This summary aims to give you an overview of the information contained in this document and should be read in conjunction with the full text of this document. Since this is a summary, it does not contain all the information that may be important to you. You should read the whole document, including our financial statements and the accompanying notes, before you decide to invest in the [**REDACTED**]. *There are risks associated with any investment. Some of the particular risks of investing in the* [**REDACTED**] *are set forth in the section headed "Risk Factors." You should read that section carefully before you decide to invest in the* [**REDACTED**].

OUR MISSION

Our mission is to bring people confident smiles with revolutionary technologies.

Smile matters. With technologies, we engage, empower and enliven.

OVERVIEW

We are the leading clear aligner treatment solution provider in China. China's clear aligner treatment solution market is highly concentrated, with the top two market players accounting for an aggregate market share of 82.3% in the nine months ended September 30, 2020 in terms of case shipments, according to the CIC Report. We led the market with a market share of approximately 41.3% in the same period, according to the same source.

We empower dental professionals with Angelalign clear aligner system, our proprietary digital orthodontics solution, which comprises a trio of components: (1) digitally-assisted case assessment support and treatment planning services, (2) customized, removable clear aligners based on specific treatment plans, and (3) *iOrtho*, a cloud-based service platform. We facilitate dental professionals throughout the entire clear aligner treatment process with the assurance of reliability, simplicity, efficiency and accuracy, which translates into dependability, and ultimately, into user loyalty. As the backstage driving force, our profound understanding of the medical principles and practice of digital orthodontics has been emblazoned onto our DNA. It serves as a critical foundation for us to fully address disparate demands of China's dental professionals with varying levels of sophistication, in particular a multitude of GP dentists. During the Track Record Period, the number of dental professionals we served increased from approximately 11,500 in 2018 to approximately 15,800 in 2019, and from approximately 13,900 in the nine months ended September 30, 2019 to approximately 17,300 in the nine months ended September 30, 2020.

We persistently optimize our clear aligner system, allowing dental professionals to continuously extend their outreach. We currently market four lines of clear aligners with a variety of unique features that appeal to different user segments, including *Angelalign*, *Angelalign Pro*, *Angelalign Kid* and *COMFOS*. In particular, we have established one of the largest stomatology databases for Asian population, according to the CIC Report. Leveraging our data-driven insight and a series of innovative appliances and attachments and patented treatment plans on top of our diversified product lines, we are uniquely positioned to help dental professionals address intractable cases that are prevalent in China. As a result, we enable dental professionals to deliver effective treatment for a growing number of malocclusion cases with varying complexities and for an enlarging patient base of a broad spectrum of ages and different spending powers. Our case shipments increased from approximately 77,700 in 2018 to approximately 120,100 in 2019, and from approximately 91,400 in the nine months ended September 30, 2019 to approximately 101,700 in the nine months ended September 30, 2020.

We are well positioned to capture the enormous market opportunities in China. As the second largest in the world, China's overall clear aligner market, in terms of retail sales revenue, is expected to increase from US$1.4 billion in 2019 to US$11.9 billion in 2030 at a CAGR of 21.5%, according to the CIC Report. Moreover, as an increasing number of traditional orthodontic cases will become addressable by clear aligners, we expect to seize the overall potential of China's orthodontics market, which is expected to reach US$29.6 billion in terms of retail sales revenue in 2030 at a CAGR of 13.6% from 2019 to 2030, according to the same source. On the other hand, China's clear aligner market is still at a nascent stage. In 2019, China had approximately 1,037 million malocclusion cases, much higher than that of approximately 244 million in the United States. However, among the 2.9 million treated malocclusion cases in China in 2019, only 10.5% were addressed with clear aligners, whereas 33.1% of the 4.5 million treated malocclusion cases in the United States were addressed with clear aligners. Such significant disparities indicate a huge underpenetrated clear aligner market in China. Leveraging our market leadership and our intimate understanding of China's digital orthodontics market, we believe that we are well positioned to capture the upside potential of the enormous market. Furthermore, we are poised to replicate our success in the global clear aligner market, which is expected to reach US$50.9 billion in terms of retail sales revenue by 2030.

We attribute our mastery of digital orthodontics to the integrated application of our dedicated and relentless scientific research efforts on a range of relevant subjects, including clinical stomatology, biomechanics, materials science, computer science and intelligent manufacturing technologies, including 3D printing and manufacturing automation. As the nucleus of our Angelalign clear aligner system, our proprietary and robust technology and data platforms, nicknamed *masterForce*, *masterControl* and *masterEngine*, play a vital role in our capability to continuously make breakthroughs in digital orthodontics, which has created strong entry barriers and underpinned our long-term growth. Furthermore, we manufacture all the clear aligners pertinent to specific treatment plans through a "mass customization" model, leveraging our intelligent manufacturing capabilities and state-of-the-art technologies, including 3D printing and automated production lines.

We experienced significant growth during the Track Record Period. We generate revenue primarily from the provision of clear aligner treatment solutions. Our revenue increased from RMB488.5 million in 2018 to RMB645.9 million in 2019, and from RMB485.4 million in the nine months ended September 30, 2019 to RMB601.3 million in the nine months ended September 30, 2020. Our net profit increased from RMB58.2 million in 2018 to RMB67.7 million in 2019, and from RMB70.6 million in the nine months ended September 30, 2019 to RMB155.7 million in the nine months ended September 30, 2020. Our adjusted EBITDA was RMB127.5 million and RMB172.1 million in 2018 and 2019, respectively, and RMB149.3 million and RMB253.2 million in the nine months ended September 30, 2019 and 2020, respectively. Our adjusted net profit was RMB92.5 million and RMB130.4 million in 2018 and 2019, respectively, and RMB116.3 million and RMB203.6 million in the nine months ended September 30, 2019 and 2020, respectively. See "Financial Information — Description of Major Profit or Loss Line Items — Non-IFRS Measures" for a reconciliation of our operating profit to adjusted EBITDA and net profit to adjusted net profit, respectively.

COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our success and differentiated us from our competitors:

- pioneer and leading clear aligner treatment solution provider in China well positioned to capture the enormous market opportunities;
- comprehensive product portfolio addressing diverse user needs;
- premium medical and technological services;

- proprietary technology and data platforms underpinned by industry-leading R&D capabilities;
- strong brand recognition and profound academic influence;
- robust intelligent manufacturing capabilities with stringent quality assurance system; and
- visionary and seasoned management team with strong shareholder support.

GROWTH STRATEGIES

User satisfaction is our top priority. We aim to serve dental professionals and their patients with more customized products and services, refined manufacturing capability and flexible supply chain. To this end, we intend to pursue the following key strategies to grow our business sustainably and maintain our market leadership:

- strengthen R&D capabilities and continue orthodontic solution innovations;
- further intelligentize and digitalize our systems to improve operational efficiency;
- optimize medical services to enhance user experience;
- increase production capacity and improve production efficiency; and
- solidify our market leading position by expanding sales network and enhancing brand awareness and academic influence.

OUR RISKS AND CHALLENGES

Our business and operations involve certain risks and uncertainties including those set out in the "Risk Factors" section in this document. Our historical business growth, revenue and profitability may not be indicative of future performance, and our success depends in large part on our ability to execute our business strategy. We may fail to achieve and further promote brand recognition and acceptance of our Angelalign clear aligner system among dental professionals, or grow or retain the number of dental professionals who utilize our solutions. Demand for clear aligner treatment may not increase as rapidly as we anticipate due to a variety of factors, including weakness in general economic conditions. In addition, we face competition in the clear aligner industry with domestic and international competitors. We also may fail to execute our expansion plan as planned. As different investors may have different interpretations and criteria when determining the significance of a risk, you should carefully read the "Risk Factors" section in its entirety before you decide to invest in our Shares.

SUMMARY OF FINANCIAL INFORMATION

The following tables present the summary of our financial information for the Track Record Period and should be read in conjunction with our financial information included in the Accountant's Report in Appendix I to this document, including the notes thereto.

Summary of Combined Statements of Comprehensive Income

The following table set forth a summary of our combined statements of comprehensive income for the periods indicated.

	Year ended December 31,				Nine months ended September 30,			
	2018		2019		2019		2020	
	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands except for percentages)							
					(unaudited)			
Revenue	488,483	100.0	645,898	100.0	485,410	100.0	601,328	100.0
Cost of revenue	(176,765)	(36.2)	(228,756)	(35.4)	(161,036)	(33.2)	(175,680)	(29.2)
Gross profit	311,718	63.8	417,142	64.6	324,374	66.8	425,648	70.8
Profit before income tax	74,777	15.3	84,492	13.1	86,489	17.8	186,287	31.0
Income tax expense	(16,591)	(3.4)	(16,827)	(2.6)	(15,906)	(3.3)	(30,576)	(5.1)
Profit for the year/period	58,186	11.9	67,665	10.5	70,583	14.5	155,711	25.9
Total comprehensive income for the year/ period attributable to								
– Owners of the Company	59,823	12.2	69,231	10.7	71,681	14.8	155,120	25.8
– Non-controlling interests	(1,548)	(0.3)	(1,170)	(0.2)	(708)	(0.1)	102	0.0
	58,275	11.9	68,061	10.5	70,973	14.6	155,222	25.8
Non-IFRS Measures[(1)]:								
Adjusted EBITDA	127,537	26.1	172,054	26.6	149,320	30.8	253,202	42.1
Adjusted net profit	92,497	18.9	130,354	20.2	116,288	24.0	203,610	33.9

(1) See "Financial Information — Description of Major Profit or Loss Line Items — Non-IFRS Measures."

Non-IFRS measures

To supplement our combined financial statements which are presented in accordance with IFRS, we also use adjusted EBITDA and adjusted net profit as additional financial measures, which is not required by, or presented in accordance with IFRS. We believe that these non-IFRS measures facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that our management do not consider indicative of our operating performance. The following table reconciles our adjusted EBITDA and adjusted net profit for the year/period presented to the most directly comparable financial measure calculated and presented under IFRS, which is operating profit and profit for the year/period, respectively.

	Year ended December 31,		Nine months ended September 30,	
	2018	2019	2019	2020
	(RMB in thousands except for percentages)			
			(unaudited)	
Operating profit	75,271	84,191	85,937	184,250
Add:				
Share-based payments	23,438	61,677	45,419	47,201
[**REDACTED**] expenses	10,510	664	443	664
Other gains — net	(1,933)	(2,851)	(2,428)	(2,857)
Depreciation of property, plant and equipment	9,595	13,402	9,209	12,740

	Year ended December 31,		Nine months ended September 30,	
	2018	2019	2019	2020
	(RMB in thousands except for percentages)			
			(unaudited)	
Depreciation of right-of-use assets	8,338	10,367	7,291	8,297
Amortization of intangible assets	2,318	4,604	3,449	2,907
Adjusted EBITDA	127,537	172,054	149,320	253,202
Profit for the year/period	58,186	67,665	70,583	155,711
Add:				
Share-based payments	23,438	61,677	45,419	47,201
[**REDACTED**] expenses	10,510	664	443	664
Share of results of investments accounted for using the equity method	363	348	(157)	34
Adjusted net profit	92,497	130,354	116,288	203,610

See "Financial Information — Description of Major Profit or Loss Line Items — Non-IFRS Measures" for details.

Summary of Combined Statements of Financial Position

The following table sets forth details of our summary combined financial position as of the dates indicated.

	As of December 31,		As of September 30,
	2018	2019	2020
	(RMB in thousands)		
Total non-current assets	99,687	197,214	194,543
Total current assets	372,813	655,575	941,585
Total current liabilities	249,156	471,073	605,137
Net current assets	123,657	184,502	336,448
Total assets less current liabilities	223,344	381,716	530,991
Total non-current liabilities	59,792	88,337	96,189
Net assets	163,552	293,379	434,802

Summary of Combined Statements of Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated.

	Year ended December 31,		Nine months ended September 30,
	2018	2019	2020
	(RMB in thousands)		
Net cash generated from operating activities	144,585	402,332	271,331
Net cash used in investing activities	(2,062)	(103,035)	(284,389)
Net cash used in financing activities	(61,827)	(11,304)	(8,138)
Net increase/(decrease) in cash and cash equivalents	80,696	287,993	(21,196)
Cash and cash equivalents at beginning of the year/period	134,051	216,015	504,697
Exchange gains/(losses) on cash and cash equivalents	1,268	689	(1,442)
Cash and cash equivalents at end of the year/period	216,015	504,697	482,059

Key Financial Ratios

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated.

	As of/for the year ended December 31,		As of/for the nine months ended September 30,
	2018	2019	2020
Profitability ratios			
Gross profit margin	63.8%	64.6%	70.8%
Adjusted net profit margin	18.9%	20.2%	33.9%
Adjusted return on equity	72.1%	57.1%	N/A
Adjusted return on total assets	23.2%	19.7%	N/A
Liquidity ratios			
Current ratio	1.50	1.39	1.56

See "Financial Information — Key Financial Ratios" for a detailed analysis of our key financial ratios.

OUR SHAREHOLDING STRUCTURE

Our Controlling Shareholders

As of the Latest Practicable Date, CareCapital Orthotech held approximately 67.1242% of the total issued share capital and thus, is a Controlling Shareholder of our Company. CareCapital Orthotech is wholly-owned by CareCapital EA, Inc., which is in turn owned by CareCapital Holdings and CareCapital Moonstone Holdings Limited, a wholly-owned subsidiary of CareCapital Holdings. CareCapital Group is the holder of all voting shares and has the right to appoint the sole director of CareCapital Holdings. Accordingly, as of the Latest Practicable Date, CareCapital Group is entitled to exercise approximately 67.1242% of the voting rights at the general meetings of our Company. Immediately after the completion of the [**REDACTED**] (assuming no exercise of the [**REDACTED**] or any options granted under the Share Award Schemes), CareCapital Group will continue to control approximately [**REDACTED**]% of the voting rights at the general meetings of our Company, and thus continue to be the Controlling Shareholders of our Company upon [**REDACTED**]. See "Relationship with Our Controlling Shareholders" for details of our Controlling Shareholders.

Pre-[REDACTED] Investments

We have completed certain pre-[**REDACTED**] equity financings to fund our rapid business expansion. See "Our History and Corporate Development — Pre-[**REDACTED**] Investments" for details of the identity and background of our Pre-[**REDACTED**] Investors.

Share Award Schemes

We value the contribution from our Directors, senior management and employees to the development and success of our Group. See "Our History and Corporate Development — Share Award Schemes" and "Statutory and General Information — D. Share Award Schemes" in Appendix IV to this document for details of or share incentives.

DIVIDEND

According to our dividend policy adopted on [●], the Articles of Association and applicable laws and regulations, the determination to pay dividends will be made at the discretion of our Directors, subject to the Listing Rules, and will depend upon, among others, the financial results, cash flow, business conditions and strategies, future operations and earnings, capital requirements and expenditure plans, any restrictions on payment of dividends, and other factors that our Directors may consider relevant. We do not have a pre-determined dividend payout ratio. We will continue to re-evaluate our dividend policy in light of our financial condition and the prevailing economic environment.

As advised by our Cayman legal advisors, we are a holding company incorporated under the laws of the Cayman Islands, pursuant to which, the financial position of accumulated losses does not prohibit us from declaring and paying dividends to our Shareholders, as dividends may still be declared and paid out of our share premium account notwithstanding our profitability, provided that our Company satisfies the solvency test set out in the Cayman Companies Act.

During the Track Record Period and up to the Latest Practicable Date, Wuxi EA paid cash dividends of RMB61.0 million and RMB43.0 million in October 2020 and November 2020, respectively. For details, see Note 30 and Note 37 to the Accountant's Report in Appendix I to this document.

NO MATERIAL ADVERSE CHANGE

Our Directors confirmed that, up to the date of this document, there had been no material adverse change in our financial, operating or trading conditions since September 30, 2020, being the end of the period reported in the Accountant's Report in Appendix I to this document.

STATISTICS OF THE [REDACTED]

All statistics in the following table, unless otherwise indicated, are based on the assumptions that (1) the [**REDACTED**] has been completed and [**REDACTED**] Shares are issued pursuant to the [**REDACTED**]; (2) options granted under the [**REDACTED**] or the Share Award Schemes are not exercised; and (3) [**REDACTED**] Shares are issued and outstanding following the completion of the [**REDACTED**].

	Based on an [REDACTED] of HK$[REDACTED] per Share	Based on an [REDACTED] of HK$[REDACTED] per Share
Market capitalization of our Shares	HK$[**REDACTED**] million	HK$[**REDACTED**] million
Unaudited [**REDACTED**] adjusted combined net tangible asset value per Share(1)	HK$[**REDACTED**]	HK$[**REDACTED**]

(1) The unaudited [**REDACTED**] adjusted combined net tangible asset value per Share is calculated after making the adjustments referred to in Appendix II to this document, which excludes Shares issued to a pre-[**REDACTED**] investor in December 2020.

[REDACTED] EXPENSES

We expect to incur a total of approximately RMB[**REDACTED**] million of [**REDACTED**] expenses in connection with the [**REDACTED**], representing approximately [**REDACTED**]% of the [**REDACTED**] from the [**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**], being the mid-point of the indicative [**REDACTED**] range between HK$[**REDACTED**] and HK$[**REDACTED**], and assuming that the [**REDACTED**] is not exercised). During the Track Record Period, we incurred

[**REDACTED**] expenses of approximately RMB[**REDACTED**] million, out of which approximately RMB[**REDACTED**] million was charged to our combined statements of comprehensive income as administrative expenses, while the remaining amount of approximately RMB[**REDACTED**] million was capitalized as prepayment and will be deducted from the share premium upon the completion of the [**REDACTED**]. We expect to further incur [**REDACTED**] and other [**REDACTED**] expenses of approximately RMB[163.6] million upon the completion of the [**REDACTED**], out of which approximately RMB[31.1] million is expected to be charged to our combined statements of results of operations and approximately RMB[132.5] million is expected to be deducted from the share premium. The [**REDACTED**] expenses above are the best estimate as of the Latest Practicable Date and for reference only. The actual amount may differ from this estimate.

USE OF [**REDACTED**]

We estimate that the [**REDACTED**] from the [**REDACTED**] will be approximately HK$[**REDACTED**] million (after deducting the estimated [**REDACTED**] and other fees and expenses payable by us in connection with the [**REDACTED**]), assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative range of the [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per Share, and that the [**REDACTED**] is not exercised.

We currently intend to apply the [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set out follows:

- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for funding the construction of our Chuangmei Center which comprises new manufacturing facilities and a research and development center;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for strengthening our research and development capabilities and funding our in-house and collaborative R&D initiatives;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for expanding our in-house sales team and providing sales personnel with training sessions;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for funding a variety of marketing and branding activities to expand customer base and promote brand image;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for developing a flexible and scalable intelligent information technology system and deploying a data middle platform, and upgrading our existing platforms and systems;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for optimizing our medical services by establishing additional regional demonstration centers and cultivating qualified medical talent through joint programs; and
- approximately [**REDACTED**]%, or approximately HK$[**REDACTED**] million, for working capital and other general corporate purposes.

See "Future Plans and Use of [**REDACTED**] — Use of [**REDACTED**]."