FUTURE PLANS

For a detailed description of our future plans, please refer to the paragraphs headed "Business – Our Strategies" in this document.

USE OF [REDACTED]

We estimate that the aggregate net [**REDACTED**] to our Company from the [**REDACTED**] (after deducting [**REDACTED**] commissions and other estimated expenses in connection with the [**REDACTED**] paid and payable by us taking into account any additional discretionary incentive fee and assuming that the [**REDACTED**] is not exercised and an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per Share) will be approximately HK$[**REDACTED**]. We currently intend to apply such net [**REDACTED**] we will receive from this offering for the following purposes:

(a) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used primarily for the research and development, regulatory filings and commercialization of our product and drug candidates:

    (i) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for our Core Product envafolimab, including:

        (a) approximately [**REDACTED**]% or HK$[**REDACTED**], will be used for ongoing and planned clinical trials to evaluate envafolimab for the treatment of UC, TMB-H, EC and other solid tumors;

        (b) approximately [**REDACTED**]% or HK$[**REDACTED**], will be used for ongoing and planned clinical trials to evaluate envafolimab as combinational therapies for the treatment of HCC, RCC, NSCLC, BTC and other solid tumors;

        (c) approximately [**REDACTED**]% or HK$[**REDACTED**], will be used for marketing business development (including employee salary, employee training, and procurement service), and the maintenance and management of envafolimab as its MAH holder; and

        (d) approximately [**REDACTED**]% or HK$[**REDACTED**], will be used for expanding our production-lines, including procurement of production equipment, procurement of active pharmaceutical ingredients, procurement of pre-filled syringe, packing materials accessory ingredients, commissioning and production debugging, and setting up of personnel and quality management system.

(ii) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for our other drug candidates, including:

(a) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for ongoing and planned clinical trials and the preparation for registration filings of 3D189. We submitted the IND in China in July 2021 and obtained the IND approval in China in March 2022. We plan to enroll the first patient for the Phase I clinical trial in the second half of 2022 and join the ongoing Phase III clinical trial in AML sponsored by SELLAS Group;

(b) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for ongoing and planned clinical trials and the preparation for registration filings of 3D229. We completed the Phase I clinical trial in May 2022, and have expanded the Phase III pivotal trial to China;

(c) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for planned clinical trials for the treatment of advanced malignant solid tumors and the preparation for registration filings of 3D011 in China. We received the IND approval from the NMPA in January 2021 and initiated a Phase I clinical trial in February 2022, and we plan to enroll the first patient for this trial in the third quarter of 2022. The site for this clinical trial was activated in first quarter of 2022;

(d) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for ongoing and planned clinical trials for the treatment of cholangiocarcinoma, UC and other tumors with FGFR genetic alterations and the preparation for registration filings of 3D185 in China. We completed the Phase I clinical trial in August 2021 and plan to further explore the clinical potential for the treatment of cholangiocarcinoma, UC and other tumors with FGFR genetic alterations. We received the IND approval from the FDA in September 2019 and submitted a protocol to FDA in September 2021 for a Phase II clinical trial, which we withdrew later as we decided to establish a RP2D first before we start the Phase II clinical trial;

(e) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for ongoing and planned clinical trials for the treatment of post-surgical dental pain and the preparation for registration filings of 3D1001 in China. We obtained the IND approval from the NMPA in February 2019 and are preparing for a potential Phase I/II clinical trial in China. The first subject of this trial is expected to be enrolled in the first half of 2023;

(f) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for ongoing and planned clinical trials for the treatment of cancer pain and the preparation for registration filings of 3D1002 in China. We obtained the IND approval in July 2018 and plan to conduct a randomized Phase II clinical trial. The first patient of this trial is expected to be enrolled in fourth quarter of 2022;

(g) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for pre-clinical discovery and development of 3D197. We obtained the IND approval in China in January 2022 and plan to conduct phase I study in China. The first patient of this trial is expected to be enrolled in the second half of 2022;

(h) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for pre-clinical discovery and development of 3D057; and

(i) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for early-stage drug discovery and development, including pre-clinical of our other pipeline assets, discovery and development of new drug candidates.

(iii) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund the following:

(a) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the construction of our in-house production facilities in Xuzhou, Jiangsu province (and for more information, please refer to the paragraphs headed "Business – Production and Quality Control" in this document), including the construction of our infrastructure and decoration of facilities in compliance with cGMP standards, and we expect to complete such construction of infrastructure and decoration by 2023. As of the Latest Practicable Date, our manufacturing facilities in Xuzhou did not have production capacity as we are still in the process of construction. We expect that their total production capacity will reach 6,000 L (3x2,000 L) by 2024;

(b) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the procurement of new machineries, instruments and equipment, including approximately HK$[**REDACTED**] for API (Active Pharmaceutical Ingredients) production machineries and equipment (e.g. bioreactors, filters, centrifuges, sterilization cabinet and their ancillary equipment), approximately HK$[**REDACTED**] for drug production machineries and equipment (e.g. bioreactors, filters and isolators, visual inspection and leak detection systems and packaging systems), and approximately HK$[**REDACTED**] for engineering equipment (e.g. water distribution systems, distilled water machines and sewage treatment equipment), and we expect to complete such procurement by 2023; and

(c) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for the recruitment and training of manufacturing talents and the procurement of professional services. We expect to recruit approximately 200 additional employees by 2024. We expect that the professional service required include preliminary project consulting service, designing service, construction project supervision service and GMP/cGMP verification services, and we expect to procure such professional services by 2024.

(b) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to fund our business development activities, the expansion of our drug pipeline and portfolio, and the potential acquisition of high value and differentiated innovative assets and/or equities, if practicable. In evaluating the potential acquisition targets, we will prudently consider various factors where applicable, including and without limitation to the target's drug products and pipelines, the strategic position of the target in the industry, the target's competitive strengths and growth potential, expertise of the target's management and research and development teams, the target's financial conditions, and synergies with our existing business. As confirmed by Frost & Sullivan, there are available acquisition targets in the market that satisfy our acquisition criteria; and

(c) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for our general corporate and working capital purposes.

None of the net [**REDACTED**] will be applied for discharging our payment obligations under the Co-Development Agreements, the 3D Alphamab TRACON Agreement, or the 3D Alphamab Simcere Agreements.

The table below specifies the further breakdown for net [**REDACTED**] to be allocated to different indications of our Core Product envafolimab for the R&D on the one hand (i.e. approximately [**REDACTED**]%, or HK$[**REDACTED**] will be used for research and development of multiple indications) and commercialization on the other hand (i.e. approximately [**REDACTED**]%, or HK$[**REDACTED**] will be used for marketing business development).

	Net [REDACTED] to Be Allocated			
Indications	**R&D**	**Commercialization**	**Latest Development Stage[(2)]**	**Future Development Plan[(2)] and Expected Timetable**
EC	[**REDACTED**]%, or approximately HK$[**REDACTED**]		• We submitted IND for a Phase II clinical trial in June 2021 and received the IND approval in September 2021	• Q2 2022: Expected FPI • Q4 2023: Expected full enrollment • Q4 2024: Expected NDA submission

	Net [REDACTED] to Be Allocated			
Indications	**R&D**	**Commercialization**	**Latest Development Stage[2]**	**Future Development Plan[2] and Expected Timetable**
TMB-H advanced solid tumors	[**REDACTED**]%, or approximately HK$[**REDACTED**]		• We enrolled the first patient for a Phase II clinical trial in August 2021	• Q1 2023: Expected full enrollment • Q1 2024: Expected NDA submission
UC	[**REDACTED**]%, or approximately HK$[**REDACTED**]		• We had communications with CDE in March 2021, and we have completed pre-IND communication with CDE in July 2021.	• Q4 2022: Expected IND submission • Q2 2023: Expected FPI • Q4 2025: Expected NDA submission
Other solid tumors	[**REDACTED**]%, or approximately HK$[**REDACTED**]	[**REDACTED**]%, or approximately HK$[**REDACTED**][1]	–	–
BTC (combinational therapy)	[**REDACTED**]%, or approximately HK$[**REDACTED**]		• We enrolled the first patient for a Phase III clinical trial in April 2018	• Q4 2022: Expected NDA submission
NSCLC (combination with chidamide)	[**REDACTED**]%, or approximately HK$[**REDACTED**]		• We obtained the IND approval for a Phase II clinical trial in July 2021 and enrolled the first patient for this trial in the fourth quarter of 2021.	• Q2 2024: Expected NDA submission
NSCLC (vs. standard of care)			• We had communications with CDE in January 2021, and are still in the process of communicating with CDE	• Q2 2023: Expected FPI • Q2 2027: Expected NDA submission

	Net [REDACTED] to Be Allocated			
Indications	**R&D**	**Commercialization**	**Latest Development Stage[2]**	**Future Development Plan[2] and Expected Timetable**
NSCLC, HCC, RCC (combination with lenvatinib)	[**REDACTED**]%, or approximately HK$[**REDACTED**]		• We obtained the IND approval for a Phase Ib/II clinical trial in June 2021 and enrolled the first patient for this trial in the fourth quarter of 2021.	• Q4 2026: Expected NDA submission
Total	**[REDACTED]%, or approximately HK$[REDACTED]**	**[REDACTED]%, or approximately HK$[REDACTED]**		

Abbreviations: EC = endometrial cancer; TMB-H = tumor mutational burden-high; UC = urothelial carcinoma; BTC = biliary tract cancer; NSCLC = non-small cell lung cancer; HCC = hepatocellular carcinoma; RCC = renal cell carcinoma; Q1 = first quarter; Q2 = second quarter; Q3 = third quarter; Q4 = fourth quarter; FPI = first patient-in.

Note:

(1) Represents the net [**REDACTED**] to be allocated to the commercialization of all indications.

(2) For more details on the latest development stage and future development plan, please refer to the paragraphs headed "Business – Our Core Product – Envafolimab – Clinical Development Plan."

If the [**REDACTED**] is exercised in full, the net [**REDACTED**] of the [**REDACTED**] would increase to approximately HK$[**REDACTED**] (based on the mid-point [**REDACTED**] of HK$[**REDACTED**] per Share). We intend to apply the additional net [**REDACTED**] to the above uses in the proportions stated above.

The allocation of the [**REDACTED**] used for the above will be adjusted 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 fixed at HK$[**REDACTED**] per Share, being the high end of the stated [**REDACTED**] range, our net [**REDACTED**] will (i) assuming the [**REDACTED**] is not exercised, be increased to approximately HK$[**REDACTED**], or (ii) assuming the [**REDACTED**] is exercised in full, be increased to approximately HK$[**REDACTED**]. In such circumstances, we currently intend to use such additional [**REDACTED**] to increase the net [**REDACTED**] applied for the same purposes as set out above on a pro rata basis. If the [**REDACTED**] is fixed at HK$[**REDACTED**] per Share, being the low end of the stated [**REDACTED**] range, our net [**REDACTED**] will (i) assuming the [**REDACTED**] is not exercised, be decreased to approximately HK$[**REDACTED**], or (ii) assuming the [**REDACTED**] is exercised in full, be decreased to approximately HK$[**REDACTED**]. In such circumstances, we currently intend to reduce the net [**REDACTED**] applied for the same purposes as set out above on a pro rata basis.

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 but not limited to cash generated from operations, equity and equity-linked instruments, 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 authorised financial institutions.