This announcement contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical fact are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Company's control, that may cause the actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

開拓藥業有限公司*

KINTOR PHARMACEUTICAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9939)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The Board (the "**Board**") of Directors (the "**Directors**") of the Company is pleased to announce the consolidated annual results of the Group for the year ended 31 December 2024, together with comparative figures for the year ended 31 December 2023.

FINANCIAL HIGHLIGHTS

The Group's revenue increased from RMB0 million for the year ended 31 December 2023 to RMB5.0 million for the year ended 31 December 2024, which was mainly attributable to the global sales of new high-end cosmetics brand KOSHINÉ's cosmetic product. The Group will continue to explore different approaches to further promote the commercialisation of the Company's cosmetic products worldwide.

The Group's net loss decreased by RMB905.5 million or 85.4% from RMB1,060.8 million for the year ended 31 December 2023 to RMB155.3 million for the year ended 31 December 2024, which was mainly attributable to the decrease in the Group's R&D costs.

The Group's R&D costs decreased by RMB860.8 million or 91.7% from RMB938.9 million for the year ended 31 December 2023 to RMB78.1 million for the year ended 31 December 2024. Such decreased costs were mainly attributable to the drastically decline in the provision for R&D related inventories, the reduction in employee benefit and share-based compensation expenses and the decrease in impairment losses of intangible assets during the Reporting Period, and the Group's increasing focus on investments in core dermatology pipelines KX-826 and GT20029, which have much lower costs compared to oncology pipelines. The Group internally summarises the results and experience of previous clinical trials, and further improves the requirements and measures before conducting subsequent clinical trials. There was a full provision for R&D related inventories during the year ended 31 December 2023; therefore, there is no provision for the R&D related inventories during the year ended 31 December 2024.

The Group's administrative expenses decreased by RMB27.2 million or 30.6% from RMB89.0 million for the year ended 31 December 2023 to RMB61.8 million for the year ended 31 December 2024. Such decrease was mainly attributable to the reduction in employee benefit expenses (including share-based compensation expenses), and traveling and office expenses during the Reporting Period.

The Group's marketing costs increased by RMB19.6 million or 280.3% from RMB7.0 million for the year ended 31 December 2023 to RMB26.6 million for the year ended 31 December 2024, which was mainly attributable to the increase in the marketing and promotion expenses for the Group's cosmetics business.

The Group had cash and cash equivalents of RMB147.4 million as at 31 December 2024. In addition, the Group had unutilised bank credit quota of RMB35.6 million as at 31 December 2024. The Group is implementing certain plans and measures to ensure continued support for the advancement of its clinical trials and R&D.

The Board resolved not to pay any final dividend for the year ended 31 December 2024 (for the year ended 31 December 2023: Nil).

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers	**5,000**	—
Cost of sales	**(9,730)**	(42,229)
Gross loss	**(4,730)**	(42,229)
Other income and expenses	**21,948**	20,867
Marketing costs	**(26,558)**	(6,984)
Administrative expenses	**(61,825)**	(89,045)
Research and development costs	**(78,143)**	(938,907)
Other gains/(losses) — net	**5,946**	(2,925)
Net impairment losses on financial and contract assets	**(1,206)**	—
Operating loss	**(144,568)**	(1,059,223)
Finance costs	**(9,277)**	(9,690)
Share of (losses)/gains of an associate and a joint venture	**(1,429)**	52
Loss before income tax	**(155,274)**	(1,068,861)
Income tax (expense)/credit	**(18)**	8,041
Loss and total comprehensive loss for the year attributable to the equity holders of the Company	**(155,292)**	(1,060,820)

	As of 31 December	
	2024	2023
	RMB'000	*RMB'000*
Non-current assets	**343,396**	396,675
Current assets	**171,730**	472,557
Cash and cash equivalents and time deposits	**147,419**	456,334
Non-current liabilities	**54,367**	186,390
Current liabilities	**166,679**	224,730
Total equity	**294,080**	458,112

BUSINESS HIGHLIGHTS

As at the date of this announcement, we have five innovative potential first-in-class/ best-in-class drug candidates at phase I-III clinical stage and a new raw material KT-939 in the field of skin whitening. Based on the Company's clear strategic layout in the field of dermatology and relying on its strong execution, the Company has rapidly advanced various clinical trials of two Core Products KX-826 and GT20029 in China and several progress of KT-939, among which the following milestones and achievements have been achieved since 2024:

KX-826

AGA Indication

- On 1 February 2024, the Company announced that the phase Ib/III clinical trial of KX-826 in combination with minoxidil for the treatment of male adults with AGA had been cleared by the NMPA. The trial is aimed to evaluate the efficacy and safety of KX-826 in combination with minoxidil for the treatment of male adults with AGA in China.

- On 24 May 2024, the Company announced that the clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China had received clearance by NMPA. The trial aims to evaluate the efficacy and safety of KX-826 tincture 1.0% for the topical treatment of male adults with AGA in China. Preclinical studies have shown that the KX-826 tincture 1.0% has significantly increased the retention concentration of the tincture on human scalp cells compared to the KX-826 tincture 0.5% used in the previous phase III clinical trial, and is expected to enhance the clinical efficacy.

- On 4 June 2024, the Company announced that KX-826 received the INCI review approval from the International Cosmetic Ingredient Nomenclature Committee. The assigned INCI name is Methylpyridinyl Fluoromethoxybenzonitrile Dimethyloxothiooxoimidazolidine. INCI names are systemic names recognised worldwide for the identification of cosmetic ingredients and are cited by product labeling regulations in many countries.

- On 10 July 2024, the Company announced the official launch of its topical anti-hair loss solution for AGA, which is the new high-end cosmetics brand KOSHINÉ's first cosmetic product with KX-826 as the main ingredient.

- On 16 October 2024, the Company announced that the phase II stage pivotal clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China had completed the first subject enrollment. The pivotal clinical trial is a multi-center, randomized, double-blind, vehicle controlled phase II/III study with adaptive designs to evaluate the efficacy and safety of KX-826 tincture 1.0% for the topical treatment of male adults with AGA in China.

- On 30 December 2024, the Company announced that the phase III stage pivotal clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China had completed the first subject enrollment. The enrolled patients will receive treatment with the stipulated dosages over a period of 24 weeks, followed by a 1-month safety observation. This trial is expected to be completed by the end of 2025.

- On 20 March 2025, the Company announced that the topline results of the long-term safety phase III clinical trial of KX-826 tincture for the treatment of AGA in China had been obtained. The results indicated that the long-term safety clinical trial has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent safety and efficacy.

AR-PROTAC Compound (GT20029)

- On 21 April 2024, the Company announced that the China phase IIa clinical trial of AR-PROTAC compound GT20029 tincture for the treatment of AGA has reached the primary endpoint, with statistically significant and clinically meaningful results, as well as good safety and tolerability.

- On 17 June 2024, the Company announced the completion of the first subject enrollment in the phase II clinical trial in China of AR-PROTAC compound GT20029 for the treatment of acne. The phase II clinical trial was designed to evaluate the efficacy, safety and PK of GT20029 for the treatment of acne through the adoption of GT20029 0.5% QD and 1% QD as the drug-related dosage.

New Raw Material (KT-939)

- On 29 October 2024, the Company announced that KT-939 received the INCI review approval from the International Cosmetic Ingredient Nomenclature Committee with assigned Mono ID of 39815. KT-939 is a tyrosinase inhibitor under development by the Company. It effectively inhibits melanin production and possesses antioxidant and anti-inflammatory properties. The Company is actively preparing for the registration of KT-939 as a new cosmetic ingredient in China.

For details of any of the foregoing, please refer to the rest of this announcement (if applicable), and the Company's prior announcements published on the Stock Exchange's and the Company's websites.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

We are a clinical-stage novel drug developer in China focusing on developing potential first-in-class/best-in-class drugs for unmet clinical needs and extending to functional cosmetics area. The development of cosmetics business play a crucial complementary role by not only providing the necessary funding for drugs R&D initiatives but also offering valuable market data that informs and shapes the future sales strategies for the Company's pharmaceutical products. We have five innovative potential first-in-class/best-in-class drug candidates at phase I-III clinical stage, and we are committed to becoming a leader in the research, development and commercialisation of innovative therapies and high-end cosmetics. Our products aim at tackling the unmet clinical needs and meeting the needs of global cosmetics consumers. Our pipelines cover indications of dermatology such as AGA and acne vulgaris, and indications of tumors and the cosmetic product types cover anti-hair loss, acne treatment and skin whitening. The two Core Products, namely KX-826 and GT20029, have entered phase II/III and phase II clinical stage, respectively.

We officially launched the sales of the new high-end cosmetics brand KOSHINÉ in the second half of 2024, namely the topical anti-hair loss solution with KX-826 as the main ingredient, and KOSHINÉ brand achieved sales revenue of RMB5.0 million during the Reporting Period. As at the date of this announcement, a total of six products comprising anti-hair loss solution series (standard, pro and plant extract editions), acne cream, and whitening series (essence and lotion) have been launched into the market, among which, acne cream with KX-826 as the main ingredient and whitening series (essence and lotion) with KT-939 as the main ingredient were marketed at the beginning of 2025.

Our cosmetics production are currently outsourced and online sales channels have been a prioritized area for investment and development since the launch of KOSHINÉ. The Group has established a multi-channel digital marketing strategy for its cosmetics business, adopting differentiated platform operation strategies. While expanding in traditional e-commerce platforms such as Tmall and JD, we have proactively deployed resources in emerging content-driven e-commerce platforms including Douyin and Xiaohongshu, continuously intensifying resource investments to cultivate socialized shopping scene. To address the evolving demands of overseas cosmetics consumers and execute globalization strategy, the Group expanded its overseas sales channels, with focused development of global platforms including Amazon USA and self-operated online sales platform, ensuring precise alignment with the diversified needs of global cosmetics customers and amplifying KOSHINÉ brand's global influence.

During the year under review, by leveraging data analysis to identify user profiles and purchase needs for refining advertising precision, the Group significantly improved conversion rates on key platforms such as Tmall Global, Douyin Flagship Store, and JD International. Capitalizing on the rise of livestream commerce, the Group strategically deployed live streaming matrix on Douyin and Taobao, establishing professional brand promotion strategies. This included multi-dimensional promotion approaches such as influencers collaborations, short video content marketing, Xiaohongshu community seeding, e-commerce festival campaigns, and regular live streaming. The Group will continue to focus on the field of dermatology, strengthen its marketing efforts, expand the usage scenarios of its products, accelerate global market expansion, and expedite the launch of new cosmetics products to further enhance the popularity of the Group's cosmetic brand.

As at the date of this announcement, in respect of KX-826, the Group has completed the long-term safety phase III clinical trial for AGA in China, the phase II clinical trial for female AGA in China, the phase II clinical trial for male AGA in the U.S. and the phase II clinical trial for acne in China. The long-term safety clinical trial exhibited satisfactory safety and tolerability, with a low incidence of overall adverse events and no death case, providing safety and efficacy data to support the long-term use of KX-826. Meanwhile, we also initiated the phase Ib/III clinical trial of KX-826 in combination with minoxidil for the treatment of AGA in China, and clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China. The development of combination therapy of KX-826 and minoxidil will further explore the value of KX-826 in the field of AGA. The clinical trial of KX-826 tincture 1.0% is expected to maintain excellent safety profile and present superior efficacy compared to the KX-826 tincture 0.5%. For acne vulgaris indication, the results of the phase II clinical trial will lay the foundation for the Company's future studies.

Our second Core Product GT20029, developed in-house by the Company based on its own PROTAC platform, is the first topical PROTAC compound in the world which has entered phase II clinical stage. As at the date of this announcement, the Group has completed the phase I clinical trial of GT20029 for AGA and acne in the U.S., which demonstrated that GT20029 had good safety, tolerability, and PK characteristics. The China phase IIa clinical trial of AR-PROTAC compound GT20029 tincture for the treatment of AGA has reached the primary endpoint, with statistically significant and clinically meaningful results, as well as good safety and tolerability. The Company expects to actively deploy subsequent clinical strategies for GT20029, such as initiating a phase IIb/III clinical trial in China and a phase II clinical trial in the U.S. for male AGA. In addition, during the Reporting Period, the Company completed the first subject enrollment in the phase II clinical trial in China of AR-PROTAC compound GT20029 for the treatment of acne. The phase II clinical trial was designed to evaluate the efficacy, safety and pharmacokinetics of GT20029 for the treatment of acne through the adoption of GT20029 0.5% QD and 1% QD as the drug-related dosage.

For other pipelines, we are exploring their commercial value in different disease areas and actively trying to improve the efficacy of drug through combination therapies. For example, our GT1708F completed the phase I clinical trial for hematologic malignancies in China and we were granted conditional approval to conduct the phase II clinical trial of IPF in China. We are actively seeking potential opportunities to accelerate the commercialisation of various pipelines in China and globally.

Product Pipeline

Our pipeline includes a risk-balanced and diversified portfolio of drug candidates, which are committed to meeting the huge unmet medical needs and have significant market potential. Hundreds of millions of male and female patients around the world and in China suffered from AGA and acne. Based on AR targets, we have made groundbreaking developments with KX-826 and GT20029 for dermatology fields. We are rapidly advancing clinical trials and actively exploring commercialisation paths for these products to meet patients' needs including but not limited to the launch of the high-end cosmetics brand KOSHINÉ with innovative raw materials as main ingredients. In other disease areas, including mCRPC, liver cancer, IPF, hematologic malignancies and multiple solid tumors, we also have several products in/completing the clinical stage, accumulating a large amount of R&D and clinical data, with high value for cooperation in commercialisation. The following chart sets forth a summary of our drug candidates as well as their respective mechanism, indications and development progresses:

		Drug Candidate	Target / Mechanism	Indication	Country/ Region	Pre-Clinical	IND Filing (Filed)| (Accepted)	Phase I	Phase II	Phase III	NDA
Clinical stages	Dermatology	KX-826	AR antagonist (for external use)	Androgenetic alopecia (Male)	China					Completed Ph III FPI On 30 Dec 2024	
				Androgenetic alopecia (Female)	China				Data readout on 1 Dec 2022		
				Androgenetic alopecia (Male)	US				Data readout on 11 May 2023		
				Androgenetic alopecia (Long-term safety)	China					Ph III reached primary endpoint on 20 Mar 2025	
				Combined with minoxidil for androgenetic alopecia (Male)	China		IND approved on 1 Feb 2024				
				Acne vulgaris	China				Ph II clinical trial completed on 28 Aug 2023		
		AR-PROTAC (GT20029)	AR-PROTAC compound	Androgenetic alopecia	China				Ph II reached primary endpoint on 21 Apr 2024		
				Acne vulgaris	China					Completed Ph II FPI on 17 June 2024	
				Androgenetic alopecia	US			Top-line data released on 10 Feb 2023			
				Acne vulgaris	US			Top-line data released on 10 Feb 2023			
	Non-dermatology	GT1708F	Hedgehog/ SMO inhibitor	Idiopathic pulmonary fibrosis (IPF)	China		Conditional Ph II approved in Oct 2023				
				Blood cancer	China			Ph I completed on 8 May 2023			
		GT0486	mTOR kinase inhibitor	Metastatic solid tumours	China			Completed patients enrollment on 26 Jul 2023			
		ALK-1 (GT90001)	Angiogenesis inhibitor	Combination therapy with a PD-1 for metastatic HCC (2L)	Taiwan(China)				Last patient last visit completed on 7 Jul 2022		
				Combination therapy with a PD-1 for metastatic HCC (2L)	US & Intl				Completed FPI on 2 May 2022		
				Combination therapy with a PD-1 for metastatic HCC	China		IND approved on 11 Oct 2021				
Pre-clinical			c-Myc molecular glue	Blood cancer and solid tumors							
			PROTAC compounds	External therapy							
			ALK-1/VEGF bispecific antibody	Solid tumours							

BUSINESS REVIEW

As at the date of this announcement, we had developed five clinical-stage drugs and one new raw material, for which we had obtained approvals to commence clinical trials in the PRC (including Taiwan), the U.S. and other countries and regions. These clinical-stage drug candidates comprise KX-826, AR-PROTAC compound GT20029, Hedgehog/SMO inhibitor GT1708F, mTOR kinase inhibitor GT0486 and ALK-1 antibody GT90001, and the new raw material is tyrosinase inhibitor KT-939, the details of which are set out as follows:

Main Products

- ***KX-826***

  KX-826 is a drug for topical use, which can block the signaling pathway of AR. It acts on the local area of peripheral skin tissue, and can reduce the sensitivity of AR to androgen in the pilosebaceous gland, and the low AR inhibitory activity of its metabolites can reduce systemic side effects.

  We own the patents of KX-826 in many countries around the world, including China. Its core patent is valid until 8 September 2030. We are currently developing KX-826 in tincture and gel as a potential first-in-class topical drug for the treatment of AGA and acne vulgaris.

  i. AGA Indication

  Where AGA occurs, the androgen binds to the AR in the hair follicle cells, and the AR undergoes a complex enzymatic reaction and forms an AR complex. The AR complex enters the nucleus, binds to a specific hormone-responsive element of the gene locus, induces or inhibits the transcription of the target gene, and synthesises specific messenger RNA (mRNA) and corresponding proteins, such as different kinds of cytokines. This regulates cell proliferation and differentiation, which causes the hair to prematurely enter into a resting period and shrinks hair follicles. The hair in the growing period gradually becomes thinner and hair follicles shrink and disappear, resulting in AGA. Abnormal changes in systemic and local androgen metabolism are important factors in the pathogenesis of AGA, and dihydrotestosterone ("**DHT**") catalysed by androgen by 5α-reductase is a contributing molecule of AGA. AR is recognised as an attributing factor for AGA. KX-826 is for topical application to locally block the androgen mediated signaling by competing androgen to bind to AR in the targeted tissues.

As at the date of this announcement, we have completed the long-term safety phase III clinical trial for AGA in China, the phase II clinical trial for female AGA in China, and the phase II clinical trial for male AGA in the U.S.. In respect of the long-term safety phase III clinical trial for AGA in China, the topline results showed that the long-term safety clinical trial has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent safety and efficacy. In respect of the phase II clinical trial for female AGA in China, the results have demonstrated clinically meaningful and statistically significant improvement in hair growth as measured by TAHC, and favorable safety profile. In respect of the phase II clinical trial for male AGA in the U.S., the results after 24 weeks compared to baseline were statistically and clinically meaningful, and demonstrated a favorable safety profile.

Meanwhile, we have also initiated in China the phase Ib/III clinical trial of KX-826 in combination with minoxidil for the treatment of AGA, and clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA.

- On 1 February 2024, the Company announced that the phase Ib/III clinical trial of KX-826 in combination with minoxidil for the treatment of male adults with AGA had been cleared by the NMPA. The trial aims to evaluate the efficacy and safety of KX-826 in combination with minoxidil for the treatment of male adults with AGA in China. The Group believes that through the development of combination therapy, the efficacy of KX-826 for AGA will be further discovered.

- On 24 May 2024, the Company announced that the clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China had received clearance by NMPA. The trial aims to evaluate the efficacy and safety of KX-826 tincture 1.0% for the topical treatment of male adults with AGA in China. Preclinical studies have shown that the KX-826 tincture 1.0% has significantly increased the retention concentration of the tincture on human scalp cells compared to the KX-826 tincture 0.5% used in the previous phase III clinical trial, and is expected to enhance the clinical efficacy.

- On 4 June 2024, the Company announced that KX-826 received the INCI review approval from the International Cosmetic Ingredient Nomenclature Committee. The assigned INCI name is Methylpyridinyl Fluoromethoxybenzonitrile Dimethyloxothiooxoimidazolidine. INCI names are systemic names recognised worldwide for the identification of cosmetic ingredients and are cited by product labeling regulations in many countries. It was expected that the assignation would facilitate the global launch of the Company's functional cosmetics with KX-826 as the main ingredient.

- On 10 July 2024, the Company announced the official launch of its topical anti-hair loss solution for AGA, which is the new high-end cosmetics brand KOSHINÉ's first cosmetic product with KX-826 as the main ingredient. The Company is of the view that the launch of this new high-end cosmetics brand KOSHINÉ will provide a solid stream of revenue and cash flow to the Group, benefiting the Group as a whole in the long term.

- On 16 October 2024, the Company announced that the phase II stage pivotal clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China had completed the first subject enrollment. The pivotal clinical trial is a multi-center, randomized, double-blind, vehicle controlled phase II/III study with adaptive designs to evaluate the efficacy and safety of KX-826 tincture 1.0% for the topical treatment of male adults with AGA in China.

- On 30 December 2024, the Company announced that the phase III stage pivotal clinical trial of KX 826 tincture 1.0% for the treatment of male adult AGA in China had completed the first subject enrollment. The enrolled patients will receive treatment with the stipulated dosages over a period of 24 weeks, followed by a 1-month safety observation. This trial is expected to be completed by the end of 2025.

- On 20 March 2025, the topline results of the long-term safety phase III clinical trial of KX-826 tincture for the treatment of AGA in China had been obtained. The results indicated that the long-term safety clinical trial has reached its primary endpoint with statistically significant and clinically meaningful outcomes, demonstrating excellent safety and efficacy.

The long-term safety clinical trial is a multi-center, open-label study designed to evaluate the long-term safety of the topical use of KX-826 for the treatment of AGA patients in China (treatment period of 52 weeks). The long-term safety clinical trial involves a total of 16 clinical research centers in China, with Professor Jianzhong Zhang (張建中) from Peking University People's Hospital as the lead principal investigator. The primary endpoint of the trial is the incidence of TEAE occurred during the study. Secondary endpoints include efficacy as measured by the change in the TAHC from baseline and other safety indicators. This trial adopted KX-826 tincture 0.5% BID as the drug-related dosage. Results of the clinical trial showed that:

— Regarding safety, KX-826 tincture exhibited satisfactory safety and tolerability in clinical trial, with a low incidence of overall adverse events and no death case. No drug-related sexual dysfunction adverse reactions were observed during the entire study period, which indicated an excellent favorable safety profile without observing any safety signals.

— In terms of efficacy, after 52 weeks' treatment, patients showed positive signals in both TAHC and TAHW with an increase from baseline, demonstrating effective treatment, and the results are statistically significant ($P<0.0001$). Among the target populations, at 52 weeks, the patients with ≥10 hairs/cm^2 change in TAHC from baseline accounted for 46%, the patients with ≥20 hairs/cm^2 change accounted for 20%.

  The hair growth assessment ("**HGA**") indicators from investigators and patients both experienced various degrees of improvement from baseline, with a significant therapeutic effect. The results showed that after the treatment of 52 weeks, the efficacy rates (HGA score ≥1) as assessed by HGA investigators in male patients was 53%, and the efficacy rates as assessed by HGA investigators in female patients was 48.4%. In the self-assessments at different time points, patients also demonstrated a positive trend of change in therapeutic efficacy.

ii. Acne vulgaris indication

Acne vulgaris is the eighth most prevalent disease in the world which affects more than 9.4% of the global population. Acne vulgaris is particularly common among adolescents and young adults as a facial disease. The pathogenesis of acne vulgaris is complicated. The influence of androgen and its receptor signaling pathway on sebaceous glands and sebum secretion is one of the important factors causing acne vulgaris. The U.S. FDA approved the first AR antagonist over the past 40 years for treatment of acne in August 2020, which had paved the way for our ongoing clinical trials in China. To date, there has been significant unmet clinical needs as no effective topical AR antagonist was approved for acne vulgaris treatment in China.

KX-826 is a well-targeted topical AR antagonist, which competitively inhibits the combination of androgen with AR in the skin tissue and is able to topically control the activation of the AR signal pathway caused by the excessive level of androgen without affecting the activity of AR signal pathway in human body. Through topical application, KX-826 is able to inhibit the combination of AR with androgen in hair follicle sebaceous glands for treatment of acne vulgaris.

Previously, we announced the completion of the phase II clinical trial of KX-826 for treatment of acne in China. The phase II clinical trial is a multicenter, randomised, double-blind and placebo-controlled clinical study designed to evaluate the safety, efficacy, tolerance and PK of topical application of KX-826 for the treatment of patients with acne vulgaris. This study included a total of 160 acne patients who met the Pillsbury grading system's grade I-III or IGA grading system's grade 2-3 who were assigned to the 0.25% QD and BID, the 0.5% QD and BID, and placebo QD and BID groups, respectively. The results show:

- At week 12, all patients who achieved treatment success (according to the 5-point IGA scale, IGA score decreasing to 0-1 and a decrease of ≥ 2 levels is defined as success) appeared in the experimental groups.

- Compared with placebo group, post hoc analysis of subgroups with baseline non-inflammatory lesion count ≥30 showed that counts of both non-inflammatory and inflammatory lesion in the KX-826 group were significantly improved, and the improvements had persisted until the twelfth week. The improvement effect was initially observed at the second week.

- The safety profile of KX-826 is good. During the research, most adverse events were mild local skin irritation, and the incidence rate in the KX-826 group was similar to that of the placebo group. There were no adverse events that led to withdrawal from the trial or death.

- ***AR-PROTAC Compound (GT20029)***

  GT20029 has the potential to become a new generation of treatment for AGA and acne vulgaris. GT20029 is a topical AR-PROTAC compound developed by the Group's in-house PROTAC platform. It is also the first topical PROTAC compound in the world which has entered phase II clinical stage. GT20029 has a topical curative effect and can avoid systemic exposure by limiting skin penetration, and thus achieving good safety profile. The repeated PD studies in DHT-induced mouse model showed that GT20029 significantly promoted hair growth with statistical difference. The PD study of testosterone propionate-induced skin hamster flank organ acne model showed that GT20029 significantly inhibited the enlargement of the flank organ, with statistical difference.

  Previously, we announced the top-line results of the phase I clinical trial of GT20029 for the treatment of AGA and acne vulgaris in both China and the U.S..

  The phase I clinical trial in China is a randomised, double-blind, placebo-controlled study to evaluate the safety and PK of topical use of GT20029 (gel/tincture). The study enrolled 92 healthy subjects receiving single and multiple ascending dose administration (topical) of GT20029. The results showed that GT20029 demonstrated good safety, tolerability and PK in healthy subjects with limited system exposure. Following a single dose administration, all subjects had no detectable drug concentrations (below LLOQ, 0.001ng/mL) at all time points. Following 14-day multiple-doses topical administration, the mean maximum drug concentrations of all cohorts were lower than 0.05ng/mL. All TRAE were grade 1, and no TRAE above grade 1 was reported.

  The phase I clinical trial in U.S. is a randomized, double-blind, placebo-controlled, parallel group, dose escalation study to evaluate the safety, tolerability and PK of GT20029 following topical single ascending dose administration ("**SAD**") in healthy subjects and multiple ascending dose administration ("**MAD**") in subjects with AGA or acne. The study enrolled 123 subjects, and its results showed that GT20029 demonstrated good safety, tolerability and PK following topical SAD administration in healthy subjects and MAD administration in subjects with AGA or acne vulgaris. In the SAD stage, subjects had no systemic exposure at all dose levels, and all sample concentrations were below the LLOQ (0.003 ng/mL). In the MAD stage, after 14 days of continuous administration in subjects with AGA or acne vulgaris, the systemic exposure was limited and the mean maximum observed concentration (Cmax) of all dose levels fluctuated near the LLOQ, with the highest not exceeding 0.015 ng/mL. No TEAE relating to GT20029 was reported in the SAD stage. The most common TEAEs in the MAD stage were mild, including dryness, itching, burning and pain at application sites. No SAE, severe (Grade ≥3) TEAE, and subject withdrawal or death caused by TEAE were reported.

As at the date of this announcement, the China phase IIa clinical trial of AR-PROTAC compound GT20029 tincture for the treatment of AGA has reached the primary endpoint, and the first subject enrollment in the China phase II clinical trial of AR-PROTAC compound GT20029 for the treatment of acne has been completed.

- On 21 April 2024, the Company announced the China phase IIa clinical trial of AR-PROTAC compound GT20029 tincture for the treatment of AGA has reached the primary endpoint, with statistically significant and clinically meaningful results, as well as good safety and tolerability. The phase IIa clinical trial is a multi-center, randomised, double-blind, placebo-controlled study designed to evaluate the efficacy and safety of GT20029 for treating male AGA, and to determine the recommended dosage for phase III clinical trial. This trial involves a total of 12 clinical research centers in China, and Professor Yang Qinping (楊勤萍) from Fudan University Huashan Hospital (復旦大學附屬華山醫院) is the leading principal investigator. The primary endpoint of this trial is the average change from baseline in non-vellus TAHC after 12 weeks of treatment in comparison to placebo. Safety assessments included adverse events, laboratory tests, subjective evaluations of the topical medication and dermatological assessments. The trial enrolled 180 male AGA patients, divided into QD and BIW dosing cohorts, each with control groups (dosing placebo) and experiment groups (dosing GT20029 tincture), receiving either 0.5% or 1% doses. The results showed:

  — In terms of efficacy, GT20029 tincture demonstrated statistically significant therapeutic efficacy and clinical significance compared to placebo in both the QD and BIW dosing cohorts. After 12 weeks of treatment, the TAHC of 0.5% QD GT20029 group showed an increase of 16.80 hairs/cm^2 from baseline, which was 6.69 hairs/cm^2 more than the placebo group, with statistically significant results ($P<0.05$). The TAHC of GT20029 1.0% BIW group showed an increase of 11.94 hairs/cm^2 from baseline, which was 7.36 hairs/cm^2 more than the placebo, also yielding statistically significant results ($P<0.05$). For the BIW cohort, the study indicated a dose-response relationship among different doses of GT20029.

  — Regarding safety, GT20029 tincture demonstrated good safety and tolerability, with the incidence of adverse events during treatment comparable to that of placebo. In addition, no adverse sexual events were observed during the trial.

  — The 1% BIW dosage of GT20029 was identified as the optimal dosing level in the phase II clinical trial and has been recommended for the phase III clinical trial for male AGA in China.

- On 17 June 2024, we announced the completion of the first subject enrollment in the China phase II clinical trial of AR-PROTAC compound GT20029 for the treatment of acne. The phase II clinical trial was designed to evaluate the efficacy, safety and PK of GT20029 for the treatment of acne through the adoption of GT20029 0.5% QD and 1% QD as the drug-related dosage.

- ***GT1708F (Hedgehog/SMO Inhibitor)***

GT1708F is an inhibitor of the hedgehog signal transduction pathway. We are currently developing GT1708F primarily for treatment of IPF and blood cancer.

i. IPF Indication

IPF is a chronic, progressive fibrosing interstitial pneumonia and one of the most fatal interstitial pneumonias. The incidence of IPF is high, but due to the relatively unnoticeable onset and progression, most patients are diagnosed in the moderate and advanced stages, and the median survival time of patients from the time of diagnosis is only 3–5 years. The global incidence rate of IPF reaches 14 to 43 per 100,000 people. The incidence rate in China reaches 2 to 29 per 100,000 people. It has large market potential as a rare disease. GT1708F affects the activity of Hh pathway and expression of the relevant downstream proteins by inhibiting the activity of SMO protein. Reactivation of the Hh signaling pathway is a feature of fibrotic lung tissue in IPF which affects in fibroblast migration and proliferation. Many nonclinical studies have shown that the Hh signaling pathway played a crucial role in IPF. According to reports, in IPF tissue, the expression of genes or proteins such as SMO and Gli1 is higher than that in normal lung tissue, and after stimulating Hh in pulmonary fibrosis cells isolated from lung tissue of patients suffering from IPF, the expression of SMO and Gli1 proteins and genes is increased. In-vitro study showed that GT1708F could significantly decrease the expression of Gli1, Gli2 and pulmonary fibrosis related α-SMA protein.

The results of the bleomycin-induced pulmonary fibrosis model on Sprague-Dawley rats showed that after GT1708F treatment, the damage of the terminal bronchial wall and pulmonary arteriole wall and inflammatory cell infiltration (in the lesion and on the edge of the lesion) were effectively improved. Compared with the active comparator nintedanib, different doses of GT1708F have similar improvement effects on lung damage and inflammatory cell infiltration. In addition, GT1708F can significantly improve the degree of pulmonary fibrosis ($P<0.001$).

On 11 October 2023, we announced GT1708F had obtained conditional approval to conduct phase II clinical trial in China by NMPA for treatment of new indication of IPF.

ii. Blood Cancer Indication

On 8 May 2023, we announced the successful completion of phase I clinical trial of GT1708F (Hedgehog/SMO Inhibitor) for treatment of hematologic malignancies in China.

The phase I clinical trial is a study to evaluate the safety, tolerability, PK and preliminary efficacy of GT1708F for treatment of patients with hematological malignancies. A total of 18 patients were enrolled in the trial, including 15 patients with acute myeloid leukemia ("**AML**") and 3 patients with myelodysplastic syndrome ("**MDS**"). The doses and enrollment were 20mg QD (1 case), 40mg QD (1 case), 80mg QD (4 cases), 120mg QD (3 cases), 180mg QD (3 cases), 240mg QD (3 cases), 320mg QD (3 cases), respectively. The results showed that all patients experienced no dose-limiting or drug-related SAE. The overall safety of each dose group was good, most TEAE were mild, and no TEAE resulted in death. Preliminary efficacy was observed starting from 180mg dose level in dose escalation stage for patients with the AML who failed multi-line therapies, and the myeloid blasts decreased by up to 62% compared to the baseline in AML patients.

The results of the trial were disclosed at the 65th Annual Meeting of the American Society of Hematology ("**ASH 2023**"), the largest and most comprehensive international event covering malignant and non-malignant tumor hematology in the field of hematology, demonstrating that GT1708F has a good safety and tolerability in patients with myeloid malignancies, and paves the way for further exploration of combination therapy.

- ***ALK-1 Antibody (GT90001)***

ALK-1 antibody is a fully human IgG2 neutralising monoclonal antibody that inhibits ALK-1/TGF-ß signal transduction and tumor angiogenesis and a potential first-in-class antibody for which the Company obtained an exclusive global license of ALK-1 for all the oncological areas from Pfizer in February 2018. ALK-1 antibody has the potential to become the first fully human monoclonal antibody therapeutic drug for ALK-1 target, which can potentially be used in combination with PD-1 inhibitors or VEGF inhibitors for treatment of a variety of solid tumours.

In Taiwan, China, our phase II clinical trial of ALK-1 antibody and Nivolumab combination therapy for treatment of advanced HCC has completed last patient last visit on 7 July 2022. Previously, the preliminary data showed that among the 20 evaluable patients, partial remission was observed in 8 patients (40.0%). In the U.S., we obtained IND approval for the combination therapy of ALK-1 antibody and Nivolumab for a global multi-center phase II clinical trial for the second-line treatment of advanced HCC and completed the first patient dosing. In China, we also obtained approval for the clinical trial of combination therapy of ALK-1 antibody and Nivolumab for treatment of advanced HCC.

On 28 October 2023, we announced that the results of the phase Ib/II clinical trial of ALK-1 antibody combined with PD-1 antibody Nivolumab in the treatment of HCC were published online by the well-known journal BMC Medicine (Impact factor: 11.806). This study confirmed that the combination of GT90001 (7.0 mg/kg, every 2 weeks) and Nivolumab had a good safety profile and promising anti-tumor activity in patients with advanced HCC, and demonstrated durable remissions and objective responses in this population, which might be a potential treatment option for advanced HCC.

Other Clinical and Pre-Clinical Stage Products

- ***GT0486***

GT0486 is an inhibitor of the PI3K/mTOR signaling pathway and a second generation mTOR inhibitor. We are currently developing GT0486 primarily for the treatment of metastatic solid tumours such as breast cancer, prostate cancer and HCC. We have received the IND approval from NMPA for GT0486 and completed phase I clinical trial.

- ***C-Myc Molecular Glue***

Developing drugs that directly target the Myc protein is extremely difficult, so there are currently no Myc-target drugs globally, and only few drugs have entered the clinical stage. Our c-Myc molecular glue has significant R&D potential and related research results have been published in many core journals/conferences. On 13 March 2024, we announced that the research has been published in a subsidiary journal of Nature– Nature Communications (impact factor: 16.6). This article analyzes the mechanism of MYC that induces CDK4/6 inhibitors resistance and introduces A80.2HCl, a promising c-Myc molecular glue compound in-house developed by the Company, to enhance the therapeutic efficacy of CDK4/6 inhibitors. In ASH 2023 and the 64th Annual Meeting of the American Society of Hematology, studies of c-Myc molecular glue were published twice, demonstrating its excellent potential in the treatment of tumors.

New Raw Material

- ***KT-939***

  KT-939 is a tyrosinase inhibitor under development by the Company. It effectively inhibits melanin production and possesses antioxidant and anti-inflammatory properties. The Company is actively preparing for the registration of KT-939 as a new cosmetic ingredient in China.

  On 29 October 2024, the Company announced that KT-939 received the INCI review approval from the International Cosmetic Ingredient Nomenclature Committee with assigned Mono ID of 39815.

In addition to the drug candidates and new raw material described above, we are also at the discovery stage for the development of other potential drug candidates, including compound of other targets out of PROTAC platform and ALK-1/VEGF bispecific antibody for the treatment of multiple indications such as blood cancer and solid tumors, respectively.

WARNING UNDER RULE 18A.08(3) OF THE LISTING RULES: SAVE FOR THE KX-826 TOPICAL ANTI-HAIR LOSS SOLUTION FOR AGA, WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET OUR DRUG CANDIDATES (INCLUDING OUR CORE PRODUCTS) SUCCESSFULLY.

RESEARCH AND DEVELOPMENT

We have established an integrated R&D platform to support our drug development programmes from discovery to clinical stage. We conduct proprietary laboratory research to identify and select new compounds as our potential drug candidates, and we manage our drug development process primarily using our internal R&D resources to ensure that the quality standards we have set internally will be met.

Through the development of AR inhibitors, we have accumulated significant expertise in AR-related know-how and have developed a leading AR technology platform. We believe that we have accumulated industry-leading expertise in the field of AR signaling pathway, molecule design and PK/PD modelling. Leveraging our AR technology platform, we have developed KX-826 in China and the U.S. for the topical treatment of AGA and acne, and results of clinical trials have proved that the drug has a good safety profile. For AGA patients, continuously use of KX-826 for 6 months can increase the mean non-vellus TAHC by up to 22.7 per cm^2 from baseline with a remarkable therapeutic effect. For acne patients, previous clinical trials of KX-826 have also demonstrated its preliminary efficacy.

PROTAC is a novel drug discovery technology for targeting and/or degrading target protein. The molecular weight of PROTAC compound is relatively large, resulting in low oral bioavailability, which limits their oral druggability, so we are currently giving priority to the development of topical compounds. Based on PROTAC platform, we are currently developing GT20029 for AGA and acne vulgaris. GT20029 is the first topical PROTAC compound globally that has completed phase IIa clinical stage for the treatment of AGA in China. We are also conducting phase II clinical trial for the treatment of acne in China and has completed its first subject enrollment. We possess molecule glue technology for targeting and/or degrading undruggable and oncogene mutant drivers that drive the resistance to the targeted therapies.

In addition to the two Core Products for dermatology above, we also have another three products in the clinical stage through years of R&D accumulation. Previous clinical trials have verified that such products have good safety profile and demonstrate efficacy, and a number of research results have been published in large conferences and/or important journals, showing their excellent value and providing further guidance for drug development in related fields (such as liver cancer, multiple solid tumors, etc.). Our products can be enhanced through combination, so we are further exploring their value through co-development or licensing-out to provide patients with more options.

Our R&D work is led by Dr. TONG and several experienced scientists who have accumulated decades of pharmaceutical R&D and entrepreneurship experience in reputable pharma and biotech companies in the world and together provide us with integrated expertise covering small molecule, biologics, and compound design.

MANUFACTURING AND COMMERCIALISATION

The Group currently outsource its cosmetics production, which does not involve facility construction or equipment installation. After receiving the INCI designation for its in-house developed KX-826 during the Reporting Period, the Group has recently introduced to the international market a topical anti-hair loss solution for AGA, which contains KX-826 as the main ingredient, as the first product of the Group's high-end cosmetics brand KOSHINÉ. The launch of this new cosmetic product is the first commercialisation sale of KX-826 in the field of dermatology, representing the Group's transition from R&D stage to commercialisation stage. The launch of the new high-end cosmetics brand KOSHINÉ will provide a solid stream of revenue and cash flow to the Group, benefiting the Group as a whole in the long term.

As at the date of this announcement, a total of six products comprising anti-hair loss solution series (standard, pro and plant extract editions), acne cream, and whitening essence and lotion have been brought into the market. Going forward, the Group will continue to focus on the field of dermatology, strengthen the marketing efforts, expand the usage scenarios of its products, accelerate global market expansion, and expedite the launch of new cosmetics products. The Group also plans to allocate more resources to enhance the Group's commercialisation capabilities to boost brand awareness, capture market dynamics and increase the penetration rate of its products.

FINANCIAL REVIEW

Overview

Benefiting from the launch of the new high-end cosmetics brand KOSHINÉ, we generated a revenue of RMB5.0 million from cosmetics products sales for the year ended 31 December 2024. Our loss and total comprehensive loss were RMB1,060.8 million and RMB155.3 million for the years ended 31 December 2023 and 2024, respectively. Our operating losses mainly resulted from R&D costs and administrative expenses.

Revenue

We generated a revenue of RMB5.0 million from cosmetics products sales for the year ended 31 December 2024 and had not generated any revenue for the year ended 31 December 2023.

Cost of Sales

We recorded a cost of sales of RMB9.7 million for the year ended 31 December 2024, mainly from the products sales of the new high-end cosmetics brand KOSHINÉ, provisions for inventories, impairment losses of property, plant and equipment related to production in Suzhou Kintor, a wholly-owned subsidiary of the Company, impairment losses on other non-current assets and impairment reversals of right-of-use assets. We recorded a cost of sales of RMB42.2 million for the year ended 31 December 2023.

Other Income and Expenses

Our other income during the Reporting Period primarily consisted of government grants and interest income from bank balances and time deposits. Our other income increased by RMB1.1 million or 5.2% from RMB20.9 million for the year ended 31 December 2023 to RMB21.9 million for the year ended 31 December 2024, which was mainly attributable to a RMB9.0 million increase in government grants which we have received to compensate for the expenses of our Group's research and development and a RMB1.0 million decrease in net loss from the sales of raw materials, partially offset by: (i) a RMB7.1 million decrease in interest income from demand deposits and seven-day notice deposit due to the decrease in cash and cash equivalents balances; and (ii) a RMB1.8 million decrease in interest income from fixed deposits as a result of the redemption of fixed-term deposit at maturity during the Reporting Period.

Marketing Costs

Our marketing costs during the Reporting Period primarily consisted of (i) salaries and other benefits of our sales and marketing team; (ii) marketing and promotion expenses; and (iii) administrative expenses including business trip expenses and other business development expenses. Our marketing costs increased by RMB19.6 million or 280.3% from RMB7.0 million for the year ended 31 December 2023 to RMB26.6 million for the year ended 31 December 2024, which was mainly attributable to an increase of RMB21.5 million in the marketing and promotion expenses in the commercialisation for our cosmetics products of KOSHINÉ, partially offset by a decrease of RMB3.4 million in utilities and office expenses for marketing purposes.

Administrative Expenses

Our administrative expenses during the Reporting Period primarily consisted of (i) employee benefit expenses, which primarily comprised compensation for management and executives (including share-based compensation expenses relating to the Employee Incentive Scheme); (ii) utilities and office expenses; (iii) depreciation and amortization, which primarily comprised depreciation of right-of-use assets and property, plant and equipment in relation to properties for administrative use; and (iv) other miscellaneous administrative expenses such as repair and maintenance expenses, professional advisory expenses.

The following table sets forth a breakdown of our administrative expenses, by amount and as a percentage of our total administrative expenses, for the periods indicated:

	For the year ended 31 December			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
Employee benefit expenses	**33,323**	**53.9**	38,933	43.7
Add: share-based compensation expenses	**2,020**	**3.3**	10,655	12.0
Employee benefit expenses (including share-based compensation expenses)	**35,343**	**57.2**	49,588	55.7
Utilities and office expenses*(Note)*	**8,972**	**14.5**	16,151	18.1
Depreciation and amortization	**8,459**	**13.7**	9,173	10.3
Impairment losses of property, plant and equipment	**388**	**0.6**	2,646	3.0
Others	**8,663**	**14.0**	11,487	12.9
Total	**61,825**	**100.0**	89,045	100.0

Note: The line item "utilities and office expenses" included short-term and low-value lease rental expenses incurred by the Group.

Our administrative expenses decreased by RMB27.2 million or 30.6% from RMB89.0 million for the year ended 31 December 2023 to RMB61.8 million for the year ended 31 December 2024, which was mainly attributable to (i) a decrease of RMB14.2 million in employee benefit expenses (including share-based compensation expenses) primarily resulting from the decrease in the number of our staff; (ii) a decrease of RMB7.2 million in utilities and office expenses; (iii) a decrease of RMB2.3 million in impairment losses of property, plant and equipment for administrative use; and (iv) a decrease of RMB2.8 million in other administrative expenses primarily relating to the decrease in our professional advisory expenses such as compliance consulting fees, legal consulting fees and construction and environment consulting fees.

R&D Costs

Our R&D costs during the Reporting Period primarily consisted of (i) clinical research expenses, which primarily consisted of fees paid to CROs for clinical trials and the hospitals in which we conducted our clinical trials; (ii) materials and consumables used in connection with our R&D; (iii) employee benefit expenses, which primarily consisted of compensation to R&D personnel (including the share-based compensation expenses for the Employee Incentive Scheme); (iv) outsourced research and development costs, which primarily consisted of fees paid to CROs and CMOs for purposes of preclinical trials; (v) impairment losses on other non-current assets related to R&D activities; and (vi) other R&D costs, which primarily consisted of depreciation of property, plant and equipment with respect to our R&D, utilities and office expenses in relation to R&D use, depreciation of right-of-use assets in relation to our leased properties for R&D use.

The following table sets forth a breakdown of our R&D costs, by amount and as a percentage of our total R&D costs, for the periods indicated:

	For the year ended 31 December			
	2024		2023	
	RMB'000	***%***	*RMB'000*	*%*
Employee benefit expenses	**44,077**	**56.4**	94,719	10.1
Add: share based compensation expenses	**(11,280)**	**(14.4)**	19,767	2.1
Employee benefit expenses (including share-based compensation expense)	**32,797**	**42.0**	114,486	12.2
Clinical research expenses	**16,748**	**21.4**	89,783	9.6
Depreciation of property, plant and equipment	**7,235**	**9.3**	7,856	0.8
Impairment losses on other non-current assets	**6,637**	**8.5**	—	0.0
Utilities and office expenses	**4,953**	**6.3**	6,532	0.7
Outsourced research and development costs	**3,170**	**4.0**	11,622	1.2
Materials and consumables expenses	**2,389**	**3.1**	12,198	1.3
Depreciation of right-of-use assets	**1,853**	**2.4**	1,876	0.2
Impairment losses of property, plant and equipment	**13**	**0.0**	2,608	0.3
Provision for inventories	**—**	**0.0**	603,879	64.3
Impairment losses of intangible assets	**—**	**0.0**	86,589	9.2
Others	**2,348**	**3.0**	1,478	0.2
Total	**78,143**	**100.0**	938,907	100.0

Our R&D costs decreased by RMB860.8 million or 91.7% from RMB938.9 million for the year ended 31 December 2023 to RMB78.1 million for the year ended 31 December 2024, which was mainly attributable to (i) a decrease of RMB603.9 million in provision for inventories due to no provision for inventories related to R&D recognized in the Reporting Period; (ii) a decrease of RMB86.6 million in impairment losses of intangible assets; (iii) a decrease of RMB73.0 million in clinical research expenses as a result of suspension or hold of one or more of clinical trials related to other drug candidates; and (iv) a decrease of RMB81.7 million in R&D employee benefit expenses (including share-based compensation expenses) mainly due to the reduction of our R&D staff.

Our integrated R&D structure consist of clinical R&D and cosmetics R&D. The R&D costs of our two core products KX-826 and GT20029 accounted for RMB61.0 million in the Reporting Period, representing nearly 80% of total R&D expenditures, whereas the R&D costs related cosmetics was RMB3.9 million, representing only 5% of total R&D expenditures.

Other Gains/(Losses) — Net

We had other gains of RMB5.9 million for the year ended 31 December 2024, primarily as a result of net foreign exchange gains due to exchange rates movement and a gain on asset disposal arising from the disposal of land use right in respect of certain land parcel in Pinghu, Zhejiang, PRC. We had other losses of RMB2.9 million for the year ended 31 December 2023.

Finance Costs

Our finance costs during the Reporting Period consisted of interest expense from bank borrowings. Our finance costs primarily decreased by RMB0.4 million or 4.3% from RMB9.7 million for the year ended 31 December 2023 to RMB9.3 million for the year ended 31 December 2024, which was mainly attributable to the decrease in loan amount.

Income Tax (Expense)/Credit

We had under-provision of income tax of RMB0.018 million for the year ended 31 December 2024, primarily due to the service fee received by Kintor Pharmaceutical Inc., a wholly-owned subsidiary of the Company, from the Company for the purpose of general R&D activities in the US which was recognised as revenue. We had income tax credit of RMB8.0 million for the year ended 31 December 2023, which was attributable to the deferred income tax liabilities and over-provision of income tax in prior year.

Net Loss for the Reporting Period

Our net loss decreased by RMB905.5 million or 85.4% from RMB1,060.8 million for the year ended 31 December 2023 to RMB155.3 million for the year ended 31 December 2024, which was mainly attributable to the decrease in the Group's R&D costs.

Non-IFRS Measure

To supplement the Group's consolidated financial statements, which are presented in accordance with the IFRS, the Company also uses adjusted loss and total comprehensive loss for the Reporting Period and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, the IFRS. The Company believes that these adjusted measures provide useful information to Shareholders and potential investors in understanding and evaluating the Group's consolidated results of operations in the same manner as they help the Company's management.

Adjusted loss and total comprehensive loss for the Reporting Period represents the loss and total comprehensive loss for the Reporting Period excluding the effect of certain non-cash items, namely the share-based compensation expenses. The term adjusted loss and total comprehensive loss for the Reporting Period is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and it should not be considered in isolation from, or as substitute for analysis of, the Group's results of operations or financial condition as reported under IFRS. The Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, the Company believes that this and other non-IFRS measures reflect the Group's normal operating results by eliminating impacts of items that the management do not consider to be indicative of the Group's operating performance, and thus facilitate comparison of operating performance from period to period and company to company to the extent applicable.

The table below sets forth a reconciliation of the loss and total comprehensive loss for the period to adjusted loss and total comprehensive loss for the period during the periods indicated:

	For the year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Loss and total comprehensive loss for the year	**(155,292)**	(1,060,820)
Added:		
Share-based compensation expenses[(note)]	**(9,112)**	22,989
Adjusted loss and total comprehensive loss for the year	**(164,404)**	(1,037,831)

Note: This expense represents the grant of restricted share units to selected executives and employees, which is a non-cash item and is not directly related to the underlying performance of the Company's business operations.

Employees and Remuneration Policies

The following table sets forth a breakdown of our employees by function:

	As at 31 December 2024	
	Number of employees	As a percentage of total
Core management	6	3.6%
Clinical	27	16.1%
R&D	48	28.6%
Manufacturing	24	14.3%
Commercial	23	13.7%
Project management	11	6.5%
Others	29	17.2%
Total	168	100.0%

As at 31 December 2024, the Group had a total of 168 full time employees, among whom, the total staff with clinical and R&D roles accounted for nearly 45%. We generally formulate our employees' remuneration package to include basic salary, position-specific salary, performance-based bonus, project-based bonus and various allowances. We conduct periodic performance reviews for our employees. We have also adopted the Employee Incentive Scheme to retain and incentivise our key management and staff.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 December 2023 and 2024.

Liquidity and Capital Resources

Our cash and cash equivalents and time deposits consisted of deposits with banks and cash on hand. As at 31 December 2024, cash and cash equivalents and time deposits decreased by RMB308.9 million or 67.7% from RMB456.3 million as at 31 December 2023 to RMB147.4 million. The change in our cash and cash equivalents for the Reporting Period was mainly attributable to (i) R&D and administrative expenditures; and (ii) repayment of borrowings.

The current ratio (total current assets as a percentage of total current liabilities) of the Group decreased from 210.3% as at 31 December 2023 to 103.0% as at 31 December 2024, mainly due to the decrease in cash and cash equivalents during the Reporting Period.

As at 31 December 2024, we had utilised bank facilities of RMB14.4 million and unutilised bank facilities of RMB35.6 million.

Significant Investments, Material Acquisitions or Disposals

As at 31 December 2024, there was no significant investments held by the Company nor any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

Cash Flow

The following table sets forth a summary of our consolidated statements of cash flows for the periods indicated:

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Cash used in operations	**(195,242)**	(385,354)
Income tax paid	**(18)**	(294)
Net interest paid	**(3,820)**	(1,933)
Net cash used in operating activities	**(199,080)**	(387,581)
Net cash generated from investing activities	**20,034**	3,274
Net cash used in financing activities	**(119,671)**	(33,463)
Net decrease in cash and cash equivalents	**(298,717)**	(417,770)
Cash and cash equivalent at the beginning of the year	**444,027**	864,470
Exchange gains/(losses) on cash and cash equivalents	**2,109**	(2,673)
Cash and cash equivalent at the end of the year	**147,419**	444,027

Net Cash Used in Operating Activities

During the Reporting Period, we derived our cash inflows from operating activities primarily from government grants and bank interest income. Our net cash used in operating activities mainly consisted of R&D costs and administrative expenses.

During the year ended 31 December 2024, our net cash used in operating activities was RMB199.1 million, mainly consisting of RMB195.2 million of cash used in operations, interest paid on borrowings of RMB9.3 million, and interest received on bank balances of RMB5.5 million and income tax paid of RMB0.02 million.

During the year ended 31 December 2023, our net cash used in operating activities was RMB387.6 million, mainly consisting of RMB385.4 million of cash used in operations, interest paid on borrowings of RMB12.1 million, interest received on bank balances of RMB10.2 million and income tax paid of RMB0.3 million.

Net Cash Generated from Investing Activities

During the Reporting Period, our cash flows relating to investing activities primarily reflected proceeds from disposal of land use rights and time deposits.

During the year ended 31 December 2024, our net cash generated from investing activities was RMB20.0 million, which primarily consisted of (i) proceeds from disposal of land use rights of RMB10.4 million; and (ii) proceeds from time deposits of RMB10.0 million.

During the year ended 31 December 2023, our net cash generated from investing activities was RMB3.3 million, which primarily consisted of (i) proceeds received upon maturity of certain time deposits with maturities of over three months and disposal of financial assets at fair value through profit or loss of RMB137.7 million; and (ii) the withdrawal of deposits for purchasing financial assets at fair value through profit or loss of RMB5.2 million, partially offset by: (i) the purchase of time deposits with a maturity date of more than three months and financial assets measured at fair value through profit or loss of RMB137.1 million; and (ii) the purchase of R&D equipment of RMB2.7 million.

Net Cash Used in Financing Activities

During the Reporting Period, our cash flows relating to financing activities primarily reflected repayments of borrowings.

During the year ended 31 December 2024, our net cash used in financing activities was RMB119.7 million, primarily consisted of (i) repayments of borrowings of RMB149.6 million; and (ii) payment of lease liabilities of RMB4.7 million, partially offset by (i) proceeds from borrowings of RMB34.3 million; and (ii) proceeds from shares vested under the Employee Incentive Scheme and transferred to the grantees of RMB0.4 million.

During the year ended 31 December 2023, our net cash used in financing activities was RMB33.5 million, primarily consisted of (i) the repayment of bank borrowings of RMB99.4 million; and (ii) payment of lease liabilities of RMB4.8 million, partially offset by (i) proceeds from borrowings of RMB70.0 million; and (ii) proceeds from shares vested under the Employee Incentive Scheme and transferred to the grantees of RMB0.8 million.

Financial Position

Our net current assets decreased from RMB247.8 million as at 31 December 2023 to RMB5.1 million as at 31 December 2024, primarily due to the decrease of current asset, which was mainly attributable to the decrease of cash and cash equivalents.

Current assets decreased from RMB472.6 million as at 31 December 2023 to RMB171.7 million as at 31 December 2024, primarily due to the decrease of cash and cash equivalents.

Significant Change in Accounting Policy

There was no significant change in accounting policy during the Reporting Period.

Indebtedness

As at 31 December 2024, the balance of our bank borrowings consisted of long-term bank borrowings of RMB70.0 million which were secured by certain land use right, buildings and construction in progress, unsecured long-term bank borrowings of RMB47.4 million, and short-term unsecured bank borrowings of RMB14.4 million. In the balance of our bank borrowings (including long-term and short-term borrowings), RMB111.8 million is repayable within one year or on demand.

As at 31 December 2023, the balance of our bank borrowings consisted of long-term bank borrowings of RMB83.0 million which were secured by certain land use right, buildings and construction in progress, unsecured long-term bank borrowings of RMB144.1 million and short-term bank borrowings of RMB20.0 million. In the balance of our bank borrowings, RMB113.7 million is repayable within one year or on demand.

As at 31 December 2024, cash and cash equivalents are more than total borrowings of the Group, therefore, the gearing ratio is not applicable.

Financial Risks

The Group is exposed to various types of financial risks: market risks (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Foreign Exchange Risk

The Group mainly operates in the PRC with most of the transactions settled in RMB. The Group currently does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The Group is not exposed to foreign exchange risk as there are no significant financial assets or liabilities of the Group denominated in the currencies other than the functional currency, except for cash and cash equivalents, restricted cash and time deposits at bank in USD and HKD which were primarily received from the investors as capital contributions.

Cash Flow and Fair Value Interest Rate Risk

Our income and operating cash flows are substantially independent of changes in market interest rates. We have no significant interest-bearing assets and liabilities, except for lease liabilities, cash and cash equivalents, restricted cash, time deposits, financial assets at fair value through profit or loss and borrowings. Those carried at floating rates expose us to cash flow interest rate risk whereas those carried at fixed rates expose us to fair value interest rate risk.

Our interest rate risk mainly arises from borrowings. Borrowings obtained at fixed rates expose us to fair value interest rate risk. As at 31 December 2024, our borrowings were carried at fixed rates, which exposed the Group to fair value interest rate risk.

Our management does not anticipate significant impact on interest-bearing assets resulting from the changes in interest rates, because the interest rates of bank deposits are not expected to change significantly.

Credit Risk

The Group is exposed to credit risk in relation to receivables, cash and cash equivalents, restricted cash, time deposits and wealth management products. The carrying amounts of receivables, cash and cash equivalents, restricted cash, time deposits and wealth management products represent our maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash and cash equivalents, restricted cash, time deposits, and wealth management products since they are substantially deposited at or purchased from state-owned banks and other medium or large-sized foreign banks. The management does not expect that there will be any significant losses from non-performance by these counterparties and the loss allowance provision is considered immaterial.

As at 31 December 2024 and 2023, other receivables mainly comprise receivables from disposal of land use right, deposits to lessors in respect of the Group's leased properties and other receivables from a collaborator in R&D. Considering that the other receivables from the collaborator in R&D amounting to RMB1,206,000 have an ageing of over one year and the possibility of recovery is very low, a full provision for bad debts has been made.

Management has assessed that during the year ended 31 December 2024, apart from the other receivables from the collaborator in R&D, other receivables have not had a significant increase in credit risk since initial recognition. Thus, a 12-month expected credit loss approach that results from possible default event within 12 months of each reporting date is adopted by management. The Group expects that there is no significant credit risk associated with the remaining other receivables since the counterparties have no history of default.

Liquidity Risk

The Group finances its working capital requirements through the issue of new shares, borrowings and government grants. The management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents and the ability to apply for credit facilities if necessary. We had net current assets of RMB5.1 million as at 31 December 2024. We are able to meet our financial obligations and fund our operation through our cash on hand and consecutive capital raising activities.

FINANCIAL INFORMATION

The Board announces the consolidated annual results of the Group for the year ended 31 December 2024, with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December	
	Note	**2024**	2023
		RMB'000	*RMB'000*
Revenue from contracts with customers	*3*	**5,000**	—
Cost of sales	*4*	**(9,730)**	(42,229)
Gross loss		**(4,730)**	(42,229)
Other income and expenses		**21,948**	20,867
Marketing costs	*4*	**(26,558)**	(6,984)
Administrative expenses	*4*	**(61,825)**	(89,045)
Research and development costs	*4*	**(78,143)**	(938,907)
Other gains/(losses) — net	*5*	**5,946**	(2,925)
Net impairment losses on financial and contract assets		**(1,206)**	—
Operating loss		**(144,568)**	(1,059,223)
Finance costs		**(9,277)**	(9,690)
Share of (losses)/gains of an associate and a joint venture		**(1,429)**	52
Loss before income tax		**(155,274)**	(1,068,861)
Income tax (expense)/credit	*6*	**(18)**	8,041
Loss and total comprehensive loss for the year attributable to the equity holders of the Company		**(155,292)**	(1,060,820)
Basic and diluted loss per share for loss attributable to the equity holders of the Company *(in RMB)*	*8*	**(0.36)**	(2.47)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 31 December 2024 RMB'000	As at 31 December 2023 RMB'000
Assets			
Non-current assets			
Property, plant and equipment		**164,645**	184,366
Intangible assets		**148,949**	148,940
Investment in an associate		**16,108**	17,484
Investment in a joint venture		**460**	513
Right-of-use assets		**9,589**	37,477
Other non-current assets		**3,645**	7,895
		343,396	396,675
Current assets			
Inventories	*9*	**2,215**	—
Other receivables, deposits and prepayments	*10*	**21,665**	15,798
Time deposits		**—**	10,835
Restricted cash		**431**	425
Cash and cash equivalents		**147,419**	445,499
		171,730	472,557
Total assets		**515,126**	869,232

	Note	As at 31 December 2024 *RMB'000*	As at 31 December 2023 *RMB'000*
Liabilities			
Non-current liabilities			
Borrowings		**20,000**	133,400
Lease liabilities		**—**	2,290
Deferred income tax liabilities		**31,043**	31,043
Deferred income		**3,324**	19,657
		54,367	186,390
Current liabilities			
Trade and other payables	*11*	**53,111**	104,500
Borrowings		**111,763**	113,700
Lease liabilities		**1,246**	4,530
Amounts due to related parties		**559**	2,000
		166,679	224,730
Total liabilities		**221,046**	411,120
Equity			
Equity attributable to the equity holders of the Company			
Share capital		**315**	315
Shares held for the Employee Incentive Scheme		**(12)**	(13)
Reserves		**293,777**	457,810
Total equity		**294,080**	458,112
Total equity and liabilities		**515,126**	869,232

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

1 GENERAL INFORMATION

1.1 General information

Kintor Pharmaceutical Limited was incorporated on 16 May 2018 in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries are principally engaged in research and development of innovative medicine products and extending to functional cosmetics.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 22 May 2020.

The consolidated financial statements are presented in Renminbi ("**RMB**") thousands, unless otherwise stated.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to both the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Compliance with IFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("**IFRS Accounting Standards**") and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss (FVPL) which are carried at fair value.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies.

(iii) Going concern basis

The Group has voluntarily suspended the R&D activities for certain drug candidates and has had no drug candidate ready for commercialisation, yet. During the year ended 31 December 2024, the Group incurred a net loss of RMB155,292,000 and net operating cash outflow amounted to RMB199,080,000. As at 31 December 2024, the Group had net current assets of RMB5,051,000. On the same date, the Group had current bank borrowings of RMB111,763,000, trade and other payables of RMB53,111,000 and cash and cash equivalents of RMB147,419,000. These conditions and events indicate the existence of a material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern.

In view of such circumstance, the directors of the Company have carefully considered the Group's available sources of financing and its operating performance in assessing whether the Group will have sufficient financial sources to continue as a going concern for at least twelve months from 31 December 2024. The following plans and measures have been implemented to mitigate the liquidity pressure and to improve the financial position of the Group:

(i) The Group has continued to seek renewal of its existing bank credit quotas upon maturity to secure source of financing from bank borrowings. In March 2025, the Group renewed its bank credit quota of RMB70,000,000 which were secured by certain land use right, buildings and construction in progress and has drawn down a bank loan of RMB35,000,000.

(ii) The Group is actively seeking equity financing and has been in negotiation with certain potential investors for subscribing to the Company's new shares.

(iii) The Group has been proactively pursuing cooperation opportunities with other potential business partners in the biotech industry by licensing out certain drug candidates.

(iv) The Group has been actively expanding sales channels for its cosmetics product to improve its operating results and cash flows.

The directors of the Company have reviewed the Group's cash flow projection covering a period of not less than twelve months from 31 December 2024. Taking into account the above plans and measures and considering the underlying bases of management's cash flow forecasts, the directors are of the opinion that the Group will have funds available to meet its financial obligations as and when they fall due within the next twelve months from 31 December 2024. Accordingly, the directors of the Company consider it appropriate to prepare the Group's consolidated financial statements on a going concern basis.

Notwithstanding the above, a material uncertainty exists as to whether the Group can achieve the plans and measures described in (i) to (iv) above. Whether the Group will be able to continue as a going concern would depend upon:

(i) the success in timely obtaining sufficient bank borrowings within its available bank credit quota as needed;

(ii) the success in negotiating and timely closing the private equity financing transaction within the next twelve months;

(iii) the success in negotiating and timely closing the drug candidate licensing out transactions;

(iv) the success in improving cosmetics product sales revenue.

Should the Group be unable to achieve the above plans and measures such that it would not be able to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

(a) Amendments to standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on 1 January 2024:

Standards	**Key requirements**	**Effective for accounting periods beginning on or after**
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IAS 1	Non-current Liabilities with Covenants	1 January 2024
Amendment to IFRS 16	Leases on Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	1 January 2024

These new standards and interpretations did not have material impact on the financial performance and position of the Group and did not require retrospective adjustments.

(b) New standards and interpretations not yet adopted

The following new standards and amendments to standards have not come into effect for the financial year beginning on 1 January 2024 and have not been early adopted by the Group in preparing the consolidated financial statements. None of these is expected to have a material effect on the consolidated financial statements of the Group. These standards and amendments to standards are as follows:

Standards	**Key requirements**	**Effective for accounting periods beginning on or after**
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Annual improvements to IFRS	Volume 11	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards and amendments, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors, no material impact on the financial performance and position of the Group is expected when they become effective.

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group are principally engaged in research and development of innovative medicine products and extending to functional cosmetics. There is one team managing and operating all revenue streams. Accordingly, management considers there is only one segment related to cosmetic products and hence no segment information is presented.

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of cosmetic products at a point in time in the following major product lines and geographical regions:

Year ended 31 December 2024	Cosmetic products Retail		Cosmetic products Wholesale		
	China	Overseas	China	Overseas	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Revenue from external customers	3,702	987	311	—	5,000

The majority of the Group's sales are through e-commerce platforms and no revenue from transactions with a single external customer account for 10% or more of the Group's revenue.

4 EXPENSES BY NATURE

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Employee benefit expenses	**72,363**	167,236
Marketing and promotion expenses	**21,525**	144
Clinical research expenses	**16,748**	89,783
Utilities and office expenses	**14,228**	26,212
Depreciation of property, plant and equipment	**13,154**	13,854
Impairment losses of property, plant and equipment	**6,609**	46,355
Impairment losses on other non-current assets	**8,249**	—
Depreciation of right-of-use assets	**4,340**	5,048
Less: amounts capitalised in property, plant and equipment	**—**	(45)
	4,340	5,003
Materials and consumables used	**3,274**	13,702
Outsourced research and development costs	**3,170**	11,622
Professional fees	**2,554**	4,482
Auditors' remuneration	**2,460**	2,800
Provision for inventories	**2,100**	603,879
Rental expenses	**733**	682
Amortisation of intangible assets	**133**	119
Bank charges	**117**	137
Impairment losses of intangible assets	**—**	86,589
Impairment (reversals)/losses of right-of-use assets	**(1,039)**	1,128
Others	**5,538**	3,438
Total cost of sales, marketing costs, administrative expenses and research and development costs	**176,256**	1,077,165

5 OTHER GAINS/(LOSSES) — NET

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Net foreign exchange gains/(losses)	**3,730**	(3,126)
Gains on disposal of land use rights	**2,776**	—
Gains on disposal of financial assets at fair value through profit or loss	**1**	491
Gains on disposal of property, plant and equipment	**1**	10
Losses on disposal of leased property	**(257)**	—
Others	**(305)**	(300)
	5,946	(2,925)

6 INCOME TAX (EXPENSE)/CREDIT

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Current income tax (expense)/credit		
— Current tax on profits for the year	**—**	—
— (Underprovision)/overprovision in prior year	**(18)**	266
Deferred income tax credit	**—**	7,775
	(18)	8,041

(i) Income tax expense

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains.

Hong Kong

Kintor Science Limited, Koshine Pharmaceuticals Limited and Koshine Hong Kong Limited were incorporated in Hong Kong in 2018 and are subject to Hong Kong profits tax at the rate of 16.5% (2023:16.5%). Since these companies did not have assessable profits during the years ended 31 December 2024 and 2023, no Hong Kong profits tax has been provided.

United States of America

Kintor Pharmaceuticals Inc. and Koshine Cosmetics, Inc. was incorporated in the United States of America and is subject to federal and state income tax rate of 23.5% and 21.0% (2023: 23.5% and 21.0%).

Ireland

Kintor Cosmetic Holdings Limited was incorporated in the Ireland and registered on 17 September 2024. It is subject to corporate income tax rate of 12.5%. Since Kintor Cosmetic Holdings Limited did not have assessable profit during the year ended 31 December 2024, no corporate income tax has been provided.

The Mainland of China

Pursuant to the Corporate Income Tax Law of the PRC (the "**CIT Law**") and the respective regulations, the subsidiaries which operate in the Mainland of China are subject to CIT at a rate of 25% (2023: 25%) on the taxable income.

7 DIVIDEND

No dividend has been paid or declared by the Company during the years ended 31 December 2024 and 2023.

8 LOSS PER SHARE

Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year ended 31 December 2024 and 2023, excluding 29,756,180 shares (2023: 17,650,704 shares) held for the employee incentive scheme (including 26,780,562 shares (2023: 15,885,634 shares) arising from the relevant capitalisation issue of initial public offering).

	Year ended 31 December	
	2024	2023
	RMB'000	*RMB'000*
Loss for the year	**(155,292)**	(1,060,820)
Weighted average number of ordinary shares in issue (in thousand)	**430,724**	429,069
Basic loss per share *(in RMB)*	**(0.36)**	(2.47)

Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the years ended 31 December 2024 and 2023, the Company had one category of potential ordinary shares: share-based awards granted to employees (Note 32). As the Group incurred losses for the years ended 31 December 2024 and 2023, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the years ended 31 December 2024 and 2023 are the same as basic loss per share.

9 INVENTORIES

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Raw materials and finished goods	**2,215**	—

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

At 31 December 2024, inventories carried at net realisable value amounted to approximately RMB2,215,000 (2023: nil). As at 31 December 2024, the Group recognised inventory provision of RMB2,100,000 (2023: RMB603,879,000), resulted in inventory provision charge amounting to RMB2,100,000 (2023: nil) included in 'cost of sales' in the consolidated statement of comprehensive income.

10 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Receivables from disposal of land use rights	**15,646**	—
Prepayments to suppliers	**3,358**	5,392
Deposits	**1,270**	1,720
Advances to employees	**80**	25
Refunds receivable from suppliers	**—**	6,480
Others	**1,311**	2,181
	21,665	15,798

As at 31 December 2024 and 2023, the carrying amounts of other receivables and deposits were denominated in RMB, USD and HKD, and approximated their fair values.

11 TRADE AND OTHER PAYABLES

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
Payables for service suppliers *(Note (a))*	**39,373**	68,288
Salary and staff welfare payables	**5,084**	14,211
Payables for materials and consumables *(Note (a))*	**1,583**	13,313
Payables for audit services	**1,460**	2,800
Payables for property, plant and equipment	**402**	1,666
Payables for interest expenses	**138**	309
Payables for individual income tax and other taxes	**17**	432
Others	**5,054**	3,481
	53,111	104,500

As at 31 December 2024 and 2023, all trade and other payables of the Group were non-interest bearing, and their fair values approximated their carrying amounts due to their short maturities.

(a) As at 31 December 2024 and 2023, the ageing analysis of payables for materials and consumables and payables for service suppliers based on invoice date are as follows:

	As at 31 December	
	2024	2023
	RMB'000	*RMB'000*
— Within 1 year	**5,353**	61,062
— More than one year	**35,603**	20,539

FUTURE AND OUTLOOK

In the highly challenging year of 2024, facing an environment where opportunities and challenges coexist, the company consolidated its strength to reshape the pipeline focused on dermatology and concurrently promoted in the oncology field. The Company's unique and leading advantages in the dermatology field have been used to steadily advance the clinical development process around the world and the R&D of cosmetic products, achieving several milestones. These include the introduction of the Group's new high-end cosmetics brand KOSHINÉ as the first commercialisation sale in the field of dermatology, representing the Group's transition from R&D stage to commercialisation stage. While the Company has not yet successfully commercialized an innovative drug candidate, we remain steadfast in our strong commitment to medical and biological application and development. Our cosmetics division operates as a supplementary business, generating revenue to fund R&D, including pre-clinical studies and clinical trials for drug candidates.

Based on over 10 years of experience in the AR field, we continued to explore the treatment of AGA and acne with KX-826 and GT20029, our two Core Products in the field of dermatology, in 2024. We are also in the process of advancing a number of clinical trials of KX-826 and GT20029 in China and/or the United States, continuing to explore their value in the field of dermatology.

For KX-826, we have validated the safety and efficacy of KX-826 in over 1,500 subjects, who benefited from our drug and the mean non-vellus TAHC increased by up to 22.7 per cm^2 from baseline. On the one hand, we initiated the pivotal clinical trial of KX-826 tincture 1.0% for the treatment of male adult AGA in China, which has completed the first subject enrollment of phase III stage and is expected to be completed by the end of 2025. On the other hand, we have launched several products under our high-end cosmetics brand KOSHINÉ, including three editions of topical anti-hair loss solution with KX-826 as the main ingredient, acne cream with KX-826 as the main ingredient, and whitening essence and lotion with KT-939 as the main ingredient, and will continue to accelerate the global market expansion and enrich product portfolio.

For GT20029, the first PROTAC drug by the Company, it has remained in a leading position since its development and is the world's first topical PROTAC compound that has entered phase II clinical trial. We have completed phase IIa clinical stage of GT20029 for the treatment of AGA in China and are formulating future clinical strategies for GT20029 for the treatment of AGA, such as initiating a phase IIb/III clinical trial in China and a phase II clinical trial in the U.S. for male AGA. In addition, we will actively advance the China phase II clinical trial of GT20029 for the treatment of acne, which has completed the first subject enrollment on 17 June, 2024. We will continue to push forward the development of GT20029 and further expand our first-mover advantage in topical PROTAC.

In the non-dermatology field, we also have developed small molecule drugs such as GT1708F and developed biological drugs such as ALK-1 for the treatment of various tumors and multiple indications. We have a new institute of R&D to cooperate with other research departments such as biology, chemistry, and formulation, so that drugs can be fully verified in both mechanism and clinical practice, and we can leverage the knowledge of our professionals to enhance our R&D capabilities. In addition, we have built an employee incentive plan to retain our talents.

In addition to in-house development, we also plan to seek cooperation opportunities in all aspects of the drug development process, including pre-clinical technology, clinical combination therapy, and licensing cooperation, to use superior resources to realize the potential of drugs and bring more products to commercialisation as soon as possible.

Given that we have only just begun commercializing cosmetic products, we are still in the process of transitioning from R&D stage to commercialisation stage and plan to allocate more resources to explore different approaches including but not limited to introducing new cosmetic products and advancing the marketing in China and overseas to further promote the commercialisation of the Company's cosmetic products worldwide to boost brand awareness, capture market dynamics and increase the penetration rate of our products.

Looking ahead, the Group will further deepen the collaborations with leading domestic and overseas e-commerce platforms such as Tmall, JD.com, Douyin, Xiaohongshu, and Amazon, and build a diversified sales channel system. Meanwhile, we will leverage large-scale promotional campaigns on these platforms including "Double Eleven", "Double Twelve", and "618" shopping festivals to enhance product exposure and market influence. In terms of membership operation, the Group will focus on two key dimensions. On the one hand, we will continue to intensify our efforts to expand customer resources. By participating in platform activities, creating exclusive member day, carrying out offline promotional activities, and hosting interactive online Q&A on social media, we will increase the membership scale and enhance fan loyalty. On the other hand, we will focus on the refined management of members and the accumulation of high-quality users. By organizing the annual "826 Members' Exclusive Day" event and adopting a regular follow-up communication based on the event cycle, we aim to increase the proportion of repurchase rates among members, and improve the members' contribution to revenue.

COMPLIANCE WITH THE CG CODE

The Company has applied the principles and code provisions as set out in the CG Code. During the year ended 31 December 2024, the Board is of the opinion that the Company has complied with all the applicable code provisions under the CG Code apart from the deviation stated below.

Under code provision C.2.1 of the CG Code, the responsibilities between the chairman and chief executive officer should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Dr. TONG currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in Dr. TONG has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group, given that: (i) decision to be made by our Board requires approval by at least a majority of our Directors and that our Board comprises three independent non-executive Directors out of seven Directors, and we believe there is sufficient check and balance in our Board; (ii) Dr. TONG and other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that they act for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of our Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial and operational policies of our Group are made collectively after thorough discussion at both our Board and senior management levels. Finally, our Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for and communication within our Group. Our Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether separation of the roles of chairman and chief executive officer is necessary.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Group has adopted the Model Code for securities transactions by Directors as its own code of conduct.

Specific enquiries have been made of all the Directors and they have confirmed that they have complied with the Model Code throughout the Reporting Period and up to the date of this announcement.

The Group's employees, who are likely to be in possession of inside information of the Group, are subject to the Model Code. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company throughout the Reporting Period and up to the date of this announcement.

USE OF PROCEEDS

Top-up Placing in 2022

The Top-up Placing 2022 was conducted by the Company for the purpose of supplementing the Group's long-term funding of its expansion plan and growth strategies, as well as providing an opportunity to raise further capital for the Company whilst broadening the Shareholder base and the capital base of the Company.

Completion of the subscription under the Top-up Placing 2022 took place on 16 December 2022. The proceeds received by the Company was approximately HK$509.1 million, net of professional fees and out-of-pocket expenses. On 28 March 2023, the Board resolved to reallocate the use of the net proceeds to optimise the utilisation of such net proceeds (the "**Revised Allocation**").

The following table sets forth a breakdown of the use of the net proceeds as at 31 December 2024:

	Approximate % of total net proceeds	**Revised Allocation of net proceeds**	**Unutilised net proceeds up to 1 January 2024**	**Utilised net proceeds during the Reporting Period**	**Unutilised net proceeds as at 31 December 2024**	**Expected timeline for utilizing the remaining balance of net proceeds from the top-up placing**
	%	*HKD (million)*	*HKD (million)*	*HKD (million)*	*HKD (million)*	
Clinical development of KX-826 for the treatment of AGA and acne vulgaris	49.0	249.5	164.2	114.7	49.5	Expected to be fully utilised by 31 December 2025
Clinical development of GT20029 for the treatment of AGA and acne vulgaris	27.0	137.5	93.8	24.4	69.4	Expected to be fully utilised by 31 December 2025
Clinical development and preparation for the commercialisation of pruxelutamide for the treatment of COVID-19	15.0	76.4	—	—	—	
General working capital	9.0	45.8	—	—	—	
Total	100.0	509.1	258.0	139.1	118.9	

Note:

Totals may not add up due to rounding.

The Revised Allocation was due to the calm down of COVID-19 pandemic and intense competition in the COVID-19 oral small molecule drug market, as a result of which the Company decided to reduce the expenditure on pruxelutamide's COVID-19 clinical trials and reallocate the use of the unutilised proceeds on the R&D of KX-826 and GT20029. In addition, given the setback on the KX-826 phase III clinical trial carried out in 2023 for the treatment of male AGA in China, the Company had reviewed the entire trial process and, analysed the reasons and lessons learned. Since then, the Company has delayed subsequent clinical trials, introduced further improvements on measures, in order to enhance the clinical quality control standard. As a result of the foregoing, the expected timeline for the utilization of the unutilised proceeds was postponed until the end of 2025.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 31 December 2024, the Company did not hold any treasury shares.

CHARGE ON GROUP'S ASSETS

As at 31 December 2024, certain land use right, buildings and construction in progress were pledged for the Group's borrowings amounting to RMB70,000,000 (31 December 2023: RMB83,000,000).

SUBSEQUENT EVENTS

On 18 March 2024, Suzhou Kintor Pharmaceutical Inc., a subsidiary of the Company, has obtained a bank credit quota of RMB70,000,000 from Shanghai Pudong Development Bank Suzhou Branch, with an availability period of 3 years, secured by certain land use right, buildings and construction in progress. The Group has drawn down a bank loan of RMB35,000,000 in March 2025.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Wallace Wai Yim YEUNG, Dr. Michael Min XU and Prof. Liang TONG. The chairman of the Audit Committee is Mr. Wallace Wai Yim YEUNG. The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2024. The Audit Committee has also discussed with the management and the independent auditors of the Company of the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the audited annual results for the year ended 31 December 2024) of the Group. The

Audit Committee considered that the annual results are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of comprehensive income and consolidated statement of financial position and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 December 2024.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw your attention to Note 2.1 to the consolidated financial statements, which indicates that, the Group has voluntarily suspended the R&D activities for certain drug candidates and has had no drug candidates ready for commercialisation, yet. For the year ended 31 December 2024, the Group incurred a net loss of RMB155,292,000 and net operating cash outflow amounted to RMB199,080,000. As at 31 December 2024, the Group had net current assets of RMB5,051,000. On the same date, the Group had current bank borrowings of RMB111,763,000 and trade and other payables of RMB53,111,000 and cash and cash equivalents of RMB147,419,000. These conditions, along with other matters described in Note 2.1 to the consolidated financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

FINAL DIVIDEND

The Board resolved not to pay any final dividend for the year ended 31 December 2024 (2023: Nil).

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.kintor.com.cn). The annual report for the year ended 31 December 2024 containing all the information in accordance with the requirements under the Listing Rules will be despatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in April 2025.

APPRECIATION

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their continuous support and contribution to the Group.

DEFINITIONS

In this announcement, unless the context otherwise require, the following expressions shall have the following meaning:

"ACE2"	angiotensin converting enzyme-2, a protein on the surface of many cell types, which has been identified as the receptor for the SARS-CoV-2 viral entry
"AGA"	androgenetic alopecia
"ALK-1"	activin receptor-like kinase-1, an antagonistic mediator of lateral transforming growth factor-beta/ALK-5 signaling, also known as GT90001
"ALK-5"	the transforming growth factor-beta type I receptor kinase, an attractive target for intervention in transforming growth factor-beta signaling due to its druggability as well as its centrality and specificity in the pathway
"AR"	androgen receptor
"AR+"	androgen receptor positive

"Audit Committee"	the audit committee of the Board
"BID"	twice a day
"BIW"	twice weekly
"Board" or "Board of Directors"	the board of directors of the Company
"c-Myc"	MYC proto-oncogene, bHLH transcription factor, a protein that codes for transcription factors
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "PRC"	The People's Republic of China, for the purpose of this announcement only, excluding Hong Kong, Macao and Taiwan
"CMO(s)"	a company that offers manufacturing services, with volume capabilities ranging from small amounts for preclinical R&D to larger volumes necessary for clinical trials purposes and commercialisation
"Company"	Kintor Pharmaceutical Limited, formerly known as KTKM Holdings Inc., an exempted company with limited liability incorporated in the Cayman Islands on 16 May 2018 whose Shares are listed on the Main Board of the Stock Exchange with stock code 9939
"Core Products"	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for the purposes of this announcement, our Core Products consist of KX-826 and AR-PROTAC Compound (GT20029)
"COVID-19"	coronavirus disease 2019
"CRO(s)"	contract research organisation(s), a company hired by another company or research center to take over certain parts of running a clinical trial. The company may design, manage, and monitor the trial, and analyse the results

"Detorsertib" or "GT0486"	an inhibitor of the PI3K/mTOR signaling pathway and a second generation mTOR inhibitor under development by our Group primarily for the treatment of metastatic solid tumours such as breast cancer, prostate cancer and liver cancer
"Director(s)"	director(s) of the Company
"Dr. TONG"	Dr. Youzhi TONG, one of the co-founders, an executive Director, the chairman and chief executive officer of the Company
"Employee Incentive Scheme"	the employee incentive scheme of our Company approved and adopted by our Board on 31 March 2020
"Group"	the Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
"GT20029"	a topical AR-PROTAC compound developed by the Group's in-house PROTAC platform, with the potential to become a new generation of treatment for AGA and acne vulgaris
"HCC"	hepatocellular carcinoma, a common type of liver cancer
"Hh"	one of the anticancer targets, when hedgehog is not turned off during adulthood, it promotes the growth of cancer cells
"HKD" or "HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"IFRS"	International Financial Reporting Standards as issued by the International Accounting Standards Board
"IGA"	Investigator's Global Assessment
"INCI"	International Nomenclature Cosmetic Ingredient
"IND"	investigational new drug
"IPF"	idiopathic pulmonary fibrosis
"KT-939"	a tyrosinase inhibitor under development by our Group which inhibits melanin production with anti-oxidant and anti-inflammatory effects

"KX-826"	formerly known as "Pyrilutamide", an AR antagonist under development by our Group as a topical drug for the treatment of AGA and acne vulgaris
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"LLOQ"	lower limit of quantification
"mCRPC"	metastatic castration-resistant prostate cancer
"Model Code"	the Model Code for Securities Transactions by Directors of Listed issuers as set out in Appendix 10 to the Listing Rules
"mTOR"	mammalian target of rapamycin, a critical effector in cell-signaling pathways commonly deregulated in human cancers
"NDA"	new drug application
"Nivolumab"	a human immunoglobulin G4 (IgG4) monoclonal antibody, which targets the negative immunoregulatory human cell surface receptor programmed death-1 (PD-1, PCD-1) with immune checkpoint inhibitory and antineoplastic activities
"NMPA"	the National Medical Products Administration of the PRC, successor to the China Food and Drug Administration according to the Institutional Reform Plan of the State Council
"PD"	Pharmacodynamics
"PD-1" or "PCD-1"	programmed cell death protein 1, a protein in humans is encoded by the programmed cell death 1 (PDCD1) gene
"Pfizer"	Pfizer, Inc., a corporation organised and existing under the laws of the State of Delaware, U.S., and a research-based global biopharmaceutical company
"PI3K"	the acronym of Phosphoinositide 3-kinase, a family of enzymes involved in cellular functions such as cell growth, proliferation, differentiation, motility, survival, and intracellular trafficking, which in turn are involved in cancer

"PK"	Pharmacokinetics
"PROTAC"	proteolysis targeting chimera, a small molecule composed of (i) a recruiting element for a protein of interest; (ii) an E3 ubiquitin ligase recruiting element; and (iii) a linker bounding (i) and (ii)
"Pruxelutamide" or "GT0918"	formerly known as "Proxalutamide", a small molecule second generation AR antagonist under development by our Group for the treatment of COVID-19, mCRPC and AR+ metastatic breast cancer
"QD"	once a day
"R&D"	research and development
"Reporting Period"	the year ended 31 December 2024
"RMB"	Renminbi yuan, the lawful currency of the PRC
"RSU"	a restricted share unit award granted to a participant under the Employee Incentive Scheme that is subject to such terms and conditions as set forth in the rules of the Employee Incentive Scheme, and each restricted share unit represents one underlying Share
"SAE"	serious adverse events
"SARS-CoV-2"	severe acute respiratory syndrome coronavirus 2
"Share(s)"	ordinary share(s) in the share capital of the Company, currently of nominal value USD0.0001 each
"Shareholder(s)"	holder(s) of the Shares
"SMO"	smoothened, a Class Frizzled G protein-coupled receptor that is a component of the hedgehog signaling pathway
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TAHC"	target area hair counts
"TEAE"	treatment-emergent adverse events

"TGF–ß"	a regulatory cytokine that has multifunctional properties that can enhance or inhibit many cellular functions, including interfering with the production of other cytokines and enhancing collagen deposition
"TMPRSS2"	transmembrane serine protease 2, a membrane anchored protease primarily expressed by epithelial cells of respiratory and gastrointestinal systems and has been linked to multiple pathological processes in humans including tumor growth, metastasis and viral infections
"Top-up Placing 2022"	the top-up placing conducted by the Company pursuant to a placing and subscription agreement dated 9 December 2022. Please refer to the announcements of the Company dated 11 December 2022 and 16 December 2022 for further information
"TRAE"	treatment related adverse events
"U.S." or "US" or "United States"	the United States of America
"USD"	U.S. dollars, the lawful currency of the U.S.
"U.S. FDA"	Food and Drug Administration of the U.S.
"VEGF"	vasoactive endothelial growth factor, a potent angiogenic factor and was first described as an essential growth factor for vascular endothelial cells
"we", "us", "Kintor" or "our"	the Company and, unless the context indicates otherwise, its subsidiaries

By order of the Board
KINTOR PHARMACEUTICAL LIMITED
Dr. Youzhi Tong
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 26 March 2025

As at the date of this announcement, the executive Directors are Dr. Youzhi Tong and Dr Xiang Ni; the non-executive Directors are Mr. Weipeng Gao and Ms. Geqi Wei; and the independent non-executive Directors are Dr. Michael Min Xu, Mr. Wallace Wai Yim Yeung and Prof. Liang Tong.

* *For identification purpose only*