth of the market during the forecast period; and (iv) there is no extreme force majeure or industry regulation in which the market may be affected dramatically or fundamentally. Key underlying quantitative assumptions and bases for deriving the estimated addressable market size include: global and China’s population size; prevalence of various diseases; sales revenue or annual treatment costs of approved drugs; the number of similar drugs under development and their expected approval time; product penetration rates. Key underlying qualitative assumptions and bases for deriving the estimated addressable market size include: the role of policies such as medical insurance or centralized procurement in promoting product sales, and the impact and substitution effect of new-generation drugs on older-generation products. The reliability of the Frost & Sullivan Report may be affected by the accuracy of the foregoing key assumptions, including those used to make future projections, are factual, correct and not misleading.