Shanghai MicroPort MedBot (Group) Co., Ltd.
上海微创医疗机器人(集团)股份有限公司
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2252)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FRAMEWORK AGREEMENTS FOR 2025 TO 2027

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FRAMEWORK AGREEMENTS FOR 2025 TO 2027

Reference is made to the announcement of the Company dated 24 January 2022 in relation to, among other things, the entering into of the Catering Services Framework Agreement, the Property Management Services Framework Agreement and the annual caps thereunder between the Company and MicroPort Sinica, which is a wholly-owned subsidiary directly held by MicroPort. The Company has approved the renewal of the aforesaid agreements and accordingly, the Company entered into the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement with MicroPort on 17 January 2025, as well as proposed the annual caps for 2025, 2026 and 2027 under the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement for the renewal of the relevant continuing connected transactions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, MicroPort is one of the controlling shareholders of the Company. Therefore, MicroPort is a connected person of the Company under the Listing Rules, and the transactions contemplated under each of the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios (other than the profits ratio) in respect of the highest amount of the annual caps under each of the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under each of the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement are subject to the reporting, annual review and announcement requirements but are exempt from circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS FRAMEWORK AGREEMENTS FOR 2025 TO 2027

Reference is made to the announcement of the Company dated 24 January 2022 in relation to, among other things, the entering into of the non-exempt continuing connected transactions under the Catering Services Framework Agreement, the Property Management Services Framework Agreement and the annual caps thereunder between the Company and MicroPort Sinica. Pursuant to the Catering Services Framework Agreement, the MicroPort Sinica Group and/or third parties engaged by the MicroPort Sinica Group shall provide catering services and beverages at its staff canteens and other internal dining areas to the Group, and the Company shall pay service fees to the MicroPort Sinica Group for such services. Pursuant to the Property Management Services Framework Agreement, the MicroPort Sinica Group shall provide property management services for the offices and production premises of the Group, and the Company shall pay service fees to the MicroPort Sinica Group for such services.

As the Catering Services Framework Agreement and the Property Management Services Framework Agreement have expired and the Company intends to continue the transactions under the aforesaid Catering Services Framework Agreement and the Property Management Services Framework Agreement, the Company entered into the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement with MicroPort on 17 January 2025, respectively, in relation to the renewal of the relevant continuing connected transactions.

(1) New Catering Services Framework Agreement

The principal terms of the New Catering Services Framework Agreement are set out below:

Date:	17 January 2025
Parties:	(i) The Company; and (ii) MicroPort.
Scope of service:	Provision of catering services and beverages by the MicroPort Group and/or any third party engaged by the MicroPort Group at its staff canteens and other internal dining areas to the employees of the Group, such as (i) provision of breakfast, lunch, dinner and beverages; and (ii) provision of catering services for conferences, banquets and business meals.
Term:	From 1 January 2025 to 31 December 2027 (both dates inclusive)
Pricing policy:	The service fees to be charged by the MicroPort Group under the New Catering Services Framework Agreement will be determined with reference to the prevailing market prices.
Historical transaction amounts:	The service fees paid by the Group for the provision of relevant catering services and beverages by the MicroPort Sinica Group for the two years ended 31 December 2023 and the eleven months ended 30 November 2024 were approximately RMB1.9 million, RMB4.0 million and RMB3.9 million, respectively.

Annual caps:

Pursuant to the New Catering Services Framework Agreement, it is proposed that the annual caps for the transactions contemplated thereunder for the three years ending 31 December 2027 are expected not to exceed as follows:

	For the year ending 31 December		
	2025	**2026**	**2027**
	RMB	*RMB*	*RMB*
Annual cap	5,200,000	5,200,000	5,200,000

The proposed annual caps for the transactions contemplated under the New Catering Services Framework Agreement were determined after considering the following factors:

(i) historical service fees paid by the Group for the provision of such catering services and beverages by the MicroPort Sinica Group for the two years ended 31 December 2023 and the eleven months ended 30 November 2024;

(ii) the number of employees and business banquet requirements of the Group; and

(iii) labour costs and raw material costs.

Payment terms:

The Group shall pay the service fee on a monthly basis to the MicroPort Group, provided that the MicroPort Group shall issue the valid value-added tax invoice to the Group in a timely manner, and the Group shall pay the same amount within 15 days upon receipt and verification of the valid value-added tax invoice issued legally by the MicroPort Group.

(2) New Property Management Services Framework Agreement

The principal terms of the New Property Management Services Framework Agreement are set out below:

Date:	17 January 2025
Parties:	(i) The Company; and (ii) MicroPort.
Scope of service:	Provision of property management services for the offices and production premises of the Group including but not limited to (i) common areas management and maintenance services; and (ii) public facilities management and maintenance services (including settlement of utility fees in these common areas such as (i) water; (ii) electricity; and (iii) industrial gas).
Term:	From 1 January 2025 to 31 December 2027 (both dates inclusive)
Pricing policy:	The service fees to be charged by the MicroPort Group under the New Property Management Services Framework Agreement will be determined with reference to the prevailing market prices.
Historical transaction amounts:	The service fees paid by the Group for the provision of relevant property management services by the MicroPort Sinica Group for the two years ended 31 December 2023 and the eleven months ended 30 November 2024 were approximately RMB1.9 million, RMB1.7 million and RMB2.1 million, respectively.

Annual caps:

Pursuant to the New Property Management Services Framework Agreement, it is proposed that the annual caps for the transactions contemplated thereunder for the three years ending 31 December 2027 are expected not to exceed as follows:

	For the year ending 31 December		
	2025	**2026**	**2027**
	RMB	*RMB*	*RMB*
Annual cap	3,500,000	4,000,000	4,500,000

The proposed annual caps for the transactions contemplated under the New Property Management Services Framework Agreement were determined after considering the following factors:

(i) the number and areas of offices and production premises of the Group that require such property management services;

(ii) the labor, administrative and material costs to be incurred for maintenance;

(iii) the nature, age, infrastructure features, geographical location and neighborhood profile of the offices and production premises; and

(iv) the estimated electricity charge, water tariff and gas supply fee to be consumed by the Group with reference to the historical amount in respect of such utility fees paid by the Group to the relevant water supplies company, electric company and gas supplies company.

Payment terms:

The Group shall pay the service fee on a quarterly basis to the MicroPort Group, provided that the MicroPort Group shall issue the valid value-added tax invoice to the Group in a timely manner, and the Group shall pay the same amount within 30 working days upon receipt and verification of the valid value-added tax invoice issued legally by the MicroPort Group.

INTERNAL CONTROL MEASURES

The pricing policies for all the continuing connected transactions of the Group will be supervised and monitored by the relevant personnel and management of the Group in charge to ensure the relevant continuing connected transaction is conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its Shareholders as a whole.

Pricing policies for the New Catering Services Framework Agreement

As a general principle, service fees to be charged by the MicroPort Group under the New Catering Services Framework Agreement will be determined in accordance with the following pricing principles:

(i) breakfast, lunch, dinner and beverages shall be charged at a fixed fee according to the price menu provided by the MicroPort Group, which are determined with reference to the cost of the raw materials and labour cost and compared against prices charged by restaurants and canteens nearby for similar menus; and

(ii) prices for catering services for conferences, banquets and business meals shall be determined with reference to the needs of the Group, the total cost to be incurred and prevailing market prices offered by restaurants and canteens nearby for similar services. Apart from the total cost to be incurred, factors such as the number of employees and guests of the Group required to be served, food type and quality, service requirement and quality, hygiene and food safety will affect such prices.

Catering services and beverages will be provided by the MicroPort Group under the New Catering Services Framework Agreement only when the prices and terms offered by the MicroPort Group are not less favorable to the Group as compared with those offered by other Independent Third Party(ies). The Group will keep negotiating with the MicroPort Group to ensure the prices and terms of an offer from the MicroPort Group are not less favorable to the Group than those available from Independent Third Party(ies).

In determining the price menu for breakfast, lunch, dinner and beverages, the Group will conduct market price research on a half-yearly basis through obtaining similar menus from at least two restaurants and canteens nearby. In determining the price for catering services for conferences, banquets and business meals, the Group will obtain at least two quotations from restaurants and canteens nearby on an ad-hoc basis.

Pricing policies for the New Property Management Services Framework Agreement

As a general principle, service fees to be charged by the MicroPort Group under the New Property Management Services Framework Agreement will be determined in accordance with the following pricing principles:

For fees other than utility fees settlement

(i) where there are prices prescribed by the PRC government in relation to similar property management services, such government prescribed prices shall apply to the services provided by the MicroPort Group. Where there are available or applicable government guiding price standards, the prices charged by the MicroPort Group shall be within the range of the government guiding prices;

(ii) where no government prescribed prices or guiding prices are available or applicable, the price for property management services shall be based on the prevailing market price of comparable services and the price offered by the MicroPort Group to Independent Third Parties for comparable services; and

(iii) prevailing market price for the similar services for the similar type of property management services with similar areas and quality in the vicinity generally offered by other independent service providers to the Group as well as the Company's comparable historical transactions with Independent Third Party(ies) (if available).

For utility fees settlement

(i) in respect of utility fees settlement, the fees shall be based on the unit price specified in the invoices issued by the relevant water supplies company, electric company and gas supplies company with reference to the quantities utilized as shown in the relevant electricity meter, water meter and barometer and the actual consumption by the Group to be confirmed between the Group and the MicroPort Group.

As at the date of this announcement, and to the best knowledge, understanding and belief of the Directors, the property management services (except for utility fees settlement as explained above) provided under the New Property Management Services Framework Agreement are not subject to any applicable government prescribed prices or government guiding prices.

In determining the service fees chargeable and terms for property management services (except for utility fees settlement) under the New Property Management Services Framework Agreement, the prices and terms offered by the MicroPort Group will be reviewed and evaluated by the relevant personnel of the finance department of the Company and the management of the Group and to be compared against the prices obtained through the half-yearly regular price research conducted by the Group from at least two quotations provided by Independent Third Party(ies) for comparable transactions and the comparable historical transactions with the Independent Third Party(ies) (if applicable). Where the prices and terms of an offer from the MicroPort Group are not less favorable to the Group than those offered by other Independent Third Party(ies), the Group may enter into a separate agreement for such property management services with the MicroPort Group. The Group will keep negotiating with the MicroPort Group to ensure the prices and terms of an offer from the MicroPort Group are not less favorable to the Group than those available from Independent Third Party(ies) before entering into a separate agreement.

The Directors consider that the above relevant procedures conducted by the Group in determining the service fees chargeable and terms under the separate agreement can ensure the transactions contemplated under the New Property Management Services Framework Agreement will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders.

The relevant personnel and management of the Group will review and assess the terms before payments and/or entering into the separate agreements to ensure they are consistent with the principles and provisions set out in the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement.

The finance department of the Company will closely monitor the aggregate transaction amounts and notify the management if the aggregate transaction amounts become close to the annual caps. Regular checks will be conducted on a half-yearly basis to review and assess whether the transactions contemplated under the relevant continuing connected transactions are conducted in accordance with the terms of the respective agreements and whether the price charged for a specific transaction is fair and reasonable and in compliance with the aforesaid pricing policies.

The independent non-executive Directors will continue to review the management's annual review reports on the transactions contemplated under the relevant continuing connected transactions and the auditors of the Company will also conduct an annual review on the pricing terms and annual cap thereof.

Accordingly, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW CATERING SERVICES FRAMEWORK AGREEMENT AND THE NEW PROPERTY MANAGEMENT SERVICES FRAMEWORK AGREEMENT

The entering into of the New Catering Services Framework Agreement allows the Group to provide subsidized quality food and beverage services for its employees as part of their benefit package and ensures that the Group offers quality food to its guests during the course of its business activities.

For the offices and production premises of the Group in the PRC, the Group requires property management services for such premises and to share the utility fees incurred in the common areas of such premises with the MicroPort Group. The entering into of the New Property Management Services Framework Agreement can ensure a safe working environment for the employees of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps thereof) are fair and reasonable, conducted on normal commercial terms in the ordinary and usual business course of the Group and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE PARTIES

MicroPort

MicroPort is a company incorporated in the Cayman Islands with limited liability and one of the controlling shareholders of the Company. Its shares are listed on the main board of the Stock Exchange (stock code: 853). MicroPort is a leading medical technology company that develops, manufactures and sells high-end interventional medical devices.

The Company

The Company is principally engaged in designing, developing and commercializing surgical robots to assist surgeons in performing complex surgical procedures.

LISTING RULES IMPLICATIONS

As at the date of this announcement, MicroPort is one of the controlling shareholders of the Company. Therefore, MicroPort is a connected person of the Company under the Listing Rules, and the transactions contemplated under each of the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios (other than the profits ratio) in respect of the highest amount of the annual caps under each of the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement exceeds 0.1% but is less than 5%, the transactions contemplated under each of the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement are subject to the reporting, annual review and announcement requirements but are exempt from circular (including independent financial advice) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BOARD APPROVAL

Mr. Sun Hongbin, the non-executive Director and chairman of the Board, who also holds management positions in MicroPort, has abstained from voting on the relevant board resolutions of the Company. Apart from Mr. Sun Hongbin, none of the Directors has or is deemed to have a material interest in the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement and the transactions contemplated thereunder and is required to abstain from voting on the relevant Board resolutions approving the New Catering Services Framework Agreement and the New Property Management Services Framework Agreement.

DEFINITIONS

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

"Board"	the board of Directors of the Company
"Catering Services Framework Agreement"	the catering services framework agreement dated 24 January 2022 entered into between the Company and MicroPort Sinica
"Company"	Shanghai Microport Medbot (Group) Co., Ltd., a company incorporated in the People's Republic of China, the H Shares of which are listed on the main board of the Stock Exchange (Stock Code: 2252)
"connected person"	has the meaning ascribed thereto under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	director(s) of the Company
"Domestic Shares"	ordinary Shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid for in RMB
"Group"	the Company and its subsidiaries
"H Share(s)"	the overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the main board of the Stock Exchange and such Domestic Shares which have been converted into H Shares upon approval for full circulation under the full circulation scheme
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

"Independent Third Party(ies)"	a person, or in the case of a company, the company or its ultimate beneficial owner(s), who is independent of and not connected with the Group and its connected persons and their respective ultimate beneficial owner(s) or their respective associates
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"MicroPort"	MicroPort Scientific Corporation, being one of the controlling shareholders of the Company
"MicroPort Group"	MicroPort and its subsidiaries, associates and joint ventures excluding the Group, MicroPort CardioFlow Medtech Corporation (微創心通醫療科技有限公司) (Stock Code: 2160) and its subsidiaries and MicroPort NeuroScientific Corporation (微創腦科學有限公司) (Stock Code: 2172) and its subsidiaries
"MicroPort Sinica"	MicroPort Sinica Co., Ltd. (微創投資控股有限公司), (formerly known as MicroPort Group Co., Ltd. (上海微創投資控股有限公司)), which is a wholly-owned subsidiary directly held by MicroPort
"MicroPort Sinica Group"	MicroPort Sinica, its subsidiaries, associates and joint ventures
"New Catering Services Framework Agreement"	the catering and commercial ancillary services framework agreement dated 17 January 2025 entered into between the Company and MicroPort
"New Property Management Services Framework Agreement"	the property management services framework agreement dated 17 January 2025 entered into between the Company and MicroPort
"PRC"	the People's Republic of China, for the purpose of this announcement, shall not include Hong Kong, Macau Special Administrative Region and Taiwan

"Property Management Services Framework Agreement"	the property management services framework agreement dated 24 January 2022 entered into between the Company and MicroPort Sinica
"Shareholder(s)"	holder(s) of the Shares
"Share(s)"	ordinary share(s) of the Company, comprising Domestic Shares and H Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"%"	per cent

By order of the Board
Shanghai MicroPort MedBot (Group) Co., Ltd.
Mr. Sun Hongbin
Chairman

Shanghai, China, 17 January 2025

As at the date of this announcement, the executive Directors are Dr. He Chao and Ms. Fang Cong, the non-executive Directors are Mr. Sun Hongbin, Mr. Chen Xinxing and Mr. Chen Chen, and the independent non-executive Directors are Dr. Li Minghua, Mr. Yao Haisong and Mr. Chung Wai Man.