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## HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

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### OVERVIEW

Our history began in December 2014 with the establishment of Hangzhou Kangsheng. We have pioneered healthcare digitalization in China with solutions for hospitals, pharmacies, pharmaceutical companies, patients and doctors. We have been led by our founder, Mr. Kuang Ming, who has over 15 years of experience in healthcare and technology industries. We received multiple series of equity financings to support our expansion of business operations from 2014 to 2021.

### KEY BUSINESS MILESTONES

The following is a summary of our Group's key business development milestones:

Year	Event
2014	Established Hangzhou Kangsheng  Completed our Onshore Angel fundraising, and raised a total amount of approximately RMB14 million
2015	Incorporated our Company, as the holding company of our Group  Launched our first version of patient facing app for chronic conditions management
2016	Launched hospital SaaS for chronic condition management which was the first of its kind in China  Obtained pharmaceutical business licence (藥品經營許可證) and licence of drug information service over the internet (互聯網藥品交易服務許可證)  Completed our Round A fundraising, and raised a total amount of approximately RMB55.85 million  Completed our Round B fundraising, and raised a total amount of approximately US\$10.59 million

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Year	Event
2017	<p>Formed our first exclusive partnership to regionally sell medical device and consumables with a global leading company in chronic condition management</p> <p>Completed our Round B-1 fundraising, and raised a total amount of approximately US\$10 million</p> <p>Completed our Round C-1 fundraising, and raised a total amount of approximately US\$14 million</p>
2018	<p>Deployed first hospital wide integrated (全院管理) SaaS solution in a leading Class III hospital in China</p> <p>Obtained our first Internet hospital licence</p> <p>Completed our Series C-2 fundraising, and raised a total amount of approximately RMB345 million</p>
2019	<p>Launched pharmacy SaaS for online consultation and prescription</p> <p>Completed our Series C-3 and Series D fundraising, and raised a total amount of approximately US\$42 million and US\$94 million, respectively</p>
2020	<p>Launched enhanced functions of inventory management and new retail services under the pharmacy SaaS products</p> <p>Completed our Series D+ and Series E fundraising, and raised a total amount of approximately US\$44 million and US\$65 million, respectively</p>
2021	<p>Reached over 87,000 registered doctors and approximately 23.8 million registered users on our platform</p> <p>Completed our Series E+ fundraising, and raised a total amount of approximately US\$184 million</p>

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### CORPORATE DEVELOPMENT OF OUR GROUP

#### Our major subsidiaries and operating entities

The principal business activities, date of incorporation and date of commencement of business of each member of our Group that made a material contribution to our results of operations during the Track Record Period, are shown below:

<u>Company</u>	<u>Principal business activities</u>	<u>Date of incorporation and commencement of business</u>
Hangzhou Kangsheng (PRC). . . . .	Provision of SaaS services, digital marketing services, sale and marketing of products	December 9, 2014
91health Shanghai (PRC). . . . .	Sale of products	November 24, 2015
Hangzhou Kangming (PRC). . . . .	Provision of internet and e-commerce services	December 11, 2020

### CORPORATE DEVELOPMENT OF OUR GROUP

#### Commencement of our business and onshore equity financing

During the Track Record Period, our businesses were primarily operated through Hangzhou Kangsheng.

Hangzhou Kangsheng was established on December 9, 2014, with an initial registered capital of RMB1,000,000 which was held as to (i) 97% by Mr. Kuang, and (ii) 3% by Ms. Song Xiao Feng, an Independent Third Party. Mr. Kuang and Ms. Song Xiao Feng made their respective contribution to the capital of Hangzhou Kangsheng using their personal funds.

From December 2014 to July 2021, our Group conducted various series of onshore and offshore equity financings, pursuant to which the Pre-IPO Investors or their affiliates invested in our business. See “— Pre-IPO Investments” and “— Capitalisation” in this section for details. Following such onshore financing and immediately prior to our Reorganisation, Hangzhou Kangsheng was 100% held by Mr. Kuang.

For material shareholding changes of each of our Group’s major subsidiaries, see “Statutory and general information — A. Further Information About Our Group — 3. Changes in the share capital of members of our Group” in Appendix IV for details.

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### **Establishment of our Company**

In order to facilitate capital raising from offshore investors, our Company was incorporated as an exempted company with limited liability in the Cayman Islands on August 24, 2015 as the offshore holding company of our Group. Upon incorporation, the authorised share capital of our Company was US\$50,000 divided into 500,000,000 shares with a par value of US\$0.0001 each. At the time of incorporation, our Company issued one share with a par value of US\$0.0001 to an Independent Third Party, which was transferred to HaoYuan health Limited (formerly known as ClouDr Limited) on the same day. The entire interest in HaoYuan health Limited is held through a trust which was established by Mr. Kuang (as settlor) and the beneficiaries of which include himself and his family members. Also on the same date, HaoYuan health Limited additionally subscribed for 65,799,999 ordinary shares of our Company with a par value of US\$0.0001 each for nil consideration.

For subsequent shareholding changes of our Company as part of the Pre-IPO Investments and Reorganization, see the sub-sections headed “Pre-IPO Investments” and “Reorganisation” in this section.

### **REORGANISATION**

The principal steps of the reorganisation, carried out in preparation for the Global Offering and to streamline our corporate structure, are set out below.

#### ***Incorporation of Hangzhou Kangming***

With a view to complying with the requirements under the Listing Decision LD43-3 to the extent practicable and to streamline our corporate structure, we underwent reorganization of the holding structure of our onshore subsidiaries and Consolidated Affiliated Entities, so that the Consolidated Affiliated Entities operating each of our *ClouDr. Doctor* platform and *ClouDr. Health*, insurance brokerage business and internet and physical hospital business can be held by a separate onshore holding company and controlled through 91health Hangzhou. For this purpose, Hangzhou Kangming was incorporated as a limited liability company in the PRC on December 11, 2020, with an initial registered capital of RMB1 million. Upon its incorporation, Hangzhou Kangming was held as to 80% by Mr. Kuang and 20% by Ms. Hu Yue, head of human resources of our Group (the “**Registered Shareholders**”).

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### *Entry into of the New Contractual Arrangements*

Our Group entered into certain previous contractual arrangements in 2015. 91health Shanghai was incorporated on November 24, 2015 in the PRC as a wholly-owned foreign enterprise for the purposes of the previous contractual arrangements in 2015. As part of the reorganization and to replace the previous contractual arrangements, on June 16, 2021, 91health Hangzhou entered into various agreements which constituted the Contractual Arrangements with Hangzhou Kangming and the Registered Shareholders, under which we are able to exercise effective control over Hangzhou Kangming and substantially all of the economic benefits arising from the businesses of our Consolidated Affiliated Entities are transferred to 91health Hangzhou. See the section headed “Contractual Arrangements” for further details.

### *Transfer of certain subsidiaries to Hangzhou Kangming*

Shortly after Hangzhou Kangming obtained the value-added telecommunication license and entered into the Contractual Arrangements, the entire equity interest of Yinchuan Zhiyun Internet Hospital and 30% equity interest of Tianjin Zhiyun were transferred from Hangzhou Kangsheng to Hangzhou Kangming at nil consideration, and 75.1% equity interest of Yinbang Insurance Brokerage was transferred from Hangzhou Kangsheng to Hangzhou Kangming for a consideration of RMB22,530,000, which was determined based on the paid-in registered capital of Yinbang Insurance Brokerage, and 20% equity interest of Chengdu Zhiyun Internet Hospital was transferred from Hangzhou Kangming to Hangzhou Kangsheng at nil consideration.

### *Shareholding change of Hangzhou Kangsheng*

On June 30, 2021, Mr. Liu Weize, an Independent Third Party foreign investor, subscribed for RMB100,000 of registered capital of Hangzhou Kangsheng at a consideration of RMB100,000, which was determined with reference to the appraised valuation of Hangzhou Kangsheng by an independent appraiser, and as a result, the registered capital of Hangzhou Kangsheng was increased to RMB13,969,948 and it became a sino-foreign equity joint venture. On July 30, 2021, 91health Hangzhou acquired the entire equity interest of Hangzhou Kangsheng from Mr. Kuang and Mr. Liu Weize, at a consideration of RMB10,000,000 and RMB100,000, respectively, which was determined with reference to the same valuation of Hangzhou Kangsheng by an independent appraiser. After completion of such transaction, Hangzhou Kangsheng became a wholly-owned subsidiary of our Company.

Our PRC Legal Adviser confirmed that: (i) all necessary regulatory approvals, permits and licenses required under PRC laws in relation to the Reorganization have been obtained; and (ii) all share transfers and changes in registered capital as part of the Reorganization has complied with all applicable PRC laws in all material respects.

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Our acquisitions of subsidiaries during the Track Record Period were accounted for as acquisitions of assets or business combinations. See pages I-56 to I-57 and I-95 to I-97 of the Accountants' Report in Appendix I to this document for details about acquisitions accounted for as acquisitions of assets and acquisitions that constitute business combinations, respectively.

### CONVERSION OF PREFERRED SHARES

On June 10, 2022, our shareholders resolved, among other things, that subject to the Global Offering becoming unconditional, all the Preferred Shares be re-classified and re-designated as Shares on a one-for-one basis so that the authorised share capital of our Company immediately prior to the completion of the Listing will be US\$100,000 divided into 1,000,000,000 ordinary shares of a par value of US\$0.0001 each.

### VOTING AGREEMENTS

Mr. Kuang has entered into a voting proxy agreement (the "**Voting Agreement**" and together the "**Voting Agreements**") respectively with (i) SIG Global China Fund I, LLLP dated May 5, 2022; (ii) FORTUNE SEEKER INVESTMENTS LIMITED dated May 17, 2022; (iii) Treasure Harvest Investments Limited dated May 17, 2022; and (iv) Tembusu HZ II Limited dated May 18, 2022 before Listing, pursuant to which each of SIG Global China Fund I, LLLP, FORTUNE SEEKER INVESTMENTS LIMITED, Treasure Harvest Investments Limited and Tembusu HZ II Limited (each a "**Proxy Grantor**", and together the "**Proxy Grantors**") granted Mr. Kuang, as their respective attorney, a voting proxy of 50% of the Shares that each Proxy Grantor holds, in our Company upon Listing (the "**Relevant Shares**"), representing an aggregate of approximately 6.65% voting power in our Company immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised and no Shares are issued under the Share Incentive Plans). The Proxy Grantor are parties acting in concert with Mr. Kuang with respect to the voting power in our Company pursuant to the Voting Agreements. Mr. Kuang control a voting power of 15.74% in our Company as of the date of this Prospectus as the grant of voting proxy under the Voting Agreements will only be effective upon Listing. Together with the voting power in our Company that Mr. Kuang holds through HaoYuan health Limited (formerly known as ClouDr Limited), Mr. Kuang will control an aggregate of approximately 21.88% voting power in our Company immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised and no Shares are issued under the Share Incentive Plans).

The Proxy Grantors have in principal agreed to enter into the respective Proxy Agreements as they are confident in the leadership of Mr. Kuang given the success of the Company and would like to assist Mr. Kuang to maintain a certain level of control over the voting power of the

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Company. At the same time, the Proxy Grantors would also like to retain part of their voting power to exercise such voting power if needed and therefore would like to keep 50% of the voting power of the Shares they each hold.

Pursuant to the Voting Agreements, during the term of the relevant agreements, Mr. Kuang shall have full power to exercise the shareholder's rights to vote the Relevant Shares according to the provisions of applicable laws and the memorandum and articles of association of our Company (as amended from time to time).

The above arrangements between each of SIG Global China Fund I, LLLP and Tembusu HZ II Limited and Mr. Kuang shall remain in full force and effect until being terminated by mutual agreement between the parties thereto. The above arrangements between FORTUNE SEEKER INVESTMENTS LIMITED, Treasure Harvest Investments Limited and Mr. Kuang shall remain in full force and effect until (i) they have disposed of more than 50% of their Shares or (ii) such arrangements being terminated by mutual agreement between the parties thereto, whichever is the earlier. Notwithstanding the foregoing, the Voting Agreements shall be terminated with immediate effect if the relevant Proxy Grantor ceases to be a shareholder of our Company.

### PRE-IPO INVESTMENTS

We underwent eleven rounds of pre-IPO investment (together, the “Pre-IPO Investments”). The below table summarises the principal terms of the Pre-IPO Investments:

Series	Date of investment	Date on which Consideration was fully settled	Approximate amount raised	Approximate valuation of our Company	Cost per share paid	Discount to the Offer price <sup>(1)</sup>
Onshore Angel . . . . .	December 30, 2014	January 30, 2015	RMB14 million	RMB70 million <sup>(2)</sup>	US\$0.11 <sup>(2)</sup>	97.17% <sup>(2)</sup>
Round A . . . . .	January 25, 2016	July 8, 2016	RMB55.85 million	RMB204 million	US\$0.21	94.60%
Round B . . . . .	July 7, 2016	July 12, 2021 <sup>(3)</sup>	US\$10.59 million	US\$66 million	US\$0.37	90.48%
Round B-1 . . . . .	April 19, 2017	October 19, 2017	US\$10.00 million	US\$100 million	US\$0.51	86.87%
Round C-1 . . . . .	September 21, 2017	May 4, 2018	US\$14 million	US\$164 million	US\$0.72	81.47%

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Series	Date of investment	Date on which Consideration was fully settled	Approximate amount raised	Approximate valuation of our Company	Cost per share paid	Discount to the Offer price <sup>(1)</sup>
Round C-2 . . . . .	December 10, 2018	June 5, 2019	RMB345 million	RMB1,545 million	US\$0.77	80.18%
Round C-3 . . . . .	August 9, 2019	December 6, 2019	US\$42 million	US\$330 million	US\$0.97	75.03%
Round D . . . . .	December 24, 2019	June 4, 2020	US\$94 million	US\$523 million	US\$1.22	68.60%
Round D+ . . . . .	July 15, 2020	July 20, 2020	US\$44 million	US\$902 million	US\$2.01	48.27%
Round E . . . . .	November 11, 2020	November 27, 2020	US\$65 million	US\$1,416 million	US\$2.72	29.99%
Round E+ . . . . .	May 21, 2021 and July 7, 2021	July 13, 2021	US\$184.00 million	US\$2,184 million	US\$3.84	1.17%

*Notes:*

- (1) Assuming the Offer Price is fixed at HK\$30.50 per Share.
- (2) Onshore angel investment was made in respect of Hangzhou Kangsheng before the Company was incorporated and such valuation refers to that of Hangzhou Kangsheng.
- (3) Mr. Kuang settled his investment obligation under the agreement for the round B Pre-IPO Investment in 2021 due to commercial consideration.

**Basis of consideration**

The consideration for the Pre-IPO Investments was determined based on arm's length negotiations between our Company and the Pre-IPO Investors after taking into consideration the timing of the investments and the status of our business and operating entities.



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### **Use of proceeds from the pre-IPO investments**

We utilised the proceeds for the development and operation of the business of the members of our Group, including but not limited to, business expansion, capital expenditures, and marketing. As of the Latest Practicable Date, approximately 77.24% of the net proceeds from the Pre-IPO Investments by the Pre-IPO Investors were utilised by our operating subsidiaries.

### **Strategic benefits of the pre-IPO investment**

The management considers that there are great strategic cooperation value in different aspects in introducing the Pre-IPO Investors to invest in the Company and the Company could benefit from the knowledge, experience and resources of our Pre-IPO Investors, in particular:

- 1) the investments from Sunshine Life Insurance Corporation Limited, and INNOVAC INTERNATIONAL LIMITED, which are established players in the insurance sector, facilitate the cooperation between the Company and these insurance companies in promoting the Company's solutions in China;
- 2) the investment from Sino Culture International II L.P. which have been developing their community service, including health and medical service, provide synergy effects in cooperation with the Company and opportunities for the Company to provide patients with platform to communicate with doctors remotely to receive diagnosis and treatment;

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- 3) the investment from Sunny Speed Limited, which is a subsidiary of Chow Tai Fook Enterprises Limited (“**Chow Tai Fook**”) which, through one of its portfolio companies UMP Healthcare Holdings Limited (a company listed on the Stock Exchange, stock code: 722), operates a wide network of community health clinics in the PRC. The Company plans to further its cooperation with Chow Tai Fook and enhance its business through such network of clinics; and
- 4) the investment from Hongkong Tigermed Co., Limited and Tianjin Huaxin Pharmaceutical Venture Capital Partnership (Limited Partnership) demonstrate confidence in the Company from experienced investors in the healthcare sector.

For the remaining Pre-IPO Investors, their investment provided additional working capital for our Company’s continued growth.

Moreover, our Directors were also of the view that our Company could benefit from the Pre-IPO Investments as the Pre-IPO Investors’ investments demonstrated their confidence in the operations of our Company and served as an endorsement of our Company’s performance, strengths and prospects.

### **Lock-up**

Whilst the Pre-IPO Investors are not subject to any lock-up arrangements in relation to the Pre-IPO Investments, almost all of the Pre-IPO Investors have given lock-up undertakings to the Underwriters. See the section headed “Underwriting — Lock-up Arrangements: Undertakings by our other existing Shareholders” for more information.

### **Special rights of the Pre-IPO Investors**

Certain special rights were granted to our Pre-IPO Investors under the shareholder agreement dated July 7, 2021 and our existing memorandum and articles. Such special rights have been waived upon submission of our listing application and/or will be terminated upon the Listing in

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particular, special rights of the Pre-IPO Investors including information and inspection rights, preemptive rights, restriction on transfers, right of first refusal, co-sale rights, director nomination/appointment rights, veto rights and requirement for prior consent for certain corporate actions/changes in articles, anti-dilution rights and drag-along rights will be terminated upon Listing, in compliance with Guidance Letter HKEX-GL43-12 issued by the Stock Exchange.

### **Public float**

To the best of our knowledge, none of our Pre-IPO Investors or their ultimate beneficial owners will individually or collectively be entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of our Company. Accordingly, all the shares held by the Pre-IPO Investors (except the shares in respect of which the relevant Pre-IPO Investors have granted voting proxies in favour of Mr. Kuang as mentioned in “— Voting Agreements” above) will constitute part of the public float for the purpose of Rule 8.08 of the Listing Rules. Upon Listing, it is expected that approximately 58.98% of the total issued Shares will be held by the public under Rule 8.08(1) of the Listing Rules, which is calculated by excluding (i) approximately 15.23% of the Shares held by Mr. Kuang, an executive director and core connected person of the Company, (ii) an aggregate of approximately 13.30% of the Shares held by the relevant Proxy Grantors which have granted voting proxies in respect of 50% of the Shares they respectively held in favour of Mr. Kuang, and (iii) approximately 12.49% of the Shares held by Prime Forest Assets Limited, established for the purpose of holding Shares pursuant to the Pre-IPO Equity Incentive Scheme (the grantees of which include core connected persons of the Company) (assuming the Over-allotment Option is not exercised).

### **Information on the Pre-IPO Investors**

We set out below a description of our principal Pre-IPO Investors, being private equity funds or corporation that have made meaningful investments in our Company and each holding more than 2% of our total issued share capital as at the date of this document.

Shanghai Qiji Technology Partnership (Limited Partnership) is a limited partnership incorporated under the laws of the PRC, which is ultimately controlled by China Merchants Bank Co., Limited (a company listed on the Stock Exchange, stock code: 3968). Its general partner and sole limited partner are CMB International Financial Holdings (Shenzhen) Limited (招銀國際金融控股(深圳)有限公司) and CMB Financial Holdings (Shenzhen) Limited (招銀金融控股(深圳)有限公司) respectively, both of which are companies incorporated under the laws of the PRC with limited liability and wholly owned subsidiaries of China Merchants Bank Co., Limited.

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SIG Global China Fund I, LLLP (“**SIG Global**”) is a Delaware limited liability limited partnership. SIG Asia Investment, LLLP, a Delaware limited liability limited partnership, is the investment manager for SIG Global. Heights Capital Management, Inc., a Delaware Corporation, is the investment manager for SIG Asia Investment, LLLP. SIG Global is ultimately wholly owned by an individual who is a US citizen and an Independent Third Party.

Each of IDG China Venture Capital Fund IV, L.P. (the “**IDG Main Fund**”) and IDG China IV Investors L.P. (the “**IDG Side Fund**”) is each an exempted limited partnership organized and existing under the laws of Cayman Islands, and is primarily engaged in equity investment. IDG China Venture Capital Fund IV Associates L.P., a limited partnership established in Cayman Islands, acts as the sole general partner of the IDG Main Fund. IDG China Venture Capital Fund GP IV Associates Ltd (the “**IDG Ultimate General Partner**”) is the sole general partner of IDG China Venture Capital Fund IV Associates L.P. The IDG Ultimate General Partner is also the direct and sole general partner of the IDG Side Fund. The directors of IDG Ultimate General Partner are Ho Chi Sing and Zhou Quan.

Sunshine Life Insurance Corporation Limited is a limited liability company incorporated in the PRC and is owned as to 99.99% and 0.0001% by Sunshine Insurance Group Inc., Ltd. (陽光保險集團股份有限公司) (“**Sunshine Insurance**”) and Lhasa Huiju Corporate Management and Consulting Co., Ltd. (拉薩市慧聚企業管理諮詢有限公司), respectively. To the best knowledge of the Company, there is no shareholder of Sunshine Insurance holding 10% or more of its shares, and the shareholders of Sunshine Insurance are Independent Third Parties. The Sunshine Insurance group offers a range of insurance products including property insurance, life insurance.

Lionet Fund, L.P. is a limited partnership incorporated under the laws of Cayman Islands. The general partner of Lionet Fund, L.P. is Grandiflora Hook GP Limited, which is ultimately controlled by Mr. Eric Li, an Independent Third Party. Lionet Fund, L.P. focuses on investment opportunities being created in emerging industries driven by innovations, and traditional industries being transformed and upgraded. Lionet Fund, L.P. intends to make investments in growth-stage portfolios (and in early-stage and mature-stage portfolios where appropriate) in logistics, healthcare, TMT (including telecommunication, media and technology) and consumer industries, by acquiring, holding and disposing of such investments to provide long-term investment return to the limited partners. Lionet Fund, L.P. has 19 limited partners which comprise sovereign wealth funds, Fund of Funds, financial institutions, large-scale industrial institutions, each of which holds less than 15% interest in Lionet Fund, L.P. To the best knowledge of the Company, the limited partners of Lionet Fund, L.P. are independent from the Group.

FORTUNE SEEKER INVESTMENTS LIMITED (“**Fortune Seeker**”) is a limited liability company established under the laws of the British Virgin Islands. Treasure Harvest Investments Limited (“**Treasure Harvest**”) is a limited liability company established under the laws of Cayman

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Islands. Fortune Seeker and Treasure Harvest are the investment vehicles wholly-owned by Marble Ridge Holdings Limited, which is ultimately controlled by Oriental Patron Financial Group Limited (“**Oriental Patron**”), and ultimately beneficially owned as to (1) 51.0% by Mr. Zhang Zhi Pang and (2) 49.0% by Mr. Zhang Gaobo, each an Independent Third Party. Oriental Patron is a leading full-cycle financial group in Hong Kong, providing a diversified investment and management platform. It focuses on discovering investment opportunities with growth prospects in the new economy industry and domestic demand market, and takes advantage of the licensed platform, cross-border and cross-sector capabilities to motivate the integration of industries, technology, and financial capital.

INNOVAC INTERNATIONAL LIMITED is an investment holding company incorporated in the British Virgin Islands. It is wholly owned by Shanghai Changzhou Shengyu Investment Partnership (Limited Partnership) (上海盛瑜投資合夥企業(有限合夥)), whose general partner is Changzhou Jianteng Investment Partnership (Limited Partnership) (常州健騰投資合夥企業(有限合夥)), which is controlled by PingAn Dingchuang Investment Management Co., Ltd (平安鼎創股權投資管理(上海)有限公司) (“**PingAn Ventures**”). PingAn Ventures is the only healthcare investment platform for a leading Chinese insurance group, the PingAn Group. The fund has assets under management of over RMB8 billion, invested over 60 projects globally across different investment stages, including venture capital, buyout, privatization, vulture investment, and strategic investment, mainly in healthcare industry. To the best knowledge of the Company, (i) all shareholders of PingAn Ventures hold less than 20% of its shares, among which, Ping An Insurance (Group) Company Limited (the shares of which are listed on the Shanghai Stock Exchange (stock code: 601318) and the Stock Exchange (stock code: 2318)), its single largest shareholder, holds approximately 19.80%, and (ii) the shareholders of PingAn Venture are Independent Third Parties.

Moon Technology Limited is a wholly-owned overseas subsidiary of Zhihan (Shanghai) Investment Center (Limited Partnership) (置瀚(上海)投資中心(有限合夥)). Zhihan (Shanghai) Investment Center (Limited Partnership) (置瀚(上海)投資中心(有限合夥)) is a special purpose vehicle of CICC Qizhi (Shanghai) Equity Investment Center (Limited Partnership) (中金祺智(上海)股權投資中心(有限合夥)). CICC Qizhi is a limited partnership incorporated under the laws of the PRC, with a focus on equity investment, investment management and investment consulting. Its general partner is CICC Qizhi Equity Investment Management Co., Ltd., an investment vehicle ultimately controlled by CICC Capital Management Co., Ltd. (中金資本運營有限公司). CICC Capital Management Co., Ltd. is a wholly-owned subsidiary of China International Capital Corporation Limited (a company listed on the Shanghai Stock Exchange, stock code 601995 and the Stock Exchange, stock code 3908).

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Tembusu HZ II Limited is a company incorporated in the British Virgin Islands with limited liability and is an overseas investment holding vehicle of Jingwei Chuangda (Huangzhou) Venture Investment Limited Partnership (經緯創達(杭州)創業投資合夥企業(有限合夥)) (“**Jingwei Chuangda**”). Jingwei Chuangda is a limited liability partnership established in the PRC with Hangzhou Jingwei Tengchuang Investment Management Partnership (Limited Partnership) (杭州經緯騰創投資管理合夥企業(有限合夥)), an Independent Third Party whose general partner is Shanghai Jingwei Equity Investment Management Co., Ltd. (上海經緯股權投資管理有限公司) (“**Shanghai Jingwei**”). The ultimate beneficial owner of Shanghai Jingwei is Mr. Zuo Lingye. Jingwei Chuangda has 17 limited partners and none of whom holds more than one third of the partnership interest of Jingwei Chuangda. To the best knowledge of our Directors, each of Shanghai Jingwei, Mr. Zuo Lingye and the limited partners of Jingwei Chuangda is an Independent Third Party. Jingwei Chuangda is a venture capital fund with a primary purpose of making investments in the PRC, mainly focusing on companies in SAAS, B2B platforms, advanced technology, mobile internet and healthcare sectors.

SUNNY SPEED LIMITED is a company incorporated in the British Virgin Islands and wholly owned by Healthcare Ventures Holdings Limited which is in turn wholly owned by Chow Tai Fook Enterprises Limited. Chow Tai Fook Enterprises Limited is a wholly owned subsidiary of Chow Tai Fook (Holding) Limited. Chow Tai Fook (Holding) Limited is an approximately 81.03%-owned subsidiary of Chow Tai Fook Capital Limited. Chow Tai Fook Capital Limited is owned as to approximately 48.98% and approximately 46.65% by Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, respectively.

The Valliance Fund is an exempted company established under the laws of the Cayman Islands. Valliance Asset Management Limited (“**Valliance**”), an asset management firm licensed by the SFC, serves as the investment manager of The Valliance Fund. The assets under management of The Valliance Fund is over US\$500 million. Mr. Li Lin is the founder and ultimate beneficial owner of Valliance.

### **Compliance with Stock Exchange guidance**

Based on the documents provided by our Company relating to the Pre-IPO Investments, the Joint Sponsors have confirmed that the Pre-IPO Investments are in compliance with the Interim Guidance on Pre-IPO Investments issued by the Stock Exchange in October 2010, as updated in March 2017, the Guidance Letter HKEX-GL43-12 issued by the Stock Exchange in October 2012 and as updated in July 2013 and March 2017, and the Guidance Letter HKEX-GL44-12 issued by the Stock Exchange in October 2012 and as updated in March 2017.

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## CAPITALISATION

The below table is a summary of the capitalisation of our Company following the Pre-IPO Investments and Reorganisation:

Shareholder	Ordinary shares	Series A-1		Series A-2		Series B		Series B-1		Series C-1		Series C-2		Series C-3		Series C-3-2		Series D Preferred		Series E		Series E+		Total		Ownership percentage immediately after completion of the Global Offering <sup>(1)</sup>	
		Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares		Preferred Shares
Hao Yuan health Limited (formerly known as CloudR Limited) <sup>(2)</sup>	88,495,161	—	—	803,603	—	116,016	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	89,414,780	15.74%	15.23%	
Shenzhen Guangqi Songhe Materials Ventures (Limited Partnership)	3,000,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3,000,000	0.53%	0.51%	
Tembusu HZ II Limited <sup>(4)</sup>	—	10,000,000	5,156,457	2,444,217	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17,600,674	3.10%	3.00%	
INNOVAC INTERNATIONAL LIMITED	—	10,000,000	5,782,599	3,160,841	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	18,943,440	3.34%	3.23%	
IDG China Venture Capital Fund IV L.P.	—	—	20,896,911	4,022,191	—	1,329,019	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	691,711	26,939,832	4.74%	4.59%	
IDG China IV Investors L.P.	—	—	2,675,465	514,967	—	170,156	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	88,561	3,449,149	0.61%	0.59%	
FORTUNE SEEKER INVESTMENTS LIMITED <sup>(4)</sup>	—	—	5,156,457	4,673,006	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	19,094,061	3.56%	3.25%	
Chang an Private Equity Limited	—	—	—	4,018,019	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4,018,019	0.71%	0.68%	
SIG Global China Fund I, L.L.P. <sup>(4)</sup>	—	—	—	1,905,472	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4,409,875	1,300,454	5.56%	5.38%
Chongqing GP Health Service Investment Fund II LLP (Limited Partnership)	—	—	—	—	—	—	—	—	5,070,423	—	—	—	—	—	—	—	—	—	—	—	—	—	—	5,070,423	0.89%	0.86%	
Jiaxing Hezhong Zhijun Equity Investment Partnership (Limited Partnership)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,216,597	0.39%	0.38%	

# HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

Shareholder	Ordinary shares	Series A-1		Series A-2		Series B		Series B-1		Series C-1		Series C-2		Series C-3		Series C-3-2		Series D Preferred Shares (1st and 2nd tranche)		Series D+ Preferred Shares		Series E Preferred Shares		Series E+ Preferred Shares		Total number of shares	Ownership percentage as of the date of this document	Ownership percentage immediately after completion of the Global Offering <sup>(1)</sup>
		Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares			
Sunshine Life Insurance Corporation Limited	—	—	—	—	—	—	—	4,957,507	—	—	—	—	—	—	—	—	—	20,416,025	—	—	—	—	—	—	25,373,532	4.47%	4.32%	
Chunbao Lai Holding Limited	—	—	—	—	—	—	—	1,890,763	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,890,763	0.33%	0.32%	
Dehou Hu Holding Limited	—	—	—	—	—	—	—	1,659,596	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,659,596	0.29%	0.28%	
Summer E-Health Holdings Limited	—	—	—	—	—	—	—	2,370,852	—	—	—	—	—	—	119,515	2,414,896	—	—	—	—	—	3,674,896	780,272	—	9,360,431	1.65%	1.59%	
Hongkong Tigermed Co., Limited	—	—	—	—	—	—	—	1,354,772	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,354,772	0.24%	0.23%	
LB Global-China Expansion Fund	—	—	—	—	—	—	—	—	—	4,138,348	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4,138,348	0.73%	0.70%	
Yijin Digital Cultural Creation Co., Ltd.	—	—	—	—	—	—	—	—	—	4,138,348	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4,138,348	0.73%	0.70%	
Ningbo Meishan Free Trade Port Area Shunfan Investment Management Partnership Enterprise (Limited Partnership)	—	—	—	—	—	—	—	—	—	4,138,348	2,064,346	—	—	—	—	—	—	—	—	—	—	—	—	—	6,202,694	1.09%	1.06%	
Arbor Investment I Holdings Limited	—	—	—	—	—	—	—	—	—	3,005,964	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3,005,964	0.53%	0.51%	
Moon Technology Limited	—	—	—	—	—	—	—	—	—	—	18,852,474	—	—	—	—	—	—	—	—	—	—	—	—	—	18,852,474	3.22%	3.21%	
SYIC No.38 New Technology Business Investment L.L.P.	—	—	—	—	—	—	—	—	—	—	2,602,358	448,869	1,609,931	—	—	—	—	—	—	—	—	—	—	—	4,661,158	0.82%	0.79%	
Bluefly Consulting Limited	—	—	—	—	—	—	—	—	—	42,505	345,462	—	—	—	—	—	—	—	—	—	—	—	—	—	387,967	0.07%	0.07%	
PROFITWISE LIMITED	—	—	—	—	—	—	—	—	—	866,969	3,903,537	561,086	2,012,414	—	—	—	—	—	—	—	—	—	—	—	7,344,006	1.29%	1.25%	
Lionet Fund, L.P.	—	—	—	—	—	—	—	—	—	—	4,430,276	—	—	—	—	—	—	—	—	—	—	—	—	—	1,040,363	4.21%	4.07%	
LL Cloud Wise Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,575,500	0.45%	0.44%	
Tianjin Huaxin Pharmaceutical Venture Capital Partnership (Limited Partnership)	—	—	—	—	—	—	—	—	—	—	3,770,495	224,434	804,966	2,858,244	—	—	—	—	—	—	—	—	—	—	7,658,139	1.35%	1.30%	
ZD Health Medical Big Data (Hangzhou) Equity Investment Fund Partnership (LLP)	—	—	—	—	—	—	—	—	—	—	9,426,237	—	—	—	—	—	—	—	—	—	—	—	—	—	9,426,237	1.66%	1.61%	
BIGJOY INTERNATIONAL LIMITED	—	—	—	—	—	—	—	—	—	228,571	1,160,542	—	—	—	—	—	—	—	—	—	—	—	—	—	1,389,113	0.25%	0.24%	



# HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

Shareholder	Ordinary shares	Series A-1 Preferred Shares		Series A-2 Preferred Shares		Series B Preferred Shares		Series B-1 Preferred Shares		Series C-1 Preferred Shares		Series C-2 Preferred Shares		Series C-3 Preferred Shares		Series C-3-2 Preferred Shares		Series D Preferred Shares (1st and 2nd tranches)		Series D+ Preferred Shares		Series E Preferred Shares		Series E+ Preferred Shares		Total number of shares		Ownership percentage as of the date of this document	Ownership percentage immediately after completion of the Global Offering <sup>(1)</sup>						
		Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares	Shares	Preferred Shares			Shares					
Junlong Healthcare Device Limited . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,534,411	0.45%	0.43%						
SVIC No.44 Finance R&D New Technology Business Investment L.L.P. . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	804,966	—	—	—	—	—	—	—	—	—	1,029,400	0.18%	0.18%						
SVIC No.46 Samsung Life Insurance New Technology Business Investment L.L.P. . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	804,966	—	—	—	—	—	—	—	—	—	1,029,400	0.18%	0.18%						
Shanghai Qiji Technology Partnership (Limited Partnership) . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—					
LB Promising Service Industry Fund . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
Treasure Harvest Investments Limited <sup>(4)</sup> . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
Lishui Bojiang Dingsheng NO.15 Equity Investment Partnership (Limited Partnership) . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Lishui Bojiang Chuangrui Equity Investment Fund Partnership (Limited Partnership) . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
BoomingStar Ventures L.P. . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
MSA Master Advantage Fund L.P. (formerly known as MSA Growth Fund II, L.P.) . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Shanghai Runmin Information Technology Partnership (Limited Partnership) . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
The Valliance Fund . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TG River III Investment Ltd . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
SUNNY SPEED LIMITED . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

# HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

Shareholder	Ordinary shares	Series A-1		Series A-2		Series B		Series B-1		Series C-1		Series C-2		Series C-3		Series D		Series D+		Series E		Series E+		Total number of shares	Ownership percentage as of the date of this document	Ownership percentage immediately after completion of the Global Offering <sup>(1)</sup>	
		Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares	Preferred Shares				Preferred Shares
Laurion Capital Master Fund Ltd. . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3,901,361	0.69%	0.66%		
Li Song Foundation Company Limited. . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,600,908	0.46%	0.44%		
SINO CULTURE INTERNATIONAL II L.P. . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,600,908	0.46%	0.44%		
EPI Fund I ZY Holding Limited . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,560,545	0.28%	0.27%		
GEM Holding . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,300,454	0.23%	0.22%		
China Taiping Life Insurance (Hong Kong) Company Limited . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3,381,180	0.60%	0.58%		
EUROCONTINENTAL ASSETS LIMITED . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,300,454	0.23%	0.22%		
Zeta Smaragain Limited . . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,300,454	0.23%	0.22%		
Dreamtango Limited . . . . .	1,200,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,200,000	0.21%	0.20%	
REAL PATH DEVELOPMENTS LIMITED . . . . .	1,080,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,080,000	0.19%	0.18%	
Sunny Lily Information Technology Co., Limited . . . . .	2,980,865	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,980,865	0.53%	0.51%	
Prime Forest Assets Limited <sup>(3)</sup> . . . . .	73,329,635	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	73,329,635	12.91%	12.49%	
Other public shareholders. . . . .	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	19,000,000	—	3.24%
<b>Total Amount. . . . .</b>	<b>170,085,661</b>	<b>20,000,000</b>	<b>39,667,889</b>	<b>21,542,316</b>	<b>19,520,510</b>	<b>18,174,244</b>	<b>65,127,663</b>	<b>9,426,237</b>	<b>33,808,554</b>	<b>76,764,255</b>	<b>21,993,621</b>	<b>24,070,568</b>	<b>47,856,701</b>	<b>587,038,219</b>	<b>100.00%</b>	<b>100.00%</b>											

*Note 1:* Assuming that all Preferred Shares are converted into ordinary shares on a 1:1 basis, and that the Over-allotment Option is not exercised and no Shares are issued under the Share Incentive Plans.

*Note 2:* The entire interest in HaoYuan health Limited (formerly known as ClouDr Limited) is held through a trust which was established by Mr. Kuang (as settlor) and the beneficiaries of which are Mr. Kuang and his family members.

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## HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

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*Note 3:* Prime Forest Assets Limited, a limited liability company incorporated under the laws of British Virgin Islands, is wholly-owned by a trust established for the purpose of holding Shares pursuant to the Pre-IPO Equity Incentive Scheme. The Pre-IPO Equity Incentive Scheme shall be administered by the Board, or a committee consisting of one or more members of the Board of the Company (the “**Scheme Committee**” or “**Scheme Administrator**”), which has the exclusive power, authority and discretion to, administer the Pre-IPO Equity Incentive Scheme. In practice, the Board has delegated the administration of the Pre-IPO Equity Incentive Scheme to the remuneration committee of the Company (the “**Remuneration Committee**”), which acts as the Scheme Administrator. The Remuneration Committee comprises Dr. Hong Weili, Mr. Zhang Saiyin and Mr. Kuang Ming, with Dr. Hong Weili as chairman. As such, Mr. Kuang is not able to control the Remuneration Committee. As at the Latest Practicable Date, Ms. Mengya Liu, an employee of the Company, was the sole member of the advisory committee for Prime Forest Assets Limited for handling of the administrative matters for the Pre-IPO Equity Incentive Scheme and she will take instruction from the Scheme Administrator, i.e. the Remuneration Committee of the Company.

*Note 4:* Each of SIG Global China Fund I, LLLP, FORTUNE SEEKER INVESTMENTS LIMITED, Treasure Harvest Investments Limited, and Tembusu HZ II Limited are the Proxy Grantors of the Voting Agreements.

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## HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

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### Major Acquisition and Disposal

During the Track Record Period, we had not conducted any acquisitions, disposals or mergers that we consider to be material to us.

### SAFE registration in the PRC

Under the Circular of the SAFE on Foreign Exchange Administration of Overseas Investments and Financing and Round-Trip Investments by Domestic Residents via 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 SAFE and which became effective on July 14, 2014, (a) a PRC resident (including PRC individual and PRC entity) must register with the local SAFE branch before such PRC resident contributes assets or equity interests to 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 (b) 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 other things, a change of Overseas SPV’s PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV’s capital, share transfer or swap, and merger or division. Pursuant to SAFE Circular 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the Circular of the SAFE on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (關於進一步簡化和改進直接投資外匯管理政策的通知) (the “**SAFE Circular 13**”), promulgated by SAFE and which became effective on June 1, 2015, the authority to accept SAFE registration was delegated from local SAFE to local banks where the assets or interests in the domestic entity are located.

As of the Latest Practicable Date, Mr. Kuang completed the required registration with the local SAFE branch on October 23, 2015.

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## HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

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### CSRC approval

Under the Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》 (the “**M&A Rules**”), a foreign investor is required to obtain necessary approvals when:

- (i) a foreign investor acquires equity in a domestic non-foreign invested enterprise thereby converting it into a foreign-invested enterprise, or subscribes for new equity in a domestic enterprise via an increase of registered capital thereby converting it into a foreign-invested enterprise; or
- (ii) a foreign investor establishes a foreign-invested enterprise which purchases and operates the assets of a domestic enterprise, or which purchases the assets of a domestic enterprise and injects those assets to establish a foreign-invested enterprise.

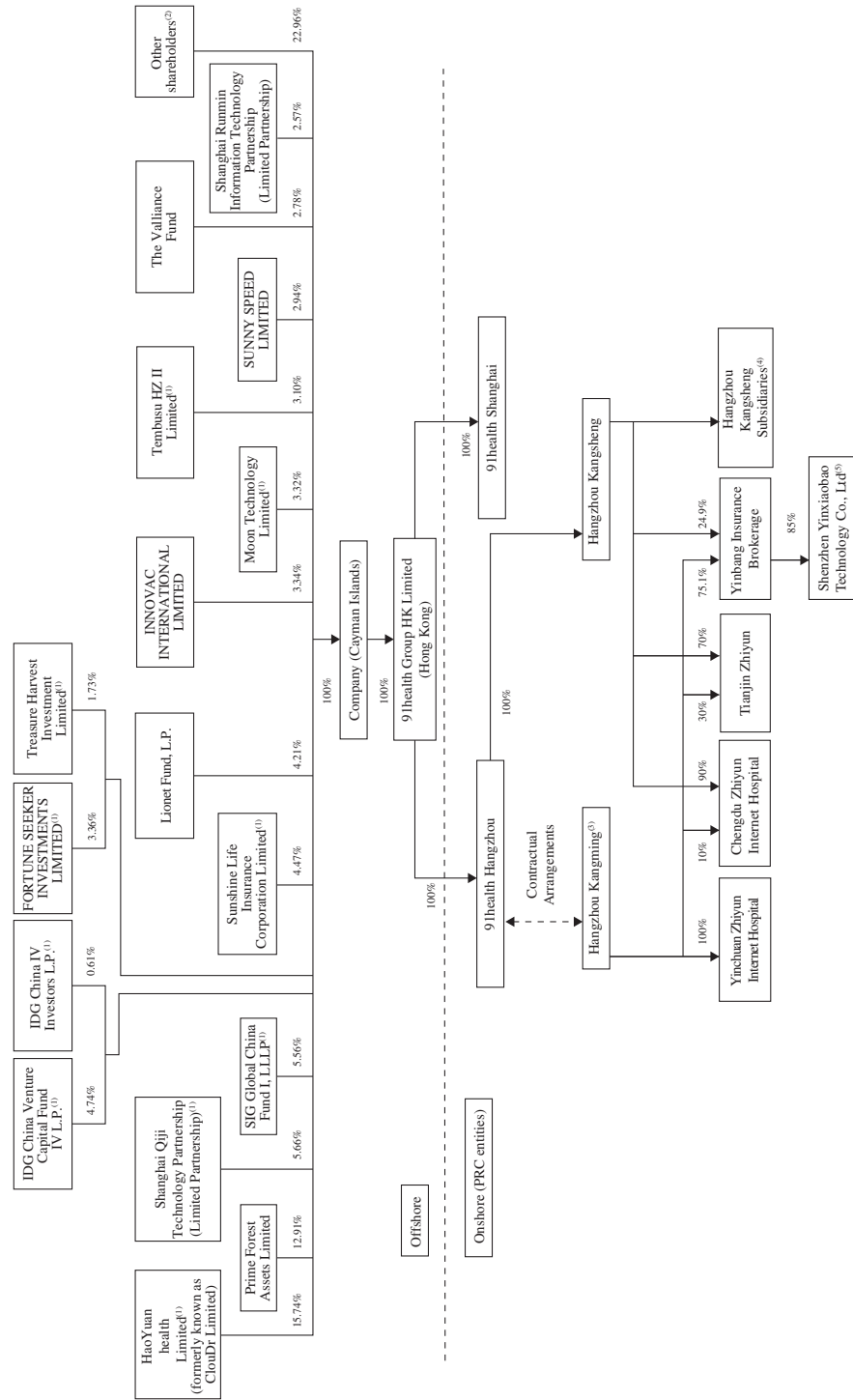
The M&A Rules, among other things, further purport to require that an offshore special vehicle, or a special purpose vehicle, formed for listing purposes and controlled directly or indirectly by PRC companies or individuals, shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle’s securities on an overseas stock exchange, especially in the event that the special purpose vehicle acquires shares of or equity interests in the PRC companies in exchange for the shares of offshore companies.

Our PRC Legal Adviser is of the opinion that prior CSRC approval for the Global Offering under the M&A Rules is not required because none of the incorporation or acquisition of the PRC subsidiaries of the Group involves the merger with or acquisition of the equity or asset of a PRC domestic enterprise, as described under the M&A Rules. However, there is uncertainty as to how the M&A Rules will be interpreted or implemented and we cannot assure you that relevant PRC governmental authorities, including the CSRC, would reach the same conclusion as our PRC Legal Adviser.

**CORPORATE STRUCTURE**

**Corporate structure before the Global Offering**

The following diagram illustrates the simplified corporate and shareholding structure of our Group immediately prior to completion of the Global Offering:



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## HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

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*Notes:*

1. As disclosed in “— Voting Agreements” above, each of the Proxy Grantors entered into a Voting Agreement with Mr. Kuang, which will become effective upon the Listing, pursuant to which each of the Proxy Grantors has granted Mr. Kuang a voting proxy over certain Shares held by the Proxy Grantors. Accordingly, Mr. Kuang will hold approximately 21.88% of the voting power in our Company immediately upon the Listing. For further details, see “— Voting Agreements” above.
2. Other shareholders of our Company include all the other shareholders with their respective shareholding amounting to less than 2% of the total shares of the Company and are Independent Third Parties. They include Shenzhen Guangqi Songhe Metamaterials Ventures (Limited Partnership), Summer E-Health Holdings Limited, LB Global-China Expansion Fund, SVIC No.38 New Technology Business Investment L.L.P., SVIC No.44 Finance R&D New Technology Business Investment L.L.P., PROFITWISE LIMITED, LL Cloud Wise Limited, Tianjin Huaxin Pharmaceutical Venture Capital Partnership (Limited Partnership), ZD Health Medical Big Data (Hangzhou) Equity Investment Fund Partnership (LLP), LB Promising Service Industry Fund, Lishui Bojiang Dingsheng NO.15 Equity Investment Partnership (Limited Partnership), Lishui Bojiang Chuangrui Equity Investment Fund Partnership (Limited Partnership), BoomingStar Ventures L.P., MSA Master Advantage Fund L.P. (formerly known as MSA Growth Fund II, L.P.), TG River III Investment Ltd, Laurion Capital Master Fund Ltd., Dreamtogo Limited, REAL PATH DEVELOPMENTS LIMITED, Sunny Lily Information Technology Co., Limited, Chongqing GP Health Service Investment Fund II LLP (Limited Partnership), Yijin Digital Cultural Creation Co., Ltd., Chang’an Private Equity Limited, Hongkong Tigermed Co., Limited, China Taiping Life Insurance (Hong Kong) Company Limited, Arbor Investment I Holdings Limited, SINO CULTURE INTERNATIONAL II L.P., Li Song Foundation Company Limited, GEM Holding, Juntong Healthcare Device Limited, Jiaxing Hezhong Zhiyun Equity Investment Partnership (Limited Partnership), Chunbao Lai Holding Limited, Dehou Hu Holding Limited, EPI Fund I ZY Holding Limited, EUROCONTINENTAL ASSETS LIMITED, Zeta Smartgain Limited, BIGJOY INTERNATIONAL LIMITED, Ningbo Meishan Free Trade Port Area Shunfan Investment Management Partnership Enterprise (Limited Partnership) and Bluefly Consulting Limited.
3. See “Contractual Arrangements” for details of the shareholders of Hangzhou Kangming.

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## HISTORY, REORGANISATION, AND CORPORATE STRUCTURE

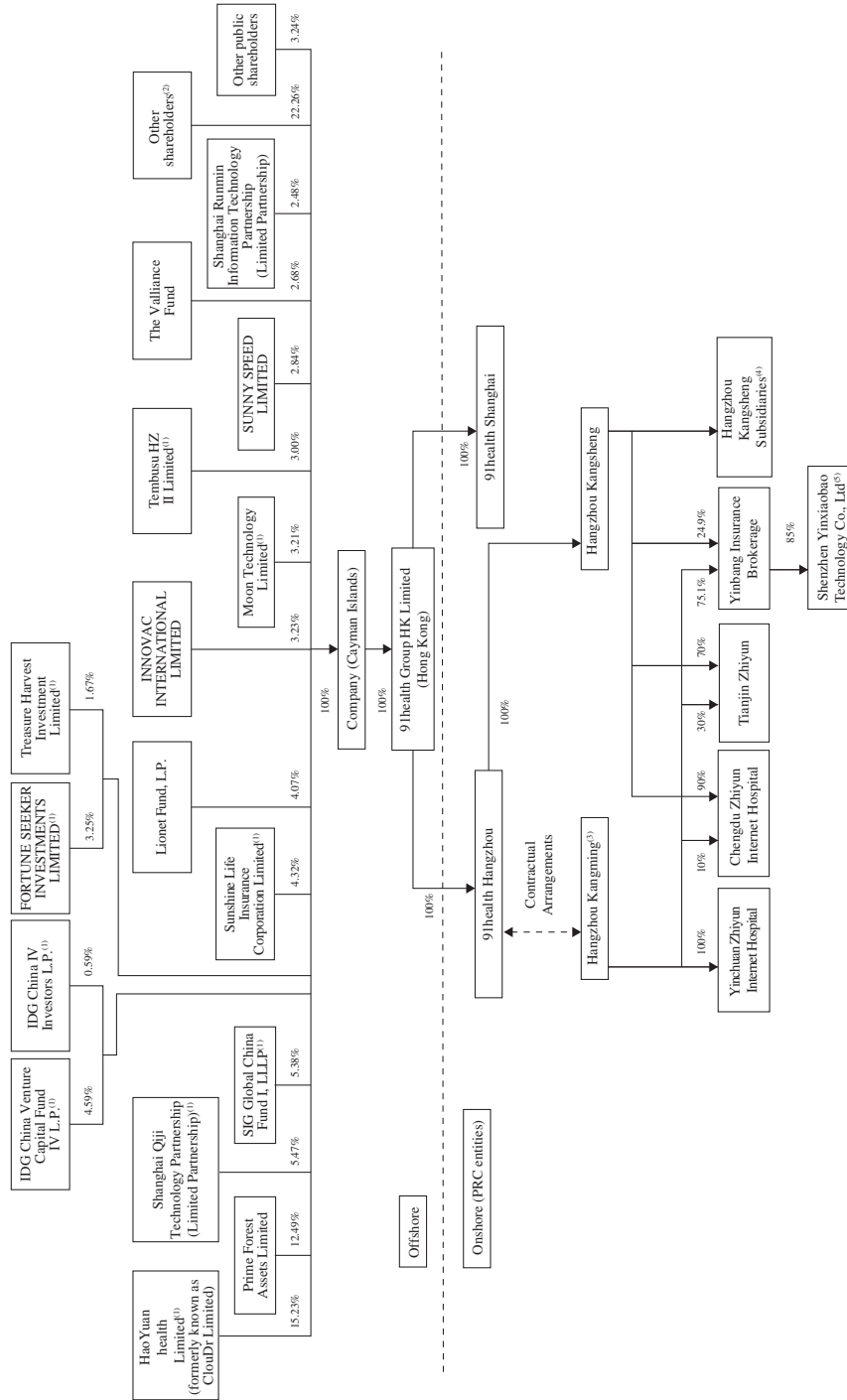
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4. Hangzhou Kangsheng Subsidiaries include the following:
- a. Wholly-owned subsidiaries: Shandong Guoyitang Pharmaceutical Chain Co., Ltd (山東國一堂大藥房連鎖有限公司), Hangzhou Zhiyun Qikang Biomedical Co., Ltd (杭州智雲齊康生物醫藥有限責任公司), Zhiyun Hongji (Shanghai) Medical Technology Co., Ltd (智雲虹際(上海)醫療科技有限公司), Shanghai Yitong Culture Media Co., Ltd (上海怡通文化傳媒有限公司), Shanghai Kangmeng Health Management Consultation Co., Ltd (上海康檬健康管理諮詢有限公司), Shanghai Kangyun Information Technology Service Co., Ltd (上海康芸信息技術服務有限公司), Shanghai Kailifeng Medical Consultation Co., Ltd (上海凱勵峰醫藥諮詢有限公司), Shanghai Kangjing Information Technology Service Co., Ltd (上海康淨信息技術服務有限公司), Shanghai Kangquan Information Technology Service Co., Ltd (上海康全信息技術服務有限公司), Shanghai Kangyangyou Management Consultation Co., Ltd (上海康養悠管理諮詢有限公司), Zhiyun Youxiang Labor Services Co., Ltd (智雲優享(天津)勞務服務有限公司) and Suzhou Kanglian Pharmaceutical Co., Ltd (蘇州康聯大藥房有限公司); and
  - b. Non-wholly-owned subsidiaries: Jiangsu Xinwange Medical Technology Co., Ltd (江蘇新萬格醫療科技有限公司) (55% and 45% of which is held by Hangzhou Kangsheng and Zhu Qiuna (朱秋娜), an Independent Third Party, respectively, and holds the entire equity interest of Jiangsu Zhiyun Health Management Co., Ltd (江蘇智雲健康管理有限公司)), Zhejiang Qilian Medicine Co., Ltd (浙江啟聯醫藥有限公司) (55% and 45% of which was held by Hangzhou Kangsheng and Zhejiang Qilian Medical Investment Management Co., Ltd (浙江啟聯醫療投資管理有限公司), an Independent Third Party, respectively), Shanghai Kanghe Information Technology Service Co., Ltd (上海康合信息技術服務有限公司) (90% and 10% of which was held by Hangzhou Kangsheng and Liu Tingting (劉婷婷), an Independent Third Party, respectively and holds the entire equity interest of Shanghai Kangkang Information Technology Service Co., Ltd (上海康慷信息技術服務有限公司) and Shanghai Kangqin Information Technology Co., Ltd (上海康琴信息技術服務有限公司)), Chongqing Ruihongkang Biotechnology Co., Ltd (重慶睿弘康生物科技有限公司) (70%, 15% and 15% of which was held by Hangzhou Kangsheng, Wang Hui (王惠) and Yu Jin (余靜), each an Independent Third Party, respectively), Shanghai Borunao Information Technology Co., Ltd (上海渤潤澳信息科技有限公司) (51%, 24%, 18% and 7% of which was held by Hangzhou Kangsheng, Pan Wenhui (潘文輝), Yu Junlan (俞君蘭) and Xu Yan (徐豔), each an Independent Third Party, respectively and holds the entire equity interest of Chongqing Medical Public (重慶醫藥公信網大藥房連鎖有限公司), Chongqing Medical Public Creditability Medicine Wholesale Co., Ltd (重慶醫藥公信網藥品批發有限公司)), Beijing Tangjian Technology Co., Ltd 北京唐健科技有限公司 (60%, 20% and 20% of which was held by Hangzhou Kangsheng, Lan Feifei (蘭菲菲) and Xiong Dehui (熊德輝), each an Independent Third Party, respectively), Hainan Youyi Technology Co., Ltd (海南優醫科技有限公司) (of which was held as to 60%, 26% and 14% by Hangzhou Kangsheng, Li Lili (李麗麗) and Guangzhou Youyi Technology Co., Ltd (廣州優醫科技有限公司), each an Independent Third Party, respectively, and holds the entire equity interest of Hainan Zhiyun Distance Medical Center Co., Ltd (海南智雲遠程醫療中心有限公司) and Hainan Zhiyun Internet Hospital Co., Ltd (海南智雲互聯網醫院有限公司)) and Zhejiang Jijia Pharmaceutical Technology Co., Ltd. (浙江積佳醫藥科技有限公司) (51% and 49% of which is held by Hangzhou Kangsheng and Shao Xianxing (邵先行), an Independent Third Party).
5. The remaining equity interest of Shenzhen Yinxiabao Technology Co., Ltd is held as to 13% and 2% by Mr. Yan Dechang and Ms. Li Weiwei, who are Independent Third Parties, respectively.



Corporate structure immediately following the Global Offering

The following diagram illustrates the simplified corporate and shareholding structure of our Group immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised and no Shares are issued under the Share Incentive Plans):



Notes: See notes (1) to (5) on the previous page for details.