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Beijing Airdoc Technology Co., Ltd.
北京鷹瞳科技發展股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 2251)

**DISCLOSEABLE TRANSACTION
FORMATION OF THE PARTNERSHIP**

FORMATION OF THE PARTNERSHIP

The Board is pleased to announce that, on April 16, 2024, Shanghai Zhongyou, a wholly-owned subsidiary of the Company, entered into the Partnership Agreement with Wenzhou Lufeng and Minsheng Equity Fund to form the Partnership. The total capital committed by all Partners under the Partnership Agreement shall be RMB500 million, of which Shanghai Zhongyou commits to contribute RMB250 million.

THE LISTING RULES IMPLICATIONS

As the highest applicable percentage ratios (as defined in the Listing Rules) in respect of Shanghai Zhongyou's total committed capital (i.e. RMB250 million) in the Partnership is higher than 5% but less than 25%, entering into the Partnership Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

FORMATION OF THE PARTNERSHIP

The Board is pleased to announce that, on April 16, 2024 (after trading hours), Shanghai Zhongyou, a wholly-owned subsidiary of the Company, entered into the Partnership Agreement with Wenzhou Lufeng and Minsheng Equity Fund to form the Partnership.

PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT

The principal terms of the Partnership Agreement are summarized as follows:

Date: April 16, 2024

Parties: (i) Minsheng Equity Fund (in its capacity as the General Partner);
(ii) Shanghai Zhongyou (in its capacity as a Limited Partner);
and
(iii) Wenzhou Lufeng (in its capacity as a Limited Partner).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Minsheng Equity Fund and Wenzhou Lufeng and their respective ultimate beneficial owner(s) are Independent Third Parties as of the date of this announcement.

Name of the Partnership: 溫州鹿鳴私募基金管理合夥企業(有限合夥) (Wenzhou Luming Private Equity Fund Management Partnership (Limited Partnership)*), the final name registered with the Administration for Market Regulation shall prevail.

Term of the Partnership: The Partnership shall have a registered term of operation of ten (10) years ("**Partnership Term**"), commencing from the date of establishment. Within the Partnership Term, the term of operation of the Partnership shall be seven years, which includes a three-year investment period (the "**Investment Period**") followed by a four-year exit period (the "**Exit Period**").

The Partnership Term may be extended upon its expiry for up to two additional one-year periods (the "**Extension Period**"), subject to the unanimous consent of all Partners.

Investment Scope and Strategy: The Partnership shall make equity or other forms of investments permitted by applicable laws, primarily targeting sectors such as life science, healthcare services, smart healthcare, and artificial intelligence. Subject to unanimous consent of the Partners, the Partnership may adjust its investment scope and strategy in response to national and industrial policies.

Management of the Partnership: Minsheng Equity Fund, as the General Partner, will act as the fund manager of the Partnership (the "**Fund Manager**") and will be responsible for the day-to-day operation and management of the Partnership.

Capital Contribution: The total capital committed by the Partners under the Partnership Agreement is RMB500,000,000. The amount and proportion of the capital committed to contribute by each Partner are detailed below:

Partners	Total committed capital (RMB)	Approximate proportion of committed capital of each Partner
Minsheng Equity Fund	100,000,000	20%
Shanghai Zhongyou	250,000,000	50%
Wenzhou Lufeng	<u>150,000,000</u>	<u>30%</u>
Total	<u><u>500,000,000</u></u>	<u><u>100%</u></u>

The capital commitment made by Shanghai Zhongyou was determined after arm’s length negotiations between the Partners with reference to the proposed capital requirements of the Partnership, which will be financed by the internal resources of the Group instead of the fund raised from the Company’s initial public offering. Upon formation of the Partnership, Shanghai Zhongyou shall make capital contributions in installments on call, with the initial contribution amounting to RMB5,000,000.

Investment
Committee:

The Partnership’s investment decisions shall be made by an investment committee (the “**Investment Committee**”) consisting of three members, among whom two will be appointed by Minsheng Equity Fund and one by Shanghai Zhongyou. The chairperson of the Investment Committee shall be one of the members appointed by Minsheng Equity Fund. The Investment Committee will be responsible for, among other things, reviewing investment proposals, approving and adjusting investment scope and making investment and exit decisions.

For matters deliberated by the Investment Committee, each member shall have one vote. Decisions must be unanimously agreed upon by all three members of the Investment Committee to be considered valid.

Wenzhou Lufeng acts as an observer on the Investment Committee and is entitled to appoint representatives to attend relevant Partnership meetings in an observer capacity. The observer representative has the right to veto investment proposals that are not in compliance with applicable laws and regulations and the terms of the Partnership Agreement, but has no right to vote in the Investment Committee.

Management Fee: The management fee payable to the Fund Manager shall be calculated and paid as follows:

- (i) during the Investment Period, the management fee shall be 2.5% per annum of the total paid-in capital of the Partnership. Should there be changes to the actual paid-in capital of the Partnership, the management fee shall also be recalculated incrementally;
- (ii) during the Exit Period, the management fee shall be 1% per annum of the principal amount invested in the projects not yet exited by the Partnership; and
- (iii) during any Extension Period, no management fee shall be charged.

Distributions of Proceeds: Unless unanimously agreed upon by all Partners, any proceeds recovered from investment exit (including partial exit) or dividends received from portfolio companies shall not be reinvested and shall be distributed among all Partners in the following order:

- (i) **principal distribution:** the principal shall be distributed among all Partners in proportion to each Partner's cumulative paid-in capital as of the distribution date, until each Partner has received an amount equal to their respective paid-in capital as of the distribution date;
- (ii) **profit distribution:** following the distribution of the principal as described above, any remaining distributable income shall be regarded as profit, which shall be distributed among all Partners in proportion to their respective paid-in capital.

(iii) **other income of the partnership:** any other income of the Partnership shall be distributed among the Partners in proportion to their paid-in capital or at a ratio deemed appropriate by the Fund Manager. Incomes from temporary investments, penalties and late fees paid by the Limited Partners, or reduced income due to tax adjustment under the Partnership Agreement shall be distributed at a time deemed appropriate by the Fund Manager at its sole discretion.

Restrictions on Transfer of Interests:	No Limited Partner shall directly or indirectly sell or otherwise dispose of or transfer its interests in the Partnership without the prior written consent of the Fund Manager, which consent can be given or withheld at the Fund Manager's sole and absolute discretion.
Losses and Debts Sharing:	The Limited Partners shall be liable for the debts of the Partnership up to the amount of their respective committed capital. The General Partner shall have unlimited liability for the debts of the Partnership.

INFORMATION ON THE PARTIES

The Group

The Company is an AI-based medical device company focusing on leveraging AI technology to provide comprehensive solutions for early detection, diagnosis and health risk assessment of chronic fundus and ophthalmic diseases, while also offering eye health management services such as myopia prevention and visual training.

Shanghai Zhongyou is a limited company incorporated in the PRC and a wholly-owned subsidiary of the Company, principally engaged in the provision of health consulting services as well as the R&D of healthcare products and the provision of services in relation to such products.

The Partnership

The Partnership is a limited partnership to be established under the law of the PRC. As it is to be established, neither financial information nor past performance of the Partnership is presented in this announcement. The Partnership will not be regarded as a subsidiary of the Company.

Minsheng Equity Fund (the General Partner of the Partnership)

Minsheng Equity Fund is a limited liability company established in the PRC, focused on managing a diverse portfolio of industry funds and constructing industrial ecosystems. Minsheng Equity Fund is a wholly-owned subsidiary of Minsheng Securities Co., Ltd. (民生證券股份有限公司) (“**Minsheng Securities**”). Minsheng Securities is a security company offers proprietary securities, asset management, financial products business, and other related services. As of the date of this announcement, Minsheng Securities have 46 shareholders. Save for (i) Wuxi Guolian Development (Group) Co., Ltd. (無錫市國聯發展(集團)有限公司), which holds 30.49% of the equity interests and is ultimately owned by the State-owned Assets Supervision and Administration Commission of the People’s Government of Wuxi City (無錫市人民政府國有資產監督管理委員會) and the Department of Finance of Jiangsu Province (江蘇省財政廳), and (ii) Shanghai Fengquanyu Enterprise Management Co. Ltd. (上海豐泉峪企業管理有限公司), which holds 13.58% of the equity interests and is controlled by YANG Yanliang (楊延良), YANG Zhenyu (楊振宇) and YANG Zhenxing (楊振興), none of other shareholders holds more than 5% of the equity interests in Minsheng Securities.

Wenzhou Lufeng (the other Limited Partner of the Partnership)

Wenzhou Lufeng is a limited liability company established in the PRC, principally engaged in asset management, investment management, investment consulting, private equity investment and industrial investment. Wenzhou Lufeng is ultimately wholly owned by the Finance Bureau of Wenzhou Lucheng District (the State-owned Assets Supervision and Administration Office of the People’s Government of Wenzhou Lucheng District) (溫州市鹿城區財政局(溫州市鹿城區人民政府國有資產監督管理辦公室)).

REASONS FOR AND BENEFITS OF ENTERING INTO THE PARTNERSHIP AGREEMENT

As the Company is focusing on leveraging AI technology to provide comprehensive solutions for early detection, diagnosis and health risk assessment of chronic fundus and ophthalmic diseases, while also offering eye health management services such as myopia prevention and visual training, the Company has been constantly seeking investment opportunities in life sciences, healthcare and AI sectors. The investment in the Partnership is in line with this business and development strategy of the Group, and may help the Company identify potential cooperation partners or acquisition targets, and bring a reserve of quality project opportunities. The Company will be able to broaden its investment channel and obtain investment returns through the investment in the Partnership.

The terms of the Partnership Agreement, including the capital commitment by each of the Partners, were negotiated and achieved at arm’s length basis among the parties, with reference to, among others, the capital requirements of the Partnership for the purpose of realizing its investment goals.

Based on the aforesaid, the Directors consider that the terms of the Partnership Agreement and Shanghai Zhongyou's capital commitment are fair and reasonable, on normal commercial terms, and in the interests of the Company and its shareholders as a whole. None of the Directors have any material interest in the transaction contemplated under the Partnership Agreement.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratios (as defined in the Listing Rules) in respect of Shanghai Zhongyou's total committed capital (i.e. RMB250 million) in the Partnership is higher than 5% but less than 25%, entering into the Partnership Agreement constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the following meanings:

“AI”	artificial intelligence
“Board”	the board of Directors
“Company”	Beijing Airdoc Technology Co., Ltd. (北京鷹瞳科技發展股份有限公司), a joint stock company incorporated in the PRC with limited liability on September 9, 2015 and the H Shares of which were listed on the Stock Exchange on November 5, 2021
“Director(s)”	director(s) of the Company
“General Partner”	the general partner of the Partnership from time to time
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	an individual or a company which, to the best of our Directors' knowledge, information, and belief, having made all reasonable enquiries, is independent of the Company and its connected persons (within the meaning of the Listing Rules)
“Limited Partner(s)”	the limited partner(s) of the Partnership from time to time

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minsheng Equity Fund”	Minsheng Equity Investment Fund Management Limited (民生股權投資基金管理有限公司), a company established in the PRC with limited liability on March 6, 2012 and an Independent Third Party
“Partner(s)”	the partner(s) of the Partnership, including the General Partner and the Limited Partner(s)
“Partnership”	溫州鹿鳴私募基金管理合夥企業(有限合夥)(Wenzhou Luming Private Equity Fund Management Partnership (Limited Partnership)*), a limited partnership to be established in the PRC pursuant to the terms of Partnership Agreement
“Partnership Agreement”	the Partnership Agreement entered into by and between Minsheng Equity Fund, Shanghai Zhongyou and Wenzhou Lufeng on April 16, 2024
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this announcement
“RMB”	Renminbi Yuan, the lawful currency of China
“Shanghai Zhongyou”	Shanghai Zhongyou Intelligent Technology Co., Ltd. (上海眾佑智能科技有限公司), a company established in the PRC with limited liability on July 25, 2017 and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Wenzhou Lufeng” 溫州鹿豐資產管理有限公司 (Wenzhou Lufeng Asset Management Co., Ltd.*), a company established in the PRC with limited liability on February 9, 2018 and an Independent Third Party

“%” per cent

By order of the Board
Beijing Airdoc Technology Co., Ltd.
Mr. ZHANG Dalei
Chairman of the Board

Hong Kong, April 16, 2024

As of the date of this announcement, the Board comprises Mr. ZHANG Dalei, Ms. WANG Lin, Dr. HE Chao and Mr. QIN Yong as executive Directors; and Mr. NG Kong Ping Albert, Dr. WU Yangfeng and Dr. HUANG Yanlin as independent non-executive Directors.

* For identification purpose only.