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北京市春立正達醫療器械股份有限公司

Beijing Chunlizhengda Medical Instruments Co., Ltd.*

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

(Stock Code: 1858)

DISCLOSEABLE ANNOUNCEMENT

ACQUISITION OF LAND USE RIGHTS IN THE PRC

ACQUISITION OF LAND USE RIGHTS IN THE PRC

Reference is made to the announcement of the Company dated 15 October 2019 in relation to the Land Acquisition I. The Company has successfully won the bid in respect of the Land Use Rights I of the Land I situated at Weixian County, Hebei Province, the PRC, through listing-for-sale at the consideration of RMB68.67 million. The Company has entered into the Land Transfer Confirmation I with Weixian Public Resources Trading Centre in relation to Land I and has entered into the Land Use Rights Transfer Contract I with Weixian Bureau of Natural Resources and Planning on 15 October 2019.

The Board is pleased to announce that, the Company has successfully won the bids in respect of the Land Use Rights II and Land Use Rights III, through listing-for-sale at the consideration of RMB20,680,000 and RMB2,440,000 respectively. The Company has entered into the Land Transfer Confirmation II and Land Transfer Confirmation III with Weixian Public Resources Trading Centre in relation to Land II and Land III respectively and has entered into the Land Use Rights Transfer Contract II and Land Use Rights Transfer Contract III respectively with Weixian Bureau of Natural Resources and Planning on 30 April 2021.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Chapter 14 of the Listing Rules, each of the Land Acquisition II and Land Acquisition III alone do not constitute discloseable transactions of the Company under the Listing Rules. However, the counterparty of each of the New Land Use Rights Transfer Contracts and the Land Use Rights Transfer Contract I respectively is the same party, namely, Weixian Bureau of Natural Resources and Planning and the pieces of land under the Land Acquisition I, Land Acquisition II and Land Acquisition III are adjacent to each other. Therefore, the Land Acquisition I, Land Acquisition II and Land Acquisition III shall be aggregated pursuant to Rule 14.23 of the Listing Rules when determining their classification under Chapter 14 of the Listing Rules. As one of the applicable percentage ratios (after aggregation) is more than 5% but less than 25%, the Land Acquisition II and Land Acquisition III, when aggregated with the Land Acquisition I, constitutes discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 15 October 2019 in relation to the Land Acquisition I. The Company has successfully won the bid in respect of the Land Use Rights I of the Land I situated at Weixian County, Hebei Province, the PRC, through listing-for-sale at the consideration of RMB68.67 million. The Company has entered into the Land Transfer Confirmation I with Weixian Public Resources Trading Centre in relation to Land I and has entered into the Land Use Rights Transfer Contract I with Weixian Bureau of Natural Resources and Planning on 15 October 2019.

The Board is pleased to announce that the Company has successfully won the bids in respect of the Land Use Rights II and Land Use Rights III, through listing-for-sale at the consideration of RMB20,680,000 and RMB2,440,000 respectively. The Company has entered into the Land Transfer Confirmation II and Land Transfer Confirmation III with Weixian Public Resources Trading Centre in relation to Land II and Land III respectively and has entered into the Land Use Rights Transfer Contract II and Land Use Rights Transfer Contract III respectively with the Weixian Bureau of Planning and Natural Resources on 30 April 2021.

DETAILS OF THE LAND ACQUISITION II

Date

30 April 2021

Parties

- 1) Weixian Bureau of Natural Resources and Planning as vendor.
- 2) The Company as purchaser.

Information of the Land II

Location : A parcel of land located at land lot number 2021-17, south side of the first North Ring Road, Weixian County, Hebei Province, the PRC

Site area : Approximately 92,305 square metres

Permitted use : For industrial use

Consideration and Payment Terms

The consideration of the Land Acquisition II is RMB20,680,000 and was arrived at after the listing-for-sale organized by the Weixian Public Resources Trading Centre. In tendering the bid, the Company has taken into account, among other matters, the minimum bid price set by the Weixian Public Resources Trading Centre, the land price in the surrounding areas, the current property market conditions, as well as the location and the development potential of the Land II.

The consideration of the Land Acquisition II is RMB20,680,000 and shall be paid by the Company in one installment before 3 May 2021. The consideration will be funded from the Company's internal resources.

Major terms under the Land Use Rights Transfer Contract II

1. The plot ratio of the Land II shall not be less than 1.50.
2. The building density of the Land II shall not be lower than 40%.
3. The green ratio of the Land II shall not be higher than 15%.
4. The term of usage for the Land Use Rights II shall be for 50 years.

DETAILS OF THE LAND ACQUISITION III

Date

30 April 2021

Parties

- 1) Weixian Bureau of Natural Resources and Planning as vendor.
- 2) The Company as purchaser.

Information of the Land III

Location : A parcel of land located at land lot number 2021-18, West of Binhe West Road, Weixian County, Hebei Province, the PRC

Site area : Approximately 10,872 square metres

Permitted use : For industrial use

Consideration and Payment Terms

The consideration of the Land Acquisition III is RMB2,440,000 and was arrived at after the listing-for-sale organized by the Weixian Public Resources Trading Centre. In tendering the bid, the Company has taken into account, among other matters, the minimum bid price set by the Weixian Public Resources Trading Centre, the land price in the surrounding areas, the current property market conditions, as well as the location and the development potential of the Land III.

The consideration of Land Acquisition III is RMB2,440,000 and shall be paid by the Company in one installment before 3 May 2021. The consideration will be funded from the Company's internal resources.

Major terms under the Land Use Rights Transfer Contract III

1. The plot ratio of the Land III shall not be less than 1.50.
2. The building density of the Land III shall not be lower than 40%.
3. The green ratio of the Land III shall not be higher than 15%.
4. The term of usage for the Land Use Rights III shall be for 50 years.

REASONS FOR BENEFITS OF THE LAND ACQUISITION

The current production sites of the Company are close to being fully utilized by the Company. To cater for the continuous development of its business operation, the Company decided to acquire the Land II and Land III together with Land I, where the three pieces of land are adjacent to each other, for the purpose of constructing inter alia a new research and development center and other facilities necessary for the expansion of its principal business, which would also be for its own use in the ordinary and usual course of business of the Company.

The Directors are of the view that the terms of the Land Acquisition II and Land Acquisition III respectively are fair and reasonable and that they are in the interests of the Company and its shareholders as a whole.

INFORMATION OF THE PARTIES

The Company is principally engaged in the research and development, production and sale of implantable orthopedic medical devices in Hong Kong. Its products include joint prosthesis products and spinal products.

Weixian Bureau of Natural Resources and Planning is a PRC governmental body responsible for, among other things, the administration of local land resources. To the best of the knowledge, information and belief of the Directors after making all reasonable enquiry, Weixian Bureau of Natural Resources and Planning and its ultimate beneficial owner are independent third parties respectively to the Company and its respective connected persons.

LISTING RULES IMPLICATION

Pursuant to Chapter 14 of the Listing Rules, each of the Land Acquisition II and Land Acquisition III alone do not constitute discloseable transactions of the Company under the Listing Rules. However, the counterparty of each of the New Land Use Rights Transfer Contracts and the Land Use Rights Transfer Contract I respectively is the same party, namely, Weixian Bureau of Planning and Natural Resources and the pieces of land under the Land Acquisition I, Land Acquisition II and Land Acquisition III are adjacent to each other. Therefore, the Land Acquisition I, Land Acquisition II and Land Acquisition III shall be aggregated pursuant to Rule 14.23 of the Listing Rules when determining their classification under Chapter 14 of the Listing Rules. As one of the applicable percentage ratios (after aggregation) is more than 5% but less than 25%, the Land Acquisition II and Land Acquisition III, when aggregated with the Land Acquisition I, constitutes discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	北京市春立正達醫療器械股份有限公司Beijing Chunlizhengda Medical Instruments Co., Ltd.*, a joint stock limited company incorporated in the People’s Republic of China with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning as defined in the Listing Rules
“Director(s)”	the director(s) of the Company
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Land I”	a parcel of land located at land lot number 2017-02 of Weixian County, Hebei Province, the PRC
“Land II”	a parcel of land located at land lot number 2021-17, south side of the first North Ring Road, Weixian County, Hebei Province, the PRC
“Land III”	a parcel of land located at land lot number 2021-18, West of Binhe West Road, Weixian County, Hebei Province, the PRC
“Land Acquisition I”	the acquisition of the Land Use Right I through listing-for-sale by the Company
“Land Acquisition II”	the acquisition of the Land Use Right II through listing-for-sale by the Company
“Land Acquisition III”	the acquisition of the Land Use Right III through listing-for-sale by the Company
“Land Transfer Confirmation I”	the confirmation notice (成交確認書) entered into by the Company and Weixian Public Resources Trading Centre (威縣公共資源交易中心) confirming the successful bidding of Land I
“Land Transfer Confirmation II”	the confirmation notice (成交確認書) entered into by the Company and Weixian Public Resources Trading Centre (威縣公共資源交易中心) confirming the successful bidding of Land II

“Land Transfer Confirmation III”	the confirmation notice (成交確認書) entered into by the Company and Weixian Public Resources Trading Centre (威縣公共資源交易中心) confirming the successful bidding of Land III
“Land Use Rights I”	國有建設用地使用權, state-owned construction land use rights of Land I for a term of 50 years for industrial development
“Land Use Rights II”	國有建設用地使用權, state-owned construction land use rights of Land II for a term of 50 years for industrial development
“Land Use Rights III”	國有建設用地使用權, state-owned construction land use rights of Land III for a term of 50 years for industrial development
“Land Use Rights Transfer Contract I”	state-owned construction land use rights transfer contract (國有建設用地使用權出讓合同) entered into between the Company and the Weixian Bureau of Natural Resources and Planning (威縣自然資源和規劃局) on 15 October 2019 pursuant to the Land Transfer Confirmation I
“Land Use Rights Transfer Contract II”	state-owned construction land use rights transfer contract (國有建設用地使用權出讓合同) entered into between the Company and the Weixian Bureau of Natural Resources and Planning (威縣自然資源和規劃局) on 30 April 2021 pursuant to the Land Transfer Confirmation II
“Land Use Rights Transfer Contract III”	state-owned construction land use rights transfer contract (國有建設用地使用權出讓合同) entered into between the Company and the Weixian Bureau of Natural Resources and Planning (威縣自然資源和規劃局) on 30 April 2021 pursuant to the Land Transfer Confirmation III
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Land Use Rights Transfer Contracts”	the Land Use Rights Transfer Contract II and Land Use Rights Transfer Contract III
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Weixian Bureau of Natural Resources and Planning”	Weixian Bureau of Natural Resources and Planning (威縣自然資源和規劃局)

“Weixian Public
Resources Trading
Centre”

Weixian Public Resources Trading Centre (威縣公共資源交易
中心)

“%”

per cent

By order of the Board
Beijing Chunlizhengda Medical Instruments Co., Ltd.*
Shi Chunbao
Chairman

Beijing, the PRC, 30 April 2021

As at the date of this announcement, the executive directors of the Company are Mr. Shi Chunbao, Ms. Yue Shujun and Mr. Xie Feng Bao; the non-executive director of the Company is Mr. Wang Xin; and the independent non-executive directors of the Company are Mr. Ge Changyin, Mr. Wong Tak Shing and Mr. Weng Jie.

* *For identification purposes only*