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開拓藥業有限公司*

KINTOR PHARMACEUTICAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9939)

**VOLUNTARY ANNOUNCEMENT
OFFICIAL COMMENCEMENT OF GLOBAL SALES
BUSINESS OF WHITENING AND FRECKLE-REMOVING
FUNCTIONAL COSMETIC RAW MATERIAL KT-939**

This is a voluntary announcement made by Kintor Pharmaceutical Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to update its shareholders and potential investors on the latest developments related to the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, after two years of R&D and commercialization preparation, the global sales business of its self-developed KT-939, a functional raw material for whitening and freckle-removing cosmetics, has officially commenced. The Company has recently completed its first sales of this raw material. This signifies that the Company has officially tapped into the functional cosmetic raw material industry with an aim to provide high-quality and safe cosmetic raw material for the global cosmetic market. The B2B business of functional cosmetic raw materials, together with R&D business of innovative topical drugs and B2C business of functional cosmetic products form a “troika” business model, laying a material foundation for the Company’s sustainable profit growth and long-term stable development in the future.

KT-939 is a tyrosinase inhibitor developed by the Company, effectively inhibiting melanin production with antioxidant and anti-inflammatory effects, which can be safely used when applied to human skin while effectively demonstrating the whitening and freckle-removing effects.

Efficacy

Previous studies of the Company show that KT-939 has the strongest tyrosinase inhibitory activity reported to date. In the human cells tyrosinase inhibitory activity experiments, cell melanin production experiment and protein binding experiment, KT-939 is significantly superior to that of the compounds with the same target that have been already applied in the fields of cosmetics, including Thiamidol, Butylresorcinol (“**577**”), Phenylethyl resorcinol (“**377**”), arbutin, hydroquinone and kojic acid, etc.

Safety

The Company has engaged a third party to complete relevant safety tests in accordance with the requirements of the PRC special cosmetic raw material. The data shows that the safety profile of KT-939 is also more favorable than that of the foregoing compounds. In addition, the Company has also completed various third party institution testing, including SGS-CSTC Standards Technical Services Co., Ltd. (the “**SGS**”), professional cosmetic brands and MCN institutions, further supporting the effectiveness and safety of KT-939 on whitening and freckle-removing.

Compliance

KT-939 has gradually received the review approval of the International Nomenclature Cosmetic Ingredient (the “**INCI**”) by the International Cosmetic Ingredient Nomenclature Committee and review of the Japanese Nomenclature Cosmetic Ingredient (the “**JNCI**”) by the Japanese Cosmetic Industry Committee, and have received the registration number “3081328-14-2” from the US Chemical Abstracts Services (the “**CAS**”). Currently, the Company is actively obtaining approval from countries and regions that require compliance review such as Korea. Such designation approval signifies that KT-939 may commence application and sales in various countries and regions around the world as a cosmetic raw material, laying a material foundation for the Company’s expansion in the functional cosmetic raw material market. Meanwhile, the Company has completed related necessary safety evaluation in accordance with the requirements of the Safety and Technical Standards for Cosmetics (2015 Edition) in China. The Company is actively preparing for the registration of KT-939 in China as a new cosmetic ingredient.

Trademark

KT-939 has obtained the category 3 trademark registration under the Chinese name “歐希美多” from the China National Intellectual Property Administration. Trademark registration application of its corresponding English name “OXIMIDOL” has been submitted in China, the US and the EU. It is expected that those registration approvals will be obtained before the end of 2025. In order to further safeguard the intellectual properties of the Company and prevent any trademark infringement, the Company is undergoing the category 1 trademark registration application of KT-939 in China and oversea regions.

Patent

The patent application under the Patent Cooperation Treaty (the “PCT”) for KT-939 has been submitted to the China National Intellectual Property Administration. In the future, we will enter countries/regions such as China, the USA and the EU through the PCT. It is expected that upon approval, we will enjoy a protection period of 20 years.

Production

In terms of production, the Company has established deep cooperative relationship with various cosmetic raw material processors and has the capacity for batch production of over one hundred kilograms as well as the annual capacity to supply goods over ten tons.

Sales

In terms of sales, the Company has established dedicated sales team for cosmetic raw material to contact and explore business partners and potential clients with the needs for cosmetic raw material, including but not limited to agents, distributors and cosmetic brands. For details on KT-939 and purchase enquiries, please visit the Company’s website and designated procurement websites, i.e. Chemicalbook, GuideChem, Made-in-China.com and Chemsr.com.

Markets

Currently, the mechanism action of whitening cosmetics mainly include: inhibiting melanin production, blocking the transport of melanin, restoring of melanin and promoting the shed of epidermal melanin, etc. The main ingredients of inhibiting melanin production include Thiamidol, 377, 577, arbutin and hydroquinone, which has the same mechanism action as KT-939 and are categorized under the same competing market. Thiamidol is an exclusive patent product developed by Beiersdorf AG. It is solely authorized to be used by EUCERIN and NIVEA and is not supplied to outsiders. The patent period of 377 and 577 has expired and is now widely used in various whitening and freckle-removing products around the globe. The annual sales volume of 377 by Symrise AG amounted to hundreds of tons. As compared to 377 and 577, KT-939 not only outpaces its safety, but also demonstrates outstanding effectiveness. As compared to Thiamidol, KT-939 adopts an open development mode, with an aim to become one of the main ingredients among the global whitening and freckle-removing cosmetic raw material market.

According to the research statistics of China Association of Fragrance Flavour and Cosmetic Industries, the scale of the global cosmetic raw material market amounted to US\$50 billion in 2023 and is expected to increase to US\$60 billion by 2030, with a CAGR of 3.6%. In terms of the Chinese market, scale of the cosmetic raw material market amounted to RMB61.9 billion in 2023 and is expected to maintain an annual growth rate of 5% for the next five years. Consumption upgrades and the increased need for effectiveness are the main driving forces.

In the multi-layer layout of the cosmetic raw material market, functional raw material is its core composition. Leverage on the increasing consumers' needs for whitening, the whitening and freckle-removing functional raw material is constantly taking up strategical position among the functional raw material. KT-939 focuses on such segment and rapidly establishes its technological barriers and brand influences in the whitening and freckle-removing segment, to provide differentiated support in market competition for cooperating enterprises.

The Board believes that, along with continuous expansion of the global cosmetic market scale as well as the increasing penetration rate of functional products in the cosmetics market, cosmetic brands' need for the quantity and quality of functional raw material both increase. The potential for the functional cosmetic raw materials market is huge. Strategic layout for cosmetic raw material business will provide a key support for the Company's transformation and upgrade. In the future, the Company will seek opportunities for cooperation via attending international industry exhibitions such as the NYC Cosmetics Exhibition of the US, with an aim to constantly expand the cosmetic raw material business market and strengthen its globalized business layout.

Shareholders and potential investors of the Company shall exercise with caution when dealing with shares of the Company.

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

Hong Kong, 8 May 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*