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**MicroTech Medical (Hangzhou) Co., Ltd.**  
**微泰醫療器械(杭州)股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 2235)**

- (1) PROPOSED A SHARE OFFERING UNDER SPECIFIC MANDATE AND LISTING ON THE SCI-TECH INNOVATION BOARD;**  
**(2) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION; AND**  
**(3) PROPOSED CHANGE OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND COMPOSITION OF BOARD COMMITTEES**

**PROPOSED A SHARE OFFERING**

The Board is pleased to announce that, at a meeting of the Board held on November 16, 2022, the Company proposes to apply to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 93,460,000 A Shares and to apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the Sci-Tech Board.

The A Share Offering will be subject to, among other things, the approval by the Shareholders by way of special resolution(s) at the EGM and the Class Meetings, and the requisite approvals by the CSRC and the Shanghai Stock Exchange.

**OTHER RESOLUTIONS RELATED TO THE A SHARE OFFERING**

Other relevant resolutions in connection with the proposed A Share Offering have also been passed at meeting of the Board, and will be proposed at the forthcoming EGM and Class Meetings (where appropriate) for Shareholders' approval.

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In order to (i) prepare for the proposed A Share Offering, (ii) comply with the relevant CSRC and Shanghai Stock Exchange rules, (iii) further improve and standardize the Articles of Association and adopt other consequential and housekeeping amendments, (iv) satisfy the relevant requirements of laws, administrative regulations and regulatory documents, including the Company Law of the PRC, the Guidelines for Articles of Association of Listed Companies and the Rules Governing the Listing of Securities on the Sci-Tech Innovation Board of the Shanghai Stock Exchange, (v) comply with the core shareholder protection standards as set out in Appendix 3 to the Hong Kong Listing Rules which became effective on January 1, 2022, and (vi) taking the practical circumstances of the Company into consideration (including without limitation, the expected timeline of completion of the Full Circulation Program), the Board resolved to amend the existing Articles of Association.

The Amended Articles of Association which reflects the Proposed Amendments to the Articles of Association for the A Share Offering shall become effective (i) following the Shareholders' approval at the EGM; and (ii) upon completion of the proposed A Share Offering, whereupon the then existing Articles of Association will be invalid simultaneously.

Further details of the Proposed Amendments to the Current Articles of Association and the Proposed Amendments to the Articles of Association for the A Share Offering will be set out in the circular to be despatched to the Shareholders in due course.

## **PROPOSED CHANGE OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND COMPOSITION OF BOARD COMMITTEES**

The Board announces that on November 16, 2022, the Company has received the resignation letter from Ms. Gao that Ms. Gao would resign from her position as an independent non-executive Director, the chairman of the Audit Committee and a member of the Nomination Committee due to personal work commitment. Ms. Gao's resignation shall take effect from the conclusion of the EGM.

Ms. Gao has confirmed that she has no disagreement with the Board and there are no other matters in relation to her resignation that need to be brought to the attention of Shareholders or the Stock Exchange.

The Board would like to express its sincere gratitude to Ms. Gao for her contributions to the Company during her tenure of office.

The Board is pleased to announce that on November 16, 2022, Dr. Cheng has been nominated (i) as a candidate for the position of independent non-executive Director, which is subject to the approval by the Shareholders at the EGM, and (ii) to serve as a member of the Nomination Committee. An ordinary resolution will be proposed at the EGM to consider and approve the proposed appointment of Dr. Cheng as an independent non-executive Director.

The Board also announces that, in place of Ms. Gao position as the chairman to the Audit Committee, Mr. Ho Kin Cheong Kelvin has been nominated to act as the chairman to the Audit Committee with effect from the conclusion of the EGM. Ms. Wang Chunfeng, an independent non-executive Director, has been nominated to serve as a member of the Audit Committee with effect from the conclusion of the EGM.

## **GENERAL**

The Company will convene the EGM and the Class Meetings for the relevant Shareholders to consider and, if thought fit, to approve, among other things, (i) the proposed A Share Offering, (ii) the Specific Mandate and other related matters (including the Proposed Amendments to the Articles of Association for the A Share Offering), (iii) the Proposed Amendments to the Current Articles of Association, and (iv) the proposed appointment of an independent non-executive Director. A circular containing, among other things, further details of the aforesaid matters, together with the notice of EGM and Class Meetings will be despatched to the Shareholders as soon as practicable in accordance with the requirements under the Hong Kong Listing Rules and the Articles of Association currently in force.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the H Shares has been scheduled to close from Friday, December 2, 2022 to Wednesday, December 7, 2022, both days inclusive, during which period no transfer of H Shares will be registered, in order to determine the holders of the H Shares who are entitled to attend and vote at the forthcoming EGM and Class Meetings to be held on Wednesday, December 7, 2022. To be eligible to attend and vote at the EGM and the Class Meetings, all transfer documents must be lodged with the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, December 1, 2022 for registration.

**There is no assurance that the A Share Offering will proceed. Shareholders and investors are advised to exercise caution in dealings in the H Shares. Further details of the A Share Offering will be disclosed by the Company in due course.**

### I. PROPOSED A SHARE OFFERING

The Board is pleased to announce that, at a meeting of the Board held on November 16, 2022, the Company proposes to apply to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 93,460,000 A Shares and to apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the Sci-Tech Board.

The A Share Offering will be subject to, among other things, the approval by the Shareholders by way of special resolution(s) at the EGM and the Class Meetings, and the requisite approvals by the CSRC and the Shanghai Stock Exchange.

Details of the A Share Offering are summarized below. Further details of the A Share Offering will be set forth in the circular to be despatched to the Shareholders in due course.

- |                                      |   |
|--------------------------------------|---|
| (1) Place of listing                 | The Sci-Tech Board of the Shanghai Stock Exchange.  |
| (2) Class of securities to be issued | A Shares.   |
| (3) Nominal value per Share          | RMB1.00 each.   |
| (4) Target subscribers               | The target subscribers of the A Shares are inquiring participants who satisfy the relevant qualification requirements prescribed by the CSRC and other relevant regulatory authorities, as well as natural persons, legal persons and other investors who have opened and/or maintained A share securities accounts with the Shanghai Stock Exchange (excluding those who have been prohibited by the relevant PRC laws and regulations). |

In the event that any connected person of the Company becomes a subscriber of the A Shares, the Company will take every reasonable step to comply with the relevant requirements under the Hong Kong Listing Rules.

- (5) Schedule of the offering
- The Company will proceed with the A Share Offering within 12 months following the approval of the Shanghai Stock Exchange and the CSRC. The Board and the lead underwriter will determine the listing date for the A Shares after the CSRC agrees to the registration of the A Shares and after completion of the offering.
- (6) Method of the offering
- To be conducted through a combination of off-line placement and offering by way of on-line capital subscription, or other methods of issuance approved by the CSRC and the Shanghai Stock Exchange (including but not limited to offering to strategic investors). To the best knowledge of the Directors, there is currently no other methods of issuance other than through a combination of off-line placement and offering by way of on-line capital subscription.
- (7) Offering size
- The Company will issue no more than 93,460,000 new A Shares.
- The abovementioned offering size is determined on the basis of the present shareholding structure of the Company, the funding needs for carrying out the proposed investment projects and allocations that are to be funded with proceeds from the A Share Offering, the estimated performance of the Company at the time of the A Share Offering, the estimated valuation of the PRC capital market and a combination of other relevant factors.

- (8) Pricing methodology
- The issue price for the A Shares will be determined by the Company and the lead underwriter in accordance with applicable laws and regulations, or by other pricing methods recognized by the CSRC and the Shanghai Stock Exchange. Pursuant to the Implementation Measures for Issue and Underwriting of Shares on the Sci-Tech Innovation Board of Shanghai Stock Exchange (《上海證券交易所科創板股票發行與承銷實施辦法》), the issue price of A Shares shall be determined through price inquiry with professional institutional investors (such as securities firms, fund management companies, trust companies, finance companies, insurance companies, qualified foreign institutional investors and private fund managers). The Company and the lead underwriter may then determine the issue price of A Shares through the initial price inquiry or through cumulative bidding inquiry after an issue price range has been determined from the initial price inquiry.
- (9) Implementation of strategic placing upon issue
- Strategic placing will be implemented upon the issue of A Shares, and the total number of A Shares to be placed to strategic investors will not exceed 20% of the total number of A Shares to be issued under the A Share Offering.
- (10) Method of underwriting
- The offering will be underwritten by the lead underwriter on a standby commitment basis.
- (11) Validity period of the resolutions in relation to the offering
- The validity period of the resolution(s) in respect of the A Share Offering is twelve (12) months from the date when this proposal is considered and approved by the Shareholders at the EGM, the Class Meeting of Domestic Unlisted Shareholders and the Class Meeting of H Shareholders.

## II. OTHER RESOLUTIONS RELATED TO THE A SHARE OFFERING

Other relevant resolutions in connection with the proposed A Share Offering have also been passed at meeting of the Board, and will be proposed at the forthcoming EGM and Class Meeting(s) (where appropriate) for Shareholders' approval. The relevant resolutions have been summarized as follows:

**i. Authorization to the Board and its authorized persons to deal with specific matters relating to the Proposed A Share Offering with full discretion**

A special resolution will be proposed at the EGM and the Class Meetings for consideration and approval of authorization to the Board and its authorized persons to deal with specific matters relating to the initial public offering of A Shares and the listing on the Sci-Tech Board.

**ii. Investment Projects and/or Allocation to be financed by the Proceeds from the A Share Offering and the Relevant Feasibility Analysis**

A special resolution will be proposed at the EGM and the Class Meetings for consideration and approval of investment projects financed by proceeds from the Company's application for initial public offering of A Shares and listing on the Sci-Tech Board and the relevant feasibility analysis.

Proceeds from the A Share Offering (after deducting the expenses and fees related to the A Share Offering) are expected to be utilized in the following manner:

No.	Project or Allocation Description	Proposed investment amount to be funded by the proceeds from the A Share Offering <i>Approximately RMB million</i>
1	Advanced Manufacturing and Production Base	441.00
2	Research and Development of Diabetes Medical Devices	129.00
3	Marketing Network and Informatization Construction	55.00
4	Working Capital Replenishment	100.00
<b>Total</b>		<b>725.00</b>

*Note:* The official description and/or name(s) of the aforesaid projects remain subject to the filing and/or approval (as applicable) with the relevant government authorities.

As at the date of this announcement, none of the aforesaid designated projects has utilized any sources of funding from the Group. The proposed investment funding to the designated projects following completion of the proposed A Share Offering is not expected to utilize any proceeds from the Global Offering.

Further details on the use of proceeds for each of the designated projects will be set forth in the circular to be despatched to the Shareholders in due course.

The Board believes that such projects and/or allocation are in line with the national strategy and related industrial policies to encourage and promote the development of healthcare industries. The comprehensive R&D system and solid technical foundation, outstanding commercialization team and promotion system, and relevant experience of the information technology team provide a strong foundation for the implementation of the projects and allocations. Therefore, the Board considered that such projects are feasible.

**iii. Proposal for distribution of accumulated profits retained or plan for undertaking of unrecovered losses incurred cumulatively prior to the A Share Offering**

A special resolution will be proposed at the EGM and the Class Meetings for consideration and approval of the proposal for distribution of accumulated profits retained or plan for undertaking of unrecovered losses incurred cumulatively prior to the A Share Offering.

**iv. Plan for stabilizing A Share price within three years after the Proposed A Share Offering**

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve the plan for stabilization of the price of the A Share for the three years following the completion of the A Share Offering.

Further details of the aforesaid plan for price stabilization will be set forth in the circular of the Company to be despatched to the Shareholders.

**v. Dilution of immediate returns as a result of the A Share Offering and recovery measures**

A special resolution will be proposed at the EGM and the Class Meetings for consideration and approval of the dilution of immediate return as a result of the proposed A Share Offering and listing on the Sci-Tech Board and the recovery measures.

Further details of the aforesaid analysis will be set forth in the circular of the Company to be despatched to the Shareholders.

**vi. Plan for dividend distribution to Shareholders in three years after the A Share Offering**

A special resolution will be proposed at the EGM and the Class Meetings for consideration and approval of the Plan for Dividend Distribution to Shareholders in Three Years after the Initial Public Offering of A Shares and Listing on the Sci-Tech Board.

Further details of the aforesaid plan for dividend distribution will be set forth in the circular of the Company to be despatched to the Shareholders.

**vii. Undertakings and restraining measures relating to the A Share Offering**

A special resolution will be proposed at the EGM and the Class Meetings for consideration and approval of the Company's undertakings and restraining measures in respect of the A Share Offering.

Further details of the aforesaid undertakings and restraining measures will be set forth in the circular of the Company to be despatched to the Shareholders.

**viii. Proposed Amendments to the Articles of Association**

In order to (i) prepare for the proposed A Share Offering, (ii) comply with the relevant CSRC and Shanghai Stock Exchange rules, (iii) further improve and standardize the Articles of Association and adopt other consequential and housekeeping amendments, (iv) satisfy the relevant requirements of laws, administrative regulations and regulatory documents, including the Company Law of the PRC, the Guidelines for Articles of Association of Listed Companies and the Rules Governing the Listing of Securities on the Sci-Tech Innovation Board of the Shanghai Stock Exchange, (v) comply with the core shareholder protection standards as set out in Appendix 3 to the Hong Kong Listing Rules which became effective on January 1, 2022, and (vi) taking the practical circumstances of the Company into consideration (including without limitation, the expected timeline of completion of the the Full Circulation Program), the Board resolved to amend the existing Articles of Association.

The Amended Articles of Association which reflects the Proposed Amendments to the Articles of Association for the A Share Offering shall become effective (i) following the Shareholders' approval at the EGM; and (ii) upon completion of the proposed A Share Offering, whereupon the then existing Articles of Association will be invalid simultaneously.

Further details of the Proposed Amendments to the Current Articles of Association and the Proposed Amendments to the Articles of Association for the A Share Offering will be set out will be set forth in the circular of the Company to be despatched to the Shareholders.

For the avoidance of doubt, given that the proposed A Share Offering is conditional upon, among other things, necessary regulatory approvals, there is no assurance that it will proceed as planned or at all. Therefore, despite that the Shareholders will consider and, if thought fit, approve the adoption of both versions of the Amended Articles of Association at the EGM, only one version of it will have become effective at the time immediately following the EGM. The effect of the Shareholders considering, and if thought fit, approving both versions of the Amended Articles of Association is that, before and until the A Share Offering has been successfully completed, the version of the Amended Articles of Association incorporating and consolidating all the Proposed Amendments to the Current Articles of Association will have remained effective and, vice versa.

**ix. Engagement of intermediaries**

To ensure smooth progress of the A Share Offering, the Company proposes to engage China International Capital Corporation Limited, Grandall Law Firm (Hangzhou) and Pan-China Certified Public Accountants LLP, respectively, as the sponsor, the legal adviser and the auditor of the A Share Offering.

An ordinary resolution will be proposed at the EGM to consider and approve the above engagement.

**x. Confirmation of the Company's related-party transactions during the three years ended December 31, 2021 and the six months ended June 30, 2022**

The Board has confirmed the respective status of transactions with related parties during the reporting period (the three years ended December 31, 2021 and the six months ended June 30, 2022) and considered that such related party transactions were conducted according to the relevant laws and regulations, in line with commercial principles, and the pricing of the transactions were not more favorable than similar transactions conducted with non-related parties.

Further details of the aforesaid confirmation will be set forth in the circular of the Company to be despatched to the Shareholders.

An ordinary resolution will be proposed at the EGM to consider and approve the above proposal.

**xi. Report on the use of proceeds from the previous offering**

In accordance with applicable laws, regulations and regulatory documents, including stipulations of securities regulatory authorities and other relevant organizations, the Company has prepared a report titled “Report on the Use of Proceeds from the Previous Offering”.

Further details of the aforesaid report on the use of proceeds will be set forth in the circular of the Company to be despatched to the Shareholders.

An ordinary resolution will be proposed at the EGM to consider and approve the above report.

**xii. Amendment or formulation of internal management policies of the Company**

To meet the requirements of the proposed A Share Offering, the Company amends or formulates the following internal management policies in accordance with applicable laws, regulations and regulatory documents, including stipulations of securities regulatory authorities and other relevant organizations, and on the basis of its actual conditions:

An ordinary resolution will be proposed at the EGM to consider and approve the aforesaid internal management policies.

**III. OTHER INFORMATION IN RELATION TO THE PROPOSED A SHARE OFFERING**

**Reasons for and benefits of the Proposed A Share Offering**

The Board considers that the A Share Offering on the Sci-Tech Board will enable the Company to access the PRC capital market by way of equity financing, improve its capital structure, and accelerate the business development of the Group while strengthening its competitiveness. In addition, the A Share Offering will enable the Company to obtain listing status at stock markets in the PRC mainland and Hong Kong, thereby further enriching its capital base and establishing both domestic and international financing platforms. Since its establishment, the Sci-Tech Board has attracted a number of companies with extraordinary technological capabilities. A listing on the Sci-Tech Board would be beneficial to the Company by further enhancing its brand image and influence in the domestic market, and promoting the overall value and interests of the Company and its Shareholders. As a dual listed company, the Company will be required to comply with the listing rules of both the Hong Kong Stock Exchange and the Shanghai Stock Exchange, which shall further optimize the Company’s corporate governance structure and provide a higher level of corporate transparency to Shareholders and potential investors, which is conducive to safeguarding the interests of the Shareholders as a whole.

Furthermore, as the Company maintains its rapid growth momentum and continues to move towards the commercialization stage, the A Share Offering can also provide the Company with additional capital, in addition to the proceeds raised from the Global Offering, to enable the Company to undertake the necessary expansion of production capacity and promote the further R&D and commercialization of its pipeline products. The proceeds from the proposed A Share Offering are to be utilized to support the R&D of the next generation products and the related expenditures during the clinical trials and registration process of such category of products. The use of proceeds from the A Share Offering shall be sufficiently differentiated from that of the Global Offering in this respect. Further details of the reasons for and benefits of the proposed A Share Offering will be set forth in the circular of the Company to be despatched to the Shareholders.

### **Effects of the Proposed A Share Offering on the Shareholding Structure of the Company**

Upon completion of the A Share Offering, all the then existing Domestic Shares and Unlisted Foreign Shares (excluding those to be converted and listed pursuant to the Full Circulation Program) shall be converted into A Shares and become listed on the Sci-Tech Board. Such converted A Shares shall be deposited in CSDC and are subject to lock-up periods as required under relevant PRC laws and regulations.

For reference and illustration purposes only, assuming that (i) there are no changes to the total issued share capital of the Company prior to the completion of the A Share Offering; (ii) a maximum of 93,460,000 new A Shares are issued under the A Share Offering (which represents approximately 21.95% of the total issued share capital of the Company as at the date of this announcement and approximately 18.00% of the total issued share capital of the Company as enlarged by the issue of the A Shares under the A Share Offering), the shareholding structure of the Company (a) as at the date of this announcement; (b) immediately before the completion of the A Share Offering and following the completion of the Conversion and Listing pursuant to the Full Circulation Program; and (c) immediately after the completion of the A Share Offering has been set forth as follows:

	As at the date of this announcement		Immediately before the completion of the A Share Offering and following the completion of the Conversion and Listing pursuant to the Full Circulation Program		Immediately after the completion of the A Share Offering	
	<i>Number of Shares</i>	<i>Approximate percentage in the total issued share capital of the Company (Note 3)</i>	<i>Number of Shares</i>	<i>Approximate percentage in the total issued share capital of the Company (Note 3)</i>	<i>Number of Shares</i>	<i>Approximate percentage in the total issued share capital of the Company (Note 3)</i>
<b>Dr. Zheng Pan, an executive Director and the chairman of the Board</b>						
(1) Domestic Shares <i>(Note 1)</i>	123,008,156	28.89%	82,009,537	19.26%	–	–
(2) H Shares	56,200	0.01%	56,200	0.01%	56,200	0.01%
(3) H Shares to be converted from Domestic Shares <i>(Note 1)</i>	–	–	40,998,619	9.63%	40,998,619	7.90%
(4) A Shares to be converted from Domestic Shares <i>(Note 1)</i>	–	–	–	–	82,009,537	15.80%
Sub-total	123,064,356	28.91%	123,064,356	28.91%	123,064,356	23.70%
<b>Other Shareholders</b>						
(1) Domestic Shares	163,465,418	38.40%	129,713,450	30.47%	–	–
(2) Unlisted Foreign Shares	73,526,426	17.27%	43,696,684	10.26%	–	–
(3) A Shares to be converted from existing Domestic Shares <i>(Note 2)</i>	–	–	–	–	129,713,450	24.98%
(4) A Shares to be converted from existing Unlisted Foreign Shares <i>(Note 2)</i>	–	–	–	–	43,696,684	8.42%
(5) H Shares to be converted from existing Domestic Shares <i>(Note 2)</i>	–	–	33,751,968	7.93%	33,751,968	6.50%
(6) H Shares to be converted from existing Unlisted Foreign Shares <i>(Note 2)</i>	–	–	29,829,742	7.01%	29,829,742	5.75%
(7) Other H Shares	65,686,400	15.43%	65,686,400	15.43%	65,686,400	12.65%
<b>New A Shares to be allotted and issued pursuant to the A Share Offering</b>						
	–	–	–	–	<b>93,460,000</b>	<b>18.00%</b>
<b>Total number of Shares</b>	<b>425,742,600</b>	<b>100%</b>	<b>425,742,600</b>	<b>100%</b>	<b>519,202,600</b>	<b>100%</b>
<b>Total number of H Shares</b>	<b>65,742,600</b>	<b>15.44%</b>	<b>170,322,929</b>	<b>40.01%</b>	<b>170,322,929</b>	<b>32.80%</b>
<b>Total number of Domestic Unlisted Shares</b>	<b>360,000,000</b>	<b>84.56%</b>	<b>255,419,671</b>	<b>59.99%</b>	–	–
– Domestic Shares	286,473,574	67.29%	211,722,987	49.73%	–	–
– Unlisted Foreign Shares	73,526,426	17.27%	43,696,684	10.26%	–	–
<b>Total number of A Shares</b>	–	–	–	–	<b>348,879,671</b>	<b>67.20%</b>

*Notes:*

1. As at the date of this announcement, Dr. Zheng Pan was deemed to be interested an aggregate of 123,008,156 Domestic Shares, amongst which, (i) 88,278,594 Domestic Shares, representing approximately 30.82% of the total relevant class of Shares and approximately 20.74% of the total issued Shares, were held by him directly; 19,031,297 Domestic Shares, representing approximately 6.64% of the total relevant class of Shares and approximately 4.47% of the total issued Shares, were held by Hangzhou Yantai directly; and 15,698,265 Domestic Shares, representing approximately 5.48% of the total relevant class of Shares and approximately 3.69% of the total issued Shares, were held by Hangzhou Hengtai directly.
2. References are made to the Full Circulation Announcements at which the Company disclosed that a total of 14 participating holders of 74,750,587 Domestic Shares and 4 participating holders of 29,829,742 Unlisted Foreign Shares shall participate in the Conversion and Listing pursuant to the Full Circulation Program.
3. Certain figures included in the table above have been rounded to the nearest integer or to two decimal places. Any discrepancies between the total shown and the sum of the amounts listed are due to rounding.

### **Fundraising activities in the past twelve months**

On October 19, 2021, the Company issued 63,529,500 H Shares on the Hong Kong Stock Exchange at the price of HK\$30.50 per H Share by way of initial public offering. As at June 30, 2022, the Company has utilized approximately RMB99.76 million of the net proceeds raised from the Global Offering. Further particulars on the detailed utilization of such funds raised from the Global Offering has been disclosed in the 2022 Interim Report. The remaining proceeds will be used according to the plans and timeline disclosed in the Prospectus and the 2022 Interim Report, respectively. Save and except for the aforesaid fundraising activity, the Company has not engaged in any other fundraising activity that involves the issue of equity securities during the 12 months immediately prior to the date of this announcement.

## **IV. PROPOSED CHANGE OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND COMPOSITION OF BOARD COMMITTEES**

### **Resignation of an Independent Non-executive Director**

The Board announces that on November 16, 2022, the Company has received the resignation letter from Ms. Gao that Ms. Gao would resign from her position as an independent non-executive Director, the chairman of the Audit Committee and a member of the Nomination Committee due to personal work commitment. Ms. Gao's resignation shall take effect from the conclusion of the EGM.

Ms. Gao has confirmed that she has no disagreement with the Board and there are no other matters in relation to her resignation that need to be brought to the attention of Shareholders or the Stock Exchange.

The Board would like to express its sincere gratitude to Ms. Gao for her contributions to the Company during her tenure of office.

## **Proposed Appointment of an Independent Non-executive Director**

The Board is pleased to announce that on November 16, 2022, Dr. Cheng has been nominated (i) as a candidate for the position of independent non-executive Director, which is subject to the approval by the Shareholders at the EGM, and (ii) to serve as a member of the Nomination Committee.

The biographical details of Dr. Cheng are set out below:

Dr. Cheng Hua, aged 58, acted as the deputy director of Institute of Science and Technology, Zhejiang Sci-Tech University from November 2005 to November 2016, the director of School of Economics and Management, Zhejiang Sci-Tech University from December 2016 to December 2020, and an instructor of Department of Business Management, Zhejiang Sci-Tech University from December 2020. Since December 2020, Dr. Cheng has been working as an independent director of Zhejiang Xingxing Refrigeration Co., Ltd. Dr. Cheng was awarded a bachelor's degree in management engineering in July 1986 by Donghua University (formerly known as China Textile University), a master's degree in business management in March 1992 by Shanghai University of Finance and Economics, and a doctoral degree in agricultural economics and management in March 2004 by School of Management, Zhejiang University.

The Company will enter into a letter of appointment with Dr. Cheng for a term from the date of the forthcoming EGM to the end of the first session of the Board. Dr. Cheng will receive RMB100,000 per annum as allowance for his service as an independent non-executive Director.

Saved as disclosed above, as at the date of this announcement, (i) Dr. Cheng did not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years or other major appointments and professional qualifications; (ii) Dr. Cheng was not related to any Directors, Supervisors, senior management or substantial Shareholders; (iii) Dr. Cheng was not interested in any Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong); and (iv) Dr. Cheng did not hold any other position with the Company or other members of the Group. Saved as disclosed above, as at the date of this announcement, Dr. Cheng has confirmed that there are no matters that need to be brought to the attention of the Shareholders and there is no other information in relation to his appointment as an independent non-executive Director that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

The Nomination Committee, having reviewed the composition of the Board and assessed the background, experience and expertise of Dr. Cheng, recommended that Dr. Cheng be appointed as an independent non-executive Director and to propose the relevant resolution(s) at the EGM in accordance with the nomination policy and board diversity policy of the Company (which takes into factors such as, including without limitation, gender, age, cultural and educational background, ethnicity, geographical location, professional experience, skills, knowledge and length of service into consideration). Dr. Cheng has confirmed his independence pursuant to Rule 3.13 of the Hong Kong Listing Rules. The Nomination Committee has also assessed and was satisfied with the independence of Dr. Cheng.

In view of the extensive knowledge and invaluable experience of Dr. Cheng, the Board accepted the aforesaid nomination from the Nomination Committee as to the proposed appointment of Dr. Cheng. It is expected that Dr. Cheng will bring a broader perspective to the Board and provide new thoughts for the Company's overall strategic planning and business development. The Board is of the view that the appointment of Dr. Cheng is in the best interests of the Company and the Shareholders as a whole.

An ordinary resolution will be proposed at the EGM to consider and approve the proposed appointment of Dr. Cheng as an independent non-executive Director.

### **Change in Composition of Board Committee**

The Board also announces that, in place of Ms. Gao's position as the chairman to the Audit Committee, Mr. Ho Kin Cheong Kelvin has been nominated to act as the chairman to the Audit Committee with effect from the conclusion of the EGM. Ms. Wang Chunfeng, an independent non-executive Director, has been nominated to serve as a member of the Audit Committee with effect from the conclusion of the EGM.

## **V. GENERAL**

The Company will convene the EGM and the Class Meetings for the relevant Shareholders to consider and, if thought fit, to approve, among other things, (i) the proposed A Share Offering, (ii) the Specific Mandate and other related matters (including the Proposed Amendments to the Articles of Association for the A Share Offering), (iii) the Proposed Amendments to the Current Articles of Association, and (iv) the proposed appointment of an independent non-executive Director. A circular containing, among other things, further details of the aforesaid matters, together with the notice of EGM and Class Meetings will be despatched to the Shareholders as soon as practicable in accordance with the requirements under the Hong Kong Listing Rules and the Articles of Association currently in force.

## **VI. CLOSURE OF REGISTER OF MEMBERS**

The register of members of the H Shares has been scheduled to close from Friday, December 2, 2022 to Wednesday, December 7, 2022, both days inclusive, during which period no transfer of H Shares will be registered, in order to determine the holders of the H Shares who are entitled to attend and vote at the forthcoming EGM and Class Meetings to be held on Wednesday, December 7, 2022. To be eligible to attend and vote at the EGM and the Class Meetings, all transfer documents must be lodged with the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, December 1, 2022 for registration.

**There is no assurance that the A Share Offering will proceed. Shareholders and investors are advised to exercise caution in dealings in the H Shares. Further details of the A Share Offering will be disclosed by the Company in due course.**

## DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Amended Articles of Association”	each of the two versions incorporating and consolidating, as applicable, all the Proposed Amendments to the Current Articles of Association and the Proposed Amendments to the Articles of Association for the A Share Offering, respectively
“Articles of Association”	the articles of association of the Company, as amended from time to time
“A Share(s)”	the ordinary share(s) proposed to be allotted and issued by the Company pursuant to the A Share Offering, with a nominal value of RMB1.00 each in the share capital of the Company, and which will be listed on the Sci-Tech Board of the Shanghai Stock Exchange and traded in RMB
“A Share Offering”	the proposed initial public offering of the Company of not more than 93,460,000 A Shares on the Sci-Tech Board of the Shanghai Stock Exchange in the PRC
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“Class Meetings”	the Class Meeting of H Shareholders and the Class Meeting of Domestic Unlisted Shareholders
“Class Meeting of Domestic Unlisted Shareholders”	the 2022 second class meeting of the Domestic Unlisted Shareholders proposed to be held on Friday, November 25, 2022 at 3:00 p.m. (or immediately after the conclusion of the Class Meeting of H Shareholders)
“Class Meeting of H Shareholders”	the 2022 second class meeting of the H Shareholders proposed to be held on Friday, November 25, 2022 at 2:45 p.m. (or immediately after the conclusion of the EGM)
“Company”	MicroTech Medical (Hangzhou) Co., Ltd. (微泰醫療器械(杭州)股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed and traded on the Main Board of the Hong Kong Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Conversion and Listing”	the implementation of the Full Circulation Program pursuant to which up to 104,580,329 Domestic Unlisted Shares shall be converted into H Shares with a subsequent listing thereof on the Hong Kong Stock Exchange

“CSDC”	China Securities Depository and Clearing Corporation Limited
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary share(s) issued by the Company in the PRC, with a nominal value of RMB1.0 each, which is or are subscribed for or credited as fully paid up in RMB
“Domestic Unlisted Share(s)”	the Domestic Share(s) and the Unlisted Foreign Share(s)
“Domestic Unlisted Shareholder(s)”	the holder(s) of the Domestic Unlisted Share(s)
“Dr. Cheng”	Dr. Cheng Hua
“EGM”	the extraordinary general meeting of the Company to be held at the Venue on Friday, November 25, 2022 at 2:00 p.m.
“Full Circulation Announcements”	the announcements of the Company dated August 3, 2022 and September 1, 2022 in relation to, among other things, the Full Circulation Program and the Conversion and Listing
“Full Circulation Program”	the full circulation program of the Company to which the approval for the listing of and permission to deal in Converted H Shares had been granted by the Hong Kong Stock Exchange on August 29, 2022, as disclosed in the Full Circulation Announcements
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Group”, “our Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.0 each, which is or are subscribed for and traded in HKD and to be listed on the Hong Kong Stock Exchange
“H Share Registrar”	Tricor Investor Services Limited
“H Shareholder(s)”	the holder(s) of the H Share(s)
“Hangzhou Hengtai”	Hangzhou Hengtai Brand Management Partnership (Limited Partnership) (杭州衡泰品牌管理合夥企業(有限合夥)), a limited partnership established in the PRC on December 11, 2019, of which Dr. Zheng Pan was the sole general partner

“Hangzhou Yantai”	Hangzhou Yantai Investment Partnership (Limited Partnership) (杭州研泰投資合夥企業(有限合夥)), a limited partnership established in the PRC on January 2, 2018, of which Dr. Zheng Pan was the sole general partner
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Hong Kong Public Offering”	the offering of 6,353,000 H Shares for subscription by the public in Hong Kong
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“International Offering”	the offering of 57,176,500 H Shares (a) in the United States solely to qualified institutional buyers pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act or (b) outside the United States in offshore transactions in reliance on Regulation S under U.S. Securities Act
“Ms. Gao”	Ms. Gao Jian
“Nomination Committee”	the nomination committee of the Board
“PRC” or “China”	the People’s Republic of China, but for the purposes of this announcement and geographic reference only, and unless the context otherwise requires, references to “PRC” in this announcement do not apply to Taiwan, Macau and Hong Kong
“Proposed Amendments to the Current Articles of Association”	the proposed amendments to the current articles of association of the Company, details of which will be set forth in the circular to be despatched
“Proposed Amendments to the Articles of Association for the A Share Offering”	the proposed amendments to the articles of association of the Company in connection with the A Share Offering, details of which will be set forth in the circular to be despatched
“Prospectus”	the prospectus of the Company dated October 6, 2021
“R&D”	research and development
“RMB or Renminbi”	Renminbi, the lawful currency of the PRC

“Sci-Tech Board”	the Sci-Tech Innovation Board of the Shanghai Stock Exchange
“Shanghai Stock Exchange”	The Shanghai Stock Exchange
“Share(s)”	issued share(s) of the Company
“Shareholder(s)”	the holder(s) of the Shares of the Company
“Specific Mandate”	a specific mandate to be sought from the Shareholders at the EGM to allot and issue A Shares pursuant to the A Share Offering
“Supervisor(s)”	the supervisor(s) of the Company
“Unlisted Foreign Share(s)”	the ordinary share(s) issued by the Company, with a nominal value of RMB1.0 each, which is or are subscribed for or credited as fully paid in a currency other than RMB, held by foreign investors and not listed on any stock exchange
“Venue”	Business Conference Room, 3rd Floor, MicroTech Medical Administration Building, No. 108 Liuze Street, Cangqian Street, Yuhang District, Hangzhou, Zhejiang, China
“%”	per cent

By order of the Board  
**MicroTech Medical (Hangzhou) Co., Ltd.**  
**Zheng Pan**  
*Chairman of the Board*

Hangzhou, the PRC, November 16, 2022

*As at the date of this announcement, the board of Directors of the Company comprises Dr. Zheng Pan, Dr. Yu Fei, Dr. Shi Yonghui and Ms. Liu Xiu as executive Directors, Mr. Hu Xubo and Ms. Gao Yun as non-executive Directors, and Dr. Li Lihua, Ms. Gao Jian, Ms. Wang Chunfeng and Mr. Ho Kin Cheong Kelvin as independent non-executive Directors.*