FUTURE PLANS

Please see "Business – Our Strategies" for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] million, after deducting [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], assuming no [**REDACTED**] is exercised and assuming an [**REDACTED**] of [**REDACTED**] per [**REDACTED**], being the mid-point of the indicative [**REDACTED**] stated in this document.

We intend to use the net [**REDACTED**] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be allocated to fund the ongoing and future R&D (including planned clinical trials, preparation of registration filings and milestone fees), CMC development and manufacturing process development of our Core Product candidate CAN008, a glycosylation fusion protein being developed for the treatment of glioblastoma (GBM). For more details on the ongoing and further development plans of CAN008, please see "Business – Our Portfolio – Late Stage Drug Products and Candidates – CAN008 CD95-Fc fusion protein for GBM";

    i. Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for the ongoing and future R&D, including planned clinical trials, preparation of registration filings and milestone fees of CAN008. We dosed the first patient in a first line Phase 2 clinical trial for CAN008 in China in October 2021;

    ii. Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to develop our CMC and manufacturing process for CAN008. The facilities under construction in Suzhou will cover the process development and clinical trial materials production in GMP environment for CAN008. The clinical trial materials production can also be transferred to Suzhou facility from current CMO;

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be allocated to fund our major products and product candidates in our pipeline as follows. For more details on the ongoing and further development plans of our major products and product candidates, please see "Business – Our Portfolio":

    i. Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to fund the ongoing commercialization, post-approval study and milestone fees of Hunterase® (CAN101), an ERT for the treatment of mucopolysaccharidosis type 2 ("MPS II" or "Hunter Syndrome"). For more details on the post-approval study plan, "Business – Our Portfolio – Clinical Stage Candidates – Hunterase® (CAN101) targeting MPS II/Hunter syndrome";

ii. Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to fund the ongoing and future R&D (including ongoing and planned clinical trials in Singapore and China, preparation of registration filings and milestone fees) of CAN106, a humanized monoclonal antibody against complement C5 being developed for the treatment of complement-mediated diseases.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for the ongoing clinical trials, and future R&D targeting paroxysmal nocturnal hemoglobinuria (PNH);

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for the future R&D targeting various other complement mediated diseases that are targeted by approved anti-C5 antibodies;

iii. Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to fund the ongoing and future R&D (including ongoing and planned clinical trials, preparation of registration filings and milestone fees) of CAN103, a rare disease product candidate targeting GD by producing recombinant GCase with highly exposed mannose for efficient uptake by macrophage and Kupfer cells in Gaucher patients to break down glucocerebrosides (GL1), the lipids that accumulate in patients with GD. There are few effective treatments currently available for GD. We obtained the IND approval for CAN103 from the NMPA in October 2021. We are in preparation of a Phase 1 trial in adult and adolescent GD patients.

iv. Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to fund the ongoing and future R&D (including ongoing and planned clinical trials, preparation of registration filings and milestone fees) and future commercial launches (including sales and marketing) of CAN108, an oral, minimally-absorbed agent designed to selectively inhibit apical sodium-dependent bile acid transporter (ASBT) and treat rare cholestatic liver diseases. There are no or very limited effective treatments currently available for such indications. We have started preparation of NDA for ALGS for CAN108 and expect to file a NDA by the end of 2021 in mainland China and Taiwan based on data obtained by Mirum, our collaboration partner, in global studies. For BA, we are supporting the patient recruitment and clinical site management in China for a Phase 2 clinical trial initiated in May 2021 by Mirum, our collaboration partner.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be allocated to fund ongoing and future R&D (including ongoing and planned clinical trials, preparation of registration filings and milestone fees) of our other products and product candidates in our pipeline. For more details on the ongoing and further development plans of other non-gene therapy products and product candidates, please see "Business – Our Portfolio":

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to fund the ongoing and future R&D (including ongoing and planned clinical trials, preparation of registration filings and milestone fees) of CAN201, CAN202 and our other gene therapy candidates;

We have a broad pipeline of more than ten product candidates focusing on rare disease and rare oncology diseases, each of which by nature has relatively small affected populations. The percentage of net [**REDACTED**] allocated for each individual product candidate will consequentially be lower.

The remaining [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**] million, will be allocated to fund the R&D and other general business purposes as follows:

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be allocated to develop our R&D and manufacturing facilities in both China and the U.S. for all our products and drug candidates, and potential office and site expansion and upgrade in China and the U.S. The [**REDACTED**] allocated to the R&D and manufacturing facilities in China under this item refers to the costs associated with the facilities under construction in Suzhou that will be used to develop and manufacture our products and drug candidates other than CAN008. There is no overlap of the use of [**REDACTED**] for R&D and manufacturing facilities under this item and CMC development and manufacturing of CAN008;

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be allocated to our other R&D activities including employment costs in both China and the U.S.;

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be allocated for potential strategic acquisitions, investments, in-licensing or collaborations. We do not have any concrete acquisition target but plan to explore drug candidates in the rare disease and gene therapy area which may be complimentary to our current drug portfolio;

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for our commercialization activities, including expanding our sales and marketing team; and

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for our working capital and general corporate purposes.

If the [**REDACTED**] is set at [**REDACTED**] per [**REDACTED**], being the high end of the indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will increase to approximately HK$[**REDACTED**] million. If the [**REDACTED**] is set at HK$[**REDACTED**] per [**REDACTED**], being the low end of the indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will decrease to approximately HK$[**REDACTED**] million. The above allocation of the net [**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 indicative [**REDACTED**] stated in this Document.

If the [**REDACTED**] is exercised in full, the net [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**] million, assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**]). 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 our net [**REDACTED**] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash generated from operations, bank loans and other borrowings. To the extent that the net [**REDACTED**] from the [**REDACTED**] are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will be placed in short-term demand deposits with licensed banks or financial institutions so long as it is deemed to be in the best interests of our Company. We will issue an appropriate announcement if there is any material change to the above proposed use of [**REDACTED**].