

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

(Stock Code: 1858)

DISCLOSEABLE TRANSACTIONS

**(I) SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS WITH
BANK OF BEIJING (DAXING BRANCH)**

**(II) SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS WITH
BANK OF BEIJING (FANGZHUANG BRANCH)**

SUBSCRIPTION OF STRUCTURED DEPOSIT PRODUCTS

We refer to the announcement of the Company dated 14 February 2023 (the “**Announcement**”) in relation to the subscription for structured deposit products of the Bank of Beijing (Fangzhuang Branch) by the Company. As disclosed in the Announcement, on 14 February 2023, the Company entered into the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 2 and agreed to subscribe for the structured deposit products of the Bank of Beijing (Fangzhuang Branch) with a total amount of RMB234 million by using its temporary idle proceeds from the public issuance of A shares. On 26 May 2023, the Company entered into (i) the BOJ (Daxing Branch) Structured Deposit Products Agreement and agreed to subscribe for the structured deposit products of the Bank of Beijing (Daxing Branch) with a total amount of RMB340 million by using its temporary idle proceeds from the public issuance of A shares; and (ii) the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 3 and agreed to subscribe for the structured deposit products of the Bank of Beijing (Fangzhuang Branch) with a total amount of RMB265 million by using its internal resources and temporary idle proceeds from the public issuance of A shares.

* For identification purposes only

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) of the transactions under the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 2, BOJ (Daxing Branch) Structured Deposit Products Agreement and the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 3 in aggregate exceeds 5% but are below 25%, such transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements but are exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

We refer to the announcement of the Company dated 14 February 2023 (the “**Announcement**”) in relation to the subscription for structured deposit products of the Bank of Beijing (Fangzhuang Branch) by the Company. As disclosed in the Announcement, on 14 February 2023, the Company entered into the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 2 and agreed to subscribe for the structured deposit products of the Bank of Beijing (Fangzhuang Branch) with a total amount of RMB234 million by using its temporary idle proceeds from the public issuance of A shares. On 26 May 2023, the Company entered into (i) the BOJ (Daxing Branch) Structured Deposit Products Agreement and agreed to subscribe for the structured deposit products of the Bank of Beijing (Daxing Branch) with a total amount of RMB340 million by using its temporary idle proceeds from the public issuance of A shares; and (ii) the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 2 and agreed to subscribe for the structured deposit products of the Bank of Beijing (Fangzhuang Branch) with a total amount of RMB265 million by using its internal resources and temporary idle proceeds from the public issuance of A shares.

THE BOJ (DAXING BRANCH) STRUCTURED DEPOSIT PRODUCTS AGREEMENT

The major terms of the BOJ (Daxing Branch) Structured Deposit Products Agreement are set out below:

Date:	26 May 2023
Parties:	(1) the Company; and (2) the Bank of Beijing (Daxing Branch)
Product category:	Structured Deposit (結構性存款)
Type of investment return of the product:	Principal-guaranteed with floating return

Principal amount:	RMB340 million
Term of the product:	134 days commencing from 30 May 2023 to 11 October 2023
Product linked and expected annualized rate of return:	<p>Pegging indicator: EUR/USD rate set by BFIX: Bloomberg FX Fixings</p> <p>Initial price: Mid-rate of EUR/USD at 3 p.m. (Tokyo time) published under the “EUR CURRENCY BFIX” on the Bloomberg’s website on 30 May 2023</p> <p>Observed price: Mid-rate of EUR/USD at 3 p.m. (Tokyo time) published under the “EUR CURRENCY BFIX” on the Bloomberg’s website on 9 October 2023</p> <p>Annualized rate of return: 1.30% or 2.84%</p>
Principle for calculation of return:	$\text{principal amount} \times \text{actual annualized rate of return} \times \text{actual investment days}/365$
Termination and redemption:	The BOJ (Daxing Branch) Structured Deposit Products Agreement shall be performed within the agreed period and the Company has no right of early termination or redemption. The Bank of Beijing (Daxing Branch) has the right of early termination due to force majeure.

THE BOJ (FANGZHUANG BRANCH) STRUCTURED DEPOSIT PRODUCTS AGREEMENT 3

The major terms of the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 3 are set out below:

Date:	26 May 2023
Parties:	<p>(1) the Company; and</p> <p>(2) the Bank of Beijing (Fangzhuang Branch)</p>
Product category:	Structured Deposit (結構性存款)
Type of investment return of the product:	Principal-guaranteed with floating return
Principal amount:	RMB265 million
Term of the product:	134 days commencing from 30 May 2023 to 11 October 2023

Product linked and expected annualized rate of return:	<p>Pegging indicator: EUR/USD rate set by BFIX: Bloomberg FX Fixings</p> <p>Initial price: Mid-rate of EUR/USD at 3 p.m. (Tokyo time) published under the “EUR CURRENCY BFIX” on the Bloomberg’s website on 30 May 2023</p> <p>Observed price: Mid-rate of EUR/USD at 3 p.m. (Tokyo time) published under the “EUR CURRENCY BFIX” on the Bloomberg’s website on 9 October 2023</p> <p>Annualized rate of return: 1.30% or 2.84%</p>
Principle for calculation of return:	principal amount × actual annualized rate of return × actual investment days/365
Termination and redemption:	The BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 3 shall be performed within the agreed period and the Company has no right of early termination or redemption. The Bank of Beijing (Fangzhuang Branch) has the right of early termination due to force majeure.

REASONS AND BENEFITS OF THE STRUCTURED DEPOSIT PRODUCTS AGREEMENTS

The Company’s subscription of the Structured Deposit Products Agreements respectively by reasonable and effective use of certain portions of its internal resources and/or temporary idle funds from the public issuance of A shares is beneficial for enhancing the overall capital gain of the Group, which is consistent with the core objectives of the Company to safeguard its capital and ensure liquidity. It is expected that the impact of risk factors in connection with the expected return of the above-mentioned structured deposit products is low, while the Group can enjoy a higher return compared with fixed term deposits in commercial banks in the PRC.

The Directors (including the independent non-executive Directors) are of the view that the above-mentioned Structured Deposit Products Agreements respectively are made on normal commercial terms, are fair and reasonable and 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 PRC. Its products include joint prosthesis products, spinal internal fixation products, sports medical products, dental products and PRP products.

Bank of Beijing is a licensed bank in the PRC and a joint stock company established under the laws of the PRC, which provides corporate and personal banking business, treasury business, finance leasing, asset management and other financial services in the PRC. Its shares are listed on the Shanghai Stock Exchange (stock code: 601169). Bank of Beijing (Daxing Branch) and Bank of Beijing (Fangzhuang Branch) are branches of Bank of Beijing. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Bank of Beijing and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

BASIS OF DETERMINATION FOR THE CONSIDERATION

The Directors confirm that the considerations for each of the Structured Deposit Products Agreements was determined on the basis of commercial terms negotiated at arm's length between the Group and each of Bank of Beijing (Daxing Branch) and Bank of Beijing (Fangzhuang Branch) respectively, having considered the internal resources and/or temporary idle funds from the public issuance of A shares of the Company.

LISTING RULES IMPLICATION

As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) of the transactions under the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 2, the BOJ (Daxing Branch) Structured Deposit Products Agreement and the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 3 in aggregate exceeds 5% but are below 25%, such transactions constitute discloseable transactions of the Company and are subject to the reporting and announcement requirements but are exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

As none of the Directors has a material interest in the subscription of above-mentioned Structured Deposit Products Agreements respectively, no Director is required to abstain from voting on the Board resolution approving the subscription of above-mentioned Structured Deposit Products Agreements.

DEFINITIONS

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

“Bank of Beijing”	Bank of Beijing Co., Ltd.* (北京銀行股份有限公司), a licensed bank in the PRC and a joint stock company established under the laws of the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601169)
“Board”	the board of Directors of the Company
“BOJ (Daxing Branch) Structured Deposit Products Agreement”	the structured deposit products agreement entered into by the Company and Bank of Beijing (Daxing Branch) on 26 May 2023, pursuant to which the Company agreed to subscribe for the structured deposit products of Bank of Beijing (Daxing Branch) with an amount of RMB340 million
“BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 2”	the structured deposit products agreement entered into by the Company and Bank of Beijing (Fangzhuang Branch) on 14 February 2023, pursuant to which the Company agreed to subscribe for the structured deposit products of Bank of Beijing (Fangzhuang Branch) with an amount of RMB234 million
“BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 3”	the structured deposit products agreement entered into by the Company and Bank of Beijing (Fangzhuang Branch) on 26 May 2023, pursuant to which the Company agreed to subscribe for the structured deposit products of Bank of Beijing (Fangzhuang Branch) with an amount of RMB265 million
“Company”	Beijing Chunlizhengda Medical Instruments Co., Ltd.*, a joint stock limited company incorporated in the People’s Republic of China with limited liability, with A shares listed on the STAR Market of Shanghai Stock Exchange and H shares 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
“Group”	the Company and/or its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Structured Deposit Products Agreements”	the BOJ (Daxing Branch) Structured Deposit Products Agreement and the BOJ (Fangzhuang Branch) Structured Deposit Products Agreement 3
“%”	per cent

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

Beijing, the PRC, 26 May 2023

As at the date of this announcement, the executive Directors of the Company are Mr. Shi Chunbao, Ms. Yue Shujun, Mr. Xie Feng Bao and Ms. Shi Wenling; 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.