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**MicroPort NeuroTech Limited**

**微創腦科學有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2172)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO ACQUISITION OF LAND USE RIGHTS**

**ACQUISITION OF LAND USE RIGHTS**

On October 17, 2023, Pudong New Area Planning and Natural Resources Bureau and Shanghai NeuroFocus entered into the Land Use Rights Grant Contract in respect of the Acquisition.

**LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but is exempt from the shareholders' approval requirement.

## ACQUISITION OF LAND USE RIGHTS

On October 17, 2023, Pudong New Area Planning and Natural Resources Bureau and Shanghai NeuroFocus entered into the Land Use Rights Grant Contract in respect of the Acquisition. The details of the Acquisition are set out below:

- Date of entering into the Land Use Rights Grant Contract : October 17, 2023
- Parties : (1) Pudong New Area Planning and Natural Resources Bureau (as the transferor); and  
(2) Shanghai NeuroFocus (as the transferee)
- Location of the Land : The Land is situated at the land parcel numbered 34A-03, Shanghai International Medical Zone, Pudong New Area, Shanghai, the PRC. It reaches Qingxiangteng Road to the east, the land parcel numbered 34A-04 to the south, the land parcel numbered 34A-02 to the west, and Qingdai Road to the north.
- Total site area of the Land : 31,686.50 square meters
- Consideration and payment terms : The Consideration, being RMB133,690,000, shall be paid in the following manner:
- (1) Payment of a deposit of RMB26,738,000, being 20% of the Consideration, within five working days from the date of the Land Use Right Grant Contract; and
  - (2) Payment of the remaining amount of the Consideration in one-off basis (being RMB106,952,000) within 30 working days from the date of the Land Use Right Grant Contract.

- Term of the grant of the Land Use : (1) For industrial use for a period of 50 years;  
Rights and use of the Land (2) For scientific research and design use for a period of 50 years.

### **Basis for Determining the Consideration**

The Consideration was determined by the successful bid of the Land Use Rights by Shanghai NeuroFocus through the public tender which was conducted in accordance with the relevant PRC laws and regulations. The Group considered the bidding price for the Land Use Rights was fair and reasonable after taking into account, among other things, (i) the minimum bidding prices for the Land Use Rights of RMB133,690,000 set by Pudong New Area Planning and Natural Resources Bureau; (ii) the current property market conditions in Pudong New Area, Shanghai, the PRC and the areas nearby; and (iii) the location and development potential of the Land. The Group intends to finance the Consideration by internal resources and loans from financial institutions.

The performance guarantee deposit shall be 20% of the Consideration paid within five working days from the date of entering into Land Use Right Grant Contract, among which: (1) 40% of the deposit and bank deposit interest will be refunded in full within 15 working days after the confirmation of construction commencement; (2) 20% of the deposit and bank deposit interest will be refunded in full within 15 working days after the confirmation of construction completion; and (3) 40% of the deposit and bank deposit interest will be refunded in full within 15 working days after the confirmation of production commencement.

### **Reasons and Benefits of the Acquisition**

The project will establish a global headquarter and innovation and industrialization base integrating production, R&D and office in Shanghai International Medical Zone. Upon completion of the project, on the one hand, the production capacity of the Group can be effectively expanded and the existing capacity bottlenecks can be solved to meet the business development needs of the Group in China and overseas regions; on the other hand, leveraging on the geographical advantages of Shanghai International Medical Zone, the Group can optimize its industrial chain, which would enhance the core competitiveness of the Group and promote the long-term sustainable development.

The Board is of the view that the Acquisition is in the Group's ordinary and usual course of business, the terms of the Acquisition are fair and reasonable, and the Acquisition is in the interests of the Company and its shareholders as a whole.

## **INFORMATION ON THE PARTIES**

The Company is principally engaged in the R&D, manufacture and sale of innovative neuro-interventional medical devices.

Shanghai NeuroFocus is a company established in the PRC, an indirect wholly owned subsidiary of the Company, of which the business scope includes: medical device research and development, production, operation and sales; non-residential real estate leasing, property management, accommodation services; catering services, etc.

Pudong New Area Planning and Natural Resources Bureau, a bureau established by the local government of Pudong New Area in Shanghai Municipality and a PRC Governmental Body within the meaning of Rule 19A.04 of the Listing Rules, is responsible for, among others, the administration of planning and natural resources works in Pudong New Area.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Pudong New Area Planning and Natural Resources Bureau and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

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## **DEFINITIONS**

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

“Acquisition”	Acquisition of the land use rights of the land situated at the land parcel numbered 34A-03, Shanghai International Medical Zone, Pudong New Area, Shanghai, the PRC according to Land Use Rights Grant Contract
“Board”	the board of Directors

“Company”	MicroPort NeuroTech Limited (微創腦科學有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 02172)
“connected person”, “percentage ratio(s)” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Consideration”	RMB133,690,000, being the total consideration payable by Shanghai NeuroFocus for the Acquisition
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Land”	The land situated at the land parcel numbered 34A-03, Shanghai International Medical Zone, Pudong New Area, Shanghai, the PRC (中國上海市浦東新區上海國際醫學院園區34A-03地塊), reaching Qingxiangteng Road to the east, the land parcel numbered 34A-04 to the south, the land parcel numbered 34A-02 to the west, and Qingdai Road (青黛路) to the north with a total area of 31,686.50 square meters.
“Land Use Rights”	the state-owned construction land use rights (國有建設用地使用權) on the Land
“Land Use Rights Grant Contract”	the grant of land use rights contract in relation to the use of state-owned construction land in Shanghai (上海市國有建設用地使用權出讓合同) entered into between Pudong New Area Planning and Natural Resources Bureau as the transferor and Shanghai NeuroFocus as the transferee on October 17, 2023 in relation to the Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China

“PRC Governmental Body”	has the meaning ascribed to it under Rule 19A.04 of the Listing Rules
“Pudong New Area Planning and Natural Resources Bureau”	Shanghai Pudong New Area Planning and Natural Resources Bureau in Shanghai Municipality (上海市浦東新區規劃和自然資源局), a bureau established by the local government of Pudong New Area in Shanghai Municipality and a PRC Governmental Body within the meaning of Rule 19A.04 of the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai NeuroFocus”	NeuroFocus Medical Technology (Shanghai) Co., Ltd. (神聚醫療科技(上海)有限公司), a company established in the PRC with limited liability on March 10, 2023 and an indirect wholly owned subsidiary of our Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board  
**MicroPort NeuroTech Limited**  
**Mr. Peng Bo**  
*Chairman*

Hong Kong, October 17, 2023

*As at the date of this announcement, the executive Directors are Mr. Xie Zhiyong and Mr. Wang Yiqun Bruce, the non-executive Directors are Mr. Peng Bo, Mr. Wang Lin and Ms. Wu Xia, and the independent non-executive Directors are Dr. Xu Yi, Dr. Zhang Haixiao and Mr. Siu Chi Hung.*