

## HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

### OVERVIEW

We are a global leader in integrated circuit biotechnology. Our Group was founded by Dr. Tian and Dr. Ivanov in 2016. Our founders have extensive experience in sequencing, image sensor and semiconductor industries. For the biographical details of Dr. Tian and Dr. Ivanov, see “Directors and Senior Management.”

We commenced business operations through Angstrom Centro Holdings, LLC (“ACH”), a limited liability company incorporated in Delaware, the United States in February 2016. Our Company was incorporated as an exempted company with limited liability in the Cayman Islands in September 2021 and became the holding company of our Group after the Reorganization. For details of the Reorganization, see “— Reorganization” in this section.

### BUSINESS DEVELOPMENT MILESTONES

The table below summarizes our key business development milestones.

Year	Milestone
2016	We commenced business operations
2018	We completed our proprietary Bio-CMOS sequencing chip process integration
2019	We announced the release of engineering prototype of EL-NGS gene sequencer AxiLona AXP-100
2020	We announced the release of engineering prototype of AxiLona EL-100
2021	Our Company was incorporated in the Cayman Islands as the holding company of our Group
	We launched the product prototype of AxiLona EL-100
	We launched the product prototype of EL-NGS gene sequencer AxiLona AXP-100

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Year	Milestone
2022	<p>We established our first GMP-compliant manufacturing facility in Wuxi, China</p> <p>We successfully developed our non-invasive saliva glucose monitor based on electrochemical detection technology and compatible test strip, and delivered the prototype to our collaboration partner</p> <p>Anxuyuan Shenzhen was recognized as a National High-tech Enterprise (國家高新技術企業)</p>
2023	<p>We received the CE marking for AxiLona EL-100</p> <p>We obtained ISO 13485:2016 certification</p> <p>We launched EL-NGS gene sequencer AxiLona AXP-100 (RS, for research use only)</p>
2024	<p>AxiLona EL-100 was admitted into the Special Registration Procedures for Innovative Class II Medical Devices (commonly known as Green Path) by the Jiangsu MPA</p> <p>We published peer-reviewed scientific papers and successfully completed the end-user installation of EL-NGS gene sequencer AxiLona AXP-100</p> <p>We established a high-throughput protein screening system, discovered multiple producible new polymerases</p> <p>We were qualified for the artificial intelligence challenge of the Innovation Nanshan 2024 Entrepreneurs Star Contest (創新南山2024創業之星大賽)</p> <p>We successfully delivered custom-synthesized chemical products</p>
2025	<p>We completed the clinical trial of AxiLona EL-100</p> <p>We launched the design and development of the ultra-high throughput EL-NGS gene sequencer AxiLona AXP-1000</p> <p>We received the Class II medical device registration certificate for AxiLona EL-100 from the Jiangsu MPA</p>

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### OUR MAJOR SUBSIDIARIES

The table below sets out the place and date of establishment/incorporation and principal business activities of each member of our Group that made a material contribution to our results of operations during the Track Record Period or are otherwise material to our business operations.

Subsidiary	Place of establishment/ incorporation	Date of establishment/ incorporation	Principal business activities
Axbio US	Delaware, the United States	February 29, 2016	Research and development of biotechnology, semiconductor and nanotechnology
Anxuyuan Wuxi	PRC	November 19, 2021	Manufacturing of <i>in vitro</i> diagnostic equipment, RUO products and consumables, and research and development of biotechnology, semiconductor and nanotechnology
Anxuyuan Shenzhen	PRC	June 1, 2017	Research and development of biotechnology, semiconductor and nanotechnology
Anxuyuan Medical Technology	PRC	April 20, 2023	Sales of our products
Anxuyuan Tianjin	PRC	April 21, 2020	Provision of custom synthesis and analytical services

### MAJOR MERGER, ACQUISITION AND DISPOSAL

During the Track Record Period and up to the Latest Practicable Date, we had not conducted any merger, acquisition or disposal that we consider to be material to us.

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### ESTABLISHMENT AND EARLY DEVELOPMENT OF OUR GROUP

#### (a) Incorporation of ACH

On February 29, 2016, ACH was incorporated in Delaware, the United States with limited liability.

#### (b) Series Seed Financing and ACH Exchange and Reorganization

From June 2016 to November 2017, our Group entered into agreements for six rounds of Series Seed Financing, pursuant to which the Series Seed Investors agreed to subscribe for an aggregate of 22,260,460 series seed preferred shares of ACH at an aggregate consideration of approximately US\$9.8 million. For details of the Series Seed Financing, see “— [REDACTED] Investments” in this section.

Pursuant to an exchange and reorganization agreement dated November 14, 2017 entered into among ACH, Axbio US, a Delaware corporation then wholly owned by ACH, and the then members of ACH, each member of ACH agreed to transfer and assign to ACH all of his membership interests of ACH in exchange for the shares of Axbio US (the “**ACH Exchange and Reorganization**”). Upon the completion of the ACH Exchange and Reorganization, Axbio US became the holding company of our Group.

#### (c) Series A Financing

On August 29, 2018, Axbio US and the Series A Investors entered into a series A preferred stock and warrant purchase agreement, pursuant to which the Series A Investors agreed to subscribe for an aggregate of 11,650,330 series A preferred shares of Axbio US at an aggregate consideration of approximately US\$18.4 million. For details of the Series A Financing, see “— [REDACTED] Investments” in this section.

### REORGANIZATION

In order to re-domicile our Group’s holding company from the United States to the Cayman Islands, we underwent the following Reorganization steps.

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### (a) Incorporation of our Company

On September 14, 2021, our Company was incorporated in the Cayman Islands as an exempted company with limited liability and the ultimate holding company of our Group. Upon incorporation, the authorized share capital of our Company was US\$50,000 with a par value of US\$0.0001 each.

### (b) Incorporation of the Merger Sub

On September 24, 2021, Axbio MergerCo, Inc. (the “**Merger Sub**”) was incorporated in Delaware, the United States with limited liability, with our Company as its sole shareholder.

### (c) Merger with Axbio US and Allotment and Issuance of Shares of our Company

On October 15, 2021, our Company, the Merger Sub and Axbio US entered into an agreement and plan of merger and reorganization, pursuant to which the Merger Sub was merged with and into Axbio US, the separate corporate existence of the Merger Sub ceased, and Axbio US continued as the surviving corporation and a wholly-owned subsidiary of our Company (the “**Merger**”) effective from the date of the agreement. To reflect and mirror the then shareholding structure of Axbio US before the Merger, each issued and outstanding share in Axbio US was automatically converted into and exchanged for one validly issued, fully paid and non-assessable Share in our Company, with rights and preferences granted to the respective classes and series of shares as substantially similar as possible under the laws of the Cayman Islands to those granted to the shares in Axbio US.

## SUBSEQUENT FINANCING

### (a) Series A-1 Financing

On October 15, 2021, our Company and the Series A-1 Investors entered into a share purchase agreement, pursuant to which the Series A-1 Investors agreed to subscribe for an aggregate of 12,071,463 Series A-1 Preferred Shares at an aggregate consideration of approximately US\$20 million. For details of the Series A-1 Financing, see “— [REDACTED] Investments” in this section.

### (b) Series B Financing

On May 27, 2022, our Group and the Series B Investors entered into a series B preferred shares purchase agreement, pursuant to which the Series B Investors agreed to subscribe for an aggregate of 37,557,408 Series B Preferred Shares at an aggregate consideration of approximately US\$70 million. For details of the Series B Financing, see “— [REDACTED] Investments” in this section.

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### [REDACTED] INVESTMENTS

#### (a) Principal Terms of the [REDACTED] Investments

Our Group obtained multiple rounds of [REDACTED] Investments, which are summarized below:

	Series Seed Financing <sup>(1)</sup>	Series A Financing <sup>(1)</sup>	Series A-1 Financing	Series B Financing
Date(s) of agreement(s)	June 28, 2016 to November 21, 2017	August 29, 2018 to August 20, 2020	October 15, 2021	May 27, 2022
Amount of consideration paid (US\$)	9,750,000	15,921,487 <sup>(4)</sup>	20,000,000	70,000,000 <sup>(6)</sup>
Date of payment of consideration in full	May 13, 2020	August 18, 2020	April 15, 2022	March 17, 2023
Number of shares subscribed for	22,260,460	10,308,994 <sup>(4)</sup>	12,555,479 <sup>(5)</sup>	37,557,408
Cost per share paid (US\$)	0.4380	0.8816/1.6568	1.6568	1.8638
Discount to the [REDACTED] (approximation) <sup>(2)</sup>	[[REDACTED]]%	[[REDACTED]]%/ [REDACTED]]%	[[REDACTED]]%	[[REDACTED]]%
Post-money valuation of our Group <sup>(3)</sup> (approximation) (US\$)	52.9 million	116.7 million/ 219.3 million	239.3 million	347.5 million
Basis of determination of valuation and consideration	The valuation of our Group and consideration for each round of the [REDACTED] Investments were determined based on arm’s length negotiation between our Group and the [REDACTED] Investors taking into account the timing of the [REDACTED] Investments and our research and development progress and business prospects.			
Use of proceeds from the [REDACTED] Investments	We utilized the proceeds from the [REDACTED] Investments to finance our research and development activities and our daily operations. As of the Latest Practicable Date, approximately 75% of the net proceeds from the [REDACTED] Investments had been utilized.			
Lock-up	The [REDACTED] Investors will not be subject to any lock-up arrangement at the time of [REDACTED] pursuant to the relevant agreements of the [REDACTED] Investments.			
Strategic benefits to our Group brought by the [REDACTED] Investors	Our Directors were of the view that our Group would benefit from the additional capital provided by the [REDACTED] Investors and their industry knowledge and experience. The [REDACTED] Investments also demonstrated the [REDACTED] Investors’ confidence in and endorsement of our research and development capabilities and business prospects.			

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*Notes:*

- (1) The information of the Series Seed Financing and the Series A Financing set out in the table above refers to the allotment and issuance of the series seed preferred shares and the series A preferred shares by ACH or Axbio US (where applicable) before the Reorganization. For details, see “— Establishment and Early Development of Our Group” and “— Reorganization” in this section.
- (2) The discount to the [REDACTED] is calculated based on (i) the assumptions that the [REDACTED] is HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]), the [REDACTED] is not exercised and without taking into account any Shares which may be allotted and issued under the Equity Incentive Plan, and (ii) the exchange rate of RMB to Hong Kong dollar set out in “Information about This Document and the [REDACTED].”
- (3) The increase in the valuation of our Group between each round of the [REDACTED] Investments was primarily due to the research and development progress and business prospects of our Group and the prevailing market sentiment in the venture capital markets at the time the investments were made. Specifically:
  - (i) the increase in the valuation of our Group from the Series Seed Financing to the Series A Financing was primarily due to the completion of our proprietary Bio-CMOS sequencing chip process integration;
  - (ii) the increase in the valuation of our Group from the Series A Financing to the Series A-1 Financing was primarily due to the release of engineering prototype of EL-NGS gene sequencer AxiLona AXP-100 and the release of engineering prototype of AxiLona EL-100; and
  - (iii) the increase in the valuation of our Group from the Series A-1 Financing to the Series B Financing was primarily due to the launch of the product prototype of EL-NGS gene sequencer AxiLona AXP-100 and the establishment of our first GMP-compliant manufacturing facility in Wuxi, China.
- (4) Excludes the 1,341,336 Series A Preferred Shares repurchased by our Company from Shantou Huarun Innovation Equity Investment Fund Partnership (Limited Partnership) (汕頭市華潤創新股權投資基金合夥企業(有限合夥)) on February 1, 2024 at a consideration of US\$2,500,000.
- (5) Includes 484,016 nil-paid Series A-1 Preferred Shares allotted and issued to the Series A-1 Investors upon exercise of their anti-dilution rights in connection with the increase of the scheme limit of the Equity Incentive Plan in June 2022. Pursuant to the then effective articles of association of our Company, the Series A-1 Investors were entitled to anti-dilution rights if the number of Shares reserved for issuance under the Equity Incentive Plan increased by more than 1% of the then issued and outstanding Shares.
- (6) Due to foreign exchange restrictions, one of the Series B Investors initially paid the subscription price through an onshore loan to our Group. After obtaining the necessary foreign exchange approval, our Group repaid the full amount of the onshore loan to the Series B Investor. The Series B Investor then converted the equivalent amount from RMB to U.S. dollars and transferred it to our offshore account. Due to exchange rate fluctuations between the date of onshore loan and the date of offshore remittance, the total consideration of the Series B Financing in U.S. dollars received by our Group was slightly less than US\$70,000,000 as stipulated in the relevant agreement for the Series B Financing.

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### (b) Special Rights of the [REDACTED] Investors

Pursuant to the agreements entered into among our Company and our [REDACTED] Investors and our currently prevailing memorandum and articles of association, certain [REDACTED] Investors were granted certain customary special rights, including, among others, information and inspection rights, right of first offer, prior sale right, right of first refusal, right of co-sale, drag-along rights and redemption rights. The redemption rights granted to certain [REDACTED] Investors ceased to be exercisable immediately before our Company's first submission of the first [REDACTED] form to the Stock Exchange, and all other special rights granted to certain [REDACTED] Investors will be terminated upon the [REDACTED].

### (c) Joint Sponsors' Confirmation

On the basis that (i) the respective consideration for the [REDACTED] Investments was settled more than 28 clear days before the date of our Company's first submission of the [REDACTED] form to the Stock Exchange, and (ii) the redemption rights granted to certain [REDACTED] Investors ceased to be exercisable immediately before our Company's first submission of the first [REDACTED] form to the Stock Exchange, and all other special rights granted to certain [REDACTED] Investors will be terminated upon the [REDACTED], the Joint Sponsors confirm that the [REDACTED] Investments are in compliance with Chapter 4.2 of the Guide.

### (d) Information about Our [REDACTED] Investors

Our [REDACTED] Investors include certain Sophisticated Investors, namely AZ-CICC and YF Capital. The background information of our institutional [REDACTED] Investors is set out below. To the best knowledge of our Directors, save as otherwise disclosed, each of the [REDACTED] Investors and their ultimate beneficial owners or controllers is an independent third party.

#### *AZ-CICC*

AZ-CICC is a limited partnership established in the PRC. Its general partners are AstraZeneca Investment Consulting (Wuxi) Co., Ltd. (阿斯利康商務諮詢(無錫)有限公司) ("**AZ Investment Consulting**") and CICC Private Equity Management Co., Ltd. (中金私募股權投資管理有限公司) ("**CICC Capital Management**").

CICC Capital Management is a wholly-owned subsidiary of China International Capital Corporation Limited (中國國際金融股份有限公司), a company listed on the Stock Exchange (stock code: 03908) and the Shanghai Stock Exchange (stock code: 601995).

AZ Investment Consulting is a wholly-owned subsidiary of AstraZeneca Investment (China) Co., Ltd. (阿斯利康投資(中國)有限公司) and these entities are indirectly wholly-owned subsidiaries of the parent company AstraZeneca PLC ("**AstraZeneca**"), a public limited company with the principal markets for trading on the London Stock Exchange, Nasdaq Stockholm and Nasdaq Global Select Market (ticker



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symbol: AZN). AstraZeneca is a global science-led biopharmaceutical company that focuses on the discovery, development and commercialization of prescription medicines in oncology, rare diseases, and biopharmaceuticals, including cardiovascular, renal & metabolism, and respiratory & immunology. Based in Cambridge, UK, AstraZeneca's innovative medicines are sold in more than 125 countries and used by millions of patients worldwide.

AstraZeneca has indirectly invested in a number of healthcare and biotech companies including Abbisko Cayman Limited (和譽開曼有限責任公司), a company listed on the Stock Exchange (stock code: 02256) and Duality Biotherapeutics, Inc. (映恩生物), a company listed on the Stock Exchange (stock code: 09606).

### *YF Capital*

YF Digital Health Limited ("**YF Digital Health**") is a limited liability company incorporated in the BVI. It is wholly owned by Yunfeng Fund IV AIV II, L.P. ("**YF Fund IV**"). The general partner of YF Fund IV is Yunfeng Fund IV AIV GP, Ltd. ("**YF Fund IV GP**"). None of the limited partners of YF Fund IV holds more than one-third of the partnership interest. YF Fund IV GP is controlled by Mr. Feng Yu (虞鋒). YF Digital Health is an investment entity of YF Capital. YF Capital has assets under management of over US\$15 billion. YF Capital has invested in a number of healthcare and biotech companies including Brie Biosciences Limited (騰盛博藥生物科技股份有限公司), a company listed on the Stock Exchange (stock code: 02137), Meinian Onehealth Healthcare Holdings Co., Ltd. (美年大健康產業控股股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002044), and WuXi AppTech Co., Ltd. (無錫藥明康德新藥開發股份有限公司), a company listed on the Stock Exchange (stock code: 02359) and the Shanghai Stock Exchange (stock code: 603259).

### *5Y*

Each of 5Y Capital Evolution Fund II, L.P. ("**5Y Evolution II**") and 5Y Capital Evolution Fund II Co-Investment, L.P. ("**5Y Evolution II Co-Investment**") is a limited partnership established in the Cayman Islands and an investment entity of 5Y. They are both controlled by their general partner, 5Y Capital GP Limited. Mr. Qin Liu is entitled to exercise or control the exercise of 100% of the voting power of all issued shares in 5Y Capital GP Limited at its general meeting.

### *Kryssen 30*

Kryssen Capital 30 Investment Ltd ("**Kryssen 30**") is a limited liability company incorporated in the BVI. Kryssen 30 is held as to 60% by Senzi Wang and 40% by Yanfeng Zhang.

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### *Kryssen 29*

Kryssen Capital 29 Ltd (“**Kryssen 29**”) is a limited liability company incorporated in the BVI. As of the Latest Practicable Date, Kryssen 29 had five shareholders, with the largest shareholder, Yael Evergreen, holding 44.87% of the equity interest. None of the other shareholders of Kryssen 29 held more than one-third of the equity interest. Kryssen 29 is principally engaged in investment.

### *I-Bridge*

I-Bridge II Investment AxBio Limited (“**I-Bridge**”) is a limited liability company incorporated in the BVI. It is wholly owned by I-BRIDGE HEALTHCARE FUND II PTE. LTD. (“**I-Bridge Fund**”).

### *FIIF (Suzhou)*

Future Industry Investment Fund (Suzhou) (先進製造產業投資(蘇州)基金(有限合夥)) (“**FIIF (Suzhou)**”) is a limited partnership established in the PRC. The general partner and manager of FIIF (Suzhou) is CS Capital Co., Ltd. (國投招商投資管理有限公司) (“**CS Capital**”) holding 0.1% of the partnership interest. As of the Latest Practicable Date, FIIF (Suzhou) had two limited partners, with Suzhou Chinese Consortium Holdings Co., Ltd. (蘇州中方財團控股股份有限公司) and Future Industry Investment Fund II (先進製造產業投資基金二期(有限合夥)) each holding 49.9% of the partnership interest. CS Capital and its affiliates manage nearly RMB100 billion of capital from diversified investors, including financial institutions, insurance companies, private enterprises and state-owned enterprises. CS Capital focuses on four investment sectors: life science, intelligent NEV, smart manufacturing as well as information & communication technology.

### *Hongxin HK*

Leaguer Hongxin (Hongkong) Limited (力合泓鑫(香港)有限公司) (“**Hongxin HK**”) is a limited liability company incorporated in Hong Kong. Hongxin HK is wholly owned by Mr. Lizi Bie (別力子), our non-executive Director. Hongxin HK is principally engaged in equity investment and management consulting.

### *Tsinghua Leaguer*

Tsinghua Leaguer Venture Capital International Co., Ltd. (清華力合創業投資國際有限公司) (“**Tsinghua Leaguer**”) is a limited liability company incorporated in the Cayman Islands. Tsinghua Leaguer is ultimately wholly owned by Shenzhen Leaguer Co., Ltd. (深圳市力合科創股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002243). Tsinghua Leaguer is principally engaged in venture capital investment.

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### *Shenzhen Leaguer Hongxin*

Shenzhen Leaguer Hongxin Venture Capital Partnership (Limited Partnership) (深圳力合泓鑫創業投資合夥企業(有限合夥)) (“**Shenzhen Leaguer Hongxin**”) is a limited partnership established in the PRC. The general partner of Shenzhen Leaguer Hongxin is Zhuhai Zijing Hongxin Investment Management Co., Ltd. (珠海紫荊泓鑫投資管理有限公司) (“**Zhuhai Zijing**”), holding approximately 0.33% of the partnership interest. Zhuhai Zijing is controlled by Binhong Zhao (趙賓紅). As of the Latest Practicable Date, Shenzhen Leaguer Hongxin had one limited partner, Shenzhen Hongxin Investment Partnership (Limited Liability) (深圳市泓鑫投資合夥企業(有限合夥)), holding approximately 99.67% of the partnership interest. Shenzhen Leaguer Hongxin is principally engaged in venture capital investment and equity investment.

### *Green Pine*

Shenzhen Green Pine Equity Investment Partnership (Limited Partnership) (深圳市松禾成長一號股權投資合夥企業(有限合夥)) (“**Green Pine**”) is a limited partnership established in the PRC. The general partner of Green Pine is Shenzhen Green Pine International Capital Management Partnership (Limited Partnership) (深圳市松禾國際資本管理合夥企業(有限合夥)) (“**Shenzhen Green Pine**”), holding approximately 1.96% of the partnership interest. Shenzhen Green Pine is ultimately controlled by Fei Luo (羅飛). As of the Latest Practicable Date, Green Pine had 26 limited partners, none of which held more than one-third of partnership interest. Green Pine is principally engaged in equity investment and investment management.

### *Kaitai Hongze*

Hangzhou Kaitai Hongze Venture Capital Partnership (Limited Partnership) (杭州凱泰宏澤創業投資合夥企業(有限合夥)) (“**Kaitai Hongze**”) is a limited partnership established in the PRC. The general partner of Kaitai Hongze is Hangzhou Kaitai Changhui Investment Management Co., Ltd. (杭州凱泰長匯投資管理有限公司) (“**Kaitai Changhui**”) holding approximately 1.84% of the partnership interest. Kaitai Changhui is ultimately controlled by Yonghong Xu (徐永紅). As of the Latest Practicable Date, Kaitai Hongze had 17 limited partners, none of which held more than one-third of partnership interest. Kaitai Hongze is principally engaged in equity investment.

### *MSA Venture*

MSA Venture Fund III L.P. (“**MSA Fund III**”) is a limited partnership established in the Cayman Islands. The general partner of MSA Fund III is MSA China Venture Fund III GP LLC (“**MSA Venture**”). MSA Venture is ultimately controlled by Yu Zeng (曾玉). MSA Venture focuses on private venture and growth assets and invests in highly innovative and disruptive companies in biotechnology and enterprise-facing core technology.

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### *Shantou Huarun*

Shantou Huarun Innovation Equity Investment Fund Partnership (Limited Partnership) (汕頭市華潤創新股權投資基金合夥企業(有限合夥)) ("**Shantou Huarun**") is a limited partnership established in the PRC. The general partner and manager of Shantou Huarun is Hanwei Runchuang Equity Investment (Shantou) Co., Ltd. (漢威潤創股權投資(汕頭)有限公司) ("**Hanwei Runchuang**") holding approximately 0.18% of the partnership interest. Hanwei Runchuang is ultimately controlled by the SASAC. As of the Latest Practicable Date, Shantou Huarun had five limited partners, with the largest limited partner, Hanwei Huade (Tianjin) Investment Consulting Co., Ltd. (漢威華德(天津)投資諮詢有限公司), holding approximately 54.02% of the partnership interest. No other limited partner of Shantou Huarun held more than one-third of the partnership interest. Shantou Huarun is principally engaged in equity investment.

### *Foothill Ventures*

Tsingyuan Ventures I LP ("**Tsingyuan Ventures**") is a limited partnership established in Delaware, the United States. The general partner of Tsingyuan Ventures is Tsingyuan Ventures I GP, LLC ("**Tsingyuan Ventures GP**") holding approximately 1.64% of the partnership interest. Tsingyuan Ventures GP is ultimately controlled by Jinlin Wang, Xuhui Shao and Eric Rosenblum.

Tsingyuan Opportunity I LLC ("**Tsingyuan Opportunity**") is a limited liability company established in Delaware, the United States. The managing member of Tsingyuan Opportunity is Uplands View LLC ("**Uplands**") holding approximately 0.000125% of the partnership interest. Upland is ultimately controlled by Jinlin Wang.

Both Tsingyuan Ventures and Tsingyuan Opportunity are investment entities of Foothill Ventures. Foothill Ventures is a technology-focused venture capital firm investing in early-stage technology-differentiated companies.

### *Hua Capital*

Hua Capital Integrated Circuit Fund L.P. ("**Hua Capital**") is a limited partnership established in the Cayman Islands. The general partner of Hua Capital is Hua Capital Oriza Management Limited Partnership holding approximately 0.77% of the partnership interest. As of the Latest Practicable Date, Hua Capital had 12 limited partners, none of which held more than one-third of partnership interest. Hua Capital is principally engaged in venture capital investment with a primary focus in the area of circuit industry chain and related subdivision.

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### *MING Bioventures*

Suzhou MING Bioventures Fund I Venture Capital LP (蘇州聚明中泓方仁創業投資合夥企業有限合夥) ("**MING Bioventures**") is a limited partnership established in the PRC. The general partner of MING Bioventures is Suzhou MING Bioventures LP (蘇州聚明投資管理合夥企業(有限合夥)) ("**MING LP**") holding approximately 1.00% of the partnership interest. MING LP is ultimately controlled by Hua Guo (郭華). As of the Latest Practicable Date, MING Bioventures had 27 limited partners, none of which held more than one-third of the partnership interest. MING Bioventures is principally engaged in venture capital investment.

### *ZhenFund*

Zhen Partners Fund IV, L.P. ("**ZhenFund IV**") is a limited partnership established in the Cayman Islands. The general partner of ZhenFund IV is Zhen Partners Management (MTGP) IV, L.P. ("**Zhen Partners MTGP**"). The general partner of Zhen Partners MTGP is Zhen Partners Management (TTGP) IV, Ltd. ("**Zhen Partners TTGP**"). Zhen International Ltd. ("**Zhen International**") holds 51% equity interest in Zhen Partners TTGP. Zhen International is wholly owned by Best Love Charming Limited ("**Best Love**"). R&H Trust Co. (Singapore) Pte. Limited, trustee of the Best Love Charming Family Trust, holds 100% equity interest in Best Love. Mr. Xiaoping Xu is the settlor of the Best Love Charming Family Trust. ZhenFund writes first checks to founders who have a disruptive vision for the future. It is a venture capital firm focusing on early-stage investments across multiple sectors, including frontier technology, consumer & TMT, SaaS/enterprise service and healthcare.

### *Yael Capital*

Yael Evergreen Fund SPC – Yael Evergreen SP I ("**Yael Capital**") is a segregated portfolio created by and held under Yael Evergreen Fund SPC. Yael Evergreen Fund SPC is an exempted segregated portfolio company incorporated in the Cayman Islands. The management shares of Yael Evergreen Fund SPC is owned as to 100% by Yael Evergreen Capital Management Limited. Yael Evergreen Capital Management Limited is ultimately controlled by Mr. Chong Liu. Yael Capital primarily engages in private equity investment in companies of high-tech, biological and medical sectors.

### *Hannut Capital*

Hannut Capital LP ("**Hannut Capital**") is a limited partnership established in the Cayman Islands. The general partner of Hannut Capital is Hannut Advisor, which is ultimately controlled by Bo Tan. As of the Latest Practicable Date, Hannut Capital had four limited partners, none of which held more than one-third of the partnership interest. Hannut Capital is principally engaged in equity investment.

### *Radiance Capital*

Radiance Capital Management International Ltd. ("**Radiance Capital**") is a limited liability company incorporated in the BVI. It is owned by Jindi Chen (陳錦棣). Radiance Capital is principally engaged in investment.

## HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

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### *Bright Stone*

Bright Stone Holdings Limited ("**Bright Stone**") is a limited liability company incorporated in Hong Kong. Bright Stone is wholly owned by Win Bright Worldwide Limited ("**Win Bright**"). Win Bright is owned by KIZ DESIGN STUDIO. Bright Stone is principally engaged in equity investment.

### **PUBLIC FLOAT**

The 97,703,820 Shares held by Dr. Tian, Dr. Ivanov, Axbio Talent and Hongxin HK, representing approximately [REDACTED]% of our total issued Shares upon the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares which may be allotted and issued under the Equity Incentive Plan), will not be counted towards public float as Dr. Tian, Dr. Ivanov, Axbio Talent and Hongxin HK are core connected persons of our Company.

To the best knowledge of our Directors, save as disclosed above, none of the other Shareholders (including the [REDACTED] Investors) (i) is a core connected person of our Company, (ii) has been financed directly or indirectly by a core connected person of our Company for the acquisition of Shares, or (iii) is accustomed to take instructions from a core connected person of our Company in relation to the acquisition, disposal, voting or other disposition of Shares registered in its name or otherwise held by it. Consequently, over 25% of our Company's total issued Shares with a market capitalization of at least HK\$375 million will be held by the public upon completion of the [REDACTED] in accordance with Rules 8.08(1)(a) and 18A.07, respectively, of the Listing Rules.

### **COMPLIANCE WITH PRC LAWS AND REGULATIONS**

Our PRC Legal Advisor confirmed that the establishment of our subsidiaries in the PRC and their subsequent shareholding changes have complied with the applicable PRC laws and regulations in all material respects.

### **SAFE Registration**

Pursuant to the Circular of SAFE on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**SAFE Circular 37**") promulgated by the SAFE and became effective on July 4, 2014, (i) a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle (the "**Overseas SPV**") that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing, and (ii) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change in respect of the Overseas SPV, including, among others, a change of the Overseas SPV's PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, any increase or reduction of the Overseas SPV's capital, share transfer or swap, and merger or division.



## HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

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Pursuant to the Circular of SAFE on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated by the SAFE and became effective on June 1, 2015, the power to accept SAFE registration was delegated from local SAFE branch to local banks where the assets or interests in the domestic entity are located.

Our PRC Legal Advisor is of the view that the SAFE Circular 37 does not apply to either Dr. Tian or Dr. Ivanov.

### **M&A Rules**

Pursuant to the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者並購境內企業的規定》) (the "**M&A Rules**") jointly issued by the MOFCOM, the SASAC, the STA, the CSRC, the SAIC, and the SAFE and became effective on September 8, 2006 and amended on June 22, 2009, a foreign investor is required to obtain necessary approvals when it (i) acquires equity in a domestic enterprise thereby converting it into a foreign-invested enterprise, (ii) subscribes for new equity in a domestic enterprise through an increase of registered capital thereby converting it into a foreign-invested enterprise, (iii) establishes a foreign-invested enterprise which purchases and operates the assets of a domestic enterprise, or (iv) purchases the assets of a domestic enterprise and injects those assets to establish a foreign-invested enterprise. The M&A Rules, among others, further purport to require that an offshore special purpose vehicle formed for the purpose of seeking a public listing on an overseas stock exchange and controlled by PRC companies or individuals shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange.

Given that (i) the CSRC has not issued any definitive rule or interpretation concerning whether [REDACTED] like ours is subject to the M&A Rules, and (ii) Anxuyuan Wuxi was established as a foreign-invested enterprise directly, as advised by our PRC Legal Advisor, unless new laws and regulations are enacted or the MOFCOM and the CSRC publish new provisions or interpretations on the M&A Rules in the future, prior CSRC approval for the [REDACTED] is not required.

## HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

### CAPITALIZATION

The table below summarizes the capitalization of our Company as of the Latest Practicable Date.

Shareholder	Shares held	Series Seed Preferred Shares held	Series A Preferred Shares held	Series A-1 Preferred Shares held	Series B Preferred Shares held	Aggregate shares held	Approximate percentage of issued share capital of our Company (%)
Dr. Tian	55,233,000					55,233,000	30.44
Dr. Ivanov	27,616,000					27,616,000	15.22
Axbio Talent	10,288,610					10,288,610	5.67
Kryssen 30	5,607,000					5,607,000	3.09
Albert Chuch	13,750					13,750	0.01
Kryssen 29		4,566,395 <sup>(1)</sup>				4,566,395 <sup>(1)</sup>	2.52
Radiance Capital		570,776 <sup>(2)</sup>				570,776 <sup>(2)</sup>	0.31
ZhenFund IV		1,141,553 <sup>(3)</sup>				1,141,553 <sup>(3)</sup>	0.63
Hongxin HK		4,566,210 <sup>(4)</sup>				4,566,210 <sup>(4)</sup>	2.52
Tsinghua Leaguer		4,566,210 <sup>(5)</sup>				4,566,210 <sup>(5)</sup>	2.52
Keung Ma		2,283,106 <sup>(6)</sup>				2,283,106 <sup>(6)</sup>	1.26
Green Pine		4,566,210 <sup>(6)</sup>				4,566,210 <sup>(6)</sup>	2.52
Shantou Huarun			3,004,390			3,004,390	1.66
Shenzhen Leaguer							
Hongxin			2,547,976			2,547,976	1.40
Tsingyuan							
Opportunity			1,810,719			1,810,719	1.00
Tsingyuan Ventures			568,053			568,053	0.31
MING Bioventures			1,207,146			1,207,146	0.67
Lau Kong Lo			603,573			603,573	0.33
Bright Stone			567,137			567,137	0.31
5Y Evolution				2,854,773	4,879,730	7,734,503	4.26
5Y Evolution							
Co-Investment				284,097	485,614	769,711	0.42
Hangzhou Kaitai				3,138,870		3,138,870	1.73
MSA Fund III				3,138,870		3,138,870	1.73
Hua Capital				1,883,321		1,883,321	1.04
Yael Evergreen				627,774		627,774	0.35
Hannut Capital				627,774		627,774	0.35
AZ-CICC					10,730,688	10,730,688	5.91
YF Digital Health					10,730,688	10,730,688	5.91
I-Bridge					5,365,344	5,365,344	2.96
FIIF (Suzhou)					5,365,344	5,365,344	2.96
<b>Total</b>	<b>98,758,360</b>	<b>22,260,460</b>	<b>10,308,994</b>	<b>12,555,479</b>	<b>37,557,408</b>	<b>181,440,701</b>	<b>100.00</b>



## HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

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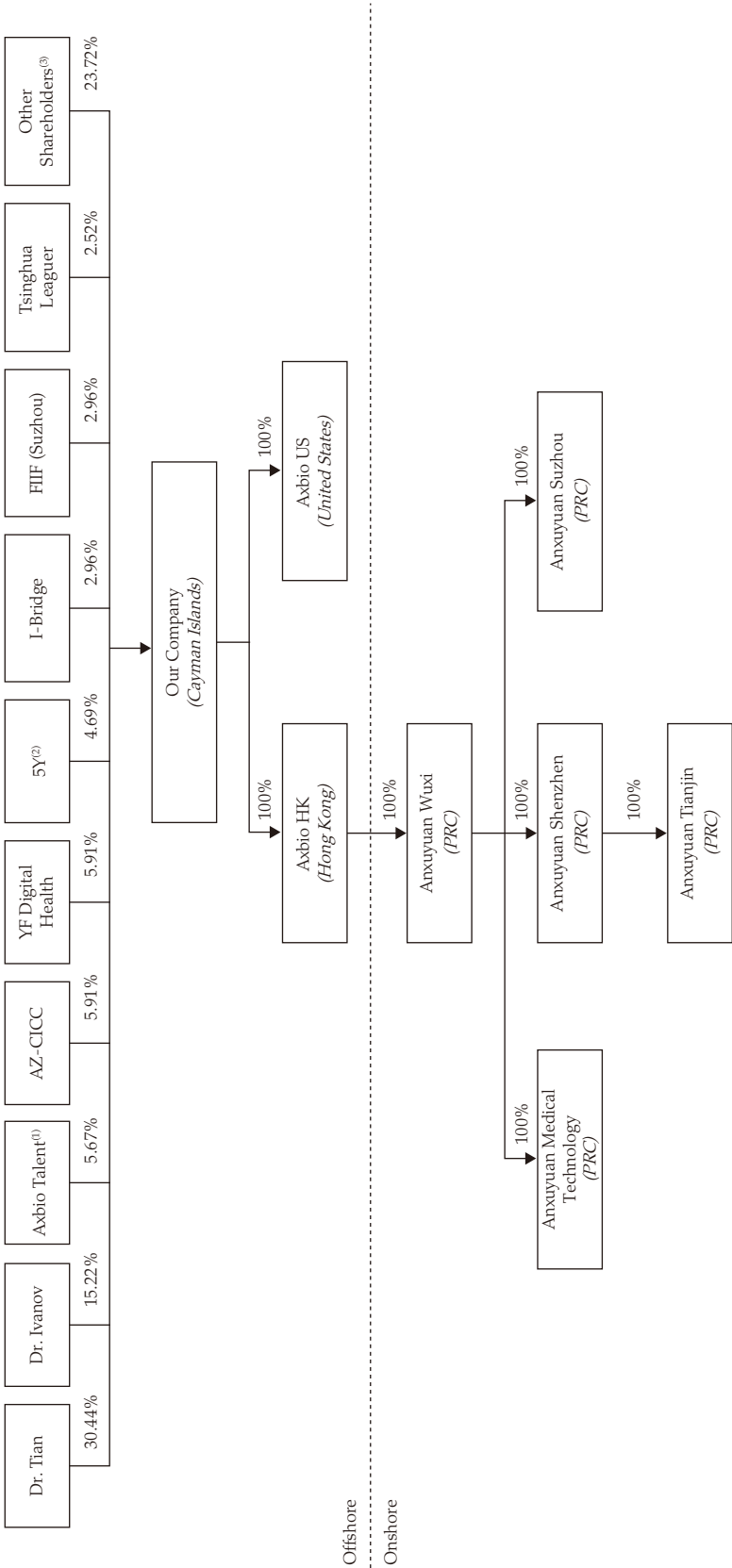
*Notes:*

- (1) Refer to series seed-1 preferred shares.
- (2) Refer to series seed-2 preferred shares.
- (3) Refer to series seed-3 preferred shares.
- (4) Refer to series seed-4 preferred shares.
- (5) Refer to series seed-5 preferred shares.
- (6) Refer to series seed-6 preferred shares.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

CORPORATE AND SHAREHOLDING STRUCTURE IMMEDIATELY BEFORE THE COMPLETION OF THE [REDACTED]

The chart below sets out our Group’s corporate and shareholding structure immediately before the completion of the [REDACTED].



## HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

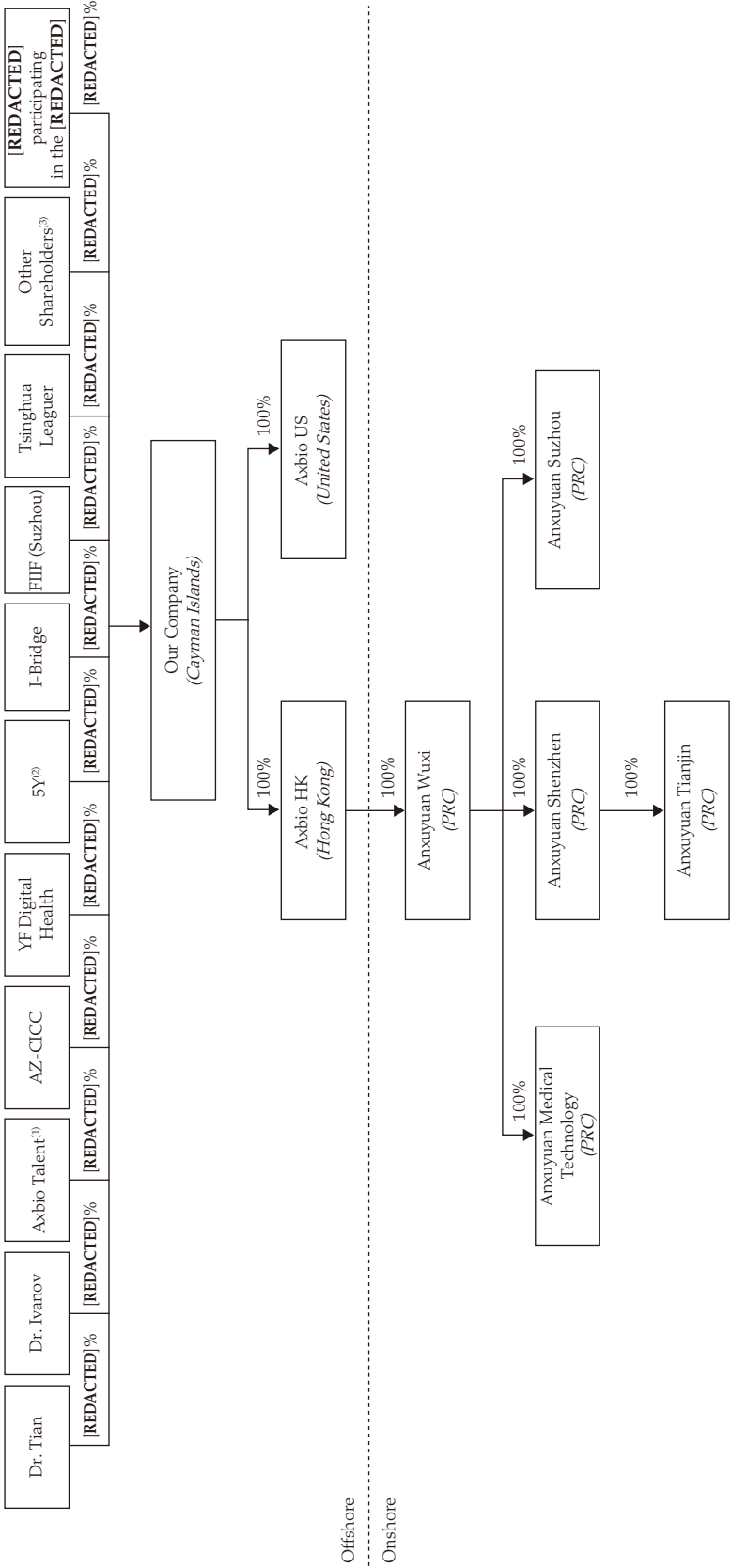
*Notes:*

- (1) Axbio Talent is wholly owned by Futu Trustee Limited (“Futu”), the trustee of the Axbio Employee Incentive Trust set up to facilitate the administration of the share awards granted to our employees and consultants under the Equity Incentive Plan. Pursuant to the trust deed constituting the Axbio Employee Incentive Trust entered into between our Company and Futu, Futu shall abstain and shall procure Axbio Talent to abstain from exercising the voting rights attached to the Shares held by Axbio Talent. For details, see “Appendix IV — Statutory and General Information — D. Equity Incentive Plan.”
- (2) 5Y includes 5Y Evolution II and 5Y Evolution II Co-Investment. For background information and shareholding details of 5Y, see “— [REDACTED] Investments — (d) Information about Our [REDACTED] Investors” and “— Capitalization of Our Company” in this section.
- (3) For background information and shareholding details of the other Shareholders, see “— [REDACTED] Investments — (d) Information about Our [REDACTED] Investors” and “— Capitalization of Our Company” in this section.

HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

CORPORATE AND SHAREHOLDING STRUCTURE IMMEDIATELY FOLLOWING THE COMPLETION OF THE [REDACTED]

The chart below sets out our Group’s corporate and shareholding structure immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares which may be allotted and issued under the Equity Incentive Plan).



Notes (1) to (3): See notes (1) to (3) to the chart in “Corporate and Shareholding Structure Immediately before the Completion of the [REDACTED]” in this section.