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MicroPort Scientific Corporation

微創醫療科學有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00853)

DISCLOSEABLE TRANSACTION

DEEMED DISPOSAL IN RELATION TO THE PROPOSED ISSUE OF A SHARES BY SHANGHAI MICROPORT ENDOVASCULAR MEDTECH (GROUP) CO., LTD.

Reference is made to the announcements of MicroPort Scientific Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) (the “**Announcements**”) dated 25 July 2022, 13 July 2023 and 14 November 2023 in relation to the proposed issue and placement of A shares (“**A Shares**”) of 上海微創心脈醫療科技(集團)股份有限公司 (“Shanghai MicroPort Endovascular MedTech (Group) Co., Ltd.”, “**EV MedTech**”) (the “**Proposed Issue**”). The Proposed Issue has been approved by the China Securities and Regulatory Commission (the “**CSRC**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announced that EV MedTech has entered into subscription agreements (the “**Subscription Agreements**”) with 17 subscribers who are either securities investment and fund management companies, securities companies, asset management plans issued by securities firms, qualified foreign institutional investors, private equity funds, assets management products issued by insurance companies and other qualified investors who meet the requirements of the CSRC (the “**Subscribers**”). Pursuant to the Subscription Agreements, EV MedTech has agreed to allot and issue and the Subscribers have agreed to subscribe for an aggregate of 10,748,106 new A Shares (the “**Subscriptions**”).

THE SUBSCRIPTION AGREEMENTS

Set out below is a summary of the principal terms of the Subscription Agreements:

Subscribers: 17 subscribers who are either securities investment and fund management companies, securities companies, asset management plans issued by securities firms, qualified foreign institutional investors, private equity funds, assets management products issued by insurance companies and other qualified investors who meet the requirements of the CSRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, each of the Subscribers and their respective ultimate beneficial owners, is third party independent of the Company and its connected person (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")).

Class and nominal value of the new A Shares:

New A Shares with a nominal value of RMB1.00 each.

The new A Shares will rank pari passu with all the existing A Shares.

Issue price:

The issue price for the new A Shares was determined through a bidding process by investors in accordance with the applicable securities laws and regulations in the PRC.

The price determination date of the new A Shares shall be the first day of the issue period of the Proposed Issue, being 6 December 2023 (the "**Price Determination Date**").

Based on the above, the issue price for the new A Shares was RMB168.33 per new A Share, being approximately 84.80% of the closing price (i.e. RMB198.50 per Share) of the trading day prior to the Price Determination Date, and 84.67% of the average trading price (i.e. RMB198.80 per Share) of the 20 trading days (i.e. from 8 November 2023 to 5 December 2023, both days inclusive) prior to the Price Determination Date.

Number of new A Shares to be allotted and issued:

10,748,106 new A Shares, representing:

- (i) 14.93% of the total issued share capital of EV MedTech, as at the date of this announcement; and
- (ii) 12.99% of the enlarged issued share capital of EV MedTech.

The aggregate nominal value of the new A Shares allotted and issued under the Subscriptions is RMB10,748,106.

Payment and completion: The Subscribers shall pay the subscription amount to a bank account designated by EV MedTech and opened by China International Capital Corporation Limited for the purpose of the Subscriptions in accordance with the time stipulated in subscription payment notices issued by EV MedTech. If the Subscribers have paid deposit, such deposit will be directly converted into a part of the subscription amount. The aforesaid amount, after deducting all the directly attributable transaction costs including sponsor and underwriting fee, audit and verification fee, legal fee and other estimated expenses and after being verified by a qualified accounting firm, will be transferred to the EV MedTech's designated account.

After receipt of the proceeds by EV MedTech, EV MedTech will allot and issue the new A Shares to the Subscribers and register the name of the Subscribers at China Securities Depository and Clearing Corporation Limited as holders of the relevant A Shares.

Save as disclosed above, completion of the Subscriptions is not subject to any other conditions.

Listing of the new A Shares: EV MedTech will apply for the listing of the new A Shares on the Shanghai Stock Exchange upon completion of registration at China Securities Depository and Clearing Corporation Limited.

Lock-up period: The new A Shares subscribed by the Subscribers are not transferable for a period of 6 months commencing from the date of completion of the Proposed Issue.

FINANCIAL EFFECTS ON THE SUBSCRIPTIONS

Following the completion of the Subscriptions, the issued share capital of EV MedTech owned by the Group will be diluted from approximately 46.34% to approximately 40.32%. Nevertheless, EV MedTech will remain to be a subsidiary of the Company upon completion of the Subscriptions and its financial results will continue to be consolidated into the financial statements of the Group. Accordingly, the Subscriptions will not result in recognizing any gains or losses in the Group's consolidated statement of profit or loss.

NET PROCEEDS FROM THE SUBSCRIPTIONS

The total proceeds from the Subscriptions shall be approximately RMB1,809.23 million (inclusive), and the net proceeds after deducting expenses related to the Subscriptions shall be used for the following projects of EV MedTech:

No.	Project name	Total investment amount (RMB million)	Proposed investment amount from proceeds (RMB million)
1.	Global headquarter, innovation and industrialization base projects	1,900.70	1,397.21
2.	Research and development for peripheral vascular interventional and tumor interventional treatment devices	516.04	212.02
3.	Replenishment of general working capital	200	200
Total		2,616.74	1,809.23

FINANCIAL INFORMATION OF EV MEDTECH

Set out below are the key financial figures of EV MedTech for the two years ended 31 December 2022:

	For the year ended 31 December	
	2022	2021
	(audited)	(audited)
	(RMB '000)	(RMB '000)
Net profit (before taxation)	413,895	361,660
Net profit (after taxation)	352,051	313,512

The net assets of EV MedTech as at 30 September 2023 was approximately RMB1,975,678,668.27.

REASONS FOR AND BENEFITS OF THE PROPOSED ISSUE AND THE DEEMED DISPOSAL

The Subscriptions allow EV MedTech to obtain funds for the relevant projects and to replenish its general working capital. The Directors (including the independent non-executive Directors) are of the view that the terms of the Subscription Agreements are entered into in the ordinary and usual course of business of the Company and on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS ON THE LISTING RULES

As at the date of this announcement, the Group holds 33,352,933 A Shares, representing approximately 46.34% issued share capital in EV MedTech. Following the completion of the Subscriptions, the issued share capital of EV MedTech held by the Group will be diluted from approximately 46.34% to approximately 40.32%. Such dilution will constitute a deemed disposal of the issued share capital of EV MedTech held by the Group under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the deemed disposal exceed(s) 5% but all of which are less than 25%, the deemed disposal constitutes a discloseable transaction of the Company under the Listing Rules and is therefore subject to announcement and reporting requirements under Chapter 14 of the Listing Rules.

INFORMATION OF THE COMPANY

The Company is incorporated in the Cayman Islands and the shares of which are listed on the main board of the Stock Exchange. The Company, together with its subsidiaries, is a leading medical device group focusing on innovating, manufacturing and marketing high-end medical devices globally in a broad range of business segments including cardiovascular devices, orthopedics devices, cardiac rhythm management, endovascular and peripheral vascular devices, neurovascular devices, heart valve, surgical robot, surgical devices and other business.

INFORMATION ON EV MEDTECH

EV MedTech is principally engaged in the business of endovascular and peripheral vascular devices, and provides a range of products and services for the interventional treatment of thoracic and abdominal aortic aneurysm, peripheral vascular disease, aortic dissection and other endovascular related diseases. The shares of EV MedTech are listed on the science and technology innovation board of the Shanghai Stock Exchange.

By Order of the Board
MicroPort Scientific Corporation
Dr. Zhaohua Chang
Chairman

Shanghai, the PRC, 14 December 2023

As at the date of this announcement, the executive Director is Dr. Zhaohua Chang; the non-executive Directors are Mr. Hiroshi Shirafuji, Mr. Norihiro Ashida, Ms. Weiqin Sun, Dr. Qiyi Luo and Mr. Bo Peng; and the independent non-executive Directors are Mr. Jonathan H. Chou, Dr. Guoen Liu and Mr. Chunyang Shao.

* *For identification purpose only*