LEPU SCIENTECH MEDICAL TECHNOLOGY (SHANGHAI) CO., LTD.*
樂普心泰醫療科技(上海)股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 2291)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

Reference is made to the Prospectus in relation to the Existing Clinical Trial Service Framework Agreement, the Existing Purchase of Parts Framework Agreement, the Existing Sale of Products Framework Agreement and the Existing Entrusted Products Related Framework Agreement entered into between the Company and Lepu Medical on October 18, 2022.

As the Existing Clinical Trial Service Framework Agreement, the Existing Purchase of Parts Framework Agreement, the Existing Sale of Products Framework Agreement and the Existing Entrusted Products Related Framework Agreement will expire on December 31, 2024, the Board hereby announces that on October 21, 2024 (after trading hours), the Company entered into (i) the Clinical Trial Service Framework Agreement, (ii) the Purchase of Parts Framework Agreement, (iii) the Sale of Products Framework Agreement, and (iv) the Entrusted Products Related Framework Agreement with Lepu Medical.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Lepu Medical is one of the controlling shareholders of the Company, and hence is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement, the Sale of Products Framework Agreement and the Entrusted Products Related Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement and the Sale of Products Framework Agreement exceeds 0.1% but less than 5%, the transactions contemplated under each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement and the Sale of Products Framework Agreement are subject to the reporting, annual review and announcement requirements and exempt from independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the Entrusted Products Related Framework Agreement exceeds 5%, the transactions contemplated under the Entrusted Products Related Framework Agreement are subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An independent board committee comprising the independent non-executive Directors (namely Ms. Chan Ka Lai Vanessa, Mr. Zheng Yufeng, and Mr. Zheng Junwei) has been established to advise the Independent Shareholders, and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Entrusted Products Related Framework Agreement.

GENERAL

An EGM will be convened and held for, among others, the Independent Shareholders to consider and, if thought fit, to approve the transactions under the Entrusted Products Related Framework Agreement. All Shareholders who have a material interest in the transactions under the Entrusted Products Related Framework Agreement will be required to abstain from voting at the EGM. Accordingly, Lepu Medical and its associates are required to abstain from voting at the EGM on the resolutions in relation to the Entrusted Products Related Framework Agreement.

A circular containing, inter alia, (i) further details of the Entrusted Products Related Framework Agreement, (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the Entrusted Products Related Framework Agreement, (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Entrusted Products Related Framework Agreement, and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before November 11, 2024.

INTRODUCTION

Reference is made to the Prospectus in relation to the Existing Clinical Trial Service Framework Agreement, the Existing Purchase of Parts Framework Agreement, the Existing Sale of Products Framework Agreement and the Existing Entrusted Products Related Framework Agreement entered into between the Company and Lepu Medical on October 18, 2022.

As the Existing Clinical Trial Service Framework Agreement, the Existing Purchase of Parts Framework Agreement, the Existing Sale of Products Framework Agreement and the Existing Entrusted Products Related Framework Agreement will expire on December 31, 2024, the Board hereby announces that on October 21, 2024 (after trading hours), the Company entered into (i) the Clinical Trial Service Framework Agreement, (ii) the Purchase of Parts Framework Agreement, (iii) the Sale of Products Framework Agreement, and (iv) the Entrusted Products Related Framework Agreement with Lepu Medical.

CLINICAL TRIAL SERVICE FRAMEWORK AGREEMENT

The principal terms of the Clinical Trial Service Framework Agreement are set out as follows:

Date:	October 21, 2024 (after trading hours)
Parties:	i. The Company; and ii. Lepu Medical.
Scope:	Pursuant to the Clinical Trial Service Framework Agreement, the Retained Lepu Medical Group agreed to provide clinical trial services on the Group's products that enter into clinical trial stage for the Group.
Term:	The term of the Clinical Trial Service Framework Agreement is three years commencing from January 1, 2025 and ending on December 31, 2027, subject to renewal upon mutual consent of both parties.
Individual agreements:	The Group may enter into individual agreements separately with the Retained Lepu Medical Group with respect to different transactions which provide for specific terms and conditions including products, price, payment and other terms in accordance with the Clinical Trial Service Framework Agreement and applicable laws.

Pricing Policy

Pursuant to the Clinical Trial Service Framework Agreement, the price to be determined shall be based on the quotations provided by independent third-party suppliers if such suppliers are available. However, considering that the services have certain customization characteristics that third-party suppliers may not be available, then such price to be determined shall be with reference to the quotations provided by Hefei Hospital to its independent third-party customers which shall be fair and reasonable, comparable to (or better than) the price offered to independent third parties, and in the best interests of the shareholders of the Group.

Historical Transaction Amounts

For the two years ended December 31, 2022 and 2023 and the nine months ended September 30, 2024, the aggregate transaction amounts were approximately RMB2.9 million, RMB3.6 million and RMB8.4 million, respectively.

Proposed Annual Caps

The proposed annual caps in respect of the transactions contemplated under the Clinical Trial Service Framework Agreement are RMB9.6 million, RMB11.2 million and RMB12.8 million for the three years ending December 31, 2025, 2026 and 2027, respectively.

Basis of Determination of the Caps

The above proposed annual caps are determined with reference to the following factors: (i) the estimated number of the research and development projects of the Group's occluders and heart valve products entering into the clinical trial stage for the three years ending December 31, 2025, 2026 and 2027, which is expected to increase compared with that for the three years ending December 31, 2022, 2023 and 2024, and (ii) the estimated number of participating subjects to be involved in the clinical trials to be conducted by Hefei Hospital, which is expected to increase with the expanding product pipelines of the Company.

Reasons for and Benefits of Entering into Clinical Trial Service Framework Agreement

The Group is a developer and manufacturer of occluders and occluder-related products and a developer of heart valve products. Clinical trial services are vital to the Group's clinical studies for occluders and heart valve products as part of the Group's development process. Hefei Hospital, a member of the Retained Lepu Medical Group, is a cardiovascular hospital equipped with the requisite qualification for providing clinical trial services and has a track record of having the capability of providing efficient clinical trial services since the Group's cooperation with them in 2019. As such, the Company engages Hefei Hospital as one of the hospitals that provide clinical trial services for the Group.

PURCHASE OF PARTS FRAMEWORK AGREEMENT

The principal terms of the Purchase of Parts Framework Agreement are set out as follows:

Date: October 21, 2024 (after trading hours)

Parties:

i. The Company; and

ii. Lepu Medical.

Scope: Pursuant to the Purchase of Parts Framework Agreement, the Group will purchase customized parts for producing (1) congenital heart disease occluders and congenital heart disease occluder delivery systems, (2) snares, (3) LAA occluder systems, and (4) biodegradable delivery systems.

Term: The term of the Purchase of Parts Framework Agreement is three years commencing from January 1, 2025 and ending on December 31, 2027, subject to renewal upon mutual consent of both parties.

Individual agreements: The Group may enter into individual agreements separately with the Retained Lepu Medical Group with respect to different transactions which provide for specific terms and conditions including products, price, payment and other terms in accordance with the Purchase of Parts Framework Agreement and applicable laws.

Pricing Policy

Pursuant to the Purchase of Parts Framework Agreement, the price to be determined shall be based on normal commercial terms after arm's length negotiations between the relevant parties, taking into consideration a number of factors including (1) the cost incurred by the Retained Lepu Medical Group, including raw materials, labor and packaging; and (2) a profit rate of 10% determined with reference to Provisions on Certain Specific Issues of Value-added Tax (《增值稅若干具體問題的規定》) issued by the State Administration of Taxation in December 1993 which suggested 10% as a presumed profit rate for goods that are sold at a significantly low price or with no definitive selling price. The price to be determined shall be fair and reasonable, and in the best interests of the shareholders of the Group and the Retained Lepu Medical Group. The Directors are of the view that such reference is reasonable because there is normally no definitive selling price for the parts with customize processing that the Group purchased from the Retained Lepu Medical Group.

Historical Transaction Amounts

For the two years ended December 31, 2022 and 2023 and the nine months ended September 30, 2024, the aggregate transaction amounts were approximately RMB1.2 million, RMB0.7 million, and RMB0.4 million, respectively.

Proposed Annual Caps

The proposed annual caps in respect of the transactions contemplated under the Purchase of Parts Framework Agreement are RMB3 million, RMB4 million and RMB5 million for the three years ending December 31, 2025, 2026 and 2027, respectively.

Basis of Determination of the Caps

The above proposed annual caps are determined with reference to the following factors: (1) the historical transaction amounts paid by the Group to the Retained Lepu Medical Group; (2) expected number of parts needed for production of the Group's occluders, which is expected to increase with the expansion of the Group's sales of occluder products; (3) the expected number of parts needed for the Group's clinical trials for new products; and (4) unit price of the parts agreed between the Retained Lepu Medical Group and the Group in the existing agreements.

Reasons for and Benefits of Entering into Purchase of Parts Framework Agreement

The Group has procurement needs for essential parts for producing (1) congenital heart disease occluders and congenital heart disease occluder delivery systems; (2) snares; (3) LAA occluder systems; and (4) biodegradable delivery systems. Historically the Group has been procuring from the Retained Lepu Medical Group such parts with customized processing. The Retained Lepu Medical Group is equipped with facilities that are able to meet the Group's needs and is most familiar with the Group's demand for the parts the Group procures from it. While the Directors believe that there are alternative third party suppliers of such parts at a comparable price in the market considering switching to other suppliers will cause uncertainty in the orderly delivery and quality stableness in the parts the Group procures, and therefore possible unnecessary disruption to the Group's business, and extra costs during the transitional period given such parts need to be customized to the Group's specifications.

SALE OF PRODUCTS FRAMEWORK AGREEMENT

The principal terms of the Sale of Products Framework Agreement are set out as follows:

Date:	October 21, 2024 (after trading hours)
Parties:	i. The Company; and ii. Lepu Medical.
Scope:	Pursuant to the Sale of Products Framework Agreement, the Group may sell to (i) Lepu (Shanghai) and Anhui Magete certain products, namely, congenital heart disease occluders, congenital heart disease occluder delivery systems, LAA occluder systems, and snares, manufactured by the Group for distribution within the PRC; and (ii) Lepu India certain products, namely, congenital heart disease occluders, congenital heart disease occluder delivery systems and snares, for distribution in India.
Term:	The term of the Sale of Products Framework Agreement is three years commencing from January 1, 2025 and ending on December 31, 2027, subject to renewal upon mutual consent of both parties.
Individual agreements:	The Group may enter into individual agreements separately with Lepu (Shanghai), Anhui Magete and Lepu India with respect to different transactions which provide for specific terms and conditions including products, price, payment and other terms in accordance with the Sale of Products Framework Agreement and applicable laws.

Pricing Policy

Pursuant to the Sale of Products Framework Agreement, the amounts to be paid by the Retained Lepu Medical Group to the Group will be determined (i) with reference to the procurement prices announced by competent local authorities, namely, the provincial tendering offices in the PRC; and (ii) with reference to the Group's sales price in other comparable regions and taking into account the sales price of similar products set by other companies comparable to the Group for sales in India. The price to be determined shall be fair and reasonable, comparable to (or better for the Company than) the price offered to independent third parties, and in the interests of the Company and the Shareholders.

Historical Transaction Amounts

For the two years ended December 31, 2022 and 2023 and the nine months ended September 30, 2024, the aggregate transaction amount was approximately RMB5.4 million, RMB7.8 million and RMB8.7 million, respectively.

Proposed Annual Caps

The proposed annual caps in respect of the transactions contemplated under the Sale of Products Framework Agreement are RMB9 million, RMB13 million and RMB16 million for the three years ending December 31, 2025, 2026 and 2027, respectively.

Basis of Determination of the Caps

The above proposed annual caps are determined with reference to the following factors: (i) the historical transaction amounts paid by the Retained Lepu Medical Group to the Group; (ii) the expected increasing demand for the products to be distributed by the Retained Lepu Medical Group due to the Group's business growth in domestic and overseas markets; (iii) the future expansion plan of the Group's occluder products; and (iv) the expected maximum selling prices of the relevant products for the three years ending December 31, 2027.

Reasons for and Benefits of Entering into the Sale of Products Framework Agreement

The Board is of the view that the reasons for and benefits of entering into the Sale of Products Framework Agreement are as follows:

(a) the Group's principal business is the production and sales of occluder and occluder-related devices and it is in the Group's ordinary and usual course of business to sell occluder delivery systems to other parties for distribution;

(b) Since 2012, the Group has been distributing the Group's occluders through the Retained Lepu Medical Group with its wide and developed distribution network. The Group has been steadily ramping up the Group's distribution qualification and capability by means including applying for the Group's own distribution licenses. While the Group have established the Group's own sales capability, a portion of the sales of the Group's products will be conducted through members of the Retained Lepu Medical Group as the Group's distributors; and

(c) Certain of the requisite certificates for conducting sales in India were registered by Lepu India. The Group will continue to engage them as the Group's distribution channel in India, where the Medical Devices Rules, which were published by the central government of India in 2016 and became effective in 2017, forbid the application by a foreign entity from applying for a license for importing medical devices. It is not practicably feasible and unduly burdensome for the Group to establish an Indian entity within the near future to carry out as efficiently the role currently undertaken by Lepu India, due to the Group's unfamiliarity with the local regulatory.

ENTRUSTED PRODUCTS RELATED FRAMEWORK AGREEMENT

The principal terms of the Entrusted Products Related Framework Agreement are set out as follows:

Date: October 21, 2024 (after trading hours)

Parties:
i. The Company; and
ii. Lepu Medical.

Scope: Pursuant to the Entrusted Products Related Framework Agreement, the Group agreed to, upon commercialization of the TAVR system which may take place as early as December 2024, purchase the TAVR system to be manufactured by Lepu Medical for sales and distribution onwards as authorized by Lepu Medical irrevocably and exclusively pursuant to the asset transfer agreement.

Term: The term of the Entrusted Products Related Framework Agreement is three years commencing from January 1, 2025 and ending on December 31, 2027, subject to renewal upon mutual consent of both parties.

Individual agreements: The Group may enter into individual agreements separately with Retained Lepu Medical Group with respect to different transactions which provide for specific terms and conditions including target, price, payment and other terms in accordance with the Entrusted Products Related Framework Agreement and applicable laws.

Pricing Policy

Pursuant to the Entrusted Products Related Framework Agreement, upon the commercialization of TAVR system, the Group will purchase the TAVR system manufactured by Lepu Medical at price to be determined by (i) the actual costs and expenses for manufacturing the TAVR system (including costs of raw materials, labor power, depreciation of equipment and consumption of manufacturing utilities involved); and (ii) a profit rate of 10% determined with reference to Provisions on Certain Specific Issues of Value-added Tax (《增值稅若干具體問題的規定》) issued by the State Administration of Taxation in December 1993 which suggested 10% as a presumed profit rate for goods that are sold at a significantly low price or with no definitive selling price.

Historical Transaction Amounts

For the two years ended December 31, 2022 and 2023 and the nine months ended September 30, 2024, the aggregate transaction amount was approximately RMB27.98 million, RMB17.98 million and RMB6.6 million, respectively.

Proposed Annual Caps

The proposed annual caps in respect of the transactions contemplated under the Entrusted Products Related Framework Agreement are RMB40 million, RMB60 million and RMB80 million for the three years ending December 31, 2025, 2026 and 2027, respectively.

Basis of Determination of the Caps

The above proposed annual caps are determined with the estimated purchase volume of TAVR system by the Group from Lepu Medical and the corresponding estimated costs, comprising those for labor, raw materials and payments made to third parties, to be incurred in manufacturing involved therein of the TAVR system by the Retained Lepu Medical Group plus the 10% profit rate to be charged by Lepu Medical associated with the TAVR system. The purchase volume of TAVR system is estimated based on the Group's estimated sales volume of TAVR system on the market after the commercialization of TAVR system in 2025, 2026 and 2027. As the Group expects that the commercialization of the TAVR system may take place as early as December 2024, the estimated purchase volume is expected to increase in 2026 and 2027.

Reasons for and Benefits of Entering into the Entrusted Products Related Framework Agreement

As disclosed in the Prospectus, the Existing Entrusted Products Related Framework Agreement included conducting the research and development, registration and the manufacturing of the TAVR system and TMVCRS by the Retained Lepu Medical Group upon their commercialization. As the Group anticipates no demands for clinical trials and manufacturing of the TMVCRS in the next three years, the Group has decided to only entrust the Retained Lepu Medical Group to manufacture the TAVR system upon its commercialization, which may take place as early as December 2024, in the Entrusted Products Related Framework Agreement.

As disclosed in the Prospectus, due to the regulatory restrictions as stipulated under the Catalogue of Medical Device Prohibited from Entrusted Production (《禁止委託生產醫療器械目錄》) (the "**Prohibited Catalogue**") published by NMPA, Lepu Medical, as the medical device registrant, would be prohibited from authorizing the Group to manufacture TAVR system and thus Group was not allowed to directly take over and continue with the subsequent research and development, registration and manufacturing activities (the "**Relevant Activities**") of the TAVR systems and thus it is only reasonable for the Retained Lepu Medical Group to continue the Relevant Activities for the relevant entrusted products.

Entrusting the Retained Lepu Medical Group with the manufacturing of the TAVR system is crucial to the realization of their commercialization and subsequent monetization, which are integral to the injection of interventional heart valve business from Lepu Medical to the Group. This transaction strategically complemented the Group's existing product portfolio and enabled the Group to have a product portfolio covering all three major fields of application in the interventional medical device market targeting structural heart diseases.

INTERNAL CONTROL MEASURES OF THE CONTINUING CONNECTED TRANSACTIONS

For expense-based continuing connected transactions, namely the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement and the Entrusted Products Related Framework Agreement, the Company has established the following internal review procedures to ensure that the pricing under the continuing connected transactions is fair and reasonable:

(i) If a comparable market price is available, the Group shall compare the proposed price/service fee against market price to ensure that the proposed price/service fee will not be higher than that for similar part/goods/nature of service provided by independent third-party providers;

(ii) Before selecting a part/service provider, the Group's procurement department shall obtain quotations from certain independent third-party providers. The factors to be considered by the Group in conducting internal assessments shall include fee, quality, efficiency of part/service, and value added to the Group; and

(iii) If no comparable market price is available, the Group's procurement department shall conduct arm's length negotiation with the relevant connected person to determine the terms in line with the relevant pricing policies based on the value of the relevant part/service and the actual costs and expenses incurred.

The Group has also established the following internal review procedures to ensure that the pricing under the Company's continuing connected transactions is fair and reasonable:

(i) The financial management department is responsible for preparing the accounting records, accounting, reporting, and statistical analysis of the continuing connected transactions, and for submitting the same to the Board for filing on a regular basis. The financial management department will also regularly collect and monitor the transaction amount of continuing connected transactions to ensure timely assessment on whether the annual caps are, or are expected to be, exceeded;

(ii) The finance department will be responsible for identifying connected persons and the connected transactions, and submitting lists of the same to the Board for filing on a regular and timely basis;

(iii) The Audit Committee shall conduct periodic examination of the overall situation of the continuing connected transactions, and report the review opinions to the Board;

(iv) The independent non-executive Directors will also conduct annual review on the continuing connected transactions to ensure that such transactions have been entered into on normal commercial terms, are fair and reasonable, and conducted according to the terms of the relevant framework agreement; and

(v) The auditor of the Company shall issue a letter to the Board to express opinions on the continuing connected transactions of the Group on an annual basis. The Company shall allow its auditor to review and check the relevant accounts to facilitate them to express opinions.

INFORMATION ON THE PARTIES

The Company is a joint stock limited liability company established in the PRC on January 29, 2021. The Company is a leading interventional medical device provider in the PRC for congenital heart diseases, a major field of application for structural heart diseases. The Company is principally engaged in the research, development, manufacture and commercialization of interventional medical devices primarily targeting structural heart diseases.

Lepu Medical is a company listed on the ChiNext Board of the Shenzhen Stock Exchange, stock code: 300003, one of the controlling shareholders of the Company. Lepu Medical is principally engaged in the research, development, manufacture and commercialization of interventional medical devices primarily targeting structural heart diseases.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Lepu Medical is one of the controlling shareholders of the Company, and hence is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement, the Sale of Products Framework Agreement and the Entrusted Products Related Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement and the Sale of Products Framework Agreement exceeds 0.1% but less than 5%, the transactions contemplated under each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement and the Sale of Products Framework Agreement are subject to the reporting, annual review and announcement requirements and exempt from independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the Entrusted Products Related Framework Agreement exceeds 5%, the transactions contemplated under the Entrusted Products Related Framework Agreement are subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

OPINION OF THE BOARD

In view of the reasons for and benefits stated in this announcement, the Directors (excluding for the Entrusted Products Related Framework Agreement only, the independent non-executive Directors will form the view after considering the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders) are of the view that each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement, the Sale of Products Framework Agreement and the Entrusted Products Related Framework Agreement and the transactions contemplated thereunder were negotiated on an arm's length basis, are on normal commercial terms or better and were entered into in the ordinary and usual course of business of the Group, and the relevant terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors has a material interest in each of the Clinical Trial Service Framework Agreement, the Purchase of Parts Framework Agreement, the Sale of Products Framework Agreement and the Entrusted Products Related Framework Agreement which required them to abstain from voting on the Board resolutions to approve the same.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An independent board committee comprising the independent non-executive Directors (namely Ms. Chan Ka Lai Vanessa, Mr. Zheng Yufeng, and Mr. Zheng Junwei) has been established to advise the Independent Shareholders, and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Entrusted Products Related Framework Agreement.

GENERAL

An EGM will be convened and held for, among others, the Independent Shareholders to consider and, if thought fit, to approve the transactions under the Entrusted Products Related Framework Agreement. All Shareholders who have a material interest in the transactions under the Entrusted Products Related Framework Agreement will be required to abstain from voting at the EGM. Accordingly, Lepu Medical and its associates are required to abstain from voting at the EGM on the resolutions in relation to the Entrusted Products Related Framework Agreement.

A circular containing, inter alia, (i) further details of the Entrusted Products Related Framework Agreement, (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the Entrusted Products Related Framework Agreement, (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Entrusted Products Related Framework Agreement, and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before November 11, 2024.

DEFINITIONS

"Anhui Magete"	Anhui Magete Medical Technology Co., Ltd.# (安徽省瑪格特醫療科技有限公司), a limited liability company established in the PRC on November 22, 2016 and an indirect non-wholly owned subsidiary of Lepu Medical
"associate"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"Clinical Trial Service Framework Agreement"	the clinical trial service framework agreement dated October 21, 2024 (after trading hours) entered into between the Company and Lepu Medical commencing from January 1, 2025 to December 31, 2027
"Company"	LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.* (樂普心泰醫療科技(上海)股份有限公司) (stock code: 2291), a joint stock company incorporated in the People's Republic of China with limited liability, which the shares of which are listed on the Main Board of the Stock Exchange
"connected person"	has the meaning ascribed to it in the Listing Rules
"controlling shareholder"	has the meaning ascribed to it in the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be held to consider and, if thought fit, approve, inter alia, the transactions under the Entrusted Products Related Framework Agreement
"Entrusted Products Related Framework Agreement"	the entrusted products related framework agreement dated October 21, 2024 (after trading hours) entered into between the Company and Lepu Medical commencing from January 1, 2025 to December 31, 2027
"Existing Clinical Trial Service Framework Agreement"	the clinical trial service framework agreement dated October 18, 2022 entered into between the Company and Lepu Medical

"Existing Entrusted Products Related Framework Agreement"	the entrusted products related framework agreement dated October 18, 2022 entered into between the Company and Lepu Medical
"Existing Purchase of Parts Framework Agreement"	the purchase of parts framework agreement dated October 18, 2022 entered into between the Company and Lepu Medical
"Existing Sale of Products Framework Agreement"	the sale of products framework agreement dated October 18, 2022 entered into between the Company and Lepu Medical
"Group"	the Company and its subsidiaries from time to time
"Hefei Hospital"	Hefei High-tech Cardiovascular Hospital# (合肥高新心血管病醫院), a hospital established in the PRC on December 18, 2009, a wholly-owned indirect subsidiary of Lepu Medical
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	a committee of the Board comprising the independent non-executive Directors (namely Ms. Chan Ka Lai Vanessa, Mr. Zheng Yufeng, and Mr. Zheng Junwei)
"Independent Financial Adviser"	Orient Capital (Hong Kong) Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activities under the SFO, being independent financial adviser to the Independent Board Committee and Independent Shareholders in relation to the Entrusted Products Related Framework Agreement
"Independent Shareholder(s)"	Shareholder(s) who are not required to abstain from voting at the EGM
"LAA"	a long, narrow and curved blind-end structure extending forward and downward along the anterior wall of the left atrium, which has active diastolic and secretory functions
"Lepu India"	LepuCare (India) Vascular Solutions Private Limited, a company limited shares incorporated on April 30, 2016 in India and a wholly-owned subsidiary of Lepu Medical

"Lepu Medical"	Lepu Medical Technology (Beijing) Co., Ltd.# (樂普(北京)醫療器械股份有限公司), a company listed on the ChiNext Board of the Shenzhen Stock Exchange, stock code: 300003, one of the Controlling Shareholders of the Company
"Lepu (Shanghai)"	Lepu Medical Technology (Shanghai) Co., Ltd.# (樂普(上海)醫療器械有限公司), a limited liability company established in the PRC on March 1, 2016 and an indirect non-wholly owned subsidiary of Lepu Medical
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局)
"PRC"	the People's Republic of China and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"Prospectus"	the prospectus of the Company published on October 27, 2022
"Purchase of Parts Framework Agreement"	the purchase of parts framework agreement dated October 21, 2024 entered into between the Company and Lepu Medical commencing from January 1, 2025 to December 31, 2027
"Retained Lepu Medical Group"	Lepu Medical and its subsidiaries, excluding the Group
"RMB"	the lawful currency of the PRC
"Sale of Products Framework Agreement"	the sale of products framework agreement dated October 21, 2024 entered into between the Company and Lepu Medical commencing from January 1, 2025 to December 31, 2027
"Shareholders"	holders of the shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TAVR"	transcatheter aortic valve replacement, a catheter-based technique to implant a new aortic valve in a minimally invasive procedure that does not involve open-chest surgery to correct severe aortic stenosis

"TMVCRS"	transapical mitral valve repair system (chordal), a catheter-based system with two configurations, one enabling artificial mitral chordae implantation and the other enabling edge-to-edge chordae repair
"%"	per cent

By order of the Board of
LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.*
樂普心泰醫療科技(上海)股份有限公司
Ms. Chen Juan
Chairman of the Board and Executive Director

Shanghai, the People's Republic of China
October 21, 2024

As at the date of this announcement, the Board comprises Ms. Chen Juan as executive Director, Ms. Zhang Yuxin, Mr. Fu Shan and Mr. Zheng Guorui as non-executive Directors, and Ms. Chan Ka Lai Vanessa, Mr. Zheng Yufeng, and Mr. Zheng Junwei as independent non-executive Directors.

* *The Company is a registered non-Hong Kong company as defined under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name "LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.".*

\# *For identification purposes only*