
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

See “Business — Our Strategies” for a detailed description of our future plans.

USE OF PROCEEDS

Assuming an Offer Price of HK\$18.00 per Share (being the mid-point of the Offer Price range stated in this prospectus), we estimate that we will receive net proceeds of approximately HK\$1,950.4 million from the Global Offering after deducting the underwriting commission and other estimated expenses paid and payable by us in connection with the Global Offering, and assuming that the Over-allotment Option is not exercised. In line with our strategies, we intend to use the proceeds from the Global Offering for the purposes and in the amounts set forth below:

- approximately 30.0% of net proceeds, or approximately HK\$585.1 million, for investment in potential acquisition of drug targets in China or in other global markets and funding the in-licensing of new drug candidates. We have not yet identified any specific targets for investment, but intend to explore investment opportunities in drug candidates that focus on therapeutic areas with significant unmet medical needs, primarily including oncology and severe infection. We intend to acquire drug targets with (i) broad indication field with promising efficacy and safety profile, (ii) unique mechanism that has been partially or fully proved in clinical use, (iii) high barrier in manufacturing or dosing, and (iv) strong unmet needs without affordability issues. We plan to primarily seek opportunities to acquire the development and commercial rights in Mainland China, Hong Kong, Macau and Taiwan of late-stage drug candidates and at the same time invest in drug candidates in the early stages of development. See “Business — Our Strategies — Optimize our pipeline with accelerated fast-to-market strategy for late-stage assets and potential first/best-in-class focus for early-stage assets”;
- approximately 28.0% of net proceeds, or approximately HK\$546.1 million, to repay existing debt, including our loan facility of US\$300.0 million with China Minsheng Banking Corp., Ltd. Hong Kong Branch, with a maturity date of November 4, 2024, and interest rate of LIBOR plus 2.3 per annum. See “Financial Information — Indebtedness and Contingencies”;
- approximately 26.0% of net proceeds, or approximately HK\$507.1 million, to fund the development and commercialization of our clinical-stage product candidates, including funding the planned clinical trials, preparation for registration filings and potential commercial launches (including sales and marketing) of RRx-001, Naxitamab, Omburtamab, PEN-866, PT-112, ABTL-0812 and others. See “Business — Our Strategies — Optimize our pipeline with accelerated fast-to-market strategy for late-stage assets and potential first/best-in-class focus for early-stage assets”;
- approximately 10.0% of net proceeds, or approximately HK\$195.0 million, to invest in our recruitment and expand our sales and marketing network and commercial and development infrastructure, including expansion of our sales force in preparation for new

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product launches and retail channel collaborations, and investment in establishment of CDCs for research and development of Zadaxin’s vaccine adjuvant indication. See “Business — Our Strategies — Continue to innovate in business model and enhance our commercialization and development capabilities” and “Business — Our Strategies — Commit to development of talent and enhancement of our operational infrastructure to support our future expansion;”

- approximately 6.0% of net proceeds, or approximately HK\$117.0 million, to fund ongoing clinical studies for additional clinical adoptions of our marketed product portfolio. See “Business — Our Strategies — Continue to strengthen our marketed product portfolio through effective lifecycle management”.

We estimate that we will receive from the Global Offering net proceeds, after deducting the underwriting fees and estimated expenses paid and payable by us in connection with the Global Offering, in the amount as set forth in the following table:

	Based on the low-end of the proposed Offer Price range of HK\$17.20	Based on the mid-end of the proposed Offer Price range of HK\$18.00	Based on the high-end of the proposed Offer Price range of HK\$18.80
Assuming the Over-allotment Option is not exercised	Approximately HK\$1,861.3 million	Approximately HK\$1,950.4 million	Approximately HK\$2,039.5 million
Assuming the Over-allotment Option is exercised in full	Approximately HK\$2,148.6 million	Approximately HK\$2,251.0 million	Approximately HK\$2,353.4 million

To the extent that the net proceeds from the Global Offering (including the net proceeds from the exercise of the Over-allotment Option) are either more or less than expected, we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis.

To the extent that the net proceeds of the Global Offering are not immediately used for the above purposes, or if we are unable to put into effect any part of our plan as intended, and to the extent permitted by the relevant laws and regulations, we currently intend to deposit such net proceeds into interest-bearing bank accounts with licensed commercial banks or other authorized financial institutions so long as it is deemed to be in the best interests of the Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.