OVERVIEW

We are an ophthalmology-focused biotech company. Leveraging our expertise in small-molecule drug discovery, advanced formulation development and translational research in ophthalmic diseases, we are building a competitive and differentiated product pipeline covering ocular indications affecting the surface and back of the eye with significant unmet clinical needs.

The accelerating global trend of population aging, together with rising demand for therapies targeting ocular surface and posterior segment diseases, has driven advances globally in the research and development of innovative ophthalmic drugs. Leading Chinese pharmaceutical companies have been conducting clinical trials of ophthalmic drugs in the United States and other overseas regions to accelerate the international commercialization of their products. According to Frost & Sullivan, the global ophthalmic pharmaceutical market is expected to expand from US$42.0 billion from 2025 to US$60.7 billion in 2035, at a CAGR of 3.8%. To address this attractive market opportunity, we closely monitor market trends in China and abroad. We expect to launch our product candidates in both domestic and overseas markets and to establish an efficient globalized business model centered on innovative drugs and supported by cross-border collaborations. We have strategically established research and development centers and subsidiaries in China and overseas. This approach enables us to advance new drug research and development efficiently and to conduct clinical trials in both China and the United States, two of our key strategic markets, thereby maximizing commercialization opportunities for our product candidates and enhance our brand recognition.

We have established differentiated in-house research and development capabilities for innovative ophthalmic drugs and are selectively expanding into other disease areas with significant commercial potential. We have established integrated technology platforms, including ophthalmic small-molecule drug discovery, advanced formulation development and translational research, and have built a robust drug pipeline based on these platforms. As of the Latest Practicable Date, our product pipeline consisted of five clinical-stage product candidates, including our Core Products, VVN461(HD) and VVN001, and three other product candidates. We hold full development and commercialization rights to our product pipeline with respect to the product candidates' formulations and disease areas. The following chart summarizes our product pipeline as of the Latest Practicable Date.

Program	Mechanism of Action	Formulation	Indication	Patient Population	Commercial Rights	Planned Commercialization Jurisdiction	Regulatory Authority	Preclinical	IND Approval	Clinical			NDA Approval	Expected Near-Term Milestone
										Phase I	Phase II	Phase III		
VVN461(HD)★	JAK1/TYK2	Eye drop	NIAU	Adults	Global[1]	China	NMPA							Complete Phase III in 1H 2027
						U.S.	FDA							IND amendment in Q4 2026[2]
			SS-DED	Adults		China	NMPA							Commence Phase II in Q4 2026[3]
			Scleritis			U.S.	FDA							Commence IIT in Q4 2026[4]
			oGVHD	Adults		U.S.	FDA							Commence IIT in Q4 2026[4]
			Pediatric uveitis	Children		To be determined	To be determined							Timing of clinical trial to be determined[5]
			VKC	Children and teenager		China	NMPA							IND application in Q4 2026[6]
VVN001★	LFA-1	Eye drop	Moderate-to-severe DED	Adults	Global	China	NMPA							Complete Phase III in 1H 2027
						U.S.	FDA[7]							Timing of Phase III to be determined
VVN461(LD)	JAK1/TYK2	Eye drop	Postoperative ocular inflammation	Adults	Global[1]	U.S.	FDA[8]							Timing of Phase III to be determined
VVN432	JAK1/TYK2	Nasal spray	CRS	Adults	Global[1]	China	NMPA							Complete Phase I in Q4 2026
VVN1901	rhNGF	Eye drop	Stage 2 to Stage 3 NK	Adults	Global	China	NMPA							Complete Phase II in 2028

★ Core Product

Milestones achieved

Clinical trial phases marked as ▨ are not required by the NMPA or FDA, as applicable

CRS: chronic rhinosinusitis

DED: dry eye disease

NIAU: non-infectious anterior uveitis

NK: neurotrophic keratitis

oGVHD: ocular graft-versus-host disease

SS-DED: Sjögren's syndrome–related DED

VKC: vernal keratoconjunctivitis

JAK1: Janus kinase 1

LFA-1: lymphocyte function-associated antigen-1

rhNGF: recombinant human nerve growth factor

TYK2: tyrosine kinase 2

Notes:

(1) In February 2021, we entered into an asset transfer and license agreement (as supplemented on February 10, 2021 and January 29, 2024 and amended and restated on February 6, 2026) with E-nitiate. Pursuant to such agreement, we transferred, among others, intellectual property and other rights in the compound underlying VVN461 and VVN432 to E-nitiate and E-nitiate granted us, among others, an exclusive, perpetual and irrevocable license to develop, manufacture and commercialize such compound (other than with respect to oral dosage formulation) in the ophthalmology (effective on and from February 10, 2021) and rhinology (effective on and from January 29, 2024) fields globally. See "—Our Collaboration and License Agreements—Arrangements with E-nitiate."

(2) We had a Type C meeting with the FDA in November 2025, during which the FDA confirmed our plan to directly initiate a Phase III clinical trial (*i.e.*, no additional Phase I and Phase II clinical trials needed) of VVN461(HD) in the United States for the treatment of NIAU. We plan to submit an IND amendment in the fourth quarter of 2026 and directly commence such Phase III clinical trial in the first half of 2027. See "—Our Product Candidates—Our Core Products—VVN461(HD)—Non-Infectious Anterior Uveitis (NIAU)—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the United States—Laws and Regulations in Relation to New Drug—U.S. Government Regulation of Drug and Biological Products."

(3) We obtained an IND approval from the NMPA to directly initiate a Phase II clinical trial (*i.e.*, no additional Phase I clinical trial needed) of VVN461 for the treatment of SS-DED by leveraging the Phase I clinical trial results of VVN461 in China. See "—Our Product Candidates—Our Core Products—VVN461(HD)—Sjögren's Syndrome-Related DED (SS-DED)—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the PRC—Laws and Regulations in Relation to New Drug—Conduct of Clinical Trial."

(4) We plan to collaborate with academic research institutions in the United States to commence investigator-initiated trials (IIT) of VVN461 for the treatment of scleritis and oGVHD in the fourth quarter of 2026. We plan to submit IND amendments to the FDA for directly initiating registration-enabling pivotal clinical trials of VVN461 in the United States for these indications by leveraging the IIT results.

(5) We intend to develop VVN461(HD) for the treatment of pediatric uveitis. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

(6) We intend to develop VVN461(HD) for the treatment of VKC. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

(7) Based on communications with the FDA, we directly commenced a Phase II clinical trial of VVN001 in the United States by leveraging our preclinical study results, including satisfactory safety data. See "—Our Product Candidates—Our Core Products—VVN001—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the United States—Laws and Regulations in Relation to New Drug—U.S. Government Regulation of Drug and Biological Products." We completed such Phase II clinical trial in April 2022.

(8) Based on communications with the FDA, we directly commenced a Phase II clinical trial of VVN461 for the treatment of postoperative ocular inflammation in the United States by leveraging the Phase I clinical trial results of VVN461 in China. See "—Our Product Candidates—Our Other Product Candidates—VVN461(LD)—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the United States—Laws and Regulations in Relation to New Drug—U.S. Government Regulation of Drug and Biological Products." We completed such Phase II clinical trial in October 2024.

In response to the safety and tolerability concerns of corticosteroids, especially in long-term use to treat inflammatory conditions, and the limited efficacy of traditional non-steroidal anti-inflammatory drugs, we are developing VVN461, a non-corticosteroid anti-inflammatory eye drop. VVN461(HD), one of our Core Products, is potentially the world's first Janus kinase (JAK) inhibitor eye drop. In our preclinical *in vitro* study, VVN461 demonstrated highly selective dual inhibition of Janus kinase 1 (JAK1) and tyrosine kinase 2 (TYK2). As a selective inhibitor of such key regulators for major proinflammatory cytokines in the JAK family, VVN461 is designed to block inflammatory signaling pathways and has demonstrated anti-inflammatory efficacy comparable to that of corticosteroids in a head-to-head Phase II clinical trial of VVN461 in non-infectious anterior uveitis (NIAU) patients while potentially avoiding the typical adverse effects associated with corticosteroids, such as increased intraocular pressure, cataract formation and corneal damage. In addition, VVN461 met the primary endpoints in a Phase II clinical trial in patients undergoing routine unilateral cataract surgery and demonstrated favorable efficacy and satisfactory safety and tolerability profile in such clinical trial. Based on efficacy results in the Phase II clinical trial, our VVN461(HD) for the treatment of NIAU received the breakthrough therapy designation (BTD) from the NMPA. In the course of developing VVN461, our findings

revealed that the molecule demonstrated promising efficacy in treating chronic rhinosinusitis (CRS). Accordingly, we are extending the application of the compound to CRS and developing VVN432 to capture additional clinical and commercial value.

In addition to VVN461, we are developing another late-stage Core Product, VVN001, which is a lymphocyte function-associated antigen-1 (LFA-1) antagonist designed to treat moderate-to-severe dry eye disease (DED). Given to the significant unmet clinical needs in the treatment of DED, we have focused on the development of VVN001 since our inception. VVN001 demonstrated efficacy comparable to first-generation LFA-1 antagonist in our *in vitro* preclinical studies, while having improved efficacy and safety profile with no stinging sensation commonly associated CsA, compared to cyclosporine A (CsA), the current standard of care of moderate-to-severe DED, as demonstrated in our Phase II clinical trial of VVN001 in the United States.

In addition to our Core Products, which are both in Phase III clinical trials, our VVN1901, a recombinant human nerve growth factor (rhNGF) being developed for the treatment of neurotrophic keratitis (NK), has commenced a registration-enabling pivotal Phase II clinical trial. At the same time, we are preparing to initiate a Phase III clinical trial for VVN461(LD) and are conducting a Phase I clinical trial for VVN432.

We believe that ocular surface programs can be developed and commercialized with relatively short timelines. Therefore, our strategic focus has been on advancing our ocular surface programs toward commercialization to establish a robust foundation for our product portfolio. Meanwhile, we have initiated programs in the posterior segment to capture greater commercial potential in back-of-the-eye diseases to support our long-term growth.

OUR STRENGTHS

Innovative ophthalmic therapies supported by integrated technology platforms spanning entire lifecycle of drug development

To address the significant unmet clinical needs in the field of innovative ophthalmic drugs, we have established integrated technology platforms, including ophthalmic small-molecule drug discovery, advanced formulation development and translational research, which together provide a differentiated foundation of our innovative ophthalmic therapies. These three platforms function coherently as an integrated system, combining precise molecule discovery, efficient delivery formulation and translational research in innovative ophthalmic therapies. This coordinated approach addresses critical challenges in ophthalmic drug development, such as limited target specificity and efficacy, poor bioavailability and safety concerns.

- *Ophthalmology small-molecule drug discovery platform*. This platform is the core driver of our differentiated innovation, focusing on the early stage of molecule discovery. It integrates advanced capabilities in precise target selection, efficient molecule optimization technologies and patent protection framework. Discovered through this platform, our VVN461 demonstrated high activity, high selectivity, high permeability and broad coverage of inflammatory cytokine pathways and our VVN001 exhibited high aqueous solubility and high stability.

- *Advanced formulation development platform*. This platform serves as the cornerstone for us to realize precise delivery and rapid onset action of our product candidates, effectively addressing critical challenges associated with ophthalmic drug delivery. Leveraging our formulation platform, we have developed various advanced technologies for our drug candidates, including (i) the flash transmucosal delivery system for VVN461 and (ii) the enhanced formulation and packaging processes which substantially improved the stability and convenience of use for VVN1901.

- *Translational research platform for innovative ophthalmic drug*. Developing ophthalmic disease models presents significant challenges and many CROs are unable to design and develop ophthalmology disease models that meet our requirements. Therefore, the expertise of our translational research team is crucial for the successful development of ophthalmic models. Our scientists design the animal models and collaborate closely with CRO specialists in the laboratories to establish, test and refine such models. We have intellectual property rights to all such developed models.

Together, our technology platforms operate as a cohesive system that supports the discovery, preclinical research, formulation development and clinical development of innovative ophthalmic therapies. Through this integrated framework, we are able to address key challenges in ophthalmic drug development and create a solid foundation for sustained innovation and differentiation in this therapeutic area.

Comprehensive and differentiated product pipeline

After years of dedicated efforts in ophthalmology, we have established a pipeline of differentiated product candidates across major ophthalmic disease areas, enabling us to effectively address unmet clinical needs while gaining a technological edge in major indications. This comprehensive and differentiated pipeline reduces our overall research and development risks and allows us to target high-growth opportunities in ophthalmic drug market, supporting strong commercialization prospects.

Our product pipeline features broad coverage, clear staging and strong continuity, covering both front and back of the eye, targeting both acute conditions and chronic disease management for both common and rare ophthalmic diseases. For example, for the front of the eye, we focus on high-prevalence indications in China, such as DED, and orphan diseases in the United States, such as NIAU, scleritis and ocular graft-versus-host disease (oGVHD). This comprehensive multi-dimensional layout reflects more than a list of indications, but rather our strategic plan grounded in our understanding of the pathogenesis of ophthalmic diseases and the unique strengths of our technology platforms. Furthermore, during the development of our ophthalmology product pipeline, we have also discovered the potential of the VVN461 molecule in treating non-ocular inflammation and thus commenced development of VVN432 for the treatment of CRS, expanding the application of the molecule to markets with significant clinical and commercial value. From a staging perspective, we have established a well-structured product pipeline, with late-stage clinical candidates leading, mid-stage clinical candidates following through, and a well-stocked preclinical asset reserve.

Our differentiated product matrix is central to our competitive advantage in pipeline planning. For the treatment of ocular inflammation, our VVN461(HD), one of our Core Products, is potentially the world's first JAK inhibitor eye drop. In the expanding DED market, our self-developed VVN001 offers an improved alternative to current treatments with its enhanced solubility and formulation. For the treatment of NK, we believe that our VVN1901, developed with leading formulation and packaging technology, is well positioned to challenge the dominance of the only approved growth factor drug, due to its significantly enhanced stability and convenience in storage, transportation and daily use. We have also initiated development of innovative product candidates in the posterior segment eye diseases to support our long-term growth.

Through a strategic approach that combines comprehensive disease coverage to address market gaps, a differentiated portfolio to ensure our competitiveness and integrated technology platforms to support continuous innovation, we have built a solid product pipeline. Our product pipeline not only covers major disease areas with significant market potential, such as DED and ocular inflammation, but also addresses underserved rare diseases, such as NK, while strategically

balancing opportunities in both domestic and overseas markets to support our diversified and robust growth. As the ophthalmic drug market continues to grow, we anticipate that our strong pipeline will increasingly give us a competitive edge and serve as the core driver for our next stage of development.

Potential first-in-class JAK inhibitor eye drop for ophthalmic anti-inflammatory therapy to reshape traditional treatment paradigms

VVN461(HD), our Core Product, is potentially the world's first JAK inhibitor eye drop. VVN461's core competitive advantage lies in its targeted and differentiated mechanism of action, which underpins its breakthrough anti-inflammatory efficacy. JAK plays a critical role in inflammatory signal transduction. As a highly potent and selective JAK1/TYK2 dual inhibitor, VVN461 is designed to inhibit JAK1 and TYK2 activity, thereby directly blocking the JAK-STAT signaling pathway, with the aim of achieving comprehensive control of intraocular and ocular surface inflammation and enabling effective management of inflammation throughout the entire eye. Unlike traditional corticosteroids, which broadly suppress multiple pathways and involve multiple non-inflammatory functions, VVN461 is designed to selectively inhibit specific inflammatory pathways while minimizing disruption of normal physiological functions. This targeted mechanism of action is anticipated to offer potential safety benefits. Recognizing the advantages of this mechanism, we are extending the application of the compound underlying VVN461 to rhinology through the development of VVN432, a nasal spray for the treatment of CRS, and to posterior segment of the eye through the development of an innovative preclinical drug candidate designed for long-acting sustained release for the treatment of non-infectious non-anterior uveitis.

The efficacy and safety profile of VVN461 have been robustly demonstrated in multiple clinical trials, providing strong clinical evidence to support its potential to reshape the existing treatment paradigm. Particularly, VVN461 demonstrated efficacy comparable to corticosteroid control group in the Phase II clinical trial in NIAU patients in China. In addition to comparable efficacy, VVN461 can potentially avoid the typical adverse effects associated with corticosteroids such as increased intraocular pressure, cataract formation and corneal damage. VVN461 demonstrated safety profile comparable to that of vehicle control group in the Phase II clinical trial in patients undergoing routine unilateral cataract surgery in the United States. VVN461's topical inhibition of inflammatory pathways also lowers the safety risk associated with systemic use of JAK inhibitors. Its favorable long-term safety profiles may enhance patients' long-term adherence. As a result, VVN461 has the potential to overcome key limitations in traditional ophthalmic anti-inflammatory therapies.

The sizeable market and significant limitations of traditional treatment options provide a solid foundation for the commercialization of VVN461. The global ocular inflammation market is expected to reach US$4.3 billion by 2035, at a CAGR of 11.4% from 2025 to 2035. At the same time, significant unmet clinical needs remain, as many patients are unable to achieve satisfactory treatment outcomes and there is clear demand for safer and more effective innovative treatments. We believe VVN461 is well positioned to address this gap.

As potentially the world's first JAK inhibitor eye drop, VVN461 is expected to benefit from global patent protection. Our proprietary flash transmucosal delivery system technology, which is designed to enhance ocular bioavailability and retention time, combined with the enhanced ocular penetration and stability resulting from VVN461's unique small-molecule design, has established strong intellectual property and technology barriers to strengthen VVN461's competitive position.

Our VVN461(HD) received the BTD for the treatment of NIAU by the NMPA in June 2025, enabling a potentially expedited commercialization process. According to Frost & Sullivan, VVN461(HD) is the first eye drop to receive the BTD in China. With our parallel research and development plan in China and the United States, we aim to obtain marketing approval for VVN461(HD) in both China and the United States, thereby laying the foundation for our global

expansion. As we advance the Phase III clinical trials and further clinical data of VVN461(HD) become available, we expect to offer this innovative drug as a new treatment option to patients with ocular inflammation worldwide, while at the same time establishing our leading position in the arena of innovative ophthalmic drugs.

Globalized research and development and ecosystem collaboration

Amid intensifying global competition in research and development of innovative ophthalmic drugs and rising challenges in technology translation, a single technological breakthrough is no longer sufficient for biotech companies to sustain leadership. In such context, we have captured industry development trends through globalized R&D and ecosystem collaboration. We integrate quality global resources with domestic resources to accelerate technology translation and commercialization. This approach provides us with core competitive advantages in the ophthalmic pharmaceutical industry by balancing technological expertise, translational efficiency and market reach. It also tackles industry challenges such as lengthy development cycles, significant capital requirements and difficult commercial launches, thereby strengthening our competitive position in both domestic and overseas markets.

Our globalized R&D strategy underpins our innovation and international expansion. Our experienced R&D team design and execute clinical trials in both China and the United States. For the development of our VVN461(HD), we adhere to the dual clinical development strategy in China and the United States to accelerate our global footprint. We have completed a Phase II clinical trial in NIAU patients in China and plan to directly initiate a Phase III clinical trial of VVN461(HD) in the United States. In addition, we have received positive preliminary written feedback from the FDA, which indicated that we may submit an NDA for VVN461(HD) to the FDA following completion of a single Phase III pivotal clinical trial in NIAU patients. This registration pathway could significantly expedite the commercialization process for VVN461(HD) in the United States. This model of parallel clinical development in different jurisdictions allows us to efficiently evaluate efficacy and safety across different patient populations and to use clinical data in China and the United States to support subsequent regulatory filings in Europe, Southeast Asia and other markets, thereby securing an early-mover advantage internationally.

Our globalized R&D strategy is also reflected in our targeted integration of international resources. Leveraging the international experience of our management team, we have assembled a scientific advisory board comprising international experts in ophthalmology and established close collaboration with leading ophthalmic drug development experts and clinical institutions worldwide, enabling us to track the latest global research progress in the treatment of ophthalmic diseases in a timely manner and supporting our continuous pipeline expansion and technology iteration. With our globalized R&D system, we are able to enhance our position in global ophthalmic innovative drug development while steering clear of an insular development process.

Ecosystem collaboration serves as a key lever of us to accelerate technology translation and strengthening our industrial footprint. By leveraging the full industry chain resource spanning across R&D, pilot-scale manufacturing, clinical development and commercial manufacturing in China Gene Medicine Valley, we have enhanced the translation efficiency from laboratory research to commercialization, providing a solid foundation for the commercial-scale manufacturing of our Core Products. Our collaborations with academic research institutions and hospitals further enhance our research and development efficiency and clinical translation. We have built and maintained long-term cooperative relationships with leading hospitals with top ophthalmology department and renowned principal investigators (PIs, usually physicians at the hospitals responsible for the conduct of our clinical trials). These hospitals and PIs have served as clinical trial sites and investigators for our studies and have regularly discussed with us on study design, clinical endpoints and patient management. Through these collaborations, they have gained in-depth understanding of our pipeline, enabling efficient collaboration in our clinical trials and in so doing enabling us to accelerate the clinical development and improve the success rate of our product candidates.

Our globalized research and development and ecosystem collaboration provide us a distinct competitive edge. Globalized research and development enables us to generate research outcomes that meet international standards, which enhance the competitiveness of our collaborations. In parallel, our local ecosystem collaborations provide efficient clinical translation platforms and broad market access to support the commercialization of our globalized research and development results. As our Core Products progress toward commercialization, we believe this dual engine will support our growth into a benchmark ophthalmology company in China and facilitate the development of differentiated ophthalmic drugs, benefiting patients worldwide.

Expert management team supported by scientific advisory board and reputable investors

We have a visionary leadership team with extensive experience and deep scientific expertise in the ophthalmic pharmaceutical industry. Dr. Shen Wang, our founder, executive director, chief executive officer and chairman of the Board, has over 30 years of R&D and management experience across multiple therapeutic areas and participated in the development of the development of first-in-class products including Xiidra® for dry eye disease and oncology blockbuster VENCLEXTA®. Dr. Xia Erning, our executive director and chief technology officer, has over 30 years of ophthalmic pharmaceutical R&D experience, including at Bausch + Lomb, where he was one of the developers of ReNu® MultiPlus Multi-Purpose Solution, LOTEMAX® GEL and Besivance®. Dr. Tsai Albert Jr., our chief medical officer, has nearly 30 years of experience in the pharmaceutical and biotechnology industry with multinational companies such as Bayer Aktiengesellschaft, Merck & Co., Inc., G.E. HealthCare Technologies Inc., Amgen Inc. and AbbVie Inc., and has served as chief medical officer of Zhaoke Ophthalmology, a company listed on the Stock Exchange (stock code: 06622), overseeing a broad ophthalmic pipeline in both China and the United States. See "—Research and Development—In-House Research and Development Capabilities—In-House R&D Team" and "Directors and Senior Management" for further details on their past experience.

We have also assembled a scientific advisory board comprising leading experts in ophthalmology. Key members of our scientific advisory board include Professor Quan Dong Nguyen, Professor David S. Boyer and Professor Gary D. Novack. Professor Nguyen is a professor of ophthalmology at the Byers Eye Institute of Stanford University, focusing on the development of novel therapies and diagnostic technologies for retinal vascular and ocular inflammatory diseases, including diabetic retinopathy, age-related macular degeneration and uveitis. Professor Boyer is one of the leading retinal clinical researchers for new treatments in macular degeneration and diabetic macular edema. Professor Novack, with over 40 years of experience in pharmaceutical research and development, is a clinical professor of pharmacology and ophthalmology at the University of California Davis School of Medicine.

We receive strong endorsement from industry-leading investors who are familiar with the pharmaceutical market in China and extensive experience in investing in the biotechnology sector. We have a line-up of reputable global and Chinese institutional investors and biotech-focused investment funds as our Shareholders, including Lapam Capital, HSG, Viva Biotech, GTJA Investment Group, Cenova Capital and V-Capital, among others.

OUR STRATEGIES

Build an innovation-driven "VivaVision" brand with global reach

Our strategy is to build "VivaVision" into a specialized and innovation-driven brand with a clear clinical focus in key ophthalmic indications. Leveraging the global backgrounds and extensive research and development and regulatory experience of our R&D team as well as our integrated technology platform, we intend to establish deep collaborations with leading innovative research institutions and key opinion leaders to accelerate clinical adoption of innovative treatment concepts. At the same time, we will prioritize innovation and improving patient experience throughout

product development and commercialization. In particular, we intend to focus on developing product candidates with innovative mechanism of action, convenient dosing, and suitability and comfort for long-term use, as well as satisfactory safety and tolerability, supported by well-designed clinical trials.

We intend to proactively explore strategic collaborations with multinational pharmaceutical companies that have established commercial capabilities in ophthalmology to benefit from their existing ophthalmology salesforces, medical affairs and market access infrastructure to accelerate market access and penetration, while further strengthening our internal capabilities in global clinical development, pharmacovigilance and supply chain management.

Accelerate the development of our competitive, differentiated innovative Core Products

We focus on developing clearly differentiated product candidates to avoid homogeneous competition and to enhance the clinical and commercial potential of our pipeline. We aim to rapidly advance the clinical development of our Core Products, VVN461(HD) and VVN001, toward commercialization while continuing to explore new technologies and to support our long-term pipeline development.

VVN461(HD)

- *NIAU.* In China, we are conducting a multicenter, randomized, single-masked, active-controlled Phase III clinical trial to evaluate the efficacy and safety of VVN461(HD) (1.0% VVN461 eye drop) in patients with NIAU. We commenced the trial in November 2025 and expect to complete the trial in the first half of 2027.

  In the United States, we have had a formal discussion meeting with the FDA in November 2025, during which the FDA confirmed our development plan and registrational pathway of VVN461(HD) for the treatment of NIAU in the United States. We plan to directly initiate a Phase III clinical trial of VVN461(HD) in NIAU patients in the United State in the first half of 2027 in parallel to the Phase III clinical trial in China to support the global commercialization of VVN461(HD).

- *Other Indications.* We obtained an IND approval from the NMPA for directly commencing a Phase II clinical trial of VVN461 for the treatment of Sjögren's syndrome–related DED (SS-DED) in November 2025. We plan to commence a Phase II clinical trial in subjects with SS-DED in China in the fourth quarter of 2026. We plan to collaborate with academic research institutions in the United States to commence investigator-initiated trials (IIT) of VVN461 for the treatment of scleritis and oGVHD in the fourth quarter of 2026. We plan to submit IND amendments to the FDA for directly initiating registration-enabling pivotal clinical trials of VVN461 in the United States for the treatment of scleritis and oGVHD by leveraging the IIT results. We are also developing the clinical development plan of VVN461(HD) for the treatment of VKC and pediatric uveitis.

VVN001

We are conducting a multicenter, randomized, double-masked, vehicle-controlled Phase III clinical trial of VVN001 in patients with moderate-to-severe DED in China. We held a mid-term meeting in December 2025, during which the IDMC confirmed that the trial may proceed with the current trial design. As of the Latest Practicable Date, we had enrolled nearly 85% of the planned patients. We plan to complete such trial in the first half of 2027.

We plan to use approximately [70]% of the [**REDACTED**] from the [**REDACTED**], or approximately [**REDACTED**], for the development and registration of our Core Products. See "Future Plans and Use of [**REDACTED**]."

Continue to enhance our R&D capabilities and expand our product pipeline

We are committed to establish a fully integrated system from target discovery to commercialization.

- *Enhance drug discovery efforts*. We plan to further strengthen our in-house research and development capabilities by continuing to invest in the early discovery of small-molecule innovative drugs and biologics. Leveraging our ophthalmic small-molecule discovery platform, we aim to expand and optimize our pipeline with differentiated candidates and support our long-term sustainable growth.

- *Advance and expand our pipeline for posterior segment eye diseases*. We plan to continue to advance and expand our posterior segment programs, with a focus on developing a portfolio of product candidates that feature advanced technological differentiation, address significant clinical needs and offer substantial market potential. By deepening our presence across key posterior segment indications and advancing the development our posterior segment product candidates, we aim to strengthen our competitive position in the posterior segment and support sustainable long-term growth.

- *Refine our advanced formulation development platform and extend applications*. We plan to refine and strengthen our advanced formulation development platform and explore and extend the application of such platform technology across our existing pipeline, such as posterior segment delivery, long-acting injectable formulations and preservative-free multi-dose packaging technologies. In parallel, leveraging our formulation technologies, we intend to pursue a disciplined expansion of our product pipeline and indication of our existing product candidates to maximize the value of our formulation platform and enhance the competitiveness of our product candidates.

- *Explore extension of our molecules to other disease areas*. While our primary focus is on the development of innovative ophthalmology drugs, particularly for the treatment of ocular inflammations, we remain open to opportunities to apply the mechanisms of action of our ophthalmic product candidates to inflammations in other organs. For example, we extended the application of the VVN461 compound to rhinology through development of VVN432, a nasal spray being developed for the treatment of CRS. We plan to continue monitoring and selective pursuing opportunities to expand into disease areas with significant unmet clinical needs and attractive commercial potential.

Establish a commercial-ready, efficient operations and manufacturing system

We plan to systematically establish supply chain and commercialization capabilities in preparation for the launch of our first product.

- *Strengthen supply chain capabilities*. We plan to enhance the resilience, flexibility and scalability of our supply chain to support our long-term growth and commercialization. We intend to deepen and expand our collaborations with reputable contract manufacturing organizations with robust quality management systems and Good Manufacturing Practice (GMP) compliance in our target markets. In addition, we may strategically invest in establishing in-house manufacturing capabilities, which we believe will provide better control over critical production processes and intellectual property, support late-stage clinical and commercial-scale supply and enable us to capture a greater share of the long-term economic value of our products.

- *Establish a specialized commercialization team*. We are designing a lean, highly professional commercialization team to support the launch of our Core Products. We plan to concentrate on influential Grade IIIA hospitals, focusing on key ophthalmology centers and opinion leaders. We aim to achieve efficient resource allocation, provide high-quality academic education and service through this targeted commercialization approach, laying a solid foundation for the launch of other product candidates. We plan to use approximately [5]% of the [**REDACTED**] from the [**REDACTED**], or approximately [**REDACTED**], for the establishment of in-house commercialization team and marketing activities. See "Future Plans and Use of [**REDACTED**]."

- *Explore diversified collaboration models*. We plan to pursue strategic commercial collaborations with leading Chinese pharmaceutical companies with strong marketing and distribution networks in the ophthalmology field for the commercialization of certain product candidates. We may consider engaging contract sales organizations and entering into other co-promotion or licensing arrangements. We expect these collaboration models to complement our in-house commercialization capabilities to maximize the clinical and commercial value of our products, accelerate market penetration and rapidly achieve broad coverage.

Pursue international expansion and organic collaborations opportunities to maximize our products' global commercial value

We are actively advancing the international development of our product candidates. Alongside our independent efforts to develop VVN461(HD) in both China and the United States, we plan to actively explore international collaboration opportunities for our product candidates. By leveraging collaborating partners' clinical, regulatory and commercial capabilities, we intend to accelerate development and commercialization of our product candidates in major global markets, enhance market access and realize the full commercial potential of our product candidates worldwide. We also plan to establish strategic partnerships with leading biotechnology companies and research institutions globally to license in novel technologies and innovative products in ophthalmology and related fields, continuously enriching our product pipeline. We expect this coordinated approach to maximize the global commercial value of our products, deepen our presence in international markets and move steadily toward our vision of becoming a competitive pioneer in innovative ophthalmic therapies.

OUR PRODUCT CANDIDATES

Our Pipeline

As of the Latest Practicable Date, we had developed a pipeline of five clinical-stage product candidates, including two Core Products, namely VVN461(HD) and VVN001, and three other product candidates. The following chart summarizes our product pipeline as of the Latest Practicable Date. We hold full development and commercialization rights to our product pipeline with respect to the product candidates' formulations and disease areas.

Program	Mechanism of Action	Formulation	Indication	Patient Population	Commercial Rights	Planned Commercialization Jurisdiction	Regulatory Authority	Preclinical	IND Approval	Clinical			NDA Approval	Expected Near-Term Milestone
										Phase I	Phase II	Phase III		
VVN461(HD)★	JAK1/TYK2	Eye drop	NIAU	Adults	Global[1]	China	NMPA							Complete Phase III in 1H 2027
						U.S.	FDA							IND amendment in Q4 2026[2]
			SS-DED	Adults		China	NMPA							Commence Phase II in Q4 2026[3]
			Scleritis			U.S.	FDA							Commence IIT in Q4 2026[4]
			oGVHD	**Adults**		U.S.	FDA							Commence IIT in Q4 2026[4]
			Pediatric uveitis	Children		To be determined	To be determined							Timing of clinical trial to be determined[5]
			VKC	Children and teenager		China	NMPA							IND application in Q4 2026[6]
VVN001★	LFA-1	Eye drop	Moderate-to-severe DED	Adults	Global	China	NMPA							Complete Phase III in 1H 2027
						U.S.	FDA[7]							Timing of Phase III to be determined
VVN461(LD)	JAK1/TYK2	Eye drop	Postoperative ocular inflammation	Adults	Global[1]	U.S.	FDA[8]							Timing of Phase III to be determined
VVN432	JAK1/TYK2	Nasal spray	CRS	Adults	Global[1]	China	NMPA							Complete Phase I in Q4 2026
VVN1901	rhNGF	Eye drop	Stage 2 to Stage 3 NK	Adults	Global	China	NMPA							Complete Phase II in 2028

★ Core Product

■ Milestones achieved

Clinical trial phases marked as ////: are not required by the NMPA or FDA, as applicable

CRS: chronic rhinosinusitis

DED: dry eye disease

NIAU: non-infectious anterior uveitis

NK: neurotrophic keratitis

oGVHD: ocular graft-versus-host disease

SS-DED: Sjögren's syndrome–related DED

VKC: vernal keratoconjunctivitis

JAK1: Janus kinase 1

LFA-1: lymphocyte function-associated antigen-1

rhNGF: recombinant human nerve growth factor

TYK2: tyrosine kinase 2

Notes:

(1) In February 2021, we entered into an asset transfer and license agreement (as supplemented on February 10, 2021 and January 29, 2024 and amended and restated on February 6, 2026) with E-nitiate. Pursuant to such agreement, we transferred, among others, intellectual property and other rights in the compound underlying VVN461 and VVN432 to E-nitiate and E-nitiate granted us, among others, an exclusive, perpetual and irrevocable license to develop, manufacture and commercialize such compound (other than with respect to oral dosage formulation) in the ophthalmology (effective on and from February 10, 2021) and rhinology (effective on and from January 29, 2024) fields globally. See "—Our Collaboration and License Agreements—Arrangements with E-nitiate."

(2) We had a Type C meeting with the FDA in November 2025, during which the FDA confirmed our plan to directly initiate a Phase III clinical trial (*i.e.*, no additional Phase I and Phase II clinical trials needed) of VVN461(HD) in the United States for the treatment of NIAU. We plan to submit an IND amendment in the fourth quarter of 2026 and directly commence such Phase III clinical trial in the first half of 2027. See "—Our Product Candidates—Our Core Products—VVN461(HD)—Non-Infectious Anterior Uveitis (NIAU)—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the United States—Laws and Regulations in Relation to New Drug—U.S. Government Regulation of Drug and Biological Products."

(3) We obtained an IND approval from the NMPA to directly initiate a Phase II clinical trial (*i.e.*, no additional Phase I clinical trial needed) of VVN461 for the treatment of SS-DED by leveraging the Phase I clinical trial results of VVN461 in China. See "—Our Product Candidates—Our Core Products—VVN461(HD)—Sjögren's Syndrome–Related DED (SS-DED)—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the PRC—Laws and Regulations in Relation to New Drug—Conduct of Clinical Trial."

(4) We plan to collaborate with academic research institutions in the United States to commence investigator-initiated trials (IIT) of VVN461 for the treatment of scleritis and oGVHD in the fourth quarter of 2026. We plan to submit IND amendments to the FDA for directly initiating registration-enabling pivotal clinical trials of VVN461 in the United States for these indications by leveraging the IIT results.

(5) We intend to develop VVN461(HD) for the treatment of pediatric uveitis. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

(6) We intend to develop VVN461(HD) for the treatment of VKC. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

(7) Based on communications with the FDA, we directly commenced a Phase II clinical trial of VVN001 in the United States by leveraging our preclinical study results, including satisfactory safety data. See "—Our Product Candidates—Our Core Products—VVN001—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the United States—Laws and Regulations in Relation to New Drug—U.S. Government Regulation of Drug and Biological Products." We completed such Phase II clinical trial in April 2022.

(8) Based on communications with the FDA, we directly commenced a Phase II clinical trial of VVN461 for the treatment of postoperative ocular inflammation in the United States by leveraging the Phase I clinical trial results of VVN461 in China. See "—Our Product Candidates—Our Other Product Candidates—VVN461(LD)—Material Communications and Next Steps" and "Regulatory Overview—Overview of Laws and Regulations in the United States—Laws and Regulations in Relation to New Drug—U.S. Government Regulation of Drug and Biological Products." We completed such Phase II clinical trial in October 2024.

Our Core Products

VVN461(HD)

VVN461(HD), the high-dosage formulation (1.0%) of VVN461 eye drop, is a novel selective JAK1/TYK2 inhibitor with sub-nanomolar potency. VVN461 combines "steroid-like" anti-inflammatory efficacy with a favorable safety profile that avoids the typical adverse effects associated with corticosteroids. Our VVN461(HD) is potentially the world's first JAK inhibitor eye drop. Based on efficacy results in the Phase II clinical trial, our VVN461(HD) for the treatment of NIAU received BTD from the NMPA, recognizing its therapeutic prospect and enabling a potentially expedited approval process. According to Frost & Sullivan, VVN461 is the first eye drop to receive the BTD in China.

As JAK pathway plays a key role in inflammatory responses, JAK1/TYK2 inhibitors have the potential to address a broad spectrum of ocular surface inflammatory conditions through targeted modulation of key cytokine signaling pathways. As of the Latest Practicable Date, we were

developing VVN461(HD) for six indications: non-infectious anterior uveitis (NIAU) as the lead indication, Sjögren's syndrome–related DED (SS-DED), scleritis, ocular graft versus host disease (oGVHD), pediatric uveitis and vernal keratoconjunctivitis (VKC).

- *NIAU*. We obtained an IND approval from the NMPA for VVN461 for the treatment of NIAU in January 2023. We completed a Phase I clinical trial of VVN461 in China in December 2023 and a Phase II clinical trial of VVN461 in NIAU patients in China in February 2025. We commenced a Phase III clinical trial in NIAU patients in China in November 2025. We plan to submit an IND amendment to the FDA in the fourth quarter of 2026 for directly initiating a Phase III clinical trial in NIAU patients by leveraging the Phase II clinical trial results of VVN461 in China for the treatment of NIAU.

- *SS-DED*. We obtained an IND approval from the NMPA for directly commencing a Phase II clinical trial of VVN461 for the treatment of SS-DED in November 2025.

- *Scleritis*. We plan to collaborate with an academic research institution in the United States to commence an IIT of VVN461 in scleritis patients in the fourth quarter of 2026.

- *oGVHD*. We plan to collaborate with an academic research institution in the United States to commence an IIT of VVN461 in oGVHD patients in the fourth quarter of 2026.

- *Pediatric uveitis*. We intend to develop VVN461(HD) for the treatment of pediatric uveitis. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

- *VKC*. We intend to develop VVN461(HD) for the treatment of VKC. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

In February 2021, when VVN461 was still an early-stage preclinical asset, we entered into an asset transfer and license agreements with E-nitiate, our associate. Pursuant to such agreements, we transferred, among others, intellectual property and other rights in the compound underlying VVN461 to E-nitiate and E-nitiate granted us, among others, an exclusive, perpetual and irrevocable license to develop, manufacture and commercialize VVN461 eye drop in the ophthalmology fields globally. As a result of such arrangement, we hold exclusive global rights to develop, manufacture and commercialize VVN461(HD) eye drop in the ophthalmology and rhinology fields. Hence, we have full, irrevocable and unencumbered control over the R&D activities, future development plan and commercialization activities of VVN461(HD) eye drop. See "—Our Collaboration and License Agreements—Arrangements with E-nitiate."

Despite our arrangement with E-nitiate, we independently developed VVN461(HD) from discovery and preclinical studies to Phases I, II and III clinical trials. We did not rely on any material R&D conducted by E-nitiate and did not employ any personnel from E-nitiate for the development of VVN461(HD). We conducted preclinical studies of VVN461 before the transfer and licensing arrangements in February 2021 and completed preclinical studies and Phase I and Phase II clinical trials of VVN461 subsequent to the arrangements.

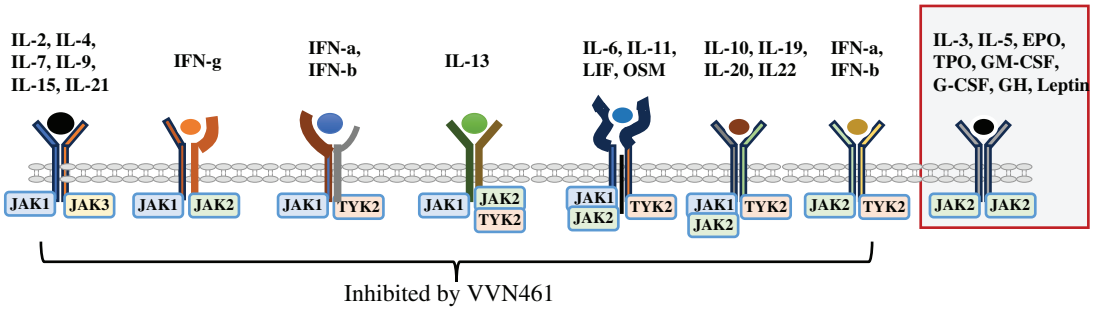
Mechanism of Action

VVN461 is a selective inhibitor of JAK1 and TYK2 designed to treat ocular inflammation by blocking key intracellular signaling pathways that drive cytokine-mediated inflammatory responses in the eye. Many ocular inflammatory conditions are driven by an exaggerated immune response at the ocular surface or within intraocular tissues. In these settings, immune and resident cells in the eye produce elevated levels of proinflammatory cytokines. These cytokines bind to their receptors on the surface of cells in the eye and immune system, triggering intracellular signaling pathways that increase expression of genes involved in inflammation, tissue damage and chronic disease.

A central part of this signaling machinery involves the JAK family of enzymes. JAKs are intracellular proteins inside the cell membrane, associated with cytokine receptors. When a cytokine binds to its receptor, the receptor brings JAK proteins together and activates them. Activated JAKs then switch on another group of proteins called signal transducers and activators of transcription (STATs), which modulate intracellular activity including gene expression. In inflammatory eye disease, this JAK-STAT pathway helps drive the production of multiple inflammatory mediators, adhesion molecules and other factors that contribute to redness, pain, swelling, disruption of the tear film and, in some cases, damage to ocular tissues.

Among the JAK family, JAK1 and TYK2 are key regulators for several major proinflammatory cytokines that are believed to be relevant in ocular inflammation. JAK1 cooperates with other JAK family members (JAK2, JAK3 and TYK2) to mediate signaling by cytokines such as interleukin-2 (IL-2), IL-6, IL-10, IL-15 and interferons (IFN), including IFN-γ, IFN-α and IFN-β. TYK2 also plays a critical role downstream of receptors for IL-12, IL-17 and IL-23, cytokines that are involved in the differentiation and maintenance of T cell subsets implicated in chronic inflammation. Because these cytokines have been linked to a range of ocular inflammatory conditions, JAK1 and TYK2 occupy a strategic position in the network of signals that sustain inflammation on the ocular surface and within intraocular structures.

VVN461 is designed to selectively inhibit JAK1 and TYK2, thereby interrupting this signaling cascade at an early stage. By blocking JAK1/TYK2 activity, VVN461 is expected to reduce activation of STAT proteins and consequently decrease the expression of multiple genes associated with inflammation. Rather than targeting a single cytokine, this mechanism acts on a shared pathway used by several cytokines involved in ocular immune responses. As a result, VVN461 has the potential to inhibit a broad range of proinflammatory signals thought to contribute to ocular inflammation diseases such as NIAU, SS-DED, scleritis, oGVHD, pediatric uveitis and VKC. The following diagram illustrates the mechanism of action of VVN461.



VVN461 is formulated for local administration to the eye. Delivering the drug directly to the ocular surface is intended to achieve high concentrations at the site of disease while limiting systemic exposure. This local approach is designed to support an improved benefit-risk profile compared with systemic JAK inhibition and to offer a non-steroidal alternative for the management of ocular inflammation. The aim is to provide effective, targeted suppression of pathogenic inflammatory pathways in the eye while potentially avoiding the adverse effects associated with long-term steroid therapy.

Our Advantages

We believe our VVN461(HD) has the following advantages:

- *Potency.* As a dual-target inhibitor of JAK1 and TYK2, our VVN461 demonstrated, in our *in vitro* preclinical studies, potent inhibition of both JAK1 and TYK2 at kinase level and cellular level, with *in vitro* IC_{50} value (a key measure indicating the concentration of a drug needed to inhibit a specific biologic process by 50%) of 0.08nM for JAK1 and 0.55nM for TYK2, and cellular IC_{50} value of 0.02 nM and 7.98 nM, respectively.

- *Efficacy.* In our head-to-head Phase II clinical trial of VVN461 in NIAU patients in China, VVN461(HD) demonstrated anti-inflammatory efficacy comparable to that of corticosteroids. In particular, in such trial, the proportion of patients achieving an improvement of at least 2 grades in anterior chamber cell scores from baseline at day 14 was 96.55% and 77.78% in the 1.0% VVN461 group and corticosteroid control group, respectively.

- *Safety.* Unlike traditional corticosteroids, which broadly suppress multiple pathways and involve multiple non-inflammatory functions, VVN461 is designed to selectively inhibit specific inflammatory pathways while minimizing disruption of normal physiological functions, such as processes involved in maintaining intraocular pressure, lens clarity and corneal integrity. Therefore, VVN461 can potentially avoid the typical adverse effects associated with corticosteroids, such as increased intraocular pressure (increased pressure inside the eye), cataract formation (clouding of the lens that may affect vision) and corneal damage (damage to the surface of the eye). In addition, the relatively low systemic exposure of eye drops also helps offset the safety risks associated with systemic use of JAK inhibitors.

- *Flash transmucosal delivery system.* With improved solubility utilizing our flash transmucosal delivery system, more drug substance of VVN461 can be delivered within the small volume that can be retained on the ocular surface, thereby increasing the amount of active drug available for corneal penetration and therapeutic effect. Furthermore, by optimizing ionic strength, adjusting the ratio of osmotic pressure regulators and employing an advanced formulation inclusion process, we have improved the compatibility of the formulation with ocular surface mucins and enhanced bioavailability, resulting in outstanding drug concentration within anterior segment tissues in our preclinical *in vivo* studies.

- *Broad coverage.* As its highly selective inhibition of JAK1 and TYK2 enables simultaneous modulation of T helper 1 cell (Th1), Th2 and Th17-type immune responses, VVN461 provides broad coverage of inflammatory cytokine pathways, with potentials to treat a broad range of ocular inflammatory conditions, including NIAU, SS-DED, scleritis, oGVHD, pediatric uveitis and VKC.

- *Expedite commercialization process.* Our VVN461(HD) is potentially the world's first JAK inhibitor eye drop. It received the BTD for the treatment of NIAU from the NMPA in June 2025, recognizing its therapeutic prospect and enabling a potentially expedited approval process. Our parallel development plan of VVN461(HD) in both China and the United States across a range of indications also provides opportunities for accelerated global commercialization process and indication expansion by leveraging existing clinical trials results for regulatory filings in different jurisdictions and for different indications.

Non-Infectious Anterior Uveitis (NIAU)

NIAU is a subtype of uveitis. It is ocular inflammation of the front part of the eye that is not caused by an infection, which can cause pain, redness, light sensitivity, tearing, floaters and decreased vision. It is a potentially sight-threatening condition that can lead to long-term structural damage and loss of vision if not diagnosed and treated promptly. NIAU is frequently associated with underlying autoimmune conditions or other systemic diseases and often requires specialist assessment and ongoing management.

Inflammation of the anterior segment of the eye in NIAU often has a complex underlying cause, including autoimmune diseases, and may be accompanied by other comorbidities. NIAU is the most common uveitis type, frequently linked to conditions like spondyloarthritis or idiopathic,

requiring thorough workup and careful evaluation to find underlying causes. The need for treatment is often urgent, as the underlying inflammatory mechanisms may permanently alter the structure and function of the eye if inadequately controlled.

Market Opportunity and Competition

Uveitis is one of the leading causes of blindness worldwide, particularly in young adults. According to Frost & Sullivan, NIAU ranks among the five most common causes of blindness in high-income countries. According to Frost & Sullivan, the global NIAU patient population was 33.3 million in 2025 and is estimated to increase to 36.7 million by 2035. This expanding patient base is translating into meaningful growth of the NIAU drug market. The global NIAU drug market increased from US$1,604.7 million in 2021 to US$1,925.2 million in 2025 and is estimated to further grow to US$3,916.9 million in 2035, driven by the increasing adoption of long-term pharmacological treatment and the adoption and penetration of higher-value therapies. China represents one of the most attractive and fastest-growing NIAU markets globally. According to Frost & Sullivan, there were 2.9 million NIAU patients in China in 2025. Driven by the expanding patient base, improving diagnosis rates and rising treatment penetration which translate into increasing demand for pharmacological interventions, including higher-value therapeutic options, the NIAU drug market in China is estimated to increase from US$204.7 million in 2025 to US$1,053.6 million in 2035.

Despite the size and growth prospects of the NIAU market, competition remains relatively limited. Treatment of NIAU are primarily focused on suppressing the autoimmune response. Treatment is still largely based on corticosteroids administered topically, periocularly or, in some cases, systemically. Although corticosteroids are generally effective in reducing inflammation, their use is associated with well-recognized safety concerns. In addition to corticosteroids, NIAU treatments have expanded to include immunosuppressants and biologics. While immunosuppressants, as corticosteroid-sparing therapies, have been demonstrated to be effective in NIAU associated with systemic disease, these drugs may be related to serious systemic adverse toxic effects. Biologics are effective for NIAU but have various limitations, including high cost, increased risk of severe infections, administration burden from infusions or injections, variable response, requirements for regular laboratory monitoring and limited long-term safety data. There is therefore a clear need for an effective and convenient anti-inflammatory therapy for NIAU that maintains robust control of inflammation without the adverse events associated with existing standard treatments.

As of the Latest Practicable Date, no innovative drug had been approved for NIAU and there were three active innovative drug candidates at Phase II or beyond outside China. The following table sets forth details of active innovative drug candidates for NIAU at Phase II or beyond outside China as of the Latest Practicable Date.

Drug Name/Code	Target	Company	Stage	First Post Time
TRS01	TLR4/NRP1/ACE2	Tarsier Pharma	Phase III	2021/9
Brepocitinib	JAK1/TYK2	Priovant Therapeutics	Phase III	2024/5
ABY-035	IL17A	Acelyrin	Phase II	2021/1

Source: Frost & Sullivan report, ClinicalTrials.gov, FDA

As of the Latest Practicable Date, no innovative drug had been approved for NIAU treatment and there were two active innovative drug candidates at Phase II or beyond in China, including our VVN461. The following table sets forth details of active innovative drug candidates for NIAU at Phase II or beyond in China as of the Latest Practicable Date.

Drug Name/Code	Target	Company	Clinical Stage	First Post Time
VVN461	**JAK1/TYK2**	***our Company***	**Phase III**	**2025/9**
FXS5626	JAK1/TYK2	Accro	Phase II	2025/12

Source: Frost & Sullivan report, CDE

Summary of Clinical Trials

We commenced a Phase I clinical trial of VVN461 in healthy subjects in China in March 2023 and completed such trial in December 2023. We commenced a Phase II clinical trial of VVN461 in China in patients with NIAU in November 2023 and completed such trial in February 2025. We commenced a Phase III clinical trial in patients with NIAU in China in November 2025. We expect to complete such trial in the first half of 2027.

Ongoing Phase III Clinical Trial

- *Trial design.* This is a multicenter, randomized, single-masked, active-controlled Phase III clinical trial in patients with NIAU to evaluate the efficacy and safety of 1.0% VVN461 eye drop. The primary endpoint assesses the change from baseline in anterior chamber cell score (ACC score) in the study eye at day 14. The key secondary endpoint assesses the proportion of patients whose study eye achieves an ACC score of 0 at day 14. Other secondary endpoints include proportions of participants with at least a two-grade decrease in ACC score at days 14 and 28; proportion of participants with anterior chamber flare (ACF) grade 0 at days 14 and 28; change from baseline in ACC score at day 28; proportion of participants with ACC score 0 at day 28; proportion of participant who need rescue treatment; time to first recovery of ACC score 0 in the study eye; and change from baseline in ACF score.

  We plan to enroll a total of 152 participants, with 76 participants randomized to each of the 1.0% VVN461 group (study group) and the 1% prednisolone acetate group (control group). Each participant will receive one drop of VVN461 or prednisolone acetate in the study eye for 28 days as follows: six times daily (*quaque secunda hora*, or Q2h) from day 1 to day 7, four times daily (*quater in die*, or QID) from day 8 to day 14, twice daily (*bis in die*, or BID) from day 15 to day 21, and once daily (*quaque die*, or QD) from day 22 to day 28. After the last dose, participants will attend an end-of-treatment visit on day 28 and a safety follow-up visit on day 35. Participants are assessed at screening (day -2 and day -1), baseline (day 1), days 7, 14, 21 and 28 and a safety follow-up at day 35.

- *Trial status.* As of the Latest Practicable Date, we had completed subject enrollment and a total of 154 patients were enrolled.

Phase II Clinical Trial

- *Trial design*. This trial was a multicenter, randomized, double-masked, active-controlled, non-inferiority Phase II clinical trial of VVN461 in patients with NIAU. The objective was to evaluate the efficacy and systemic and ocular safety of 0.5% and 1.0% VVN461 eye drops in patients with NIAU. The primary efficacy endpoint was the proportion of patients achieving an improvement of at least 2 grades from baseline to day 14 in ACC score in the study eye. The key secondary endpoint was the proportion of patients with an ACC score of 0 in the study eye at day 14.

We planned to enroll 120 patients, with 40 patients in each of 0.5% VVN461 group, 1.0% VVN461 group and 1% prednisolone acetate (active control) group. The study comprised a 28-day treatment period, during which all patients would receive one drop of VVN461 or control drug in the study eye six times daily (Q2h) for seven days, QID for seven days, BID for seven days and QD for seven days. Patients would return for assessments on days 3, 7, 14, 21 and 28.

- *Trial status*. The trial was initiated in November 2023 and completed in February 2025. Based on the satisfactory interim efficacy data and the absence of any material safety concerns, we believed that the exploratory objectives of this Phase II trial have been fulfilled. We then decided to end the Phase II in advance and discontinued patient enrollment in December 2024. As a result, a total of 86 patients were enrolled and randomized (27, 31 and 28 in the 0.5% VVN461, 1.0% VVN461 and active control groups, respectively).

- *Efficacy*. The primary efficacy endpoint, the proportion of patients achieving an improvement of at least 2 grades in ACC scores from baseline at day 14, was 92.59%, 96.55% and 77.78% in the 0.5% VVN461, 1.0% VVN461 and prednisolone acetate groups, respectively. Both VVN461 dose groups met the predefined non-inferiority margin versus prednisolone acetate, and 1.0% VVN461 met the predefined superiority margin versus prednisolone acetate. The key secondary endpoint, the proportion of patients with an ACC score of 0 at day 14, was 48.15% (p=0.584), 62.07% (p=0.110) and 40.74% in the 0.5% VVN461, 1.0% VVN461 and prednisolone acetate groups, respectively, showing clear trend of superior efficacy compared to the control group.

- *Safety*. VVN461 demonstrated a satisfactory safety and tolerability profile in this study. Among 83 participants in the safety set, 35 participants (42.2%) experienced 47 incidents of treatment-emergent adverse events (TEAEs), among which 12 incidents of TEAEs were treatment-related, including 4 (14.81%) in the 0.5% VVN461 group, 7 (24.14%) in the 1.0% VVN461 group and 1 (3.70%) in the 1% prednisolone acetate group. All treatment-related TEAEs were confined to the study eye. No SAE was reported in the study. All TEAEs were mild or moderate in severity and resolved or improved without permanent discontinuation of study drug.

- *Conclusion.* Both the 0.5% and 1.0% VVN461 eye drops demonstrated statistically significant improvement in anterior chamber inflammation, and each was non-inferior to 1% prednisolone acetate. In addition, the 1.0% VVN461 achieved superiority to 1% prednisolone acetate on the primary efficacy endpoint. Clinical improvement was observed as early as day 3 after initiation of treatment for both VVN461 groups, with the 1.0% VVN461 showing numerically better performance than the 0.5% VVN461 on certain efficacy measures, suggesting a dose-dependent relationship. VVN461 also demonstrated satisfactory safety and tolerability at both dose levels in this trial.

Phase I Clinical Trial

- *Trial design*. This trial was a single-center, randomized, double-masked, vehicle-controlled, dose-escalation Phase I clinical study to evaluate the safety, tolerability, and PK profile of 0.25%, 0.5% and 1.0% VVN461 eye drop in healthy adults. The primary objective was to assess the safety and tolerability of VVN461 following single and multiple doses in healthy adults. Secondary objectives were to (i) evaluate detectable blood concentrations of VVN461 after administration and (ii) if sufficient systemic exposure was detected, characterize the PK profile of these concentrations in healthy adult subjects.

We planned to enroll 30 healthy adults, with 10 individuals in each concentration group (0.25%, 0.5% and 1.0%). Within each group, ten individuals were randomized in a ratio of 8:2 to receive VVN461 or vehicle control. The study included a single-dose administration phase (day 1), a QID dosing phase (day 2 to 5) and a six times daily (Q2h) dosing phase (day 6 to 9) before discharge and a follow-up period.

For each administration, each participant receive one drop of VVN461 or placebo (vehicle) in the right eye. All dosing procedures would be performed during the inpatient period at the clinical research center, and subjects would be discharged after completing the required assessments on day 10. All subjects would return for a single follow-up visit on day 16 (±1 day). The trial would proceed from one concentration level to the next only if safety of the previous concentration level was confirmed.

- *Trial status.* The clinical trial was initiated in March 2023 and completed in December 2023. A total of 30 participants were enrolled.

- *Safety.* VVN461 demonstrated a satisfactory safety and tolerability profile in this study. Among the 30 participants in safety set (SS), 3 participants (10.0%), including 1 in the vehicle control group, 1 in the 0.25% VVN461 group and 1 in the 0.5% VVN461 group, reported a total of 4 incidents of TEAEs, all of which were treatment related. The TEAEs included one moderate AE (herpes zoster), which is also an AE of special interest leading to permanent treatment discontinuation, and three mild AEs.

- *PK.* The below-qualification-limit (BQL) proportion, or the proportion of participants with below the qualification limit blood concentration, for the 0.25% VVN461 group, 0.5% VVN461 group and 1.0% VVN461 group was 84.7%, 90.3% and 45.8% in the single-dose phase, respectively, 77.8%, 76.4% and 43.1% in the QID phase, respectively, and 90.5%, 77.8% and 41.7% in the Q2h phase, respectively. Across the three concentration levels, systemic exposure (C_{max} and AUC) generally increased with dose, although dose proportionality was not apparent. No apparent systemic accumulation of VVN461 was observed after repeated administration.

- *Conclusion.* In this trial, VVN461 demonstrated a satisfactory safety profile and low, non-dose-proportional systemic exposure.

Material Communications and Next Steps

We obtained an umbrella IND approval of Phase I, Phase II and Phase III clinical trials of VVN461 for the treatment of NIAU from the NMPA on January 13, 2023. See "Regulatory Overview—Overview of Laws and Regulations in the PRC—Laws and Regulations in Relation to New Drugs—Conduct of Clinical Trial." We commenced a Phase I clinical trial in China in March 2023, which was completed in December 2023. We commenced a Phase II clinical trial of VVN461 in NIAU patients in China in November 2023, after we obtained topline results of the Phase I clinical trial but before completing the clinical trial report. We completed the Phase II clinical trial in February 2025. We conducted a pre-Phase III meeting with the NMPA on July 23, 2025 and submitted, among others, key results from all prior trial phases and the Phase III clinical trial design. The NMPA's raised no material questions and confirmed that it had no objections to the commencement of the Phase III clinical trial during the pre-Phase III meeting. As of the Latest Practicable Date, we were conducting the Phase III clinical trial of VVN461(HD) in NIAU patients in China.

We plan to complete such trial in the first half of 2027. In addition, we had a Type C meeting, which is a formal discussion meeting, with the FDA on November 6, 2025 to discuss our clinical development plan of VVN461(HD) for the treatment of NIAU in the United States. A Type C meeting is a category of formal meeting with the FDA that allows a sponsor to seek the FDA's advice on specific clinical, non-clinical or manufacturing issues during the development of a drug

candidate. It is typically used to discuss matters that require the FDA's input but are not tied to a particular milestone in the drug candidate's development. The FDA, having reviewed, among other things, the results of our Phase I and Phase II clinical trials of VVN461 in China and our Phase II clinical trial of VVN461 in the United States, agreed that, since we had obtained an IND approval of VVN461 for the treatment of postoperative ocular inflammation in November 2023, we could directly initiate a Phase III clinical trial of VVN461(HD) in NIAU patients in the United States after submission of an IND amendment to add NIAU as a new indication of VVN461. We plan to submit such IND amendment in the fourth quarter of 2026.

As of the Latest Practicable Date, we had not received any relevant regulatory agency's concerns or objections to our clinical development plans. No material adverse changes had occurred since we obtained the IND approvals and up to the Latest Practicable Date.

Sjögren's Syndrome–Related DED (SS-DED)

SS-DED is a chronic, autoimmune-driven form of dry eye that occurs in the setting of Sjögren's syndrome and is typically more severe than non-Sjögren's DED. As the immune system attacks the tear-producing glands and the surface of the eye, people with SS-DED often have very little or poor-quality tears and ongoing inflammation. This leads to blurred vision, ocular discomfort and corneal epithelial damage, often accompanied by corneal staining positivity and elevated tear film osmolarity.

Diagnosis of SS-DED is challenging, because dry eye symptoms are common and may arise from aging, environmental factors or other ocular and systemic disorders. Accurate identification therefore relies on combining symptom assessment with tear function tests, ocular surface staining and, where appropriate, evaluation for systemic Sjögren's syndrome.

Market Opportunity and Competition

According to Frost & Sullivan, the patient population of SS-DED in China amounted to 113.2 million in 2025. There is currently no cure for SS-DED, and available therapies mainly aim to control disease progression, alleviate symptoms and reduce complications rather than reverse the underlying autoimmune process. Current treatment primarily include artificial tears, anti-inflammatory agents such as non-steroidal anti-inflammatory drugs and corticosteroids, adjunctive physical intervention such as use of humidifier and moisture chamber goggles and, in more severe cases, punctual occlusion. However, current corticosteroids therapy for SS-DED is associated with notable limitations. In particular, long-term use elevates risks of ocular complications including intraocular pressure elevation and even cataract formation, and systemic use may cause high blood sugar and immunosuppression. Therefore, there are substantial unmet needs for safe and effective therapies that can better control the Sjögren's syndrome, relieve dry eye and improve patients' quality of life.

As of the Latest Practicable Date, there were no drug approved for SS-DED and no clinical-stage SS-DED drug candidates in China. However, with the further research on immune system diseases and dry eye treatment, the SS-DED drug market in China is estimated to reach US$370.4 million by 2035.

Summary of Clinical Trials

We completed a Phase I clinical trial of VVN461 in healthy subjects in China in December 2023. In this trial, VVN461 was safe and well-tolerated in healthy subjects at each of 0.25%, 0.5% and 1.0% dose levels. See "—Non-Infectious Anterior Uveitis (NIAU)—Summary of Clinical Trials—Clinical Trials in China—Phase I Clinical Trial" for details.

Material Communications and Next Steps

As we completed a Phase I clinical trial of VVN461 in healthy subjects in China in December 2023, we obtained an IND approval from the NMPA on November 26, 2025 for directly commencing a Phase II clinical trial of VVN461 for the treatment of SS-DED. We plan to commence the Phase II clinical trial in China in the fourth quarter of 2026. As of the Latest Practicable Date, we had not received any relevant regulatory agency's concerns or objections to our clinical development plans. No material adverse changes had occurred since we obtained the IND approvals and up to the Latest Practicable Date.

Other Indications

Leveraging VVN461(HD)'s broad anti-inflammatory potential as a JAK1/TYK2 inhibitor, we are also developing VVN461(HD) for scleritis, oGVHD, pediatric uveitis and VKC.

- *Scleritis.* Scleritis is a serious inflammatory disease of the white outer coat of the eye, or the sclera, that can cause severe pain and ocular hyperemia. It is often associated with systemic autoimmune conditions such as rheumatoid arthritis and lupus. People with scleritis typically experience a severe eye pain, scleral hyperemia and tender lumps on ocular surface. Severe cases may lead to scleral thinning, perforation and even permanent blindness. As of the Latest Practicable Date, no drug had been approved by the FDA for the treatment of scleritis. In practice, treatment is stratified by severity and etiology, with common approaches including topical non-steroidal anti-inflammatory drugs and corticosteroids, systemic immunosuppressants and scleral transplantation for patients at risk of perforation. We plan to collaborate with an academic research institution to commence an IIT of VVN461 for the treatment of scleritis in the fourth quarter of 2026. For such IIT, we will provide the study drugs to be used in the IIT and design the trial protocol with the research institution, where the research institution will be responsible for the overall conduct of the study. After completion of such IIT, we plan to submit IND amendments to the FDA for directly commencing a registration-enabling pivotal clinical trial in the United States for the treatment of scleritis.

- *oGVHD.* oGVHD is a complication of allogeneic hematopoietic stem cell transplantation in which donor-derived immune cells attack the tissues of the ocular surface. It typically develops as part of chronic graft versus host disease (GVHD). Common symptoms of oGVHD include dry eye, conjunctivitis and keratitis and severe cases may even lead to blindness. Currently, there is no unified clinical standard for the treatment of oGVHD. Common therapeutic approaches include topical administration of artificial tears, autologous serum eye drops, corticosteroids and immunosuppressants, as well as punctal occlusion and therapeutic contact lenses. We plan to collaborate with an academic research institution to commence an IIT of VVN461 for the treatment of oGVHD in the fourth quarter of 2026. For such IIT, we will provide the study drugs to be used in the IIT and design the trial protocol with the research institution, where the research institution will be responsible for the overall conduct of the study. After completion of such IIT, we plan to submit IND amendments to the FDA for directly commencing a registration-enabling pivotal clinical trial in the United States for the treatment of oGVHD.

- *Pediatric Uveitis.* Pediatric uveitis is a serious inflammatory eye disease that occurs in children, and is often linked to juvenile idiopathic arthritis, a childhood form of autoimmune arthritis. In pediatric uveitis, the immune system mistakenly attacks the uvea, which can lead to redness, eye pain, sensitivity to light, blurred vision and "floaters" in the field of vision. However, in many children, the condition develops quietly with few or no obvious symptoms. Without timely diagnosis and treatment, pediatric uveitis can cause serious complications such as cataracts, glaucoma, swelling of the central retina and even permanent vision loss or blindness. Current treatment

starts with topical corticosteroids for anterior disease and, when needed, adding systemic corticosteroids, systemic immunosuppressants and biologics for intermediate, posterior, panuveitis or refractory cases. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

- *VKC*. VKC is a chronic bilateral ocular disease fundamentally rooted in immune hypersensitivity reactions. It predominantly affects children and adolescents before puberty, with a slightly higher incidence in males. VKC exhibits a strong seasonal correlation, typically manifesting in the early stages of spring and summer, while symptoms generally subside or disappear during autumn and winter. Symptoms primarily include intense, unrelenting itch, often accompanied by sensations of burning, photophobia, tearing and foreign body sensation. The etiology is closely linked to external allergens such as pollen and dust mites. Current treatment focuses on allergen avoidance, artificial tears and topical anti-allergic drops, such as antihistamines, mast cell stabilizers and dual-acting agents. For more severe conditions, topical corticosteroids and long-term immunomodulators such as CsA or tacrolimus are used. Allergen-specific immunotherapy is considered when a clear trigger is identified and conventional therapy fails. However, current treatment is limited by the safety and dependency issues of corticosteroids and the high irritation level of immunomodulators, suboptimal response in many children to standard antihistamines or steroids and poor adherence, highlighting the need for a non-steroidal, targeted, child-friendly maintenance therapy. As of the Latest Practicable Date, we were developing the clinical development plan for such indication.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET VVN461(HD) SUCCESSFULLY.

VVN001

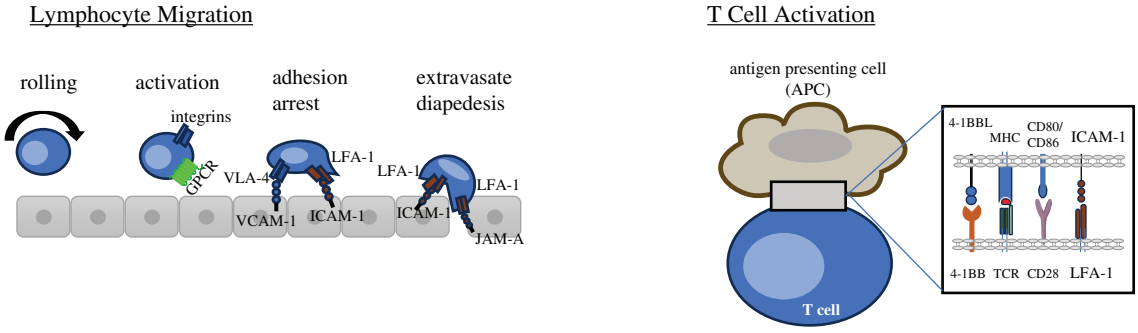
VVN001, a second-generation antagonist of LFA-1, is an innovative eye drop for the treatment of dry eye disease (DED). DED is a multifactorial disease of the ocular surface characterized by an unstable tear film and tear hyperosmolarity (*i.e.*, less water and more salt in the tears). This imbalance triggers inflammation, which damages cells on the surface of the eye and impairs the function of the tear glands, further breaking down the tear film and reducing tear production in a vicious cycle that worsens symptoms such as redness, irritation and discomfort. Controlling this chronic inflammation is therefore a key goal in the treatment of DED.

The chronic inflammation on the ocular surface and periocular tissues is characterized by the activation and migration of T cells to the inflamed tissues. Elevated levels of inflammatory cytokines expressed by T cells have been profiled in the tear film of patients with aqueous-deficient or evaporative-loss DED. LFA-1 is an adhesion protein found on the surface of lymphocytes such as T cells that plays an important role in causing inflammation on the surface of the eye. The interaction of LFA-1 with its ligand intercellular adhesion molecule 1 (ICAM-1) triggers and maintains inflammation in DED.

We obtained IND approvals from the FDA and the NMPA for VVN001 for the treatment of DED in October 2020 and March 2021, respectively. We commenced a Phase I clinical trial of VVN001 in China in August 2021 and completed such trial in December 2021. We commenced a Phase II clinical trial in the United States in November 2021 and completed such trial in April 2022 and a Phase II clinical trial in China in December 2022. Following completion of the Phase II clinical trial, we conducted additional studies for process improvement, such as optimizing the API form and manufacturing process, such as impurity and scale-up controls, to enhance the overall quality profile of VVN001, so as to enhance its efficacy and safety. We commenced a Phase III clinical trial in China in June 2024.

Mechanism of Action

VVN001, as an LFA-1 antagonist, is designed to address DED by blocking a crucial step in the inflammatory response on the eye's surface. In DED, inflammatory signals (chemokines) activate LFA-1 proteins on the surface of immune T cell, and LFA-1 then mediates the emigration of T cells from blood vessels to the injured tissues. Furthermore, LFA-1 also plays an important role in T cell activation by adhering T cells to antigen presenting cells, such as dendritic cells. Overactivated T cells release inflammatory cytokines that cause ongoing tissue (cornea and conjunctiva) inflammation and damage. LFA-1 antagonists work by blocking the interaction between two proteins, LFA-1 on immune cells and ICAM-1 on the surface of epithelial cells of blood vessels. LFA-1 antagonists thus reduce the activation and movement of T cells to cornea and conjunctiva and lower the release of inflammatory mediators. Through this targeted action, VVN001 is intended to calm the chronic inflammation that drives DED and to improve both the clinical signs and the symptoms experienced by patients. The following diagram illustrates the mechanism of action of VVN001.



Market Opportunity and Competition

DED is one of the most prevalent ophthalmic diseases in China and globally and is increasingly recognized as a chronic, progressive disease that can materially impair quality of life and work productivity. According to Frost & Sullivan, the global DED patient population is expected to increase from 1.7 billion in 2025 to 1.8 billion in 2035 while the DED patient population in China is expected to increase from 360.5 million in 2025 to 373.4 million in 2035. Moderate-to-severe DED accounts for approximately 40% of the overall DED patients, and is associated with significant pain, limitations in performing daily activities, reduced vitality, poor general health and often depression. The chronic nature of the condition, together with high unmet need in patients with moderate-to-severe disease, underpins sustained demand for effective, long-term pharmacological treatment options.

DED is a complex ocular surface multifactorial disease affecting tear volume, flow and/or composition, and therefore effective management often requires therapies that address different mechanisms, allowing ophthalmologists and patients to alternate different treatment options to find the ones suitable for individual cases in clinical practice. Current treatment patterns remain dominated by artificial tears and lubricants, particularly in China. However, they can provide only temporary symptomatic relief but cannot address the pathological causes of the disease, and their effect is often limited in mild DED. For moderate-to-severe cases, there is substantial demand for more effective ophthalmic drugs targeting underlying pathophysiological causes of DED given its chronicity. Treatment options for moderate-to-severe DED remain relatively limited and are often associated with delayed onset of action, tolerability issues and suboptimal adherence, contributing to significant unmet medical needs.

Accordingly to Frost & Sullivan, driven by the increasing prevalence, patient awareness and penetration of long-term pharmacological treatments, the global drug market for moderate-to-severe DED grew from US$1,156.9 million in 2021 to US$1,404.2 million in 2025 and is estimated to

reach US$2,239.7 million in 2035, supported by sustained demand for chronic disease management. In parallel, the drug market for moderate-to-severe DED in China is expanding rapidly from a smaller base. According to Frost & Sullivan, the drug market for moderate-to-severe DED in China increased from US$152.2 million in 2021 to US$223.9 million in 2025 and is estimated to further expand to US$903.6 million in 2035, driven by rapid improvement in diagnosis rate, aging population, increasing treatment penetration and gradual shift from symptomatic treatment to prescription drugs.

As of the Latest Practicable Date, there were 5 innovative drugs approved for DED treatment and 29 active innovative drug candidates at or beyond Phase II stage, including our VVN001, outside China. The following table sets forth details of approved and active innovative drug candidates for the treatment of DED at Phase II or beyond outside China as of the Latest Practicable Date.

Drug Name/Code	Target	Company	Stage	First Post Time	Target DED Severity
Lifitegrast	LFA-1	Bausch & Lomb	Approval	2016/07/11	N/A(2)
SHR8058	Undisclosed	Novaliq/Hengrui	Approval	2023/05/18	N/A(2)
SJP-0132	TRPV1	Senju/Mochida	Approval	2025/01/17	N/A(2)
Acoltremon	TRPM8	Alcon	Approval	2025/05/28	N/A(2)
SHR8028	mtPTP/Calcineurin	Shengdi Pharmaceutical	Approval	2026/06/23	N/A(2)
Reproxalap	RASP	Aldeyra Therapeutics	NDA Application	2022/11/29	N/A(2)
Cenegermin	NGFR	Dompe Pharma	Phase III	2021/09/20	Severe
PL9643	MCR	Palatin Technologies	Phase III	2022/01/21	N/A(2)
K-161	Undisclosed	Kowa	Phase III	2022/05/31	Moderate to severe
BRM 421	PNPLA2	BRIM	Phase III	2023/01/13	N/A(2)
ABBV-444	Undisclosed	AbbVie	Phase III	2023/05/26	N/A(2)
Vezocolmitide	Undisclosed	Stuart Therapeutics	Phase III	2023/12/18	N/A(2)
Recoflavone	Calcium channel/NF-κB	Dong-A ST/GL PharmTech	Phase III	2024/03/04	Moderate to severe
VVN001	**LFA-1**	***our Company***	**Phase III**	**2024/04/01**	**N/A(2)**
CAM-101	Undisclosed	Cambium Bio	Phase III	2025/03/31	Moderate to severe
ALY688	ADIPOR	Allysta Pharmaceuticals	Phase II/III(1)	2021/05/19	N/A(2)
ECF843	PRG4	Novartis/Lubris Biopharma	Phase II	2020/05/13	Severe
Pro-ocular	Undisclosed	Glia	Phase II	2020/11/25	Moderate to severe
A197	Undisclosed	Dompe Pharma	Phase II	2022/02/03	N/A(2)
YP-P10	Undisclosed	YuYu Pharma	Phase II	2022/07/15	N/A(2)
SHJ002	MIR328	Dreamhawk Vision	Phase II	2022/08/04	Severe
TL-925	BTK	Telios Pharma	Phase II	2023/02/22	Moderate to severe
Urcosimod	CMKLR1	OKYO Pharma	Phase II	2023/02/23	N/A(2)
EG 017	AR	Changchun GeneScience	Phase II	2023/11/03	N/A(2)
rhNGF(Dompe)	NGFR	Dompe Pharma	Phase II	2024/02/06	N/A(2)
VSJ-110	CFTR	Vanda Pharmaceuticals	Phase II	2024/03/06	N/A(2)
OT-202	SYK/VEGFR2	Ocumension Therapeutics	Phase II	2024/05/20	Moderate to severe
BTV100	CHRM1/CHRM3	BIO-THERA	Phase II	2024/08/06	N/A(2)
TTAX03	Undisclosed	BioTissue	Phase II	2025/01/17	Mild to moderate
RCI-001	RAC1	RudaCure	Phase II	2025/07/16	N/A(2)
IVIEW-1001	TRPM8	IVIEW Therapeutics	Phase II	2025/08/24	N/A(2)

Notes:

(1) a combined Phase II/III trial that evaluates the treatment's efficacy and safety against standard care in a single study to accelerate development with a smaller number of patients enrolled.

(2) no specific target disease severity.

Source: Frost & Sullivan report, ClinicalTrials.gov, FDA

As of the Latest Practicable Date, there were six innovative drugs approved for DED treatment and ten active innovative drug candidates at or beyond Phase II stage, including our VVN001, in China. The following table sets forth details of approved and active innovative drug candidates for the treatment of DED at Phase II or beyond in China as of the Latest Practicable Date.

Drug Name/Code	Target	Company	Stage	First Post Time	Target DED Severity
Diquafosol	P2RY2	Santen Pharma	Approval	2022/06/28	N/A(1)
Recombinant basic fibroblast growth factor	FGFR	Essex Biotech	Approval	2024/10/24	Mild to moderate
Dextran+Hypromellose	Undisclosed	Novartis/Alcon	Approval	2025/01/13	N/A(1)
Human epidermal growth factor (hEGF)	EGFR	Uni-Bio Science Group	Approval	2025/03/11	Mild
SHR8058	Undisclosed	Novaliq/Hengrui	Approval	2025/06/30	N/A(1)
SHR8028	mtPTP/Calcineurin	Shengdi Pharmaceutical	Approval	2026/06/23	N/A(1)
HBM9036	TNF-α	Harbour	Phase III	2022/12/24	Moderate to severe
VVN001	**LFA-1**	***our Company***	**Phase III**	**2024/04/01**	**N/A(1)**
SJP-0132	TRPV1	Senju	Phase III	2024/11/04	N/A(1)
SMR001	NGFR	Sinobioway Biomedicine	Phase III	2025/12/05	Moderate to severe
OT-202	SYK/VEGFR2	Ocumension Therapeutics	Phase III	2026/07/14	Moderate to severe
EG 017	AR	Changchun GeneScience	Phase II	2023/08/28	N/A(1)
Ipivudine Eye drops	PIK3R3	Yicheng Biotech	Phase II	2023/09/26	N/A(1)
CF04	Undisclosed	Puyou Biomedical	Phase II	2024/06/18	Moderate to severe
TUL12101	RASP	Uni-Bio Science Group	Phase II	2025/04/18	Moderate to severe
SQ-22031	Undisclosed	Xingqi Pharma	Phase II	2025/08/11	Moderate to severe

Note:

(1) no specific target disease severity.

Source: Frost & Sullivan report, CDE

Our Advantages

We believe our VVN001 has the following advantages:

- *Improved solubility and patient experience.* VVN001 is a molecule designed for eye drop application, with aqueous solubility more than twice that of lifitegrast (as disclosed in the FDA review of lifitegrast), the first-generation LFA-1 antagonist, while maintaining good ocular PK. As a result, in our Phase II clinical trial of VVN001 in patients with moderate-to-severe DED in the United States, VVN001 exhibited ocular surface irritation levels similar to vehicle and significantly lower than those observed with lifitegrast (as disclosed in the FDA review of lifitegrast). In addition, in the same trial, a lower percentage of patients in the 5% VVN001 group (5%) experienced dysgeusia (bad tastes in mouth) when compared to lifitegrast (15%) (as disclosed in the FDA review of lifitegrast) and no patient in the VVN001 groups reported stinging sensation, which is a common adverse effect associated with CsA. Such improved patient experience is also likely to increase patient adherence.

- *Improved efficacy.* As demonstrated in our Phase II clinical trial in the United States, patients in both VVN001 groups experienced signs of reliefs, such as increased tear secretion and decrease in inflammatory staining (including nCFS, tempCFS, cCFS and sCFS scores) compared to vehicle control group, as soon as day 14, much faster compared to CsA (as disclosed in the FDA review of CsA). In addition, both VVN001 groups showed good trend or statistically significant decrease of CFS scores in most regions when compared to vehicle control group after day 56, demonstrating improved

efficacy in reducing cornea inflammation as compared to CsA (as disclosed in the FDA review of CsA), which did not display statistically significant reduced cornea inflammation when compared to its vehicle until four months into treatment.

Summary of Clinical Trials

We obtained an IND approval of VVN001 from the FDA in October 2020 to directly commence a Phase II clinical trial of VVN001 in the United States by leveraging our preclinical study results, including satisfactory safety data. We commenced a Phase II clinical trial in the United States in December 2020 and completed such trial in April 2022.

Meanwhile, we obtained an IND approval from the NMPA in March 2021 and commenced a Phase I clinical trial of VVN001 in healthy subjects in China in August 2021. We completed such trial in December 2021. We then commenced a Phase II clinical trial of VVN001 in patients with moderate-to-severe DED in China in November 2021 and completed such trial in December 2022. We commenced a Phase III clinical trial in patients with moderate-to-severe DED in China in June 2024 and expect to complete such trial in the first half of 2027.

Clinical Trials in China

Ongoing Phase III Clinical Trial

- *Trial design.* This is a multicenter, randomized, double-masked, vehicle-controlled Phase III trial in patients with moderate-to-severe DED. The primary endpoint measures the change from baseline to day 84 in total corneal fluorescein staining (tCFS) score of the study eye. The key secondary endpoint assesses the change over the same period in patients' dry eye symptom in terms of visual analog scale (VAS) score. Other secondary endpoints evaluate changes from baseline in tCFS scores, dry eye VAS scores, ocular discomfort VAS scores and Schirmer's test scores at each visit, as well as changes from baseline in CFS scores in each of the central, inferior, superior, nasal and temporal region.

  We plan to enroll a total of 700 participants, with 350 participants in each of the 5% VVN001 group (study group) and the vehicle group (control group). Each participant will receive one drop of either 5% VVN001 or vehicle in each eye BID (morning and evening) for 12 weeks. Participants are assessed at screening (day −14), baseline (day 1), and days 14, 28, 56 and 84. After completing the first 12-week treatment, the first 300 randomized participants will enter a 40-week open-label extension, receiving 5% VVN001 BID through week 52, with visits at weeks 20, 28, 36, 44 and 52, followed by a safety follow-up at week 54. First 300 participants enrolled will complete the study at week 12 and attend a follow-up visit at week 54.

- *Trial status.* As of the Latest Practicable Date, we had enrolled a total of 601 subjects. We expect to complete subject enrollment by the fourth quarter of 2026. We held a mid-term meeting in December 2025, during which the IDMC confirmed that the trial could proceed with the current trial design. The IDMC is an independent expert group that reviews data during a clinical trial to monitor safety and efficacy. The IDMC periodically reviews unblinded safety and efficacy data and makes non-binding recommendations to us on whether to continue, modify or terminate the trial. The IDMC forms part of our trial oversight and governance framework and is separate from any competent regulatory authority.

Phase II Clinical Trial

- *Trial design.* This trial was a multicenter, randomized, double-masked, vehicle-controlled study to evaluate the safety and efficacy of 1% and 5% VVN001 eye drops in patients with moderate-to-severe DED. The primary objectives were to assess the safety and tolerability of

VVN001 and to evaluate its efficacy in the treatment of moderate-to-severe DED. The primary endpoint was the mean change in iCFS score from baseline to day 84. The key secondary endpoint was the mean change in VAS score from baseline to day 84.

We planned to enroll 180 patients, with 60 patients in each of the 1% VVN001 group, 5% VVN001 group and vehicle control group. The trial included an 84-day treatment period, during which all patients would receive one drop of VVN001 or vehicle control in each eye BID. Patients would return to study centers for efficacy and safety assessments on days 14, 28, 56 and 84 of the treatment period.

- *Trial status.* The trial was initiated in November 2021 and completed in December 2022. A total of 182 patients were enrolled and included in the full analysis set (FAS), including 62, 61 and 59 in the 1% VVN001, 5% VVN001 and control groups, respectively.

- *Efficacy.* Both VVN001 groups demonstrated improvement from baseline in terms of inferior corneal fluorescein staining (iCFS) score, a measure of damage to the lower part of the eye's surface. The primary endpoint, which is the average change from baseline in iCFS score at day 84, was −1.57 (p=0.978) in the 5% VVN001 group, −1.49 (p=0.586) in the 1% VVN001 group and -1.59 in the control group. The key secondary endpoint, which is the average change from baseline in VAS score, which reflects how patients rated their eye discomfort, at 84, was -29.815 (p=0.400) in the 5% VVN001 group, -26.539 (p=0.087) in the 1% VVN001 group and -32.922 in the vehicle control group. Both VVN001 groups demonstrated improvement from baseline in terms of other CFS scores, symptom assessment in dry eye (SANDE) scores and Schirmer's test results. Both the 1% and 5% VVN001 groups showed statistically significant improvement compared to the control group in superior CFS (sCFS) scores at day 84, indicating reduced corneal surface damage in the upper part of the cornea. tCFS and SANDE scores demonstrated notable improvement with a dose-dependent relationship.

- *Safety.* VVN001 demonstrated a satisfactory safety and tolerability profile in this study. Based on the FAS of 182 patients, 45 (24.7%) experienced TEAEs. Among them, five (2.7%) were related to the treatment. Classified by preferred term, drug-related TEAEs in VVN001 groups included conjunctival papillae and eye pain. In the FAS, two participants experienced SAE, both of which were not related to the study drug.

- *Conclusion.* In this trial, VVN001 demonstrated a satisfactory safety and tolerability profile. In terms of efficacy, both VVN001 groups demonstrated improvement from baseline in terms of CFS score of each region, VAS score, SANDE score and Schirmer's test results. In other words, VVN001 groups generally had less damage on the eye surface, less discomfort, fewer or less frequent dry eye symptoms and improved tear production compared with where they started. Both VVN001 groups showed statistically significant improvement compared to the control group in sCFS scores at day 56 and day 84. Both VVN001 groups demonstrated notable dose-proportional improvements in terms of tCFS scores and SANDE scores.

Phase I Clinical Trial

- *Trial design.* This trial was a single-center, randomized, double-masked, vehicle-controlled, dose-escalation Phase I clinical study to evaluate the safety, tolerability and PK profile of 1% and 5% VVN001 eye drop in healthy adults. The primary objective was to assess the safety and tolerability of VVN001 following single and multiple doses in healthy adults. Secondary objectives were to (i) evaluate detectable blood concentrations of VVN001 after administration and (ii) if sufficient systemic exposure was detected, characterize the PK profile of these concentrations.

We planned to enroll 20 healthy adults, with 10 in each concentration group (1% and 5%). Within each group, participants were randomized in a ratio of 8:2 to receive VVN001 or vehicle control, respectively. The trial comprised a single-dose phase on day 1, a BID dosing phase from day 2 to the morning of day 5 (a total of seven doses) and a three-times-daily (*ter in die*, or TID) dosing phase from day 6 to the morning of day 9 (a total of seven doses).

For each administration, each participant would receive one drop of VVN001 or placebo (vehicle) in the right eye. All dosing was performed during an inpatient stay at the clinical research center, with discharge after assessments on day 10 and a follow-up visit on day 16. The trial would proceed from the 1% concentration level to the 5% level only if safety of the 1% concentration level was confirmed after completion of the first two phases.

- *Trial status.* The clinical trial was initiated in August 2021 and completed in December 2021. A total of 20 participants were enrolled.

- *Safety.* VVN001 demonstrated a satisfactory safety and tolerability profile in this study. Among the 20 participants in the SS, three participants (15.0%), including one in the vehicle control group and two in the 5% VVN001 group, reported a total of five incidents of TEAEs. Among all TEAEs, three incidents were treatment-related, all of which were mild AEs reported in the vehicle control group. Two moderate AEs reported in the 5% VVN001 group included influenza and eczema, which were not related to the treatment.

- *PK.* Blood concentrations in substantially all 1% VVN001 participants and most 5% VVN001 participants were BQL. The blood concentrations of three participants in the 1% VVN001 group were BQL during all dosing phases. Across the two concentration levels, systemic exposure (C_{max} and AUC) increased with increasing dose, with median T_{max} (time to reach the highest blood concentration level) ranging from 0.3 to 0.6 hours. No apparent systemic accumulation was observed.

- *Conclusion.* In this trial, VVN001 demonstrated a satisfactory safety profile and low, dose-proportional systemic exposure.

Clinical Trial in the United States

Phase II Clinical Trial

- *Trial design.* This trial was a multicenter, double masked, randomized, vehicle-controlled trial in DED patients to evaluate the safety and efficacy of 1% and 5% VVN001 eye drop in comparison with vehicle. The primary objective was to evaluate the safety and tolerability of VVN001 when administered BID compared to vehicle. The secondary objective was to evaluate the efficacy of VVN001 administered BID compared to vehicle in treating signs and symptoms of DED. The primary efficacy endpoint was the mean change in iCFS from baseline to day 84 for 1% and 5% VVN001 compared to vehicle. Key secondary efficacy endpoints were the mean change in VAS score from baseline to day 84.

  We planned to enroll approximately 165 patients, with 55 patients in each of the 1% VVN001 group, 5% VVN001 group and vehicle control group. The trial included an 84-day treatment period, during which all patients would receive one drop of VVN001 or vehicle control in each eye BID. Patients were evaluated on days 14, 28, 56 and 84.

- *Trial status.* The clinical trial was initiated in December 2020 and completed in April 2022. A total of 169 subjects were enrolled and included in FAS, including 56, 57 and 56 in the 5% VVN001, 1% VVN001 and vehicle control groups, respectively.

- *Efficacy*. The primary endpoint, mean change from baseline in iCFS score in the study eye at day 84, approached statistical significance (p=0.054) for the 5% VVN001 group compared to the vehicle group. Improvements in terms of CFS scores were observed in all treatment groups at all time points. At day 84, the 5% VVN001 group showed statistically significant improvements versus vehicle in terms of tCFS score (p=0.004), nasal CFS (nCFS) (p=0.001), temporal CFS (tempCFS) (p=0.015) and central CFS (cCFS) (p=0.009), indicating less damage across multiple regions of the corneal surface in the 5% VVN001 group. A statistically significant improvement versus vehicle was also observed for sCFS (p=0.040) and SANDE (p=0.031) at day 56. Schirmer's test values, which measure tear production, were significantly improved in the 5% VVN001 group compared with vehicle at day 14 (p=0.049) and day 28 (p=0.017). Improvements in VAS score were observed in all treatment groups, with numerically greater improvements generally seen in the active treatment groups.

- *Safety.* VVN001 at both the 5% and 1% dose levels was safe and well tolerated in participants with DED. No SAE was reported in the study. Among the 169 participants in the FAS, ocular TEAEs were reported in 18 (10.7%). By preferred term, the most commonly reported ocular TEAEs were instillation site pain, chalazion, eye discharge and eye pain, each occurring in a small proportion of participants. All ocular AEs identified as related to study drug were mild.

  Among the 169 participants in the FAS, non-ocular TEAEs were reported in 15 participants (8.9%). There was a higher incidence of TEAEs in the 5% VVN001 treatment group, partially attributable to the higher rate of reported mild and intermittent dysgeusia, a known side effect of lifitegrast, which was only reported by three participants in the 5% VVN001 group.

- *Conclusion.* The primary efficacy endpoint in this study approached statistical significance for the 5% VVN001 group compared to the control group. The mean change from baseline in tCFS score at day 84 achieved statistical significance for the 5% VVN001 group compared to the control group. Clinical signs and subject-reported symptoms of DED decreased in this study in all treatment groups, with generally greater improvement from baseline in the VVN001 groups than in the control group. In some signs and symptoms, there was a dose-related clinically and, in some cases, statistically significant treatment effect. VVN001 also demonstrated an acceptable safety profile in this trial.

Material Communications and Next Steps

We obtained an IND approval of Phase I, Phase II and Phase III clinical trials of VVN001 for DED from the FDA on October 5, 2020 and obtained an umbrella IND approval of Phase I, Phase II and Phase III clinical trials of VVN001 for DED from the NMPA on March 26, 2021. See "Regulatory Overview—Overview of Laws and Regulations in the PRC—Laws and Regulations in Relation to New Drugs—Conduct of Clinical Trial." We commenced a Phase I clinical trial in China in August 2021, which was completed in December 2021. Based on communications with the FDA, we directly commenced a Phase II clinical trial in the United States in December 2020 by leveraging our preclinical study results and completed such trial in April 2022. We commenced a Phase II clinical trial in China in November 2021, after we obtained topline results of the Phase I clinical trial but before completing the clinical trial report. We completed the Phase II clinical trial in December 2022. Following completion of our Phase II clinical trials in the United States and China, we conducted a pre-Phase III consultation with the NMPA and submitted, among others, key results from all prior trial phases (including the results of Phase II clinical trial in the United States) and the Phase III clinical trial design. We received the NMPA's official response on March 20, 2023, which raised no material questions and confirmed that it had no objections to the commencement of the Phase III clinical trial. Following the pre-Phase III consultation process with the NMPA, we advanced our clinical development of VVN001 in China in accordance with our overall pipeline strategy and resource allocation plan, taking into account our then limited financial and operational resources, as well as the funding needs of our other product candidates. Accordingly, we commenced a Phase III clinical trial in China in June 2024 and plan to complete such trial in the first half of 2027. As of the Latest Practicable Date, we had not set a definitive timeline for the commencement of the Phase III clinical

trial of VVN001 in the United States, as the timing of such trial depends on the availability of financial resources and our allocation of funding among other programs. As of the Latest Practicable Date, we had not received any relevant regulatory agency's concerns or objections to our clinical development plans. No material adverse changes had occurred since we obtained the IND approvals and up to the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET VVN001 SUCCESSFULLY.

Our Other Product Candidates

VVN461(LD)

VVN461(LD) is the low-dosage formulation (0.5%) of VVN461 eye drop. We are developing VVN461(LD) for postoperative ocular inflammation since a lower dosage of VVN461 is expected to be sufficient to achieve optimal therapeutic effect for mild inflammatory conditions. Inflammation inside the eye is a common and expected consequence of intraocular surgery such as cataract extraction and lens replacement. Surgical trauma triggers the production of prostaglandins and other vasoactive molecules, as well as pro-inflammatory cytokines, leading to redness, swelling, protein and inflammatory cells leaking into the front of the eye and, if not adequately controlled, complications such as cystoid macular edema and corneal scarring. A JAK1/TYK2 inhibitor is designed to block key cytokine-driven signaling pathways involved in this process, with the aim of dampening postoperative inflammation, reducing the risk of complications and supporting safe visual recovery after surgery. See "—Our Core Products—VVN461(HD)—Mechanism of Action" for details.

We obtained an IND approval from the FDA for VVN461 for the treatment of postoperative ocular inflammation in November 2023. We completed a Phase II clinical trial in the United States in October 2024. See "—Our Collaboration and License Agreements—Arrangements with E-nitiate" for the history of this drug candidate. We conducted preclinical studies of VVN461 before the transfer and licensing arrangements in February 2021 and completed preclinical studies and Phase I and Phase II clinical trials of VVN461 subsequent to the arrangements.

Market Opportunity and Competition

According to Frost & Sullivan, approximately 44.2 million eye surgeries were performed in 2025, and a large number of patients may develop postoperative ocular inflammation and infection as a result of eye surgery. Postoperative ocular inflammation is most commonly managed with topical corticosteroid eye drops. These medicines can reduce pain and discomfort, help restore the normal barrier between the blood and the fluid in the front of the eye and reverse visible signs of inflammation. However, long-term use of corticosteroids is limited by systemic side effects, highlighting the need for safer treatment options. The global postoperative ocular inflammation drug market increased from US$1,191.5 million in 2021 to US$1,470.2 million in 2025 and is estimated to reach US$4,338.0 million in 2035.

As of the Latest Practicable Date, there were three innovative drugs approved for postoperative ocular inflammation treatment and four active innovative drug candidates at clinical stage, including our VVN461, outside China. The following table sets forth details of approved and active innovative drug candidates at clinical stage for postoperative ocular inflammation outside China as of the Latest Practicable Date.

Drug Name/Code	Target	Company	Stage	First Post Time
DEXYCU KIT	ANXA1/GR/NR1I2/iNOS/NR0B1	Eyepoint Pharms	Approved	2018/02
INVELTYS	GR	Alcon	Approved	2018/08
BYQLOVI	GR	Harrow Eye	Approved	2024/03
SURF-201	GR	Formosa Pharma	Phase II	2020/3
VVN461	**JAK1/TYK2**	***our Company***	**Phase II**	**2023/12**
TRS01	TLR4/NRP1/ACE2	Tarsier Pharma	Phase I/II	2020/1
Levofloxacin	DNA gyrase/TOPIV/parC/pare/GyrB/ GyrA/TOP 2A/Autolysin	PolyActiva	Phase I	2020/12

Source: Frost & Sullivan report, ClinicalTrials.gov, FDA

Our Advantages

We believe our VVN461(LD), as JAK1/TYK2 inhibitor, can be a promising treatment for postoperative ocular inflammation, given its "steroid-like" anti-inflammatory efficacy with a favorable safety profile that avoids the typical adverse effects associated with corticosteroids. See "—Our Core Products—VVN461(HD)—Our Advantages" for details.

Summary of Clinical Trials

We commenced a Phase II clinical trial of VVN461 in the United States in December 2023 in patients undergoing routine unilateral cataract surgery and completed such trial in October 2024.

Phase II Clinical Trial

- *Trial design.* This was a multicenter, double-masked, randomized, vehicle-controlled, parallel-comparison study evaluating the safety and efficacy of VVN461 in patients undergoing routine unilateral cataract surgery. The primary objective was to evaluate the ocular efficacy of 0.5% and 1.0% VVN461 eye drop in treating postoperative ocular inflammation associated with cataract surgery, compared with a matching vehicle. The secondary objective was to evaluate the safety of VVN461. The primary efficacy endpoint was the proportion of subjects with ACC Grade 0 in the study eye at day 14. Secondary endpoints included the proportion of subjects with ACC grade 0 in the study eye at day 7 and the proportion with ACF grade 0 in the study eye at day 14. We planned to enroll approximately 90 participants, with 30 in each of the 1.0% VVN461, 0.5% VVN461 and vehicle control group. Each participant would receive one eye drop in the study eye QID for 14 days.

- *Trial status.* The trial was initiated in December 2023 and completed in October 2024. A total of 91 subjects were enrolled, with 30, 30 and 31 in the 1.0% VVN461, 0.5% VVN461 and vehicle control groups, respectively.

- *Efficacy*. The primary endpoint, the proportion of subjects achieving ACC Grade 0, meaning no inflammatory cells visible in the anterior chamber on slit-lamp examination, in the study eye at day 14, was 60.0% (p=0.0012), 53.3% (p=0.0057) and 19.4% in the 1.0% VVN461 group, 0.5% VVN461 group and the vehicle control group, respectively, with statistically significant differences for both VVN461 groups. The treatment effect was apparent by day 7 and became more pronounced over time.

  At day 7, ACC Grade 0 was achieved by 30.0% (p=0.0459), 20.0% (p=0.2557) and 9.7% of subjects in the 1.0% VVN461 group, 0.5% VVN461 group and the vehicle control group, respectively. For ACF, at day 7, ACF Grade 0 was achieved by 80.0% of subjects (p=0.0004)

in both VVN461 groups and 35.5% in the vehicle group; by day 14, the proportion of subjects achieving ACF Grade 0 increased to 86.7% ($p<0.0001$), 93.3% ($p<0.0001$) and 45.2% in the 1.0% VVN461 group, 0.5% VVN461 group and the vehicle control group, respectively. A total of 19 participants required rescue medication for postoperative ocular inflammation, among which only 3 and 1 participants were in the 1.0% VVN461 group, 0.5% VVN461 group, respectively.

- *Safety.* VVN461 demonstrated a satisfactory safety and tolerability profile in this study. Among 91 participants in the FAS, 8 participants reported ocular TEAEs and 2 participants reported non-ocular TEAEs, all of which were considered unrelated to the study drug.

- *Conclusion*. In this trial, VVN461 eye drop at both dosing levels appeared safe and well tolerated in adult subjects recovering from cataract surgery and demonstrates both clinically and statistically significant efficacy in the management of postoperative ocular inflammation and pain relative to the vehicle control.

Phase I Clinical Trial

We completed a Phase I clinical trial of VVN461 in healthy subjects in China in December 2023. In this trial, VVN461 was safe and well-tolerated in healthy subjects at each of 0.25%, 0.5% and 1.0% dose levels. See "—Our Core Products—VVN461(HD)—Non-Infectious Anterior Uveitis (NIAU)—Summary of Clinical Trials—Clinical Trials in China—Phase I Clinical Trial" for details.

Material Communications and Next Steps

We obtained an umbrella IND* approval of Phase II and Phase III clinical trials of VVN461, including both VVN461(HD) and VVN461(LD), for the treatment of postoperative ocular inflammation from the FDA on November 21, 2023, which also approved our plan to directly commence a Phase II clinical trial of VVN461 for the treatment of postoperative ocular inflammation by leveraging the results of our Phase I clinical trial of VVN461 in healthy subjects in China. In addition, we had a Type C meeting with the FDA on June 3, 2025 to discuss our clinical development plan of VVN461(LD) for the treatment of postoperative ocular inflammation in the United States. The FDA confirmed that it had no objection to our plan to submit an NDA for VVN461(LD) following completion of a single Phase III pivotal clinical trial. As of the Latest Practicable Date, we had not set a definitive timeline for the commencement of the Phase III clinical trial of VVN461(LD) in the United States, as the timing of such trial depends on the availability of financial resources and our allocation of funding among other programs. As of the Latest Practicable Date, we had not received any relevant regulatory agency's concerns or objections to our clinical development plans. No material adverse changes had occurred since we obtained the IND approvals and up to the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET VVN461(LD) SUCCESSFULLY.

VVN432

VVN432, developed based on the same compound underlying our Core Product VVN461(HD), is a non-steroidal JAK inhibitor nasal spray for chronic rhinosinusitis (CRS). According to Frost & Sullivan, our VVN432 is currently the world's only clinical-stage JAK inhibitor for the treatment of CRS. CRS is a long-lasting inflammation of the nose and sinuses that typically persists and leads to problems such as nasal blockage, thick nasal discharge, facial pain or pressure and reduced sense of smell or taste. CRS is commonly divided into two forms: chronic rhinosinusitis with nasal polyps (CRSwNP), which are soft, non-cancerous growths in the nasal

* According to Frost & Sullivan, the FDA allows a single umbrella IND to cover multiple clinical studies of one product (across varying doses, routes of administration or indications) so long as the product's identity is unchanged.

passages or sinuses often associated with more severe inflammation and smell loss, and chronic rhinosinusitis without nasal polyps (CRSsNP), which more often presents with facial pressure and nasal discharge. The condition can significantly affect quality of life, sleep and daily functioning. As the JAK pathway plays a key role in inflammatory responses, including in CRS, we are developing VVN432 to address the unmet medical needs for treatment options of CRS. See "—Our Collaboration and License Agreements—Arrangements with E-nitiate" for the history of this drug candidate. We conducted preclinical studies before our licensing arrangement with E-nitiate in January 2024 and conducted preclinical studies and are conducting a Phase I clinical trial of VVN432 subsequent to the arrangements.

Mechanism of Action

VVN432 has the same active molecule as VVN461 and is being developed as a local, non-steroidal anti-inflammatory therapy for CRS. CRS is driven by persistent inflammation in the lining of the nose and sinuses, mediated by naturally occurring signaling proteins in the body, or cytokines. These cytokines activate JAKs, including JAK1 and TYK2, which switch on multiple genes that promote and sustain inflammation. VVN432 is designed to selectively inhibit JAK1 and TYK2 and thereby interrupt this inflammatory signaling cascade. By dampening the activity of several key cytokines that are believed to be involved in CRS, VVN432 aims to reduce swelling and inflammation in the nasal and sinus mucosa, improve symptoms such as nasal congestion and discharge and help to treat the disease and to prevent disease recurrence. See "—Our Core Products—VVN461(HD)—Mechanism of Action" for more details.

Market Opportunity and Competition

CRS can be categorized by the underlying type of inflammation, which varies between individuals and can be driven by different immune pathways. In China, CRSsNP is often driven by non-type 2 (non-T2) inflammation, usually dominated by neutrophils, a type of white blood cell, while CRSwNP more commonly shows a mixed pattern (T1/T2/T3) that may or may not include prominent eosinophilic (T2) inflammation. According to Frost & Sullivan, the overall CRS patient population in China amounted to 129.5 million in 2025 and is estimated to reach to 152.6 million in 2035.

Current treatment for CRS typically follows a stepwise approach but remains unsatisfactory for a significant proportion of patients. First-line therapy usually consists of intranasal corticosteroid sprays for at least 12 weeks, which are generally safe and well tolerated but may cause local side effects such as nosebleeds, dryness or irritation, and do not fully control symptoms in many individuals. In more severe CRSwNP, especially in patients with T2 CRS, short courses of oral corticosteroids are used, but their long-term use is limited by systemic side effects. For non-T2 CRS, long-term low-dose macrolide antibiotics may be prescribed for their anti-inflammatory and immune-modulating effects, although they can cause gastrointestinal upset, liver toxicity and heart rhythm abnormalities. Biologic therapies targeting T2 inflammation can significantly improve symptoms and reduce polyp size in difficult-to-treat CRSwNP, but are primarily effective in patients with clear T2 inflammatory features and are not suitable for all patients. Endoscopic sinus surgery is considered when at least 12 weeks of standard medical therapy fails or complications occur. Despite these options, around 20% to 30% of patients remain difficult to treat and there is a high nasal polyps recurrence rate of 98% two years post surgery, highlighting a substantial unmet medical need, particularly for effective local therapies that work across different inflammatory subtypes of CRS. The CRS drug market in China increased from US$463.5 million in 2021 to US$758.0 million in 2025 and is estimated to reach US$2,510.6 million in 2035.

As of the Latest Practicable Date, there were three innovative drugs approved for CRS treatment in China. As of the same date, there were 20 active innovative drug candidates in the clinical stage, in China, including 17 biologics and 3 small-molecule drugs (including our VVN432 and an oral tablet candidate).

Our Advantages

As a dual-target inhibitor of JAK1 and TYK2, our VVN432 demonstrated, in our *in vitro* preclinical studies, potent inhibition of both JAK1 and TYK2 at kinase level and cellular level, with *in vitro* IC_{50} value of 0.08nM for JAK1 and 0.55nM for TYK2, and cellular IC_{50} value of 0.02 nM and 7.98 nM, respectively. In addition, VVN432 is designed to selectively inhibit specific inflammatory pathways while minimizing disruption of normal physiological functions, and therefore avoiding the typical adverse effects associated with corticosteroids. Furthermore, compared with biologics, the other mainstream treatment options of CRS, our VVN432, as a nasal spray, offers significantly greater convenience of administration.

Summary of Clinical Trials

We commenced a Phase I clinical trial of VVN432 in healthy adults in China in November 2025. We expect to complete such trial in the fourth quarter of 2026.

Ongoing Phase I Clinical Trial

- *Trial design.* This trial is a randomized, double-masked, placebo-controlled, dose-escalation study of VVN432 nasal spray. The study comprises two stages, a single-administration stage 1 and a multiple-administration stage 2. The objective of stage 1 is to evaluate the safety, tolerability, PK profile of VVN432 in healthy adults. The objective of stage 2 is to evaluate the safety, tolerability, PD and PK profile and preliminary efficacy of VVN432 in CRS patients.

  We plan to enroll 24 healthy adults for stage 1, with 8 participants in each of the 0.5% VVN432 (one spray per nostril), 1.0% VVN432 (one spray per nostril) and 1.0% VVN432 (two sprays per nostril) dosing groups. Within each dosing group, participants are randomized 3:1 to receive VVN432 or placebo, respectively. Dose escalation to the 1.0% VVN432 (two sprays per nostril) dosing group would proceed after all participants at the 1.0% VVN432 (one spray per nostril) group have completed all treatment and safety of a dose level was confirmed.

  We plan to enroll 36 CRS patients for stage 2, with 12 participants in each of the 0.5% VVN432 (one spray per nostril, BID), 1.0% VVN432 (one spray per nostril, BID) and 1.0% VVN432 (two sprays per nostril, BID) dosing groups. Within each dosing group, participants are randomized 5:1 to receive VVN432 or placebo, respectively, for 28 consecutive days.

- *Trial status.* As of the Latest Practicable Date, we had completed participant enrollment for both stage 1 and stage 2 and a total of 60 patients were enrolled.

Material Communications and Next Steps

We obtained an IND approval of Phase I, Phase II and Phase III clinical trials of VVN432 from the NMPA for the treatment of CRS on June 6, 2025. As of the Latest Practicable Date, we were conducting a Phase I clinical trial in healthy adults in China. We plan to complete such trial in the fourth quarter of 2026 and, depending on the data from the Phase I clinical trial, initiate a Phase II clinical trial in the first half of 2027. As of the Latest Practicable Date, we had not received any relevant regulatory agency's concerns or objections to our clinical development plans. No material adverse changes had occurred since we obtained the IND approvals and up to the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET VVN432 SUCCESSFULLY.

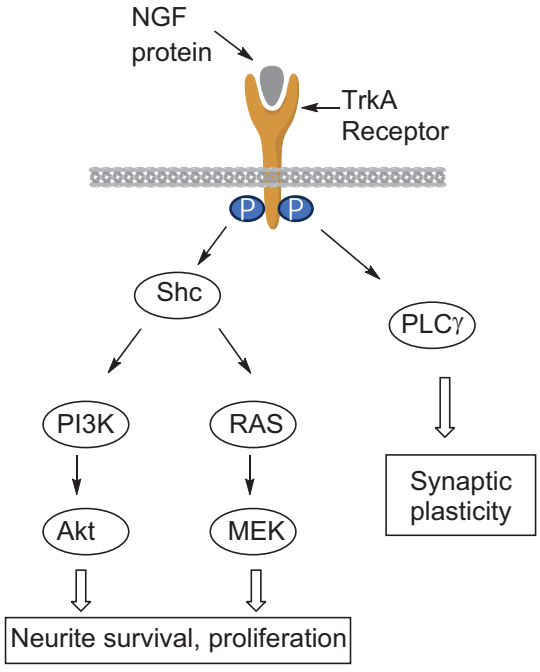
VVN1901

VVN1901 is a recombinant human nerve growth factor (rhNGF) eye drop for the treatment of neurotrophic keratitis (NK). NK is a rare, sight-threatening disease of the cornea caused by damage to the corneal nerves, leading to reduced or absent corneal sensation and impaired healing. This loss of sensitivity disrupts normal protective reflexes such as blinking and tear production, so even minor irritants can trigger persistent epithelial defects, corneal ulcers and, in severe cases, corneal melting and perforation. rhNGF is a laboratory-produced form of a naturally occurring protein that supports the growth, survival and function of neurons. It has emerged as a promising therapeutic modality for nerve regeneration and protection in ocular disease. rhNGF has demonstrated a generally favorable safety and tolerability profile in clinical studies.

We obtained an IND approval from the NMPA for VVN1901 for the treatment of moderate-to-severe NK in May 2024. We commenced a Phase I clinical trial of VVN1901 in China in May 2024 and completed such trial in September 2024. We then commenced a pivotal registration-enabling Phase II clinical trial in China in July 2025.

Mechanism of Action

VVN1901 is designed to replace human nerve growth factor (NGF), a natural "growth and repair" protein that is missing or reduced in people with NK. In a healthy eye, tiny nerves in the cornea help keep the surface of the eye moist, smooth and able to heal quickly after minor damage. In people with NK, these nerves are damaged and do not work properly, so the eye produces less of this repair protein and the cornea can develop wounds that do not heal, ulcers and, in severe cases, tissue breakdown. VVN1901 is an eye drop containing rhNGF, a laboratory-made version of this protein, intended to support the damaged nerves and help the cornea repair itself, with the aim of closing persistent defects on the eye surface and preventing the disease from getting worse. The following diagram illustrates the mechanism of action of VVN1901.



Market Opportunity and Competition

In China, NK is recognized as a rare disease, with an estimated overall patient population of 360,500 in 2025, according to Frost & Sullivan. The disease often progresses quickly: survey data indicate that about half of patients are already at a moderate or severe stage when first diagnosed, and around 90% can worsen from mild stage 1 to severe stage 3 within six months, developing persistent surface defects or ulcers and facing a risk of perforation and vision loss.

NK is managed according to disease stage, with the overarching objective of protecting and restoring the integrity of the corneal surface while addressing the underlying loss of corneal sensation. Intensive lubrication with frequent preservative-free artificial tears, gels and ointments forms the foundation of therapy at every stage. In stage 1, treatment focuses on ocular surface support with lubrication to improve epithelial health. In stage 2, characterized by persistent epithelial defects, treatment typically escalates to include autologous serum eye drops, deproteinized calf-blood extract eye gel to promote epithelial healing, as well as antibiotic ointment to prevent secondary infection and low- to medium-potency corticosteroid eye drops to reduce inflammation and accelerate healing. In advanced stage 3, where corneal ulceration or perforation may occur, frequent use of autologous serum drops are recommended to control stromal inflammation and aid healing, scleral lens and lubricants are used to protect cornea and inhibit melting and growth-factor rich multilayer amniotic membrane are used for mechanical protection and to promote healing. Novel treatment options, such as nerve growth factor eye drops have also emerged to restore nerve function and accelerate healing.

As of the Latest Practicable Date, there was one innovative drug approved for the treatment of NK and seven active innovative drug candidates for the treatment of NK in the clinical stage, including our VVN1901, in China. The following table sets forth details of approved and active clinical-stage innovative drugs for the treatment of NK in China as of the Latest Practicable Date.

Drug Name/Code	Target	Company	Stage	First Post Time
Cenegermin	NGFR	Dompe Pharma	Approved	2020/08
Ipidacitin	PIK3R3	Yicheng Kangtai Biotech	Phase II	2024/07
STSP-0902	NGFR	Staidson Biopharma	Phase II	2025/04
Recombinant human nerve growth factor	NGFR	Xintrum Pharma	Phase II	2025/04
SQ-22031	undisclosed	Sinqi Pharma	Phase II	2025/04
VVN1901	**NGFR**	***our Company***	**Phase II**	**2025/05**
Recombinant human nerve growth factor eye drops	NGFR	Kerun Biologic Pharma	Phase I	2023/03
HT006.2.2	NTRK1/NGFR	Hiteck Bio Pharma	Phase I	2024/01

Source: Frost & Sullivan report, CDE

Our Advantages

We believe our VVN1901 has the following advantages as compared to currently approved rhNGF:

- *Stability.* While currently approved rhNGF requires freezing at or below -20°C for long-term storage and can be stored at 2°C to 8°C for only up to two weeks, our VVN1901, adopting the advanced formulation and packaging technologies, demonstrates high stability at 2-8°C for extended periods and can maintain stability at room temperature for a minimum of 30 days, supporting convenient transportation, storage and daily use as well as improved patient adherence.

- *User-friendly.* While currently approved rhNGF requires special instillation device for administration, the blow-fill-seal (BFS) packaging of VVN1901 allows convenient administration and therefore improve patient adherence.

- *Promising accessibility.* Currently approved rhNGF costs over RMB150,000 per treatment course and is not currently marketed in China. Leveraging our integrated R&D and cost control measures, we aim to make VVN1901 accessible to NK patients in China, addressing the absence of marketed rhNGF therapies in China while offering a more affordable option.

Summary of Clinical Trials

We commenced a Phase I clinical trial of VVN1901 in healthy subjects in China in May 2024 and completed such trial in September 2024. We commenced a pivotal registration-enabling Phase II clinical trial of VVN1901 China in patients with moderate-to-severe NK in July 2025. We expect to complete such trial in 2028.

Ongoing Phase II Clinical Trial

- *Trial design.* This is an adaptive, multicenter, double-masked, randomized, vehicle-controlled study in patients with stage 2 (persistent epithelial defect) or stage 3 (corneal ulcer) NK. The study comprises two stages, a nine-week, dose-exploration stage 1 and a 52-week confirmatory stage 2. The objective of stage 1 is to assess the dose-dependent relationship of VVN1901 in treating moderate-to-severe NK, evaluate the safety, tolerability and immunogenicity of VVN1901 and to identify the optimal dose for further study. The objective of stage 2 is to assess the efficacy of VVN1901 in comparison with vehicle control at the selected dose level, further evaluating VVN1901's safety, tolerability, immunogenicity, recurrence rate and long-term safety in the same patient population. The primary endpoint is the percentage of subjects with complete healing of the corneal lesion in the study eye at week 8. Secondary endpoints include healing and recurrence proportions, lesion size, corneal sensitivity, visual acuity, tear secretion and 0 mm lesion rates during treatment and follow-up.

  We plan to enroll a total of 70 participants for stage 1, who will be randomized 2:2:2:1 to receive one drop of 10 μg/ml VVN1901, 20 μg/ml VVN1901, 40 μg/ml VVN1901 or vehicle control, respectively, in the study eye six times daily (Q2h) for eight weeks, followed by an one-week follow-up period. We plan to enroll 87 new participants for stage 2, who will be randomized 2:1 to receive one drop of VVN1901 or vehicle at the selected dose level in the study eye six times daily (Q2h) for eight weeks, followed by a 44-week follow-up period. In both stages, participants will attend on-treatment visits at weeks 1, 2, 4, 6 and 8 for efficacy and safety assessments. Stage 1 includes an additional visit at week 9, and stage 2 includes follow-up visits at weeks 12, 20, 28, 40 and 52.

- *Trial status.* As of the Latest Practicable Date, we had completed patient enrollment for stage 1 and a total of 70 patients were enrolled.

Phase I Clinical Trial

- *Trial design.* This trial was a single-center, randomized, double-masked, vehicle-controlled, dose-escalation Phase I clinical study to evaluate the safety, tolerability and PK profile of VVN1901 in healthy adults. The primary objective was to assess the safety and tolerability of 10 μg/mL, 20 μg/mL and 40 μg/mL VVN1901 eye drop following single and multiple administration in healthy adults. The secondary objectives were to characterize the PK profile, if sufficient systemic exposure was detected, and to assess immunogenicity.

The dose-escalation phase of this study included three dose groups: 10 μg/mL, 20 μg/mL and 40 μg/mL. We planned to enroll 30 healthy adults with 10 participants in each dose group. Within each dose group, participants were randomized in a ratio of 8:2 to receive VVN1901 or vehicle control, respectively. The trial comprised a single-dose phase on day 1, a QID dosing phase from day 2 to the morning of day 5 (a total of seven doses) and a six times daily (Q2h) dosing phase from day 6 to the morning of day 9 (a total of seven doses).

For each administration, each participant would receive one drop of VVN1901 or placebo (vehicle) in the right eye. All dosing was performed during an inpatient stay at the clinical research center, with discharge after assessments on day 10 and a follow-up visit on day 16. Dose escalation to the next group would proceed after all participants at a dose level have completed all treatment and safety of a dose level was confirmed.

- *Trial status.* The clinical trial was initiated in May 2024 and completed in September 2024. A total of 30 participants were enrolled.

- *Safety.* VVN1901 demonstrated a satisfactory safety and tolerability profile in this study. Among the 30 participants in the SS, 9 participants reported a total of 11 incidents of TEAEs, all of which were mild and non-treatment related or possibly non-treatment related.

- *PK*. Blood concentrations in all participants across the three dose groups were BQL after single and multiple administration.

- *Immunogenicity*. While an anti-drug antibody (ADA) positive participant in the 40 μg/ml group showed a higher ADA titre than those ADA positive participants in the 20 μg/ml group, the presence of a pre-existing, unchanged ADA signal in the vehicle control group suggests the possibility of physiological NGF antibodies. No SAE occurred in any ADA-positive participant. The safety results, together with BQL blood concentration, indicated no apparent increase in systemic safety risk related to ADA development.

- *Conclusion.* In this trial, VVN1901 demonstrated a satisfactory safety profile with BQL systemic exposure.

Material Communications and Next Steps

We obtained an IND approval of Phase I, Phase II and Phase III clinical trials of VVN1901 from the NMPA for the treatment of NK on May 14, 2024. We commenced a Phase I clinical trial in healthy adults in China in May 2024 and completed such trial in September 2024. We conducted an end-of-Phase I consultation with the NMPA and submitted, among others, key results from the Phase I clinical trial and the Phase II clinical trial design. We received the NMPA's official response on March 3, 2025, which raised no material questions and confirmed that we may commence the Phase II clinical trial as a registration-enabling pivotal trial. As of the Latest Practicable Date, we were conducting a Phase II clinical trial in patients with moderate-to-severe NK in China. We plan to complete such trial in 2028. As of the Latest Practicable Date, we had not received any relevant regulatory agency's concerns or objections to our clinical development plans. No material adverse changes had occurred since we obtained the IND approvals and up to the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET VVN1901 SUCCESSFULLY.

OUR COLLABORATION AND LICENSE ARRANGEMENTS

Arrangements with E-nitiate

On February 5, 2021, we entered into an intellectual property agreement (as supplemented on February 10, 2021 and January 29, 2024 and amended and restated on February 6, 2026, the "E-nitiate Agreement") with E-nitiate, a biotech company focused on autoimmune diseases, primarily including autoimmune skin diseases, with a last known registered capital of RMB52.5 million, with respect to the transfer and license of certain intellectual property rights related to the compound underlying VVN461 and VVN432 (the "Relevant Compound"). Pursuant to the E-nitiate Agreement, we transferred the intellectual property rights we had developed and controlled as of February 5, 2021 that are necessary to develop, manufacture or commercialize the Relevant Compound or product candidates comprising the Relevant Compound (the "Relevant Candidates") to E-nitiate, effective on and from February 5, 2021. Substantially concurrently, E-nitiate granted us an exclusive, perpetual and irrevocable license to develop, manufacture and commercialize the Relevant Compound (other than with respect to oral dosage formulation) which currently implicates our product candidates VVN461(HD), VVN461(LD) and VVN432, in the ophthalmology field, (effective on and from February 10, 2021) and rhinology field (effective on and from January 29, 2024) globally. As a result of the E-nitiate Agreement, we hold exclusive global rights to develop, manufacture and commercialize our VVN461(HD) and VVN461(LD) eye drops and VVN432 nasal spray as well as any modifications, upgrades or further developments based on the Relevant Compound (other than with respect to oral dosage formulation) in the ophthalmology and rhinology fields.

Background of the Arrangement

We initiated the research and development of the Relevant Compound in May 2018 and constructed the Relevant Compound in November 2018. After construction of the Relevant Compound, we identified its potential for the treatment of autoimmune skin disease through a series of nonclinical studies completed in May 2020. Following an internal review, we concluded that it would not be practical for us to advance R&D of the Relevant Compound for both ophthalmology and dermatology, given our then limited resources and our strategic positioning as an ophthalmology-focused biotechnology company.

In light of this, and following discussions among our Board and our Shareholders, we decided to concentrate our resources on ophthalmic indications for the Relevant Compound and sought to monetize this asset in other disease areas. After discussion with the Beijia Entities, one of our Pre-[**REDACTED**] Investors and a current shareholder of E-nitiate, we decided to establish a separate entity, namely E-nitiate, together with the Beijia Entities, to explore the potential of Relevant Compound in the dermatology field.

We engaged in several rounds of arm's-length negotiations with the Beijia Entities in 2020 and 2021, and eventually agreed to adopt a back-to-back arrangement where E-nitiate would acquire ownership of the Relevant Compound and the related intellectual property, while we would re-acquire from E-nitiate an exclusive, perpetual and irrevocable worldwide license to use the Relevant Compound, together with the associated know-how and intellectual property, to develop, manufacture and commercialize the Relevant Compound in the ophthalmology field. E-nitiate would retain the rights to the Relevant Compound in all other fields.

We resolved not to retain ownership of the Relevant Compound as it would have risked losing the opportunity to monetize the Relevant Compound in non-ophthalmic indications altogether, particularly in view of the early-stage nature of the asset and the lack of alternative interested buyers at that time. The adopted back-to-back arrangement therefore represented, in our Directors' view, a commercially fitting solution that enabled us to retain full R&D and commercial rights in

our core ophthalmology field, allowed E-nitiate to own the asset and explore the asset's potential in dermatology and other autoimmune fields and maximized the overall commercial value of the Relevant Compound by ensuring that each main indication was developed by a party with the appropriate focus and capability.

Subsequently, in 2023, we considered that Relevant Compound may have promising potential in the rhinology field, which is adjacent and intricately related to ophthalmology. In light of this strategic consideration, we approached E-nitiate and negotiated a field expansion to rhinology. We entered into a supplemental agreement with E-nitiate in January 2024 to use the Relevant Compound and associated know-how and intellectual property to develop, manufacture and commercialize the Relevant Compound in the rhinology field.

As of the Latest Practicable Date, we did not have any current plan to expand the scope of the current Licenses and/or obtain additional licenses in fields other than ophthalmology and rhinology in respect of the Relevant Compound.

Key terms of the E-nitiate Agreement

- *Scope of transfer*. Effective on and from February 5, 2021, we transferred all rights in the Relevant Compound along with any existing preclinical study materials and results of the Relevant Candidates as of February 5, 2021 to E-nitiate (the "Transfer"). After the Transfer, E-nitiate is the sole and exclusive owner of all rights in the Relevant Compound, as well as any assets solely developed by E-nitiate based on, or in relation to, the Relevant Compound after the Transfer.

- *Scope of license*. Effective on and from February 10, 2021, E-nitiate granted us an exclusive (even as to E-nitiate), fully paid-up, royalty-free, perpetual and irrevocable global license to develop, manufacture and commercialize the Relevant Compound (other than with respect to oral dosage formulation) in the ophthalmology field globally (the "Ophthalmology License"). Effective on and from January 29, 2024, E-nitiate further granted us an exclusive (even as to E-nitiate), license fee–bearing (see below for details of the license fee), royalty-free, perpetual and irrevocable global license to develop, manufacture and commercialize the Relevant Compound (other than with respect to oral dosage formulation) in the rhinology field globally (the "Rhinology License", together with the Ophthalmology License, the "Licenses"). With respect to the Licenses, we also have the right to grant sublicense without prior notice or consent of E-nitiate provided that we shall notify E-nitiate within ten days after the grant of a sublicense. After granting the Licenses, E-nitiate has the exclusive global right to develop, manufacture and commercialize the Relevant Compound in all fields other than ophthalmology and rhinology.

- *Fees and payment schedule*. In consideration of the Transfer, E-nitiate shall pay us a one-time, non-refundable and non-creditable fee of RMB8.5 million, which was determined based on the assessed fair value of the transferred assets by an independent appraiser. We received such consideration in March 2021. In addition, with regard to the Rhinology License, we shall pay E-nitiate (i) a one-time, non-refundable and non-creditable upfront payment of RMB0.5 million and (ii) a one-time, non-refundable and non-creditable milestone payment of RMB0.5 million within 30 business days from obtaining the first (and only the first) NDA/BLA approval (or equivalent) for the Relevant Candidates. We made the upfront payment of RMB0.5 million in November 2024. For the avoidance of doubt, no royalty is required for the Licenses and no payment is required for the Ophthalmology License.

- *Non-compete*. We, and any sublicensee, shall not, directly or indirectly, develop, manufacture or commercialize, or enter into any collaboration or license agreement with any third party in connection with, an oral dosage formulation of the Relevant Compound in ophthalmology and rhinology fields.

- *Research and development*. Each party has the sole right to develop the Relevant Compound in its respective field at its own costs and expenses, including conducting the relevant clinical trials.

- *Regulatory filings.* Each party has the sole right to conduct regulatory activities necessary for obtaining and maintaining regulatory approvals for the Relevant Candidates in its respective field at its own costs and expenses. Each party shall apply for regulatory approvals of the Relevant Candidates in its respective field in its own name at its sole discretion and own costs and expenses and be the regulatory approval holder. However, before submitting an NDA for the Relevant Candidates in China, each party shall notify the other party at least 30 days in advance.

- *Joint Steering Committee (JSC).* We agree to establish a JSC with E-nitiate to provide a forum for overall coordination and communication in respect of parties' activities under the E-nitiate Agreement. Each party shall appoint two representatives to the JSC, each of which shall have sufficient seniority and relevant expertise. We shall have the sole discretion and right to make all final decisions regarding development, manufacture and commercialization of the Relevant Compound in the ophthalmology and rhinology field.

- *Commercialization.* Each party has the sole right to commercialize the Relevant Compound in its respective field at its own costs and expenses.

- *Intellectual Property*. Inventorship and discoveries, including improvements solely developed or conceived by or on behalf of a party in connection with the activities conducted under the E-nitiate Agreement, shall be exclusively owned by such party. If any inventions are developed or conceived jointly by or on behalf of both parties in connection with the activities conducted under the E-nitiate Agreement, such inventions shall be jointly owned by both parties and each party may independently exploit such inventions without the duty of accounting or seeking consent from the other party except otherwise restricted by the E-nitiate Agreement.

- *Confidentiality*. Except to the extent expressly authorized by the E-nitiate Agreement or otherwise agreed in writing by the parties, both parties are under strict confidentiality with respect to any information received or learned by the other party under the E-nitiate Agreement.

- *Term*. The E-nitiate Agreement has a perpetual term commencing from February 6, 2026 unless terminated in accordance with the terms of the E-nitiate Agreement. We may terminate the E-nitiate Agreement in its entirety with 60 days' prior written notice of termination to E-nitate. It may also be terminated by either party due to the other party's uncured material breach or insolvency. As confirmed by Frost & Sullivan, these termination provisions are in line with industry practice for irrevocable licenses of a similar nature. We consider the risk of termination of the Licenses to be remote, as the triggering events are within our control.

- *Dispute Resolution*. Any dispute between E-nitiate and us under the E-nitiate Agreement that is not resolved within 30 days after it is first identified shall be escalated to the respective chief executive officers of the parties for good faith negotiations for a further 30 days. If the dispute remains unresolved, it shall be submitted to arbitration administered by the China International Economic and Trade Arbitration Commission in accordance with the procedures agreed in the E-nitiate Agreement.

- *Amendment*. The E-nitiate Agreement may be amended only by a written instrument duly executed by authorized representatives of both parties.

According to Frost & Sullivan, the arrangement to divest our ownership of then early-stage assets while retaining an exclusive field-of-use license for our core therapeutic area is in line with common industry practice, particularly for small- or mid-sized biotechnology companies with a defined therapeutic focus and limited resources, and the terms of the E-nitiate Agreement are also consistent with market practice for comparable transactions.

E-nitiate is one of our associates and Dr. Shen serves as the chairman of its board. Save for Nanjing Chuangyishijiezhiyuan Phase I Venture Investment Partnership (Limited Partnership) (南京創熠時節致遠一期創業投資合夥企業(有限合夥))*, Nanjing Shijiezhitong Enterprise Management Center (Limited Partnership) (南京時節志同企業管理中心(有限合夥))** and our Company, all other shareholders of E-nitiate are Independent Third Parties. There is no overlap in the decision-making processes of our Group and E-nitiate. We have adopted measures to manage any actual or potential conflicts of interest between our Group and E-nitiate. In particular, if any transaction is proposed between our Group and E-nitiate that gives rise to an actual or potential conflict of interest, Dr Shen will abstain from voting at the relevant meetings of our Board on such transaction and will not be counted in the quorum for those meetings.

RESEARCH AND DEVELOPMENT

We are a biotech company focused on ophthalmic therapies. We believe research and development is critical to our ability to grow into a biopharmaceutical company and remain competitive in the industry. We have conducted the research and development of all of our product candidates and are dedicated to continuing to expand our innovative product pipeline.

We conduct our R&D activities through an in-house team as well as engagement of external CROs, as is in line with industry practice. We have established three R&D platforms to support our drug discovery and development, namely our ophthalmic small-molecule drug discovery platform, advanced formulation development platform and translational research platform for innovative ophthalmic drug. We incurred research and development expenses of RMB128.3 million, RMB94.4 million and RMB56.9 million in the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, respectively. Our research and development expenses decreased from 2024 to 2025 primarily because we completed the Phase II clinical trial of VVN461 in the United States and the Phase I clinical trial of VVN1901 in late 2024 and the Phase II clinical trial of VVN461 in China in early 2025 while we only began the Phase III clinical trial of VVN461(HD) and the Phase II clinical trial of VVN1901 in the second half of 2025.

In the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, we incurred research and development expenses of RMB15.2 million, RMB16.3 million and RMB16.5 million, respectively, for the development of VVN461(HD), primarily for the treatment of NIAU, accounting for 10.6%, 14.2% and 21.0% of our total operating expenses in the respective periods. In the same periods, we incurred research and development expenses of RMB34.2 million,

* Such entity is ultimately controlled by Mr. Zhang Nan, one of our non-executive Directors.

** General partner of such entity is 99.8% owned by Mr. Zhang Nan, one of our non-executive Directors. However, Mr. Zhang Nan does not have control over the voting rights of such entity.

RMB32.2 million and RMB16.0 million, respectively, for the development of VVN001, accounting for 23.8%, 28.0% and 20.4% of our total operating expenses in the respective periods. See "Financial Information—Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income—Research and Development Expenses" for details.

In-House Research and Development Capabilities

In-House R&D Team

Our in-house R&D team consisted of 53 members as of the Latest Practicable Date. Our R&D team is led by senior management members with a proven track record in drug R&D, including Dr. Shen Wang (our CEO, who is primarily responsible for drug discovery and early-stage development), Dr. Xia Erning (our CTO, who is primarily responsible for drug formulation development and drug product manufacturing) and Dr. Tsai Albert Jr. (our CMO, who is primarily responsible for clinical development).

- Dr. Shen Wang has over 30 years of experience in R&D and management in oncology, immunomodulation, metabolic diseases and antiviral therapies. Dr. Shen graduated from the University of Pittsburgh in the United States and subsequently held senior R&D positions at several multinational pharmaceutical companies, including Abbott Laboratories, Sunesis Pharmaceuticals, Inc. and Amgen Inc. Before founding our Group, Dr. Shen participated in the development of Xiidra®, the first-in-class targeted therapy for DED approved by the FDA in the past decade, and VENCLEXTA®, a landmark, first-in-class oncology blockbuster drug.

- Dr. Xia Erning has over 30 years of experience in ophthalmic pharmaceutical research and development. Dr. Xia graduated from the College of Pharmacy at the University of Iowa in the United States, one of the few institutions worldwide that train PhD-level specialists in ophthalmic pharmaceutical sciences. Before joining our Group, Dr. Xia served as a research fellow at Bausch + Lomb. During his tenure at Bausch + Lomb, he participated in various R&D projects and was one of the developers of ReNu® MultiPlus Multi-Purpose Solution, LOTEMAX® GEL and Besivance®. Dr. Xia has published over 35 scientific papers and is the inventor of nearly 200 granted patents. He has received numerous prestigious awards in the United States, including Science Spectrum Trailblazer at the Conference on Minorities in Research Science awarded by Science Spectrum Magazine and Career Achievement in Industry awarded by the Emerald Honors Conference.

- Dr. Tsai Albert Jr. has nearly 30 years of experience in the pharmaceutical and biotechnology industry in several established multinational pharmaceuticals, including Bayer Aktiengesellschaft, Merck & Co., Inc., G.E. HealthCare Technologies Inc., Amgen Inc. and AbbVie Inc., where he has held senior medical, commercial and operational excellence roles spanning clinical research, medical affairs, regulatory affairs and sales and marketing across multiple therapeutic areas and global markets. Dr. Cai has also served as chief medical officer of Zhaoke Ophthalmology, a company listed on the Stock Exchange (stock code: 06622), where he managed a sizeable drug pipeline in both China and the United States.

See "Directors and Senior Management" for further details on their past experience.

Our in-house R&D team consisted of 53 members as of the Latest Practicable Date, with over 50% holding a master's degree or above in chemistry, biology/pharmacy, medicine or related field. The following table sets forth the details of our R&D team by department as of the Latest Practicable Date.

Function	Number of Employees
R&D management	20
Formulation	21
Clinical development	10
Regulatory affairs	2
Total	**53**

Our R&D management department oversees the overall management of medicinal chemistry, biology, translational research, quality management and project management functions. Our formulation department is responsible for formulation development and analytical activities, as well as coordination with contract manufacturing organizations. Our clinical development department is responsible for clinical development planning, protocol design and trial data analysis as well as coordination with CROs for the execution and management of clinical trials. Our regulatory affairs department is responsible for the regulatory approval process of our product candidates. See —Regulatory Affairs." As we advance the development of our Core Products, we plan to allocate a greater portion of manpower to clinical development department and establish pharmacovigilance team after we commercialize our Core Products.

Our key R&D personnel include Dr. Shen, Dr. Xia Erning, Dr. Ding Yue and Ms. Han Qiao. With over 15 years of experience in R&D of ophthalmology, oncology, cardiology and antibiotic therapies, Dr. Ding Yue joined our Group in 2020 and currently serves as the director of our medicinal chemistry department. Dr. Ding obtained his doctors' degree in chemistry from the Ohio State University and subsequently held senior positions at reputable biotech companies. Ms. Han Qiao joined our Group in 2020 and currently serves as our deputy director of formulation department. Ms. Han has approximately 10 years of experiences in medicinal and organic chemistry, with a focus on the process and formulation development and scale-up production. All key R&D personnel involved in the research and development of our Core Products remained employed by us during the Track Record Period and up to the Latest Practicable Date.

Scientific Advisory Board

Our in-house research and development team is supported by our Scientific Advisory Board (SAB). Each member of our SAB is an influential expert and thought leader in the ophthalmic pharmaceutical field, holding high level positions in prestigious hospital or university. Our SAB provides strategic, scientific and clinical guidance throughout the research and development of our Core Products and other product candidates, including advising on overall clinical development strategy, assessing and optimizing clinical trial designs and protocols and offering ongoing input on the interpretation of clinical data and refinement of development plans. In addition, our SAB members support our engagement with regulatory authorities such as FDA and facilitate access to experienced clinical investigators, key opinion leaders in the United States, thereby enhancing the quality, efficiency and global competitiveness of our research and development activities. Key members of our SAB include Dr. Quan Duan Nguyen (a professor of ophthalmology at the Stanford Byers Eye Institute focusing on the development of novel therapies and diagnostic technologies for retinal vascular and ocular inflammatory diseases), Dr. Gary D. Novack (a clinical professor of pharmacology and ophthalmology at the UC Davis School of Medicine with over 40 years of experience in pharmaceutical research and development) and Dr. David S. Boyer (one of the leading

retinal clinical researchers for new treatments in macular degeneration and diabetic macular edema). We believe, we are able to further enhance our R&D capabilities by virtue of the valuable and unique expertise and domain-specific insight of our SAB members in various disciplines.

Our Technology Platforms

To support the development of our product candidates, our research and development team has established, managed and operated three integrated technology platforms to support the research and development of and expand our product portfolio, including our ophthalmic small-molecule drug discovery platform for precise molecule discovery, advanced formulation development platform for efficient delivery formulation and translational research platform for innovative ophthalmic drug.

Ophthalmology small-molecule drug discovery platform

Our ophthalmic small-molecule drug discovery platform is the core driver of our differentiated innovation, beginning from the early stage of molecule discovery. This platform is dedicated to addressing the therapeutic limitations associated with conventional single-target drugs. By recognizing the multi-target-driven mechanisms underlying ophthalmic diseases, it aims to deliver more accurate and effective treatment.

Discovered through this platform, our VVN461 demonstrated high activity, high selectivity, high permeability and broad coverage of inflammatory cytokine pathways. In addition, during the development of our VVN001, our discovery platform facilitated the high aqueous solubility and high stability of VVN001.

Advanced formulation development platform

Our advanced formulation development platform serves as the cornerstone for us to realize precise delivery and rapid onset action of our investigational drugs, effectively addressing critical challenges associated with ophthalmic drug delivery. For ophthalmic drugs, formulation development is key to a product's clinical value, commercialization potential and competitive barriers. The unique value of formulation development arises from the need for precise drug delivery and patient adherence due to the special physiological structure of the eye. Leveraging our formulation platform, we have developed the following advanced formulations for our drug candidates.

- *Flash transmucosal delivery system (VVN461).* Utilizing cyclodextrin encapsulation technology, we improved the solubility of the VVN461 molecule by 100 to 200 times, allowing a higher drug load to be delivered within the small volume that can be retained on the ocular surface, thereby increasing the amount of active drug available for corneal penetration and therapeutic effect. Furthermore, by optimizing ionic strength, adjusting the ratio of osmotic pressure regulators and employing an advanced formulation inclusion process, we have improved the compatibility of the formulation with ocular surface mucins and enhanced bioavailability, resulting in outstanding drug concentration within anterior segment tissues in our preclinical *in vivo* studies.

- *Enhanced formulation and packaging processes (VVN1901).* By optimizing the formulation and utilizing BFS packaging, we have substantially improved the stability and convenience of VVN1901. VVN1901 demonstrates high stability at 2°C to 8°C for extended periods and can maintain stability at room temperature for a minimum of 30 days. Furthermore, the BFS packaging of VVN1901 allows for convenient administration. These enhanced formulation and packaging process support convenient transportation, storage and daily use and therefore better patient adherence.

- *Intravitreal sustained-release delivery technology (a preclinical candidate).* We have developed an intraocular retinal implant rod enabling long-acting sustained drug release for three to nine months. Through optimization of biodegradable polymer composition in vitreous fluid, combined with the use of a specific crystal form of a highly potent compound, as well as control over particle size and dissolution rate in its crystalline state, we are developing a preclinical candidate for the treatment of retinal diseases. Following intravitreal injection, this implant is designed to provide sustained release over approximately six months, maintaining therapeutic concentrations of the drug substance to inhibit vascular leakage at the fundus and retinal fibrosis, potentially offering improved therapeutic outcomes for retinal diseases compared with existing treatment options.

- *Sustained-release delivery technology (a preclinical candidate).* This long-acting injectable formulation is designed for sustained drug release. By controlling the particle size and particle dissolution rate, it manages the rate at which the drug is released.

Translational research platform for innovative ophthalmic drug

Our translational research platform for innovative ophthalmic drugs is the critical contributor to establishing our research and development capabilities in the ophthalmology field. Developing ophthalmic disease models is highly challenging and requires more sophisticated operations due to the high technical and procedural requirements for achieving precise ocular modeling. Additionally, many CROs are unable to design and develop ophthalmic disease models that meet our requirements. Therefore, the expertise of our translational research team is crucial for the successful development of ophthalmic models. Our translational medicine team has developed various animal models leveraging the research animal resources of CROs. These models include glaucoma models, uveitis models, ocular surface nerve growth models and retinal vascular leakage models. Our scientists design each model and collaborate closely with CRO specialists in the laboratories to establish, test and refine them. We have intellectual property rights to all such developed models.

Drug Discovery and Preclinical Research

Our drug discovery team is dedicated to the discovery of novel product candidates indicated for ophthalmology diseases to address unmet clinical needs. Our senior management and R&D team members review and discuss feedback from KOLs, physicians and academic institutions to identify potential R&D opportunities. Through the communications, we identify clinical needs and develop or adjust our product candidates to address these needs, which in turn ensures the market acceptance and demand for our products later on. Leveraging our ophthalmology small-molecule drug discovery platform, we translate promising biological targets and mechanisms into patentable small-molecule candidate compounds with strong druggability potential. Through this process, we complete the key early-stage research and development steps that underpin subsequent preclinical and clinical development. Our internal research and development team takes a leading role in the design and management of the research projects and outsources certain daily execution tasks, such as pharmacologic, pharmacokinetic and toxicologic evaluation, to multiple CROs. See "—Collaboration with CROs" below.

Clinical Development

Our clinical team has solid capabilities with respect to clinical trial design, execution and regulatory expertise spanning all clinical phases of drug development. Our clinical team performs core functions such as designing clinical development strategies, plans and protocols, and executing clinical trials. We formulate our clinical trials in accordance with current standard of care or recommended modality according to national and international guidelines. We strategically design the clinical trials of our product candidates, critically select the registration pathways and diligently conduct our clinical trials to ensure speed of execution, optimal clinical efficacy and data quality. We also maintain constructive dialogs with regulatory authorities to accelerate the approval process

of our product candidates. Our clinical team is comprised of personnel with extensive research expertise and rich practical experience. Our clinical team also cooperates with research institutions, such as well-known hospitals and CROs, and experienced experts (as leading PIs) for our clinical trials. See "—Collaboration with CROs."

Collaboration with CROs

In line with industry practice, we engage reputable CROs to support our preclinical and clinical studies from time to time. We proactively seek well-known CROs with good reputation in the industry and evaluate self-recommendations from CROs offering services to us. When selecting CROs, we consider a number of factors, including their technical expertise, their past experience in preclinical and clinical studies, their reputation and influence in the industry, their qualifications and credentials, professional experience of their employees, their ability to collaborate effectively with us and pricing. When determining service fees for CROs, we discuss with the CROs and set the pricing based on various factors, including the academic and professional qualifications of their team, their experience in the industry and market fee levels. The work scope of CROs in the development of our product candidates may vary, subject to our overall management and instructions. We engaged 36, 36 and 16 CROs in the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, respectively, except for Viva Biotech, all of which were Independent Third Parties to the best of our knowledge. In the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, we recorded CRO expenses of RMB35.7 million, RMB44.7 million and RMB26.6 million, respectively.

With respect to preclinical studies, CROs typically provide us with services related to preclinical PK, PD and toxicity evaluations, both *in vitro* and *in vivo*, of our product candidates in accordance with our study design and under our supervision. With respect to clinical studies, CROs typically provide us with a comprehensive suite of services, or occasionally part of the services, required in complex clinical trials in accordance with our trial design and under our supervision. CROs generally assist us in the implementation and management of clinical trials, including day-to-day site management, trial preparation, source data verification, clinical safety management, data management and report preparation.

After we select a CRO to support our clinical trial, we enter into service agreements with the CRO, which sets out, among other things, the purpose and content of the clinical trial, responsibilities of each party, research procedures and the payment schedule. We also enter into framework agreements with certain CROs, which typically specify the work scope and service fees. We have set in place various procedures regarding the management and monitoring of the performance by CROs. Our clinical development department is responsible for managing the overall clinical trial process and overseeing CROs' work. We hold regular progress meetings with CROs and provide specific directions to ensure the quality and efficiency of the trial execution. We conduct regular and *ad hoc* on-site audits of CROs, including interviewing their employees, and reviewing documentations and records, such as relevant data and reports. We would keep formal records of such audits and follow up regarding issues discovered in the process. For clinical CROs, we would also refer to the NMPA compliance record of their previous clinical trials. Our CROs are also required to fully cooperate with our monitoring and inspection activities and rectify any issue identified during such inspections. If the CROs fail to conduct the studies in compliance with the relevant laws and regulations, we may be subject to liability. See "Risk Factors—Risks Relating to the Development of Our Product Candidates—We rely on third parties to conduct our preclinical studies and clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed." Under the agreements, we own all intellectual property and trial results and the CROs must maintain strict confidentiality with respect to the information they acquire during clinical trials. There was no material non-compliance incidence during our cooperation with CROs and we did not have any material disputes or disagreements with the engaged CROs during the Track Record Period and up to the Latest Practicable Date.

REGULATORY AFFAIRS

Our regulatory affairs team is responsible for the regulatory approval process of our product candidates from clinical research to commercialization stage in both China and international markets. Its responsibilities include assembling application dossiers for IND applications, addressing inquiries from relevant regulatory authorities and monitoring ongoing R&D projects to ensure compliance with relevant laws and regulations. The team members are familiar with regulatory processes of relevant governmental agencies, such as the NMPA and FDA. As of the Latest Practicable Date, we had successfully obtained seven IND approvals (five from the NMPA and two from the FDA) for our product candidates. We believe our team's extensive experience in navigating the regulatory process will be critical for our commercial success.

MANUFACTURING

During the Track Record Period and up to the Latest Practicable Date, we engaged qualified CDMOs to manufacture product candidates for our preclinical and clinical supplies. We select CDMOs based on several criteria, including manufacturing capacity and qualifications, technical expertise, reputation, geographic proximity, track record, product quality, production cost, compliance with applicable regulations and guidelines. We enter into service agreements with CDMO, which sets out, among other things, the specifics of the manufacturing services to be provided, the applicable procedural and quality standards, responsibilities of each party and the payment schedule. We have established, and will continue to implement, robust procedures to ensure that the production qualifications, facilities and processes of our CDMOs comply with all relevant regulatory requirements, as well as our internal policies and quality standards. In the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, we engaged 12, 8 and 11 CDMOs, respectively, and incurred CDMO expenses of RMB27.0 million, RMB5.9 million and RMB6.0 million, respectively. All of our CDMOs during the Track Record Period were based in China and were Independent Third Parties to the best of our knowledge. We intend to continue to collaborate with contract manufacturing organizations for the future commercial manufacturing of our Core Products, VVN001 and VVN461(HD), following regulatory approval. In addition, we may also consider establishing in-house manufacturing capabilities in the future. As of the Latest Practicable Date, we had not developed any concrete plan to establish in-house manufacturing capabilities.

Quality Management

Our quality assurance team is responsible for maintaining our quality management system, covering our entire R&D process, ensuring compliance with good manufacturing practice (GMP), good clinical practice (GCP) and good distribution practice (GDP) requirements, and safeguarding product quality and patient safety.

We implement a rigorous supplier management program, which includes thorough qualification of CDMOs via regular on-site and documentary audits, quality system assessments and the maintenance of an approved supplier list. With each CDMO, we enter into quality agreements that clearly define responsibilities for manufacturing, quality control, batch release, deviation management, change control and complaint handling. Our designated quality personnel retain final authority for reviewing batch production records, analytical reports and supporting documentation, and make independent batch release decisions to ensure full adherence to registered specifications and internal protocols. To further strengthen compliance and traceability, we have implemented comprehensive standard operating procedures spanning the entire CDMO partnership lifecycle, ensuring all quality activities are systematically standardized, thoroughly documented and readily auditable, supporting both regulatory compliance and sustained product quality throughout the product lifecycle.

COMMERCIALIZATION

We are actively formulating our commercialization plans in anticipation of multiple potential product launches over the next few years, including our Core Products, VVN001 and VVN461(HD). Drawing on our management team's deep knowledge and extensive experience in biopharmaceutical industry, particularly in ophthalmology, we intend to tailor commercialization strategies for each late-stage product candidate according to its market positioning. In developing these strategies, we will consider key factors such as pricing, dose regimen, patient economic, social and demographic characteristics, market access and reimbursement policies.

Both our Core Products are currently in Phase III clinical trials and have demonstrated robust efficacy in Phase II clinical trials. Therefore, our current commercialization effort focuses on consolidating clinical and academic recognition by presenting clinical trial data at leading professional conferences and in peer-reviewed journals and by leveraging the influence and experience of principal investigators, who are recognized experts in the relevant fields. We are also preparing for post-approval inclusion in clinical practice guidelines and expert consensuses to support physician adoption.

Based on our current development progress, we plan to commercialize VVN461 and VVN001 in China in 2029. We intend to price VVN461 by reference to marketed topical immunosuppressant eye drops in China, which currently has a monthly cost of approximately RMB700, which are well below that of currently marketed biologics, which have a monthly cost of over RMB2,000. We believe this pricing strategy will support favorable affordability and market uptake. We intend to position VVN001 competitively by reference to currently marketed DED therapies in China, which are primarily priced with a monthly cost of approximately RMB300.

Following relevant NDA approval, we intend to apply for the inclusion of each Core Product in the NRDL in China and obtain broad commercial insurance coverage in the United States to facilitate rapid market penetration. Although NRDL negotiations may result in price reductions, we believe that NRDL inclusions will enable us to reach a significantly larger patient base and support our sustainable revenue growth.

Taking into account our resource allocation and cost efficiency, as well as speed and access to market, we have adopted a practical commercialization model. Our primary commercialization approach will center on cooperation with established pharmaceutical companies, supported by a specialized in-house team with strong medical and scientific background. We plan to establish a commercialization team with strong medical and/or business development expertise as our product candidates approach commercialization. See "Future Plans and Use of [**REDACTED**]."

INTELLECTUAL PROPERTY

As a biotech company focused on ophthalmic therapies, our intellectual property is critical to our innovation. Our success depends, in part, on our ability to obtain and maintain patents and other intellectual property and proprietary protections for commercially important technologies, inventions and knowhow related to our business, defend and enforce our patents, preserve the confidentiality of our trade secrets and operate without infringing, misappropriating or otherwise violating the valid and enforceable intellectual property rights of third parties. We actively seek patent protection for our drug product candidates in China, the United States and other major jurisdictions and file additional patent applications, when appropriate, to cover certain active compounds, formulations, manufacturing process and drug delivery systems. We have developed a significant portfolio of intellectual property rights to protect our technologies and products. As of the Latest Practicable Date, we had 6 patents in China and 12 patents overseas. As of the same date, we had 14 patent applications in China and 36 patent applications overseas. Except for a patent of compound underlying VVN461 and VVN432, which is licensed by E-nitiate to us, all patents and patent applications of our Core Products as of the Latest Practicable Date were self-developed and self-owned. See "—Our Collaboration and License Agreements—Arrangements with E-nitiate" for details. We do not co-own any patents and have not entered into any patent sharing arrangement with third parties.

The table below lists the material patents and patent applications of our Core Products, VVN461(HD) and VVN001, as of the Latest Practicable Date.

Core Product	Patent/ Application	Patent/ Application Number	Type of Patent	Jurisdiction	Status	Application Date	Expiration Date
VVN461 . . .	a cyano-substituted cyclic hydrazine derivative and its applications (一種氰基取代的環肼衍生物及其應用)[1]	ZL201910872780.1	Invention	China	Granted and renewable	September 16, 2019	September 15, 2039
		US12,478,620B2	Invention	United States	Granted and renewable	June 11, 2020	June 10, 2040
		20864315.5	Invention	Europe	Pending	June 11, 2020	N/A
		EA045871B1	Invention	Euroasia	Granted and renewable	June 11, 2020	June 10, 2040
		JP7620333B1	Invention	Japan	Granted and renewable	June 11, 2020	June 10, 2040
		TWI749644B	Invention	Taiwan	Granted and renewable	June 11, 2020	June 10, 2040
VVN461 . . .	ophthalmic composition for treating non-infectious inflammatory diseases (一種用於治療非感染性炎症疾病的眼科組合物)	2024-508982	Invention	Japan	Granted and renewable	May 25, 2023	May 24, 2043
		2023316921	Invention	Australia	Granted and renewable	May 25, 2023	May 24, 2043
		202310484101.X	Invention	China	Pending	April 28, 2023	N/A
		18/693,334	Invention	United States	Pending	May 25, 2023	N/A
		23848463.8	Invention	Europe	Pending	May 25, 2023	N/A
		10-2024-7024066	Invention	Korea	Pending	May 25, 2023	N/A
		3,231,266	Invention	Canada	Pending	May 25, 2023	N/A
		11202400923R	Invention	Singapore	Pending	May 25, 2023	N/A
		42024101316.8	Invention	Hong Kong	Pending	December 24, 2024	N/A
		310946	Invention	Israel	Pending	May 25, 2023	N/A
VVN461 . . .	JAK inhibitors for treating inflammatory eye conditions	PCT/CN2025/128136	Invention	International (WIPO)	Pending	October 16, 2025	N/A
VVN001 . . .	phosphorus-containing compound and preparation and use thereof (一種含磷化合物及其製備和應用)	ZL201810291023.0	Invention	China	Granted and renewable	April 3, 2018	April 2, 2038
		US11,325,929B2	Invention	United States	Granted and renewable	May 21, 2018	May 20, 2038
		EP3647315	Invention	Europe	Granted and renewable	May 21, 2018	May 20, 2038
		KR10-2208639B1	Invention	Korea	Granted and renewable	May 21, 2018	May 20, 2038
		JP6949967B2	Invention	Japan	Granted and renewable	May 21, 2018	May 20, 2038
		HK1261734A1	Invention	Hong Kong	Granted and renewable	April 3, 2018	April 2, 2038
		AU2018291666B2	Invention	Australia	Granted and renewable	May 21, 2018	May 20, 2038
		CA3092885C	Invention	Canada	Granted and renewable	May 21, 2018	May 20, 2038

Core Product	Patent/ Application	Patent/ Application Number	Type of Patent	Jurisdiction	Status	Application Date	Expiration Date
VVN001 . . .	an immune cell migration inhibitor (一種免疫細胞遷徙抑制劑)	ZL201711050899.8	Invention	China	Granted and renewable	October 31, 2017	October 30, 2037
VVN001 . . .	a compound containing a five-membered ring and its preparation and applications (一種含五元環的化合物及其製備和應用)	ZL201810455868.9	Invention	China	Granted and renewable	May 14, 2018	May 13, 2038
VVN001 . . .	a preparation method for an LFA-1 inhibitor (一種LFA-1抑制劑的製備方法)	202210596940.6	Invention	China	Granted and renewable	May 30, 2022	May 29, 2042
VVN001 . . .	a VVN001-containing ophthalmic composition (一種含VVN001的眼科組合物)	2023-560923	Invention	Japan	Granted and renewable	May 25, 2023	May 24, 2043
		202310476403.2	Invention	China	Pending	April 27, 2023	N/A
		18/718,308	Invention	United States	Pending	May 25, 2023	N/A
		23887181.8	Invention	Europe	Pending	May 25, 2023	N/A
		10-2024-7022421	Invention	Korea	Pending	May 25, 2023	N/A
		3,238,321	Invention	Canada	Pending	May 25, 2023	N/A
		2023361985	Invention	Australia	Granted and renewable	May 25, 2023	May 24, 2043
		11202402955W	Invention	Singapore	Pending	May 25, 2023	N/A
		42024101206.1	Invention	Hong Kong	Pending	December 20, 2024	N/A
		312531	Invention	Israel	Pending	May 25, 2023	N/A

Notes:

(1) Licensed to our Company by E-nitiate. See "—Our Collaboration and License Agreements—Arrangements with E-nitiate."

(2) Inventors of the listed registered patents related to VVN461 include Dr. Shen, Dr. Xia Erning and Ms. Han Qiao, and certain supporting R&D staff. Inventors of the listed registered patents related to VVN001 include Dr. Shen, Dr. Xia Erning, Dr. Ding Yue and Ms. Han Qiao as well as certain supporting R&D staff and technicians from CROs we engaged in the development of VVN001. According to Frost & Sullivan, it is in line with industry practice to include technicians from CROs in the patent inventors. Among all such patent inventors, our key R&D personnel, namely Dr. Shen, Dr. Xia Erning, Dr. Ding Yue and Ms. Han Qiao, remained employed by our Group during the Track Record Period and up to the Latest Practicable Date.

As of the Latest Practicable Date, we had registered two trademarks and one domain name in China. See "Appendix VI—Statutory and General Information" to this document for further information.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material proceeding in respect of, and we had not received notice of any material claim of infringement of, any intellectual property rights that may be threatened or pending, in which we may be a claimant or a respondent that may have a material adverse impact on us. We have engaged our PRC IP Counsel and U.S. IP Counsel to carry out freedom-to-operate (FTO) analyses with respect to our Core Products. Based on the FTO analyses, we were not aware of any issued patents that may affect our rights to conduct research and development or commercialization of our Core Products in China and the United States as of the Latest Practicable Date. As advised by our PRC IP Counsel and U.S. IP Counsel, the patents and patent applications owned or controlled by us provide patent protection covering the key technical features of our Core Products, and are closely aligned with the technical solutions of such Core Products. In light of the foregoing, our

Directors are of the view that we have maintained sufficient intellectual property protection for our Core Products and product candidates, as well as their associated technologies, and had not infringed any third-party intellectual property rights during the Track Record Period and up to the Latest Practicable Date.

SUPPLIERS

During the Track Record Period, our suppliers primarily consisted of (i) CROs for preclinical and clinical research, (ii) CDMOs for manufacturing of product candidates used in our research, (iii) SMOs for clinical trials and (iv) suppliers of laboratory consumables, machinery and equipment.

The factors that may affect our selection of suppliers mainly include scale and capabilities, technical expertise, qualifications and credentials, project managers' experience, market reputation, pricing competitiveness and their ability to collaborate effectively with us. We conduct a formal evaluation process when selecting suppliers and usually select those who have demonstrated appropriate expertise and reliability. In addition to vetting new suppliers, we also conduct regular evaluations of existing suppliers and require suppliers to promptly address any issues discovered during such evaluations. See "—Research and Development—Collaboration with CROs" and "—Manufacturing" for details on our relationships with CROs and CDMOs. We maintain relationships with a diversified pool of qualified CRO and CDMOs and do not rely on any single such service provider.

During the Track Record Period, we did not encounter any material dispute with our suppliers or any material breach of our purchase agreements, nor did we experience any material shortage, delay or price fluctuation in the supply of our raw materials. For risks related to supply of our raw materials, see "Risk Factors—Risks Relating to the Manufacturing and Commercialization of Our Product Candidates—Scarcity of available raw materials or increases in our raw material costs may negatively impact our business, financial condition and results of operations."

In the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, our purchases from our five largest suppliers were RMB54.8 million, RMB40.0 million and RMB29.2 million, respectively, accounting for approximately 72.7%, 57.4% and 76.6%, respectively, of our total purchases for the respective periods. In the same periods, purchases from our largest supplier were RMB17.9 million, RMB20.4 million and RMB15.7 million, respectively, accounting for approximately 23.7%, 29.3% and 41.1%, respectively, of our total purchases for the respective periods.

The following tables set forth details of our five largest suppliers during the Track Record Period.

Supplier	Products/ service purchased	Purchase Amount	% of Total Purchase	Commencement of Business Relationship	Credit Terms
		(RMB'000)	*(%)*		
Six months ended June 30, 2026					
A[(1)]	CRO services	15,690	41.1	2024	15 days
B[(2)]	CRO services	7,291	19.1	2023	22 days
C[(3)]	CDMO, SMO and CRO services	2,825	7.4	2016	30 days
D[(4)]	CDMO services	2,044	5.4	2024	15 days
E[(5)]	Consulting services	1,386	3.6	2026	N/A
Total		**29,237**	**76.6**		

Supplier	Products/ service purchased	Purchase Amount	% of Total Purchase	Commencement of Business Relationship	Credit Terms
		(RMB'000)	*(%)*		
Year ended December 31, 2025					
A	CRO services	20,354	29.3	2024	15 days
B	CRO services	13,896	20.0	2023	22 days
F[6]	Laboratory materials procurement services	2,386	3.4	2024	10 days
C	CDMO, SMO and CRO services	2,009	2.9	2016	30 days
G[7]	CRO services	1,306	1.9	2024	30 days
Total		**39,951**	**57.4**		
Year ended December 31, 2024					
H[8]	Preclinical services	17,877	23.7	2022	30 days
A	CRO services	12,076	16.0	2024	15 days
B	CRO services	11,336	15.0	2023	22 days
I[9]	CRO services	7,939	10.5	2019	30 days
C	CDMO, SMO and CRO services	5,597	7.4	2016	15 or 30 days
Total		**54,824**	**72.7**		

Notes:

(1) Supplier A is a CRO based in Guangzhou, Guangdong, with a last known registered capital of RMB385.6 million. Supplier A is listed on the Shenzhen Stock Exchange.

(2) Supplier B is a CRO based in Beijing, with a last known registered capital of RMB72.6 million.

(3) Supplier C is a CRO/CDMO company based in Wuxi, Jiangsu, with a last known registered capital of RMB2,933.3 million. Supplier D is listed on the Hong Kong Stock Exchange and Shanghai Stock Exchange.

(4) Supplier D is a CRO/CDMO company based in Beijing, with a last known registered capital of 360.0 million.

(5) Supplier E is a global health information technology and clinical research company based in North Carolina, the United States.

(6) Supplier F is a chemical products provider based in Shanghai, with a last known registered capital of RMB5.0 million.

(7) Supplier G is a contract outsourcing company based in Shanghai, with a last known registered capital of RMB1.6 million.

(8) Supplier H is a CDMO/CMO company based in Shanghai, with a last known registered capital of RMB210.0 million.

(9) Supplier I is a specialized ophthalmology CRO based in North Carolina, the United States.

None of our five largest suppliers was our customers during the Track Record Period. To the best of our knowledge, all of our five largest suppliers during each year/period of the Track Record Period are Independent Third Parties. As of the Latest Practicable Date, to the best of our knowledge, none of our Directors, their close associates or any Shareholders which, to the knowledge of our Directors, owned more than 5% of the issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our five largest suppliers during the Track Record Period.

COMPETITION

The ophthalmic pharmaceutical market is highly competitive and is characterized by extensive research efforts. We believe our integrated technology platforms, comprehensive and differentiated product pipeline, product candidate with first-in-class potential, globalized research and development and ecosystem collaboration provide us with strong competitive advantages. We face

potential competition from many different entities, including pharmaceutical and biopharmaceutical companies, academic institutions and public and private research institutions. Our Core Products and other product candidates face competition from approved and clinical-stage product candidates that focus on similar indications and target similar patient population, and these competing products may have strengths and advantages when compared to our product candidates. For competitive landscape of our product candidates, see "—Our Product Candidates" and "Industry Overview" for details.

Many of the companies we are competing against or against which we may compete in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved drugs than we do. Mergers and acquisitions in the pharmaceutical and biopharmaceutical industries may result in even more resources being concentrated among a smaller number of our competitors. We also face competition from other small and early-stage companies, particularly their collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies or products complementary to, or necessary for, our research and development.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize drugs that are safer or more effective, have fewer or less severe side effects, are more convenient or are less expensive than any drugs that we may develop. Our competitors also may obtain regulatory approval for their drugs earlier than we obtain approval for ours, which could result in our competitors establishing a strong market position before we or our collaborators are able to enter the market. See "Risk Factors—Risks Relating to the Development of Our Product Candidates—Our product candidates will be subject to intense competition after commercialization and may fail to compete effectively against competitors."

EMPLOYEES

As of the Latest Practicable Date, we had 67 employees, all of whom were based in the PRC. The following table sets forth the details of our employees by function as of the Latest Practicable Date.

Function	Number of Employees	Percentage
Research and development	53	79.1%
Management and administrative	14	20.9%
Total	**67**	**100.0%**

We recruit our employees primarily through recruiting websites, third-party recruiters and internal referrals. In compliance with the applicable labor laws, we enter into individual employment contracts with our employees, covering matters such as wages, employee benefits, workplace safety and grounds for termination. Our standard employment contract also contains a confidentiality clause and an assignment clause, under which we own all the rights to all inventions, technologies, know-how and trade secrets derived during the course of our employees' work. We also enter into standard non-compete agreements with all employees. The key terms of agreements with our key R&D personnel are set out below.

- *Assignment of inventions.* We own all rights, titles and interests in and to any and all inventions, trade secrets, confidential and proprietary information and work-product the employee conceives, creates or develops during the term of the employment.

- *Confidentiality.* During the employment and for all time thereafter, the employee shall not use, copy, reproduce, distribute, duplicate, report, publish, disclose or cause to be disclosed, reverse engineer, or otherwise transfer to any third party any confidential or proprietary information of value to us.

- *Non-competition.* We have the right to unilaterally initiate a non-competition period of up to one year following the termination of employment. During the term of employment and the non-competition period initiated by us, the employee shall not engage in any competitive behavior.

To maintain a stable workforce and retain key personnel in our Company, we offer our employee competitive remuneration packages. Our employees' remuneration comprises salary and bonus, which is generally based on their qualifications, position and performance. We offer remuneration packages based on individuals' qualifications and experiences and generally match the market rate for salary to stay competitive in the labor market. We also take into consideration the long-term growth and advancement of our employees and offer opportunities for both job promotion and technical development. We conduct new employee training, as well as professional training for all employees in accordance with our internal procedures. Additionally, we established an employee incentive scheme to better retain and motivate our employees, with eligible participants primarily comprising core management members and key technical/business personnel of our Group. None of our employees are currently represented by labor unions. During the Track Record Period and up to the Latest Practicable Date, we did not experience any strikes or labor disputes which had a material effect on our business.

INSURANCE

We maintain insurance policies that are required under PRC laws and regulations as well as based on our assessment of our operational needs and industry practice. In line with industry practice in China, we maintain different types of insurance policies, such as clinical trials liability insurance. Our Directors consider that our existing insurance coverage is generally in line with the industry practice in China. See "Risk Factors—Our insurance coverage may not sufficiently cover the risks related to our business operations."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are subject to various social, health, safety and environmental laws and regulations and our operations are regularly inspected by local government authorities. We believe we have adequate policies ensuring compliance with all social, health, safety and environmental protection regulations. Particularly, we believe our continued growth rests on integrating social values into our business. We intend to create a lasting positive environmental, social and governance ("ESG") impact on our customers, suppliers and the broader community whom our operation may impact. We acknowledge our responsibilities on environmental protection and social responsibilities and are aware of the climate-related issues that may have impact on our business.

Our ESG Governance Framework

We are committed to continuously improving our ESG management system to establish a solid foundation for sustainable development. We have established a comprehensive risk management and internal control framework designed to address major ESG-related risks and compliance requirements identified in our operations. To effectively manage our ESG-related matters and continuously improve ESG performance, we have established a top-down ESG management structure.

- *Board of Directors*. As the highest decision-making body for our ESG matters, the Board assumes ultimate responsibility for ESG management strategy, risk management, target setting and progress monitoring, as well as ESG performance.

- *Audit Committee*. Our Audit Committee coordinates and manages ESG work, including our ESG strategy and major ESG issues, regularly monitors and reviews ESG target and ESG performance, and maintains communication and cooperation with various stakeholders on ESG issues.

- *ESG Working Group*. We have established an ESG working group comprised of officers from various functional departments and subsidiaries, responsible for identifying and managing ESG risks in our daily operations, executing various ESG initiatives and implementing our ESG strategies, policies and targets.

Our Directors possess knowledge and skills covering industry experience, finance, risk management and corporate governance, and are fully capable of identifying and assessing material issues. Taking into account the characteristics of our industry and business, applicable regulatory requirements and the expectations of stakeholders, we identify and select our material ESG issues and use these as the basis for our ESG risk management. To ensure ongoing effectiveness of ESG risk management, we implement continuous monitoring measures including regular ESG training for the Board on topics such as climate change, annual third-party environmental testing and reporting for emissions, periodic quality audits of CMO facilities and raw material suppliers led by our quality department and regular workplace hazard identification and risk assessments conducted by our operations management department.

Environmental Matters

We are committed to building a green, low-carbon sustainable development model and putting green operation concepts into practice. We strictly comply with national and local environmental protection laws and regulations, continuously optimize the management of emissions and waste, and promote resource recycling and energy efficiency improvement. We continuously promote the development of corporate environmental management capabilities to fulfill our corporate environmental responsibilities and to contribute to an ecologically friendly society. The following table sets forth our resource use and emission-related indicators during the Track Record Period.

	Year ended December 31,		Six months ended June 30,
	2024	2025	2026
Resource consumption			
Purchased electricity (MWh)	452	473	186
Intensity of comprehensive energy consumption* (MWh/RMB10,000)	0.04	0.05	0.03
Water consumption (tons)	1,179	1,342	662
Intensity of water consumption* (tons/RMB10,000)	0.09	0.14	0.12
Emission			
Hazardous solid waste produced (tons)	7	5	3
Intensity of hazardous solid waste* (tons/RMB1.0 million)	0.05	0.05	0.05
Greenhouse gas emissions (tons of CO_2 equivalent)			
– Scope 1 (direct emissions)	–	–	–
– Scope 2 (indirect emissions)	242	251	99
– Scope 3 (indirect emissions)	1,418	1,021	851
Intensity of GHG Emissions* (Scope 1 + Scope 2) (tCO2e/RMB10,000)	0.02	0.03	0.02

Note:

* Calculated as the total amount of resource consumption or emission divided by our research and development expenses of the respective year.

In line with our operation expansion, our water consumption and intensity of water consumption increased from 2024 to 2025. Meanwhile, due to greater level of process scale-up activities undertaken in 2024, our hazardous solid waste emission and Scope 3 emission were relatively high in 2024 as compared to 2025.

Resource Consumption

Our primary resource consumption includes electricity purchased from the grid and water. Purchased electricity constitutes the principal source of our carbon emissions. Accordingly, we are committed to enhancing energy efficiency to reduce our carbon emissions. As part of our broader efforts to mitigate overall greenhouse gas emissions, we have integrated the principle of resource conservation into our corporate culture and into day-to-day operations related office activities, thereby enabling us to monitor and manage resource consumption effectively.

We have formulated a series of measures to reduce our energy consumption. We plan to gradually shift to energy-efficient air conditioning units. For server rooms and equipment rooms requiring constant temperature and humidity environments, we plan to install split units to reduce energy consumption from long-term operation of high-power integrated air conditioning units. We regularly clean the condensers and evaporators of existing air conditioning units to improve their operating efficiency and reduce their energy consumption. We turn off air conditioning in unoccupied areas. For temporarily used spaces such as meeting rooms and reception areas, we turn on the air conditioning 15 to 30 minutes in advance and turn off the air conditioning immediately after use. We also prioritize natural ventilation when outdoor temperature is no more than 28°C to further reduce use of air conditioning. In addition, we regularly inspect water and electricity equipment, prioritize the selection of high-efficiency energy-saving equipment and advocate the use of natural lighting.

We adhere to the concept of water conservation in daily operations and implement standardized water management methods. We conduct water conservation awareness and education activities to encourage employees to adopt water-saving practices as part of their routine office behavior. In terms of water recycling, we collect high-quality miscellaneous drainage water, which can be used after simple treatment for cleaning floor and windows, irrigating plants. In addition, we adopt sensor-activated faucets and post water conservation signs at water usage points. We regularly inspect water pipes, faucets and washrooms in offices to promptly replace aging components and prevent hidden water dripping.

Emissions

Our greenhouse gas emissions from our own operations primarily consist of Scope 2 emissions. Scope 1 direct emissions include the direct greenhouse gas emissions from activities under our operational control. We do not engage in Scope 1 greenhouse gas emission because we do not carry out any production activities and our business operations do not involve direct energy consumption. Scope 2 energy indirect emissions primarily include the greenhouse gas emissions from our usage of purchased electricity. Other indirect emissions that occur outside of our direct operational control but are related to our value chain activities are categorized as Scope 3 indirect emissions. For Scope 3 greenhouse gas emissions, we have compiled and calculated the emission data corresponding to external consulting services and raw material and packaging material procurements under Category 1 (purchased goods and services) of the Scope 3 emission. Going

forward, we will progressively improve the data collection and calculation for other categories of Scope 3 emissions, and enhance the completeness and transparency of our Scope 3 emissions disclosure, so that our data collection work aligns with industry practices and emerging reporting standards.

With the expansion of our business and anticipated commercialization of our product candidates, we endeavor to curb the increase in our emissions and aim to keep them relatively stable. We will continue to adopt a wide range of environment conservation measures to limit resource consumption and emissions.

Waste Management

We have implemented a series of targeted measures to manage waste, wastewater and exhaust gases. We also engage qualified third-party institutions to test our emissions and ensure that our emissions meet discharge standards, and our waste is disposed of in compliance with relevant regulations.

- *General Solid Waste*. We classify and recycle general solid waste. We have established a standard management process of 'collection, storage, transportation and disposal', and maintain dedicated and detailed record, ensuring proper management and disposal of waste.

- *Hazardous Waste*. Our hazardous waste mainly includes laboratory waste, laboratory waste liquids, spent activated carbon and waste reagent packaging from our R&D activities. We collect and classify them on-site and transport them to dedicated hazardous waste storage facilities. We then transfer such hazard waste to qualified third parties for harmless disposal. We have established a systematic onboard training management process to provide knowledge and skills training and assessment on hazardous waste collection and transfer to relevant employees, reducing risks in the hazardous waste disposal process.

- *Wastewater*. We have implemented classified and tiered treatment process for production wastewater and domestic sewage. Production wastewater is pre-treated at our facilities and discharged into the municipal sewage network after meeting all discharge standards. Domestic sewage is treated through the properties' sewage treatment system. To ensure continuous compliance, we have established a monitoring system to regularly monitor wastewater discharge outlets and inspect and maintain treatment facilities to ensure stable operation of treatment facilities and compliant discharge of wastewater.

- *Exhaust Gas*. We reduce the escape of volatile organic compounds through scientific management of chemical use processes and ensure the continuous and stable operation of pollution prevention facilities by regularly replacing activated carbon and other adsorbents. We also maintain facility maintenance record with clearly designated responsible persons. We have formulated regular monitoring plans and engage third-party institutions to monitor key indicators at discharge outlets to ensure that exhaust gas meet emission requirements.

During the Track Record Period and up to the Latest Practicable Date, we complied with the relevant environmental laws and regulations in all material aspects. As of the Latest Practicable Date, given our business nature, we believe that our assets or business activities are not subject to material climate-related transition risks or physical risks.

Environmental Targets

We benchmark against comparable industry peers and analyze our historical data and improvement potential to set reasonable and achievable targets. In terms of resource consumptions and emissions, we target to reduce (i) the intensity of energy consumption by R&D expenditure by 15%, (ii) the intensity of water consumption by R&D expenditure by 5% and (iii) Scope 1 and Scope 2 greenhouse gas emissions intensity by R&D expenditure by 5% by 2027 as compared to 2025. In terms of waste management, we target to ensure 100% compliant discharge of exhaust gases and wastewater, as well as 100% compliant disposal of solid waste across all company facilities, including laboratories and offices. Furthermore, we are committed to continuously reducing the intensity of hazardous waste by R&D expenditure year by year.

To achieve these targets, we will further refine our internal policies and procedures for energy and water management and strengthen on-site control and process monitoring, striving for a gradual reduction in energy and water intensity while maintaining stability. Concurrently, we will continue implementing dedicated projects for energy conservation, emission reduction and water efficiency improvement, providing the management and technical foundation for achieving our environmental goals. Consequently, we expect our capital expenditure and operational costs to increase in the short term. However, in the long term, we believe this will lead to reduced energy and resource consumption costs, enhanced brand reputation and lower compliance and litigation risks.

Supply Chain Management

Our quality department, in collaboration with relevant business departments, conduct annual audits of raw material suppliers and CDMOs. The audit covers product quality, non-conforming product handling, production conditions, service quality, ESG risks (including environmental compliance, labor rights and business ethics compliance) and implementation of audit recommendations. Prior to manufacturing of clinical trial samples, we conduct on-site inspections of CDMOs and execute quality agreements specifying requirements and responsibilities for quality matters. During the service term, we conduct on-site supervision and review quality-related documents and records in accordance with quality agreement requirements, ensuring CDMOs properly handle, use, store, treat and dispose of hazardous materials and waste in compliance with GMP requirements and our quality management standards as well as their compliance with environmental and health requirements.

Data Privacy

To ensure data privacy and security, we have established an information security and privacy protection mechanism covering account access management and email security protection, with granular permission settings for each employee to ensure data access minimization and controllability. We deployed email gateway systems to comprehensively prevent sensitive information leakage and network threats, providing reliable security safeguards for daily operations and business data.

While we receive, collect and store de-identified information of participants enrolled in our clinical studies, such as participant demographics and baseline disease status and the corresponding clinical data, primarily including test results as outlined in the study plan, through electronic data capture system, we do not receive, collect, process and store any identifiable personal data. As to cross-border data transfer, we mainly transfer summary clinical trial data which does not contain personal information of enrolled patients for regulatory communications and filings and we have not conducted any cross-border transfer of personal data. We collect and retain data only as permitted by law and as necessary for our clinical studies. The participant information and clinical data we collect are primarily used for drug research and development, drug registration applications and reporting of adverse drug reactions. We have formulated and implemented data security and privacy protection measures and established strict data access controls. Our agreements with CROs also explicitly incorporate requirements for patient data security and privacy protection. This

includes strict confidentiality obligations for technical materials, research reports, product information and other data provided by us or generated during collaboration. During the Track Record Period and up to the Latest Practicable Date, we had complied with all relevant laws and regulations concerning data privacy and security in the PRC and the United States in all material aspects and had not been subject to any material administrative penalty concerning data privacy and security. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any incident of patient data or other personal data leakage or material loss.

Occupational Health and Work Safety

We strive to provide a safe working environment that guards the health and safety of our employees and communities. We are subject to occupational health and safety laws and regulations in the PRC. We have established an occupational health and safety monitoring mechanism, with our operations management department responsible for organizing workplace hazard identification and risk assessment work and formulating response measures. In addition, we have improved hazardous chemical management measures at the operational safety level, achieving closed-loop standardized control of classification, labeling, storage and disposal. We also organize specialized training on chemicals, environmental health and safety and biosafety, and conduct hazardous chemical spill emergency drills and fire evacuation exercises to enhance employees' safety awareness and ability to respond to emergencies. To comprehensively protect employees' occupational health and safety, we also provide employees with health benefits such as annual health check-ups, supplementary commercial medical insurance and labor protection equipment, effectively safeguarding employees' physical and mental health.

During the Track Record Period and as of the Latest Practicable Date, we complied with the relevant occupational health and safety laws and regulations in the PRC and we did not have any incidents or complaints which had a material and adverse effect on our business, financial condition or results of operations during the same period.

Social Responsibilities

In respect of social responsibilities, we are committed to offering a fair and caring working environment to our employees. We have transparent policies on recruitment, compensation, dismissal, equal opportunities, diversity and anti-discrimination. We hire employees based on their merits and it is our corporate vision to offer equal opportunities to our employees. We encourage our employees who encounter any discrimination to seek immediate assistance, which also allows us to conduct timely investigation and follow up as needed. In addition, we provide training programs on industry and regulatory developments to our employees. In the year ended December 31, 2025, our overall employee turnover rate was 9.7%. As of the Latest Practicable Date, we had 43 female employees, accounting for 64.2% of our total employees.

In addition, we are committed to continuously improving our internal anti-corruption and business ethics management system in compliance with the relevant laws and regulations. We have established whistleblowing and complaints procedures and related monitoring mechanisms to ensure timely identification and handling of illegal or non-compliant conduct. We also conduct regular anti-corruption and compliance training to enhance employees' awareness of anti-bribery and improve their compliance capabilities. We have included anti-commercial bribery clauses in certain procurement contracts to prevent corruption and maintain clean, transparent business relationships. During the Track Record Period and up to the Latest Practicable Date, we did not have any litigation or proceedings relating to corruption, bribery or unfair competition.

Clinical Safety and Animal Welfare

We engage CROs to conduct clinical trials. In terms of protecting the rights and interests of patients, we strictly adhere to the Good Clinical Practice (GCP) and relevant ethical review regulations. We establish informed consent forms to ensure that subjects voluntarily participate with

full understanding and procure high-coverage clinical trial insurance to provide subjects with adequate risk protection. For pharmacovigilance, we have established an internal-external collaborative safety monitoring mechanism, where both safety events are jointly reviewed by third-party pharmacovigilance team and our internal team, further strengthening the safety safeguards for trial participants.

We have established a comprehensive and standardized review procedure for animal welfare, integrating ethical principles and welfare safeguards throughout the entire process of outsourced animal studies. We entrust all animal testing to qualified CROs and require them to strictly adhere to domestic regulations such as the Regulations on the Management of Laboratory Animals, Guidelines for the Ethical Review of Laboratory Animal Welfare and General Principles for the Welfare of Laboratory Animals, as well as international standards such as Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) certifications. During studies, we monitor the activities of CROs for full implementation of the "3R principles" (Replacement, Reduction, and Refinement) and ensure that relevant personnel are equipped with knowledge of relevant regulations, ethics, operational skills and animal welfare requirements through pre-job training and assessments. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material adverse clinical safety event and/or animal welfare non-compliance incident.

PROPERTIES

We are headquartered in Wenzhou, Zhejiang province. As of the Latest Practicable Date, we did not own any real property. As of the Latest Practicable Date, no single property interest forming part of our Group's property activities had a carrying amount of 1% or more of our total assets and no single property interest forming part of our Group's non-property activities had a carrying amount of 15% or more of our total assets. According to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

As of the Latest Practicable Date, we leased five properties with an aggregate gross floor area of 2,537 sq.m. in Wenzhou, Shanghai, Guangzhou and Hong Kong for our daily business operations and R&D functions.

LICENSES, PERMITS AND APPROVALS

We are required to maintain or renew the necessary permits, licenses and certifications for our business. During the Track Record Period and up to the Latest Practicable Date, we obtained all requisite licenses, approvals and permits from relevant authorities that are material to our operations in China and overseas. The table below sets forth the relevant details of the material license we hold for our operations.

Company	License	Status
Our Company	Business license	Perpetual
VivaVision Shanghai	Business license	Effective until July 10, 2043
VivaVision Hong Kong	Business registration certificate	Effective until January 15, 2027

RISK MANAGEMENT AND INTERNAL CONTROL

We are subject to various risks during our operations. See "Risk Factors." We have established a consolidated risk management system and relevant policies and procedures which we consider suitable for our business operations. Our policies and procedures are aimed at managing and monitoring our business performance.

To monitor the continuous implementation of risk management policies and corporate governance measures after the Listing, 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. Our audit committee consists of three members: Mr. Xu Decai, chairman of the committee, Mr. Shen Hongquan and Mr. Huang Yide. For the qualifications and experiences of these members, see "Directors and Senior Management";

- adopt various policies to ensure compliance with the Listing Rules, including but not limited to policies in respect of risk management, connected transactions and information disclosure;

- provide regular anti-corruption and anti-bribery compliance training for senior management and employees to enhance their knowledge of and compliance with applicable laws and regulations; and

- arrange our Directors and senior management to attend training seminars on Listing Rules requirements and the responsibilities as directors of a Hong Kong-listed company.

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any litigation, arbitration or administrative proceedings which could have a material adverse impact on our business, financial condition or results of operations. As of the Latest Practicable Date, we were not aware of any pending or threatened litigation, arbitration or administrative proceedings against us which may have a material and adverse impact on our business, financial condition or results of operations.

During the Track Record Period and as of the Latest Practicable Date, we had not had any non-compliance incidents which our Directors believe would, individually or in the aggregate, have a material operational or financial impact on our company as a whole.