SUMMARY

***This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to* [REDACTED] *in the* [REDACTED]. *There are risks associated with any* [REDACTED]. *Some of the particular risks in* [REDACTED] *in the* [REDACTED] *are set out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED].**

OVERVIEW

We are a leading China-based ophthalmic pharmaceutical platform company dedicated to identifying, developing and commercializing first- or best-in-class ophthalmic therapies. Our vision is to provide a world-class pharmaceutical total solution to address significant unmet ophthalmic medical needs in China. We believe our platform positions us well to be the recognized leader of China ophthalmology, with a significant first-mover advantage over future competitors.

Ophthalmology is a highly specialized area. In China, eye diseases are common, yet treatment rates are low, lagging significantly behind the United States. According to Frost & Sullivan, the Chinese ophthalmic pharmaceutical market is expected to expand from RMB19.4 billion in 2019 to RMB40.8 billion in 2024, at a CAGR of 16.0%. To capture significant under-tapped commercial potential in this emerging market, we have, since our inception, focused on building a platform integrating specialized capabilities in each major functionality involved in an ophthalmic drug's development cycle, from research and development, manufacturing to commercialization.

Leveraging our platform, we have, in less than three years, built a strategically designed ophthalmic drug portfolio that is comprehensive, innovative and validated. As of the Latest Practicable Date, we had 16 drug assets in our portfolio, covering all major front- and back-of-the-eye diseases, making us one of only a few pharmaceutical companies in China with such full coverage, according to Frost & Sullivan. We have four innovative drug candidates in or near late-stage development in China, which we believe will potentially be first- or best-in-class if approved and have significant near-term revenue potential. Our portfolio includes three of the ten ophthalmic drugs approved by the United States Food and Drug Administration, or the FDA, since 2015 that are not yet available in China in any formulation, which we are developing in various stages. Additionally, our portfolio includes three drugs that are in or near the commercial stage.

We have demonstrated robust execution capabilities in every aspect of our operations with a singular focus on delivering innovative world-class products to ophthalmic patients in China. We set out to build a portfolio of innovative drugs comprehensively addressing key ophthalmic diseases and pursued a dual-source innovation strategy through in-licensing/acquisition or internal research and development. We have established a successful track record of in-licensing innovative ophthalmic drugs from global partners, and believe that we are well positioned to be the "go to" China partner for global ophthalmic pharmaceutical companies. In clinical drug development, we advance our drug candidates through optimal regulatory pathways toward commercialization in China with maximum efficiency, leveraging our broad regulatory and commercial expertise. In addition, we have made significant progress establishing our own manufacturing and commercialization capabilities. Development has begun on a new facility in Suzhou, which is expected to be larger than any other specialized

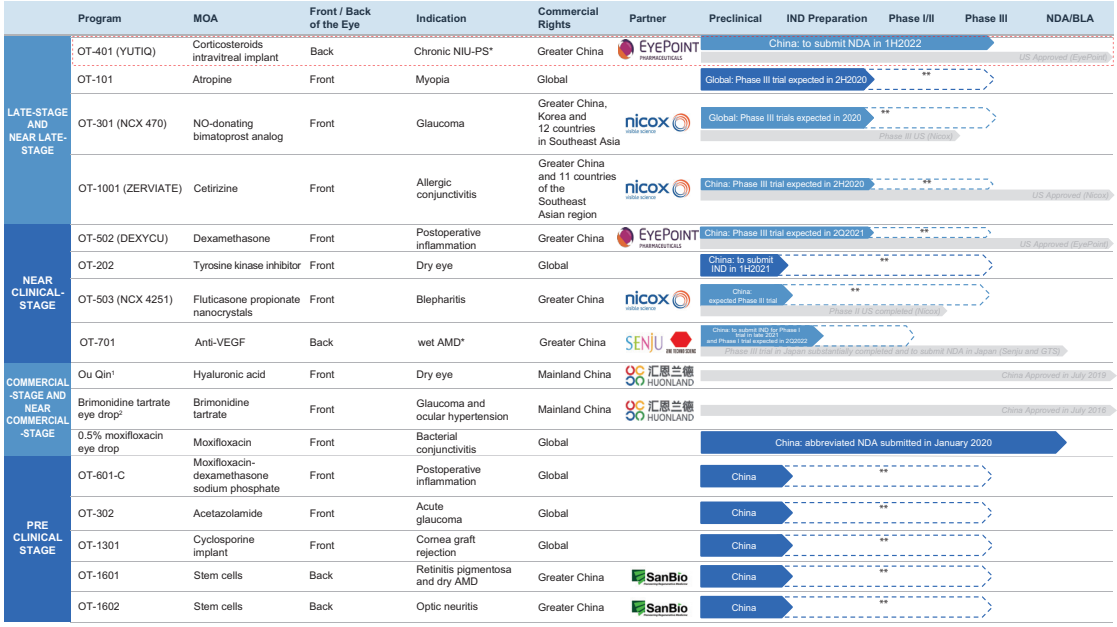
ophthalmic manufacturing facility in China by capacity when completed (up to 455 million doses annually), according to Frost & Sullivan. We have also established a concrete commercialization plan with high execution visibility, and have been expanding our sales force and drawing up marketing strategies.

Our Company is led by some of the best talent in China ophthalmology with relevant industry experience. Our visionary management team has extensive experience and deep domain expertise in ophthalmic drug research and development, manufacturing and commercialization in China. We believe that their track record will prove a valuable asset for us as we pursue our future success.

We boast top-tier global and Chinese institutional investors and biotech-focused investment funds as our Shareholders, including 6 Dimensions, Boyu, Temasek, General Atlantic, Eight Roads, 3W Partners and Cormorant Asset Management.

OUR PORTFOLIO

The following chart summarizes our portfolio as of the Latest Practicable Date:



Our Core Product.

* Chronic NIU-PS refers to chronic non-infectious uveitis affecting the posterior segment of the eye. AMD refers to age-related macular degeneration.

** May not require Phases I and II clinical trials prior to beginning Phase III clinical trials.

1 We acquired Ou Qin from Huonland and are entitled to all drug registration certificates and data related to Ou Qin. We plan to register ourselves as the MAH of Ou Qin.

2 We are the exclusive sales agent of brimonidine tartrate eye drop in Mainland China. Huonland is the drug registrant and registered manufacturer of brimonidine tartrate eye drop.

Late-Stage and Near Late-Stage Drug Candidates

OT-401 (YUTIQ), our Core Product, is an innovative intravitreal implant designed to provide sustained release of a corticosteroid active ingredient for 36 months from a single administration to treat chronic NIU-PS, an indication for which there is no standard of care in China. In the United States, YUTIQ is the first and only FDA-approved NIPU treatment designed to deliver fluocinolone for up to 36 months. Uveitis is one of the leading causes of blindness in China and worldwide, as blindness will be the natural course of the disease if it is left untreated, in particular in young adults. According to Frost & Sullivan, NIPU affected

1.4 million people in China in 2019, and is expected to affect 1.8 million people in 2030. We initiated a bridging Phase III trial in China and enrolled the first patient in November 2019. We plan to submit an NDA in the first half of 2022 and commence commercialization in the second half of 2022 upon approval. OT-401 is expected to be the first and only ocular implant indicated for NIPU in China upon approval, accordingly to Frost & Sullivan. Separately, OT-401 has been approved for treating patients under the Boao Pilot Program and started to generate limited revenue for us since August 2019.

OT-101 is a low-concentration (0.01%) atropine eye drop developed to retard, or slow down, the progression of myopia in children and adolescents. According to Frost & Sullivan, atropine is the only medication to date that has been demonstrated to be consistently effective and safe in controlling myopic progression. OT-101, as a low-concentration (0.01%) atropine eye drop, is believed to have lower rates of adverse effects compared to high-concentration (0.5-1%) atropine. The instability of low-concentration atropine solutions has long been a technical barrier. We are developing a unique approach to address the stability of low-concentration atropine solutions, so that OT-101 could be a viable product for the treatment of myopia. According to Frost & Sullivan, myopia affected nearly 168.8 million children and adolescents in China in 2019 and is expected to affect 191.4 million in 2030. Subject to IND approval from the CDE, EMA and FDA, we plan to conduct a MRCT Phase III clinical trial in China, the EU and the United States commencing in the second half of 2020.

OT-301 (NCX 470) is a new chemical entity designed to release both bimatoprost, an FDA-approved prostaglandin analog, or PGA, and nitric oxide, or NO, for the treatment of open-angle glaucoma and ocular hypertension. We expect the dual mechanism of action to activate two independent aqueous humor outflows from the eye, which is expected to be a more effective method to lower IOP. As a novel second-generation NO-donating bimatoprost analog, OT-301 has demonstrated superior efficacy to a PGA monotherapy. According to Frost & Sullivan, glaucoma is currently considered the second-leading cause of irreversible blindness worldwide; the prevalence of glaucoma in China reached 19.6 million in 2019, and the rate of blindness is 38.3%. Subject to IND approval, we and Nicox plan to initiate two Phase III MRCTs of OT-301 (NCX 470) in 2020 and we plan to use data from the global trials to support a NDA submission in China.

OT-1001 (ZERVIATE) is the first and only FDA-approved topical ocular formulation of the antihistamine cetirizine for the treatment of ocular itching associated with allergic conjunctivitis. OT-1001 is a novel formulation of cetirizine, which is the best-selling antihistamine with a well-characterized systemic efficacy and favorable safety profile. If approved, it will be the only ophthalmic drug in China that is safe for adults as well as children aged two years and older. According to Frost & Sullivan, approximately 250.9 million people suffered from allergic conjunctivitis in China in 2019, with a CAGR of 5.1% from 2015. Frost & Sullivan further estimates that the allergic conjunctivitis patients will reach 308.6 million and 375.9 million in China in 2024 and 2030, respectively. We plan to conduct a confirmatory Phase III clinical trial in China in the second half of 2020 subject to IND approval.

Near Clinical-Stage Drug Candidates

OT-502 (DEXYCU) is a single-dose, sustained-release intraocular injection to treat postoperative (mostly cataract surgery) inflammation, the first and only FDA-approved long-acting intraocular product for the indication. We plan to discuss with the NMPA to conduct a bridging Phase III trial for OT-502 in the second quarter of 2021 to support our NDA submission in China. Similar to OT-401, we plan to enroll patients in Hainan under the Boao Pilot Program to use OT-502 upon approval from the competent authorities.

OT-202 is an innovative topical targeted treatment for dry eye. We are investigating a novel mechanism of action to reduce inflammation in dry eye by targeting tyrosine kinases. We plan to make an IND submission to the NMPA in the first half of 2021 and commence a Phase I clinical trial in China for OT-202 in the second half of 2021 subject to IND approval.

OT-503 (NCX 4251), an ophthalmic suspension of fluticasone propionate nanocrystals, is an innovative targeted topical treatment for acute exacerbations of blepharitis. We believe OT-503 has the potential to be first-in-class in China as there is no treatment solely indicated for blepharitis in China. Our licensing partner Nicox had completed a Phase II trial in the United States in December 2019. Clinical development planning for the Chinese market will be confirmed in due course.

OT-701 (SJP-0133) is an intravitreal ranibizumab injection for the treatment of wet age-related macular degeneration, or wet AMD. Ranibizumab was developed by Genentech, Inc. and was approved by the FDA in 2006 and sold under the brand name Lucentis. Senju and GTS are developing SJP-0133 as a biosimilar to Lucentis. We understand that Senju and GTS have substantially completed a Phase III clinical trial for SJP-0133 in Japan to investigate the comparability of SJP-0133 and Lucentis, and expect to submit an NDA in Japan in due course in 2020. We plan to initiate a Phase I clinical trial in China in the second quarter of 2022.

Commercial-Stage and Near Commercial-Stage Assets

Ou Qin (0.3% Hyaluronic Acid) is an NMPA-approved hyaluronic acid eye drop to treat dry eye. It has a unique dosage form (0.3% concentration in 0.8 ml single-dose packaging) and potentially an improved safety profile compared to similar drugs as it is free of preservatives. We launched Ou Qin in April 2020.

Brimonidine tartrate eye drop is an NMPA-approved generic eye drop to treat open-angle glaucoma and ocular hypertension. We launched brimonidine tartrate eye drop in March 2020.

0.5% moxifloxacin eye drop is an antibiotic eye drop to treat bacterial conjunctivitis. We submitted an abbreviated NDA for 0.5% moxifloxacin eye drop to the NMPA in January 2020 and are expecting approval in the first half of 2021. We plan to launch 0.5% moxifloxacin eye drop rapidly upon approval.

Preclinical-Stage Drug Candidates

OT-601-C is a moxifloxacin-dexamethasone sodium phosphate eye drop for the treatment of postoperative inflammation. OT-601-C includes both the antibiotic moxifloxacin and the anti-inflammatory dexamethasone. Moxifloxacin has a broad spectrum of action and high tissue concentration. It also has lower bacteria resistance rate than certain commonly used antibiotic drugs, such as tobramycin.

OT-302 is an acetazolamide injection for the treatment of acute glaucoma and for reducing high intraocular pressure prior to anti-glaucoma surgeries and other intraocular surgeries. Acetazolamide is a potent carbonic anhydrase inhibitor which effectively controls the secretion of aqueous humor.

OT-1301 is a cyclosporine implant used to prevent transplant rejection after keratoplasty, or corneal transplant surgery. It is implanted into the anterior chamber angle at the end of keratoplasty. We may also consider investigating the effect of OT-1301 on treating dry eye.

OT-1601 and OT-1602 are stem cell therapies that we plan to develop with SanBio pursuant to our development and commercialization agreement for the treatment of retinitis pigmentosa and dry AMD in the former case and acute optic neuritis in the latter case.

OUR STRENGTHS

We believe the following strengths have contributed to our success:

- a leading China-based ophthalmic pharmaceutical total solution platform;
- comprehensive, innovative and validated ophthalmic drug portfolio including commercial-ready drugs;
- four late-stage, first/best-in-class opthalmic drug candidates with significant near-term revenue potential;

- robust execution capabilities underlying successful track record of delivering world-class products to opthalmic patients in China; and

- visionary CEO and management, renowned advisors and industry-leading investors.

OUR STRATEGIES

Our vision is to provide a world-class pharmaceutical total solution to address significant unmet ophthalmic medical needs in China. To achieve this vision, we plan to pursue the following strategies:

- advance clinical development and commercialization of late-stage drug candidates, including, OT-401, OT-101, OT-301, OT-1001 and OT-502;

- commercialize the commercial-/near commercial-stage assets, including Ou Qin, brimonidine tartrate eye drop and 0.5% moxifloxacin eye drop;

- initiate clinical trials for drug candidates with proof of concept and advance them to clinical trial stage in the midterm future;

- further expand drug portfolio through in-licensing, internal discovery and acquisition;

- continue to build commercialization capabilities in anticipation of product launches, and build our own highly focused and specialized commercial team, comprising dedicated sales force for each product;

- establish an industry-leading, dedicated ophthalmic pharmaceutical manufacturing facility; and

- maximize the global value of our drug candidates, selectively advance clinical trials and apply for NDAs outside China, and strategically seek global out-licensing opportunities.

COLLABORATION AND LICENSE AGREEMENTS

EyePoint. In November 2018 and January 2020, we entered into exclusive license agreements with EyePoint, under which EyePoint granted us exclusive rights to import, develop and commercialize OT-401 (YUTIQ) and OT-502 (DEXYCU), respectively, in the Greater China region. Pursuant to related supply and quality agreements, EyePoint will be the exclusive supplier of YUTIQ and DEXYCU to meet our clinical development and commercialization needs of YUTIQ and DEXYCU in the Greater China region. Our right to manufacture YUTIQ and DEXYCU is limited to the right to package and label the finished product supplied by EyePoint. EyePoint has also retained the right to manufacture YUTIQ and DEXYCU in the Greater China region for commercialization outside of the Greater China

region and to use or license certain of its intellectual property to develop and commercialize products other than YUTIQ and DEXYCU. In March 2019, we entered into a Memorandum of Understanding with EyePoint, pursuant to which EyePoint is obliged to supply YUTIQ for the Boao Pilot Zone use.

Nicox. In December 2018, March 2019 and June 2019, we entered into exclusive license agreements with Nicox, under which Nicox granted us exclusive rights to develop, make, have made, import, export and sell OT-301 (NCX 470), OT-1001 (ZERVIATE) and OT-503 (NCX 4251), respectively. We were granted exclusive rights in the Greater China region for all three drug candidates, and, for NCX 470 and ZERVIATE, we were also granted exclusive rights in certain other Asian countries.

Senju and GTS. In January 2019, we entered into an exclusive license agreement with Senju and GTS, under which we were granted exclusive rights to develop and commercialize OT-701 (SJP-1033) in the Greater China region.

Huonland. In December 2019, we entered into an acquisition and collaboration agreement with Huonland, under which Huonland agreed to transfer all its rights to 0.8 mL dose hyaluronic acid eye drop of 0.3% concentration, to us. In February 2020, we entered into an exclusive sales agency agreement with Huonland, under which Huonland agreed to grant us an exclusive sales right to its brimonidine tartrate eye drops in China for a term of five years. In January 2019, we entered into a manufacturing outsourcing agreement with Huonland, under which we agreed to outsource the manufacturing of 0.5% moxifloxacin eye drop to Huonland for a term of at least five years commencing from the date we receive NDA approval for 0.5% moxifloxacin eye drop.

Sanbio. In March 2020, we entered into a collaboration and license agreement with SanBio, under which SanBio granted us an exclusive license to research, develop and commercialize OT-1601 and OT-1602 in the Greater China region.

RECENT DEVELOPMENTS

In January 2020, we entered into an exclusive license agreement with EyePoint for DEXYCU. In March 2020, we entered into a collaboration and license agreement with Sanbio for the development and commercialization of OT-1601 and OT-1602. Additionally, we submitted an abbreviated NDA for 0.5% moxifloxacin eye drops to the NMPA in January 2020, and are expecting approval in the first half of 2021. We entered into an exclusive sales agreement with Huonland for brimonidine tartrate eye drop in February 2020, and we launched brimonidine tartrate eye drop and Ou Qin in March and April 2020, respectively. Furthermore, we enrolled additional patients for the bridging Phase III clinical trial of OT-401, and as of the Latest Practicable Date, we had enrolled 16 patients. Additionally, in January 2020, ground was broken on our dedicated ophthalmic pharmaceutical manufacturing facility in Suzhou, Jiangsu Province.

Impact of the COVID-19 Outbreak

An outbreak of a respiratory disease COVID-19 was first reported in December 2019 and continues to expand across the PRC and globally. Significant rises in COVID-19 cases have been reported since then, causing governments around the world to implement unprecedented measures such as city lockdowns, travel restrictions, quarantines and business shutdowns.

Although we experienced a delay in screening patients for the ongoing Phase III clinical trial of OT-401 due to travel restrictions implemented to contain the spread of COVID-19, we had not experienced any early or unexpected termination of treatment or necessitated removal of any enrolled patients under the trial. We implemented a risk management plan to ensure that our patients remain on the trial and that any information or assistance they need will be readily available. We also actively contact our potential subjects to ensure that they can be screened and enrolled once individual travel can resume. As of the Latest Practicable Date, several trial sites for OT-401 had resumed patient screening. We expect this situation to continue to improve with the containment of the COVID-19 outbreak and do not expect it to have any material long-term impact on the OT-401's ongoing Phase III trial or our business in general. While the extent to which the COVID-19 outbreak will affect our operations cannot be accurately predicted at this stage, we have not experienced and do not expect significant financial damage or impact to our long-term commercial prospect from the COVID-19 outbreak. We cannot guarantee you, however, that the COVID-19 outbreak will not further escalate or have a material adverse effect on our results of operations. See "Risk Factors—Risks Relating to Our Operations—Our operations and business plans may be adversely affected by the COVID-19 pandemic."

OUR SUPPLIERS

During the Track Record Period, our suppliers primarily consisted of (i) licensors from which we obtained intellectual property rights in respect of our in-licensed drug candidates; (ii) CROs; and (iii) suppliers of other materials for research and development activities, machines and equipment. In general, we select our suppliers by considering their product quality, industry reputation and compliance with relevant regulations and industry standards. During the Track Record Period, we did not procure raw materials or equipment for commercial manufacturing because the construction of the Suzhou manufacturing facility had not been commenced as of December 31, 2019. In 2018 and 2019, our purchases from our five largest suppliers in the aggregate accounted for 56.5% and 92.8% of our total purchases, respectively, and purchases from our largest supplier alone accounted for 21.7% and 55.4% of our total purchases, respectively. During the Track Record Period, we had a small number of suppliers, and the largest purchase amounts related to upfront payments for drug in-licensing and acquisition arrangements, which were customary in industry practice and not recurring in nature. See "Risk Factors—Risks Relating to Our Reliance on Third Parties—We had a limited number of suppliers during the Track Record Period."

Specifically, we engage industry-leading CROs to manage, conduct and support our preclinical research and clinical trials. We select CROs based on various factors, such as professional qualifications, research experience, industry reputation, adequacy of clinical trial equipment and data management system. We choose CROs based on their ability to facilitate site selection, timely recruit patients and conduct complex clinical trials efficiently. We generally enter into a general service agreement with a CRO for clinical trial management services under which we execute separate work orders for each clinical development project. To ensure the performance of these CROs in a manner that complies with our protocols and applicable laws, which in turn protects the integrity and authenticity of the data from our trials and studies, we closely supervise these CROs.

OUR CUSTOMER

During the Track Record Period, we had only one customer, the designated procurement agent for Boao Super Hospital, where patients received treatment with YUTIQ. We sold OT-401 (YUTIQ) to this customer in the Boao Pilot Zone in Hainan Province, taking advantage of favorable policies to import foreign drugs not yet approved in China for urgent medical needs. For details, see "Business—Our Portfolio—Late-Stage and Near Late-Stage Drug Candidates—OT-401 (YUTIQ)—Boao Pilot Program."

OUR CONTROLLING SHAREHOLDERS

Immediately after the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), the 6 Dimensions Entities will be interested in approximately [**REDACTED**] of the total issued share capital of our Company and will be our Controlling Shareholders as defined under the Listing Rules upon [**REDACTED**]. See "Relationship with Controlling Shareholders" in this document.

OUR PRE-[REDACTED] INVESTORS

Our Company underwent several rounds of Pre-[**REDACTED**] Investments since our establishment. Our major Pre-[**REDACTED**] Investors include top-tier global and Chinese institutional investors and biotech-focused investment funds, including 6 Dimensions, Boyu, Temasek, General Atlantic, Eight Roads, 3W Partners and Cormorant Asset Management. For details of our Pre-[**REDACTED**] Investments, please see the section headed "History, Restructuring and Corporate Structure—Pre-[**REDACTED**] Investments."

SHARE INCENTIVE SCHEMES

In recognition of the contributions of our Directors and employees and to incentivize them to further promote our development, our Company adopted the Employee Stock Option Plan on May 23, 2018 and the RSU Scheme on April 28, 2020. As of the Latest Practicable Date, options to subscribe for an aggregate of 59,334,170 Shares (as adjusted after the Share Subdivision), representing [**REDACTED**] of the total issued share capital of the Company immediately following the Share Subdivision and [**REDACTED**] (assuming the [**REDACTED**] is not exercised), had been granted to 40 grantees under the Employee Stock Option Plan. Pursuant to the RSU Scheme, an aggregate of 2,400,000 underlying shares (before the Share Subdivision) will be issued prior to the [**REDACTED**], representing an aggregate of [**REDACTED**] of the total issued share capital of our Company immediately following the Share Subdivision and the [**REDACTED**] (assuming no exercise of the [**REDACTED**]). As of the Latest Practicable Date, our Company had not issued any Share or identified any grantee under the RSU Scheme. For details and principal terms of the Employee Stock Option Plan and the RSU Scheme, please see "Statutory and General Information—D. Share Incentive Schemes" in Appendix IV to this document.

SUMMARY OF KEY FINANCIAL INFORMATION

This summary of historical financial information set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix I to this document, as well as the information set forth in "Financial Information" of this document. Our financial information was prepared in accordance with IFRS.

Summary Consolidated Statements of Profit or Loss and Other Comprehensive Expenses

	Period ended December 31, 2018	Year ended December 31, 2019
	(RMB in thousands)	
Revenue	–	190
Cost of sales	–	(10)
Gross profits	–	180
Other income	25	3,877
Other gains and losses	(159,977)	(1,170,347)
Selling expenses	–	(2,479)
Research and development expenses	(40,679)	(99,464)
Administrative expenses	(8,769)	(57,185)
Finance costs	(5)	(63)
Loss before tax	(209,405)	(1,325,481)
Income tax expense	–	–
Loss and total comprehensive expenses for the period/year	(209,405)	(1,325,481)
Adjusted net loss for the period/year[(1)]	(46,988)	(82,430)

Note:

(1) Adjusted net loss for the period/year was calculated by taking loss and total comprehensive expenses for the period/year and adding back (i) fair value loss of financial liabilities at FVTPL and (ii) share-based payment expenses. Adjusted net loss for the period/year is not a measure required by or presented in accordance with IFRS. The use of adjusted net loss for the period/year has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS. See "Financial Information—Non-IFRS Measure."

Summary of Consolidated Statements of Financial Position

	As of December 31,	
	2018	**2019**
	(RMB in thousands)	
Total non-current assets	1,626	27,704
Total current assets	92,996	1,261,993
Total assets	94,622	1,289,697
Total current liabilities	4,054	39,435
Total non-current liabilities	867,872	3,318,750
Total liabilities	871,926	3,358,185
Share capital	2	4
Reserves	(821,098)	(2,068,492)
Equity attributable to owners of the Company	(821,096)	(2,068,488)
Non-controlling interests	43,792	–
Total Deficits	(777,304)	(2,068,488)

Summary Consolidated Statements of Cash Flows

	Period ended December 31, 2018	**Year ended December 31, 2019**
	(RMB in thousands)	
Net cash used in operating activities	(43,350)	(108,088)
Net cash used in investing activities	(66,660)	(979,917)
Net cash from financing activities	136,981	1,241,625
Net increase in cash and cash equivalents	26,971	153,620
Cash and cash equivalents at beginning of the period/year	–	25,629
Effects of exchange rate changes	(1,342)	13,155
Cash and cash equivalents at the end of the period/year	25,629	192,404

KEY FINANCIAL RATIO

Our current ratio, which represents current assets divided by current liabilities, was 22.9 and 32.0, respectively, as of December 31, 2018 and 2019. For further details, see "Financial Information—Key Financial Ratio."

[**REDACTED**] STATISTICS

All statistics in the following table are based on the assumptions that (i) the [**REDACTED**] has completed and [**REDACTED**] new Shares are [**REDACTED**] pursuant to the [**REDACTED**]; (ii) [**REDACTED**] Shares are [**REDACTED**] and outstanding following the completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised and without taking into account the Shares to be issued upon the exercise of the options granted under the Employee Stock Option Plan.

	Based on an [REDACTED] of HK$[REDACTED]	**Based on an [REDACTED] of HK$[REDACTED]**
Market capitalization of our Shares[(1)]	[**REDACTED**]	[**REDACTED**]
Unaudited *pro forma* adjusted consolidated net tangible liabilities per Share[(2)]	[**REDACTED**]	[**REDACTED**]

Notes:

(1) The calculation of the market capitalization is based on [**REDACTED**] Shares expected to be in issue immediately upon completion of the [**REDACTED**], without taking into account the Shares to be issued upon the exercise of the options granted under the Employee Stock Option Plan.

(2) The unaudited *pro forma* adjusted net tangible asset per Share as at December 31, 2019 is calculated after making the adjustments referred to in Note 3 of Appendix II. For further details, please refer to the section headed "Appendix II – Unaudited Pro Forma Financial Information" in this document.

DIVIDENDS

We are a holding company incorporated in the Cayman Islands. We have never declared or paid any dividends on our ordinary shares or Preferred Shares. We may need dividends and other distributions on equity from our PRC subsidiaries to satisfy our liquidity requirements. We currently intend to retain all available funds and any future earnings, if any, to fund the research and development of our drug candidates and we do not anticipate paying any cash dividends in the foreseeable future. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the Cayman Companies Law. The declaration and payment of any dividends in the future will be determined by our Board of Directors, in its discretion, and will depend on a number of factors, including our earnings, capital requirements, overall financial conditions and contractual restrictions. Our

Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. As advised by our Cayman Islands counsel, under the Cayman Islands law a company may declare and pay a dividend out of either profits or share premium account, provided that in no circumstances may a dividend be declared or paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Investors should not purchase our Shares with the expectation of receiving cash dividends. See "Financial Information—Dividend."

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] million after deducting the [**REDACTED**] fees and expenses payable by us in the [**REDACTED**], assuming no exercise of the [**REDACTED**] and assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per [**REDACTED**] in this document.

We intend to use the net [**REDACTED**] from the [**REDACTED**] for the following purposes:

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-401, our Core Product;
- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for our other drug candidates;
- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for the acquisition of the manufacturing facility in Suzhou pursuant to our cooperation agreement with the local government; and
- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for our working capital and other general corporate purposes.

See "Future Plans and Use of [**REDACTED**]" for details.

RISK FACTORS

We believe that there are certain risks involved in our operations, many of which are beyond our control. These risks are set out in "Risk Factors" in this document. Some of the major risks we face include:

- We have incurred significant operating losses since our inception, and may continue to incur operating losses for the foreseeable future and may never become profitable.
- We may be unable to successfully complete clinical trials, obtain regulatory approval and commercialize our drug candidates, or experience significant delays in doing so.

- Our future approved drugs may fail to achieve the degree of market acceptance by physicians, patients, third-party payers and others in the medical community necessary for commercial success.

- If we encounter difficulties enrolling patients in our clinical trials, our clinical trials could be delayed or otherwise adversely affected.

- If we are not able to obtain, or experience delays in obtaining, required regulatory approvals, we will not be able to commercialize our drug candidates, and our ability to generate revenue will be materially impaired.

[**REDACTED**] EXPENSES

[**REDACTED**] expenses to be borne by us are estimated to be approximately HK$[**REDACTED**] million (including [**REDACTED**] commission, assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), assuming no exercise of the [**REDACTED**]. Among such expenses, nil was recognized and charged to our consolidated statements of profit or loss in 2018 and 2019. After December 31, 2019, approximately HK$[**REDACTED**] million is expected to be charged to our consolidated statements of profit or loss, and approximately HK$[**REDACTED**] million is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.