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ANGELALIGN TECHNOLOGY INC.
時代天使科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6699)

CONNECTED TRANSACTION
INVESTMENT IN A CONNECTED ENTITY

INVESTMENT IN SHANGHAI MAXFLEX

The Board is pleased to announce that, on August 25, 2025, Wuxi EA, a wholly-owned subsidiary of the Company, has entered into the Investment Agreement with Shanghai Maxflex and the Existing Shareholders of Shanghai Maxflex, pursuant to which Wuxi EA has conditionally agreed to subscribe for 5% of the enlarged registered share capital of Shanghai Maxflex at a consideration of RMB10.0 million in cash. Upon the completion of the Investment, the Group will be beneficially interested in approximately 9.7% equity interest in Shanghai Maxflex.

LISTING RULES IMPLICATIONS

CareCapital Group, the Controlling Shareholder of the Company, directly and indirectly owns as to over 30% equity interest in Shanghai Maxflex as of the date of this announcement. As such, Shanghai Maxflex is a connected person of the Company under Rule 14A.07 of the Listing Rules, and the transactions contemplated under the Investment Agreement constitute connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the Investment is more than 0.1% but lower than 5%, the transactions contemplated under the Investment Agreement are subject to the reporting, annual review and announcement requirements, but exempt from the independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that, on August 25, 2025, Wuxi EA, a wholly-owned subsidiary of the Company, has entered into the Investment Agreement with Shanghai Maxflex and the Existing Shareholders of Shanghai Maxflex, pursuant to which Wuxi EA has conditionally agreed to subscribe for 5% of the enlarged registered share capital of Shanghai Maxflex at a consideration of RMB10.0 million in cash. Upon the completion of the Investment, the Group will be beneficially interested in approximately 9.7% equity interest in Shanghai Maxflex.

INVESTMENT AGREEMENT

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

Date August 25, 2025

Parties

(i) Shanghai Maxflex (as investee);

(ii) Wuxi EA (as investor); and

(iii) Existing Shareholders of Shanghai Maxflex

Consideration RMB10.0 million in cash, which will be financed by internal resources of the Group

Equity Interest Wuxi EA has conditionally agreed to subscribe for 5% of the enlarged registered share capital of Shanghai Maxflex. Upon the completion of the Investment, the Group will be beneficially interested in approximately 9.7% equity interest in Shanghai Maxflex.

Conditions Precedent The Investment by Wuxi EA shall be subject to the conditions precedent being satisfied or waived in accordance with the Investment Agreement, including among others:

(a) all transaction documents related to the Investment having been duly executed and becoming effective;

(b) all necessary approvals, registrations, filings and consents required for the Investment having been duly obtained and remaining fully effective;

(c) The shareholders' meetings/shareholders and boards of directors/executive directors of each member of the Shanghai Maxflex Group having passed resolutions/decisions approving, among other things, the Investment;

(d) all representations and warranties made by, among others, Shanghai Maxflex under this Agreement remaining true, complete, accurate, valid and not misleading from the date of signing the Investment Agreement to the Closing Date;

(e) no event, fact, condition, change or other circumstance having occurred or existing that has had or may reasonably be expected to have a material adverse effect on the Shanghai Maxflex Group from the date of signing the Investment Agreement to the Closing Date;

(f) Wuxi EA having obtained internal group-level approvals for the Investment, and such approvals remaining valid as of the Closing Date; and

(g) the Shanghai Maxflex, among others, having issued a confirmation letter to Wuxi EA confirming that all the conditions precedent have been fulfilled or satisfied.

Appointment of Director

Wuxi EA shall have the right to appoint one director to the board of directors of Shanghai Maxflex according to the Investment Agreement.

Closing

Wuxi EA shall pay the consideration in full to the designated bank account on the Closing Date.

Completion

Completion of the Investment shall take place on the date on which all of the following matters have been completed:

(a) Shanghai Maxflex having completed the registration procedures with the competent authority in connection with the Investment, and an updated business license of Shanghai Maxflex having been issued;

(b) the post-transaction capital contributions and shareholding percentages of all shareholders of Shanghai Maxflex having been registered with the competent authority;

(c) the amended articles of association of Shanghai Maxflex having been filed with the competent authority; and

(d) the appointment of the director nominated by Wuxi EA having been filed with the competent authority.

Use of funds

The capital contribution received by Shanghai Maxflex from the Investment shall be primarily used for its operation and development, for supplementing its working capital and other purposes as may be approved in advance in writing by Wuxi EA.

Basis of the Consideration

The consideration for the Investment was determined based on arms-length negotiations among the parties thereto primarily taking into account, among others, the historical and estimated business performance of Shanghai Maxflex, the long-term business synergy and benefit it could provide to the Group as stated under the section headed "REASONS FOR AND BENEFITS OF ENTERING INTO THE INVESTMENT AGREEMENT" in this announcement, and its estimated post-money market value.

The assessment of the post-money valuation of Shanghai Maxflex was conducted via the comparative valuation approach using the price-to-sales multiple methodology, which is a commonly accepted valuation method for companies in clear aligner industry. The post-money valuation of Shanghai Maxflex was determined by the expected revenue in 2025 multiplied by the price-to-sales multiple. We have primarily considered the following factors for the valuation process:

(i) The Company anticipates a robust growth of the clear aligner industry globally, with an increasing demand from customers as well as their expanding needs. This outlook, combined with Shanghai Maxflex's robust growth strategy and execution capability, supports a positive view on its future profitability despite its current loss-making status.

(ii) In determining the expected revenue, we mainly considered the historical performance of Shanghai Maxflex and its expected growth rate in 2025. Shanghai Maxflex is one of the leading players in this industry. It has historically demonstrated consistent growth in business and operation development. From 2022 to 2024, the revenue of Shanghai Maxflex grew with a CAGR of around 50.0%. Given the high demand expectation brought by expansion of global business in the clear aligner industry and Shanghai Maxflex's efficient implementation of its development strategy, the projected revenue of Shanghai Maxflex for the year ending December 31, 2025 is expected to be over RMB80.0 million.

(iii) In determining the price-to-sales multiple, we mainly consider the following factors: (a) the growth potential of Shanghai Maxflex as mentioned in item (ii) above; (b) the potential synergy brought by the investment between Shanghai Maxflex and the Group; and (c) the prevalent multiples for companies in the relevant industry of Shanghai Maxflex. The multiple used for determining the post-money market value of Shanghai Maxflex was less than 3 times, reflecting a discount compared to the average industrial comparable level ranged from 3.5 to 4 times.

REASONS FOR AND BENEFITS OF ENTERING INTO THE INVESTMENT AGREEMENT

Shanghai Maxflex, an associate (as defined under the Listing Rules) of the CareCapital Group, is one of the leading suppliers of raw materials, accessories and equipments in the clear aligner industry. Given the expanding demands for the raw materials in the clear aligner production process due to the growth in the Group's clear aligner business, the Directors believe that it is crucial for the Group to secure a reliable supplier for the raw materials, which can provide high-quality products sustainably and to form a long-term cooperation with such supplier. The Group believes that the Investment could further strengthen its cooperation with Shanghai Maxflex and thus benefits from the synergy generated for the business development of the Group.

The Directors (including the independent non-executive Directors) are of the view that the connected transactions contemplated under the Investment Agreement are (i) in the ordinary and usual course of the Group's business; (ii) on normal commercial terms or better; and (iii) fair and reasonable and in the interests of the Group and the Shareholders as a whole.

Except for Mr. FENG Dai, Mr. HUANG Kun and Mr. HU Jiezhang, who hold positions in CareCapital Group, the controlling Shareholder of the Company, who had abstained from voting on the resolutions in respect of the Investment Agreement and the transactions contemplated thereunder at the relevant Board meeting, none of the other Directors has a material interest in the aforesaid transaction or is required to abstain from voting on such resolutions.

INFORMATION ON THE PARTIES TO THE INVESTMENT AGREEMENT

The Group

The Group is a leading global clear aligner company, specializing in the research, design, and manufacturing of clear aligners. The business of the Group spans over 50 countries across Europe, the Middle East and Africa, Asia-Pacific, North America and South America.

Shanghai Maxflex

Shanghai Maxflex is established in the PRC and is one of the leading suppliers of raw materials, accessories and equipments in the clear aligner industry. All the other existing shareholders of Shanghai Maxflex (including their respective ultimate beneficial owner, where applicable) are Independent Third Parties except for CareCapital Group. Shanghai Maxflex recorded a loss before tax of approximately RMB4.5 million and approximately RMB1.4 million for the two years ended December 31, 2023 and December 31, 2024, respectively. The net assets of Shanghai Maxflex as of December 31, 2024 was approximately RMB32.1 million.

LISTING RULES IMPLICATIONS

CareCapital Group, the Controlling Shareholder of the Company, directly and indirectly owns as to over 30% equity interest in Shanghai Maxflex as of the date of this announcement. As such, Shanghai Maxflex is a connected person of the Company under Rule 14A.07 of the Listing Rules, and the transactions contemplated under the Investment Agreement constitute connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios in respect of the Investment is more than 0.1% but lower than 5%, the transactions contemplated under the Investment Agreement are subject to the reporting, annual review and announcement requirements, but exempt from the independent Shareholders' approval requirement, under Chapter 14A of the Listing Rules.

DEFINITIONS

"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of directors of the Company
"CareCapital Group"	Mr. FENG Dai and the entities controlled by him directly or indirectly under the trade name of CareCapital
"Company"	Angelalign Technology Inc. (時代天使科技有限公司), an exempted company incorporated under the laws of Cayman Islands with limited liability on November 29, 2018, the shares of which are listed on the Main Board of the Stock Exchange
"Closing Date"	the date falling as soon as practicable but no later than twenty (20) Working Days after the date on which a payment notice is issued by Shanghai Maxflex and received by Wuxi EA, or such other date or time as may be agreed in writing between, among others, (i) Shanghai Maxflex and (ii) Wuxi EA
"connected person"	has the meaning ascribed thereto under the Listing Rules
"controlling Shareholder"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Existing Shareholders of Shanghai Maxflex"	the existing shareholders of Shanghai Maxflex, including entities controlled by CareCapital Group, the Group, and other shareholders of Shanghai Maxflex who are Independent Third Parties
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Independent Third Party"	person(s) or company(ies), who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not connected person(s) of our Company
"Investment"	the investment in Shanghai Maxflex by Wuxi EA pursuant to the Investment Agreement
"Investment Agreement"	the Investment agreement entered into between Wuxi EA and Shanghai Maxflex on August 25, 2025
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
"PRC" or "China"	the People's Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan solely for the purpose of this announcement
"RMB"	renminbi, the lawful currency of the PRC
"Shanghai Maxflex"	Shanghai Maxflex Medical Technology Co., Ltd. (上海馬可菲斯醫療技術有限公司), a company incorporated under the laws of the PRC with limited liability
"Shanghai Maxflex Group"	Shanghai Maxflex and its subsidiaries, individually or collectively, as the context may require
"Share(s)"	ordinary share(s) in the share capital of the Company of US$0.0001 each
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules

"Working Day(s)"	any day other than a Saturday, Sunday or a day on which banks in the PRC or Hong Kong are authorised or required by applicable laws to close for business
"Wuxi EA"	Wuxi EA Medical Instruments Technologies Limited (無錫時代天使醫療器械科技有限公司), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company

By order of the Board of Directors
Angelalign Technology Inc.
Mr. FENG Dai
Chairman

Hong Kong, August 25, 2025

As at the date of this announcement, the Board comprises Mr. HU Jiezhang, Mr. HUANG Kun, Mr. SONG Xin and Ms. DONG Li as executive Directors; Mr. FENG Dai as a non-executive Director; Mr. HAN Xiaojing, Mr. SHI Zi and Mr. ZHOU Hao as independent non-executive Directors.