FUTURE PLANS

For details of our future plans, see "Business—Our Strategies."

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, as follows:

  - Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used to fund the continuing research and development activities of OT-401. We plan to continue the Phase III trial, complete the clinical study report of the 12-month follow-up in the first quarter of 2022 and submit an NDA in China in the first half of 2022. We expect to commence commercialization of OT-401 in China in the second half of 2022 upon approval. In the meantime, we intend to continue to use YUTIQ in the Boao Pilot Program, which will require us to continue to conduct pre-treatment and post-treatment R&D work on the patients, evaluating the symptoms and conditions of patient candidates, training ophthalmologists for the injection procedure, and collecting and analyzing "real world" data from the patients before and after the procedure. In line with this planned timeframe, we expect that:

    - Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses of our research and development staff and activities, of which approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used in the R&D work in the ongoing Boao Pilot Program; and

    - Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for completing the ongoing clinical trial and preparation of registration filings, of which (i) approximately HK$[**REDACTED**] million, or [**REDACTED**]%, will be used for the clinical trial (including costs for CROs, cost for raw materials and consumables used in clinical trials, and potential future

costs on post-marketing clinical trials); (ii) approximately HK$[**REDACTED**] million, or [**REDACTED**]%, will be used for CMC work; and (iii) approximately HK$[**REDACTED**] million, or [**REDACTED**]%, will be used for registration filings;

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for milestone payments of OT-401; and

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for the commercialization of OT-401. Specifically, we plan to conduct more than 300 marketing events (online and offline) reaching more than 55,000 people per year, and hire approximately 60 additional commercialization staff for OT-401.

- 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 to fund the continuing research and development activities of the other drug candidates in our pipeline, including the planned clinical trials and the preparation of registration filings;

    - Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used to fund the continuing research and development activities of other advanced-stage drug candidates, including:

      - *OT-101*. Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-101, of which (i) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for planned clinical trials (including costs for CROs and cost for raw materials and consumables used in clinical trials); (ii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for CMC work; (iii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for preparation of registration filings; and (iv) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses for our research and development staff and activities. We have conducted substantial R&D work for OT-101 in market and technical feasibility studies, preclinical tests on the drug content, formulations and storage and delivery system and pre-IND preparation including preparation for pre-IND meetings with the CDE, EMA and FDA. Subject to IND approval from the CDE, EMA and FDA, we plan to initiate an MRCT Phase III clinical trial in the United States, the EU and China in the second half of 2020, the first half of 2021 and mid 2021, respectively. We have formulated a plan for a proposed clinical trial

involving 600 subjects over a duration of three years. See "Business—Our Portfolio— Advanced-Stage Drug Candidates—OT-101—Our R&D Work" and "—Clinical Development Plan";

- *OT-301*. Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-301, of which (i) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for planned clinical trials (including costs for CROs and cost for raw materials and consumables used in clinical trials); (ii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for CMC work; (iii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for preparation of registration filings; and (iv) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses for our research and development staff and activities. We have conducted substantial R&D work for OT-301 in pre-IND preparation as we formulated MRCT strategies and plans in conjunction with our overseas partner. Subject to IND approval, we plan to initiate two Phase III MRCTs of OT-301 in 2020 and we plan to use data from the global trials to support a NDA submission in China. We plan to initiate Chinese arms of two Phase III MRCTs in the fourth quarter of 2020 (having taken impact of the COVID-19 pandemic into consideration), subject to IND approvals from the NMPA. See "Business—Our Portfolio—Advanced-Stage Drug Candidates—OT-301—Our R&D Work" and "—Clinical Development Plan"; and

- *OT-1001*. Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-1001, of which (i) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for planned clinical trials (including costs for CROs, cost for raw materials and consumables used in clinical trials, and potential future costs on post-marketing clinical trials); (ii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for CMC work; (iii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for preparation of registration filings; and (iv) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses for our research and development staff and activities. We have conducted substantial R&D work for OT-1001 in pre-IND preparation, developing a clinical development plan and a clinical protocol matching the characteristics of the onset of allergic conjunctivitis among the Chinese population and clinical practices in China, and clinical trial preparation. We plan to conduct a

confirmatory Phase III clinical trial in China in the second half of 2020 subject to IND approval. See "Business—Our Portfolio—Advanced-Stage Drug Candidates—OT-1001—Our R&D Work" and "—Clinical Development Plan";

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used to fund the continuing research and development activities of near clinical-stage drug candidates, including:

  - *OT-502*. Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-502, of which (i) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for planned clinical trials (including costs for CROs, cost for raw materials and consumables used in clinical trials, and potential future costs on post-marketing clinical trials); (ii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for CMC work; (iii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for preparation of registration filings; and (iv) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses for our research and development staff and activities. We plan to discuss with the NMPA to conduct a bridging Phase III trial, which is expected to commence in the second quarter of 2021, to support our NDA submission in China. See "Business—Our Portfolio—Near Clinical-Stage Drug Candidates—OT-502—Clinical Development Plan and Our R&D Work";

  - *OT-202*. Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-202, of which (i) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for planned clinical trials (including costs for CROs and cost for raw materials and consumables used in clinical trials); (ii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for CMC work; (iii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for preparation of registration filings; and (iv) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses for our research and development staff and activities. 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. See "Business—Our Portfolio—Near Clinical-Stage Drug Candidates—OT-202— Clinical Development Plan and Our R&D Work";

- *OT-503*. Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-503, of which (i) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for planned clinical trials (including costs for CROs and cost for raw materials and consumables used in clinical trials); (ii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for CMC work; (iii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for preparation of registration filings; and (iv) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses for our research and development staff and activities. Currently, our licensing partner Nicox had completed a Phase II trial in the United States in December 2019, and we plan to commence a Phase II clinical trial in the second quarter of 2021 and a Phase III clinical trial in the fourth quarter of 2022 in China. See "Business—Our Portfolio—Near Clinical-Stage Drug Candidates—OT-503—Clinical Development Plan and Our R&D Work"; and

- *OT-701*. Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for OT-701, of which (i) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for planned clinical trials (including costs for CROs and cost for raw materials and consumables used in clinical trials); (ii) approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for preparation of registration filings; and (iii) HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for costs and expenses for our research and development staff and activities. We plan to submit an IND for the Phase I clinical trial in China in late 2021, and initiate the Phase I clinical trial in the second quarter of 2022. We also plan to initiate a Phase III clinical trial in China in the second quarter of 2023. See "Business—Our Portfolio—Near Clinical-Stage Drug Candidates—OT-701—Clinical Development Plan and Our R&D Work";

  - Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used to fund the continuing research and development activities of other drug candidates in different stages.

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for milestone payments of our other in-licensed drug candidates; and

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for the further expansion of our sales and marketing team in anticipation of new product launches in the coming years. Specifically, we plan to hire approximately 40 additional commercialization staff for other new product launches besides OT-401, and hold more than 250 marketing events (online and offline) reaching more than 65,000 people per year, introducing our products to over 12,000 ophthalmologists in over 1,500 Grade II and Grade III hospitals in China by 2022. We will continue to expand our presence in the market and aim to gain market access to 31 provinces by 2021.

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for the acquisition of the manufacturing facility in Suzhou pursuant to our cooperation agreement with the local government. See "History, Restructuring and Corporate Structure—Major Acquisitions, Disposals and Mergers" and "Waivers from Compliance with the Listing Rules and Exemption from the Companies (Winding Up and Miscellaneous Provisions) Ordinance—Waiver and Exemption in Respect of Accounting and Disclosure Requirements for Acquisitions of Subsidiaries and Businesses Conducted after the Track Record Period" for more details. We expect to allocate approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) for technology build-up by enhancing our laboratory enablement, which will be housed in the Suzhou facility.

- Approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) will be used for our working capital and other general corporate purposes.

As we continue to advance our existing drug candidates as described above, we expect to continue to expand our internal research and development capabilities by hiring additional research and development personnel with strong academic background and extensive industry experience. We plan to allocate approximately HK$[**REDACTED**] million (representing [**REDACTED**]% of the net [**REDACTED**]) in total for this purpose, which is inherent and reflected in the designated research and development staff costs for OT-401 and the other drug candidates described above.

The above allocation of the [**REDACTED**] will be adjusted on a *pro rata* basis in the event that the [**REDACTED**] is fixed at a higher or lower level compared to the mid-point of the estimated [**REDACTED**] range. If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the high end of the indicative [**REDACTED**] range, the net [**REDACTED**] from the [**REDACTED**] will increase by approximately HK$[**REDACTED**] million. If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] range, the net [**REDACTED**] from the [**REDACTED**] will decrease by approximately HK$[**REDACTED**] million.

If the [**REDACTED**] is exercised in full, and net [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**] million, assuming an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative [**REDACTED**] range). In the event that the [**REDACTED**] is exercised in full, we intend to apply the additional net [**REDACTED**] to the above purpose in the proportions stated above.

To the extent that the net [**REDACTED**] are not immediately applied to the above purposes and to the extent permitted by the relevant law and regulations, so long as it is deemed to be in the best interests of the Company, we may hold such funds in short-term deposits or low-risk and short-term wealth management products offered by reputable commercial banks or reputable financial institutions until such funds are used for the above purposes. We will make an appropriate announcement if there is any change to the above proposed use of [**REDACTED**].