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Grand Pharmaceutical Group Limited
遠大醫藥集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 00512)

VOLUNTARY ANNOUNCEMENT

THE WORLD'S FIRST NASAL SPRAY PRODUCT OF THE GROUP FOR THE TREATMENT OF DRY EYE DISEASE, OC-01, ACHIEVES THE FIRST BATCH OF COMMERCIAL PRESCRIPTIONS AFTER ITS OFFICIAL APPROVAL IN MAINLAND CHINA

This announcement is made by the board of directors (the "**Board**") of Grand Pharmaceutical Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis.

The Board is pleased to announce that the Group's first commercial prescription in Mainland China of Varenicline Tartrate Nasal Spray ("**OC-01**"), the world's first nasal spray product to increase tear secretion in patients with dry eye disease, was issued in the First Affiliated Hospital, Sun Yat-sen University and Shenzhen Eye Hospital after its official approval. This approval milestone marks the availability of a new treatment option and the only nasal spray product currently approved to increase tear secretion in patients with dry eye disease in China and has officially entered clinical application, providing a new treatment option for Chinese dry eye patients.

OC-01 is a highly selective nicotinic acetylcholinergic receptor agonist. It is believed to increase tear secretion in patients with dry eye disease by activating the trigeminal parasympathetic pathway and increasing basal tear secretion. This product was approved in the United States in October 2021, and is currently the world's first and only preservative-free, multi-dose, sterile packaged nasal spray approved to treat the signs and symptoms of dry eye disease in patients; in Mainland China, this product was approved for commercialization by the National Medical Products Administration of the People's Republic of China ("**NMPA**") in November 2024; in addition, OC-01 was approved for commercialization in the Macau Special Administrative Region of China in February 2023; it was launched in the Hainan Lecheng Medical Pilot Zone as an imported clinically urgent drug in April 2023; and it was approved for commercialization in the Taiwan Region of China in November 2024.

Dry eye is a common chronic ocular surface disease in clinical practice. The incidence rate of dry eye in China is about 21%-30%, and the number of patients with dry eye is conservatively estimated to be about 360 million. At present, patients with dry eye who visit outpatient clinics in medical institutions account for more than 30% of the total number of ophthalmology visits. It is expected that this proportion may rise to 40% in the next 5-10 years. Dry eye disease has become a significant social public health issue affecting national health. Artificial tears are the most commonly used treatment option, while OC-01 only needs to be administered as a nasal spray twice a day, which may avoid the cumbersome use of traditional eye drops, thereby it may improve patient compliance. The product is expected to provide dry eye patients with a new well tolerated and effective treatment option.

The Group always regards the field of ophthalmology as one of its important strategic development directions, continuously focus on ophthalmic drug innovation, adheres to the path of professional development, to improve its industry position and market competitiveness constantly. At present, the Group has established a "professional, full-series, multi-variety" innovative drug product system, reserved a few world-wide innovative products for the treatment of "myopia", "dry eye", "pterygium", "anti-inflammatory and analgesic after ophthalmology surgery", "*Demodex* blepharitis" and "*Demodex* blepharitis patients with meibomian gland disease", and have made significant research and development progress. In the next three years, a number of innovative products are expected to be approved for commercialization.

Among them, the global innovative ophthalmic product GPN01768 (TP-03, lotilaner ophthalmic solution, 0.25%) for the treatment of *Demodex* blepharitis has had its new drug application submitted to the NMPA and was accepted, and was approved for commercialization by the Pharmaceutical Administration Bureau of Macao Special Administrative Region of China in May 2025; GPN00833, a hormone nanosuspension eye drops for anti-inflammatory and analgesic, has completed the Phase III clinical trial in China and met the primary endpoint in November 2024; GPN00153 (CBT-001), an innovative modified new drug for the treatment of pterygium, has had its Phase III clinical study in China completed the first patient enrollment in March 2024, and has had its international multi-center Phase III clinical study completed all patients enrollment in June 2025; GPN00884, a global innovative ophthalmic drug used to delay the progression of myopia in children, has completed the first patient enrollment in the Phase I clinical study conducted in China in June 2024. In the future, the Group will accelerate the comprehensive and differentiated strategic plan of its R&D pipeline, and continuously enrich its innovative product reserves in the ophthalmic segment. In addition, the Group has attracted and trained a group of professionals with both clinical and marketing experience in the field of ophthalmology, and established a professional marketing team that is customer-centric and academic-led. It has also established long-term and stable cooperation with large pharmaceutical distribution companies and chain pharmacies, forming a nationwide marketing network. As innovative ophthalmic products continue to be approved, the Group will make full use of its core advantages in this field, continue to explore the cutting-edge innovation track of ophthalmology, further strengthen the professional promotion and brand building of core products, and provide new momentum for the Group's sustainable and healthy development.

The Group always puts a high value on the R&D of innovative products and advanced technologies. Sticking to patient-centered and innovation-driven, the Group will continue to increase its investment in world-class innovative products and advanced technologies to meet unmet clinical needs and enrich product pipeline and improve supply chain. The Group adopts the strategy of "global expansion and dual-cycle operation", forming a new pattern of domestic and international cycles that synergize with each other. In this way, the Group can make full use of its industrial advantages and R&D capabilities, to accelerate commercialization process for innovative products and provide patients with more advanced and diverse treatment options in the world.

Warning:

The production, sales and contributed profit of aforementioned product is subject to various factors such as market changes with uncertainty. Shareholders and prospective investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Grand Pharmaceutical Group Limited
Chairman
Dr. Tang Weikun

Hong Kong, 17 July 2025

As at the date of this announcement, the Board comprises four executive directors, namely, Dr. Tang Weikun, Mr. Zhou Chao, Mr. Yang Guang and Ms. Lam Chit Yee Jessica, and four independent non-executive directors, namely, Ms. So Tosi Wan, Winnie, Dr. Xing Li Na, Dr. Pei Geng and Mr. Hu Yebi.

** For identification purpose only*