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**Shanghai INT Medical Instruments Co., Ltd.\***

**上海瑛泰醫療器械股份有限公司**

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

**(Stock Code: 1501)**

**CONNECTED TRANSACTION IN RELATION TO REPURCHASE OF  
EQUITY INTEREST IN A NON-WHOLLY-OWNED SUBSIDIARY**

**INTRODUCTION**

On 23 February 2024, the Company, the Sellers and the Target Company entered into the Repurchase Agreement. Pursuant to the Repurchase Agreement, the Company agreed to repurchase a total of approximately 5.0% equity interest in the Target Company from the Sellers, among which approximately 3.8% equity interest in the Target Company will be repurchased by the Company from Huaige Int and approximately 1.2% equity interest in the Target Company will be repurchased by the Company from Mr. Ke Wei (柯偉). Upon completion of the Repurchases, the Target Company will be owned as to approximately 61.36% by the Company.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Repurchases does not exceed 5%, the Repurchases in aggregate are exempt from the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The general partner of Huaige Int is Huaige Enterprise, which is owned as to 70.00% by Huaige Health as the general partner. Huaige Health owns approximately 1.56% in and is the general partner of Ningbo Huaige Taiyi, a substantial Shareholder, which held approximately 14.31% equity interest in the Company. Accordingly, Huaige Int is an associate of Ningbo Huaige Taiyi and therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Repurchase from Huaige Int constitutes a connected transaction of the Company which is subject to the reporting and announcement requirements, but is exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **INTRODUCTION**

On 23 February 2024, the Company, the Sellers and the Target Company entered into the Repurchase Agreement. Pursuant to the Repurchase Agreement, the Company agreed to repurchase a total of approximately 5.0% equity interest in the Target Company from the Sellers, among which approximately 3.8% equity interest in the Target Company will be repurchased by the Company from Huaige Int and approximately 1.2% equity interest in the Target Company will be repurchased by the Company from Mr. Ke Wei (柯偉). Upon completion of the Repurchases, the Target Company will be owned as to approximately 61.36% by the Company.

## **TERMS AND CONDITIONS OF THE REPURCHASE AGREEMENT**

The principal terms and conditions of the Repurchase Agreement are as follows:

- Date: 23 February 2024
- Parties:
- (i) The Company
  - (ii) Target Company
  - (iii) the Sellers

Subject Matter:	Approximately 5.0% equity interest in the Target Company held by the Sellers, comprising (i) approximately 3.8% equity interest in the Target Company held by Huaige Int (representing RMB2,326,000 fully-paid up registered capital of the Target Company); and (ii) approximately 1.2% equity interest in the Target Company held by Mr. Ke Wei (柯偉) (representing RMB734,526 fully-paid up registered capital of the Target Company)
Consideration:	RMB60,081,753.42 (or equivalent foreign currency) payable to the Sellers, comprising (i) RMB45,754,082.19 (or equivalent foreign currency) payable to Huaige Int; and (ii) RMB14,327,671.23 (or equivalent foreign currency) payable to Mr. Ke Wei (柯偉)
Conditions precedent of the Repurchases:	Completion of the relevant registration procedures by the Target Company, including amending the Target Company's articles of association, updating the register of members and completing the relevant registration procedures with the administration for market regulation in the PRC
Consideration payment arrangement:	Consideration payable to Huaige Int shall be paid in three instalments as follows: 30% of the consideration (being RMB13,726,224.66 or equivalent foreign currency) shall be paid by the Company within ten business days upon execution of the Repurchase Agreement, 40% of the consideration (being RMB18,301,632.87 or equivalent foreign currency) shall be paid by the Company before 31 March 2024, and the remaining 30% of the consideration (being RMB13,726,224.66 or equivalent foreign currency) shall be paid by the Company before 15 April 2024

Consideration payable to Mr. Ke Wei (柯偉) shall be paid in two instalments as follows: 40% of the consideration (being RMB5,544,854.80 or equivalent foreign currency) shall be paid by the Company within ten business days of the completion of the relevant registration procedures in the PRC and the remaining 60% of the consideration (being RMB8,317,282.18 or equivalent foreign currency) shall be paid by the Company within thirty business days of the completion of the relevant registration procedures in the PRC

## **INFORMATION OF THE PARTIES**

### **The Company**

The Company is a leading Chinese cardiovascular interventional device manufacturer as well as one of the few medical device groups that cover the entire industry chain from design and development of mould and equipment, product injection, product assembly, product packaging to sterilization in the PRC. The major products of the Group are primarily used for cardiovascular surgeries, including inflation device, introducer set, guidewire, pressure bandage, Y connector pack, pressure extension tube, manifold and angiography catheter.

### **Shanghai Healing**

Shanghai Healing is a non-wholly-owned subsidiary of the Company and focuses on the research and development of products related to heart valve. The pipeline products of Shanghai Healing include transcatheter aortic valve replacement, expandable vascular sheath and self-localization valvuloplasty balloon catheter.

### **Sellers**

#### ***Mr. Ke Wei (柯偉)***

Based on the information available to the Company, prior to entering into the Repurchase Agreement, Mr. Ke Wei (柯偉) holds 6,070,000 H Shares of the Company, which represents approximately 3.55% of the total issued Shares of the Company. Mr. Ke Wei (柯偉) does not hold any director or senior management position in the Group.

## ***Huaige Int***

Huaige Int is a limited partnership established in the PRC whose general partner is Huaige Enterprise, which is owned as to 70.00% by Huaige Heath as the general partner. Huaige Health owns approximately 1.56% in and is the general partner of Ningbo Huaige Taiyi, a substantial Shareholder which held approximately 14.31% equity interest in the Company. Accordingly, Huaige Int is an associate of Ningbo Huaige Taiyi and therefore a connected person of the Company under Chapter 14A of the Listing Rules. Huaige Int is primarily focused on investment in the medical devices sector.

## **REASONS AND BENEFITS FOR ENTERING INTO THE REPURCHASES**

The Board considers that the Repurchases is to further optimize the equity structure of Shanghai Healing and more effectively achieve the development strategy of the Company. The entering into the Repurchase Agreement is in the ordinary and usual course of business of the Group. At the Board meeting approving the Repurchase Agreement, none of the Directors was required to abstain from voting due to interest in the transactions contemplated under the Repurchase Agreement. The Directors (including the independent non-executive Directors) consider that the Repurchase Agreement will be entered into on normal commercial terms and such terms are fair and reasonable. In particular, the consideration for the Repurchases was determined after arm's length negotiation between the Company and the Sellers. Therefore, the Directors are of the view that the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Repurchases does not exceed 5%, the Repurchases in aggregate are exempt from the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The general partner of Huaige Int is Huaige Enterprise, which is owned as to 70.00% by Huaige Heath as the general partner. Huaige Health owns approximately 1.56% in and is the general partner of Ningbo Huaige Taiyi, a substantial Shareholder which held approximately 14.31% equity interest in the Company. Accordingly, Huaige Int is an associate of Ningbo Huaige Taiyi and therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Repurchase from Huaige Int constitutes a connected transaction of the Company which is subject to the reporting and announcement requirements, but is exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

**The completion of the Repurchases is subject to the fulfillment or waiver (as the case may be) of the conditions precedent under the Repurchase Agreement. As the completion of the Repurchases may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company’s securities.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“associate(s)”	has the meaning ascribed to thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Shanghai INT Medical Instruments Co., Ltd.* 上海瑛泰醫療器械股份有限公司, a joint stock company incorporated in the PRC with limited liability
“connected person(s)”	has the meanings ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	domestic ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company
“Domestic Shareholder(s)”	holder(s) of Domestic Share(s)
“Group”	the Company and its subsidiaries
“Huaige Enterprise”	Shanghai Huaige Enterprise Management Partnership (Limited Partnership)* 上海懷格企業管理合夥企業(有限合夥), a limited partnership established in the PRC on 27 March 2020
“Huaige Health”	Ningbo Huaige Health Investment Management Partnership (Limited Partnership)* 寧波懷格健康投資管理合夥企業(有限合夥), a limited partnership established in the PRC on 12 April 2017
“Huaige Int”	Shanghai Huaige Int Venture Investment Partnership (Limited Partnership)* 上海懷格瑛泰創業投資合夥企業(有限合夥), a limited partnership established in the PRC on 18 August 2020

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, listed on the Main Board of the Stock Exchange
“H Shareholder(s)”	holder(s) of H Share(s)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ningbo Huaige Taiyi”	Ningbo Huaige Taiyi Equity Investment Partnership (Limited Partnership)* 寧波懷格泰益股權投資合夥企業(有限合夥), a limited partnership established in the PRC on 8 August 2018
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Agreement”	an equity interest transfer repurchase agreement entered into among the Company, the Target Company and the Sellers dated 23 February 2024 in relation to, among others, the Repurchases
“Repurchases”	the repurchases of 3.8% and 1.2% equity interest in the Target Company from Huaige Int and Mr. Ke Wei (柯偉), respectively
“RMB”	Renminbi, the lawful currency of the PRC
“Sellers”	Huaige Int and Mr. Ke Wei (柯偉)
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, including the Domestic Share(s) and H Share(s)
“Shareholder(s)”	Domestic Shareholder(s) and H Shareholder(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meanings ascribed thereto under the Listing Rules

“Target Company” or  
“Shanghai Healing”

Shanghai Healing Medical Instruments Co., Ltd.\* 上海翰凌  
醫療器械有限公司, a company established in the PRC on  
15 February 2019 with limited liability and a non-wholly-  
owned subsidiary of the Company

“%”

percent

By order of the Board  
**Shanghai INT Medical Instruments Co., Ltd.\***  
上海瑛泰醫療器械股份有限公司  
**Dr. Liang Dongke**  
*Chairman*

Shanghai, the PRC  
23 February 2024

*As at the date of this announcement, the Board comprises Dr. Liang Dongke and Mr. Lin Sen as executive Directors, Mr. Zhang Weixin, Ms. Chen Hongqin, Dr. Song Yuan and Mr. Wang Ruiqin as non-executive Directors, and Mr. Jian Xigao, Mr. Hui Hung Kwan and Mr. Xu Congli as independent non-executive Directors.*

\* *For identification purposes only*