MicroPort
心通医疗

MicroPort CardioFlow Medtech Corporation
微创心通医疗科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2160)

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE EQUITY INTEREST OF THE TARGET COMPANY

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

CONNECTED TRANSACTION

On August 22, 2024, MP CardioFlow, as the Purchaser, and Shanghai MicroPort Medical, as the Vendor, entered into the Equity Transfer Agreement, pursuant to which MP CardioFlow has conditionally agreed to acquire, and the Shanghai MicroPort Medical has conditionally to sell, the entire equity interest in the Target Company.

LISTING RULES IMPLICATIONS

As of the date of this announcement, through its wholly-owned subsidiary Shanghai MicroPort, MicroPort® was indirectly interested in approximately 46.13% of the total issued share capital of the Group. As Shanghai MicroPort Medical is a wholly-owned subsidiary of MicroPort®, it is a connected person of the Company.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Acquisition exceeds 5% but less than 25%, the Acquisition constitutes a disclosable and connected transaction of the Company and is therefore subject to the reporting, announcement, Independent Shareholders' approval and circular requirements under Chapters 14 and 14A of the Listing Rules.

MicroPort® (holding 1,112,855,680 Shares or approximately 46.13% of the Shares in the Company as of the date of this announcement) who is involved in, or interested in Equity Transfer Agreement will abstain from voting the relevant resolutions at the EGM pursuant to Rule 14A.36 of the Listing Rules.

CONNECTED TRANSACTION

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The principal terms and conditions of the Equity Transfer Agreement are set out as follows:

Date

August 22, 2024

Parties

(i) MP CardioFlow, the Purchaser

(ii) Shanghai MicroPort Medical, the Vendor

Subject Matter:

Pursuant to the Equity Transfer Agreement, MP CardioFlow has conditionally agreed to acquire, and Shanghai MicroPort Medical has conditionally to sell, the entire equity interest in the Target Company.

Consideration and Payment Terms

The total consideration (the "**Consideration**") of the Acquisition shall be equivalent to the net asset value (the "**Net Asset Value**") of the Target Company as of the satisfaction of the conditions under the Equity Transfer Agreement or another date agreed upon in writing by both parties. In determining the Net Asset Value, the value of the Target Property shall be RMB360.0 million, representing the market value of the Target Property as of May 31, 2024 (the "**Property Value**") as stated in the valuation report prepared by the Valuer. This value shall not be adjusted under any circumstances.

Due to the deductible tax assets recognized by the Target Company during the acquisition of the Target Property, which represents the input VAT credit usable to offset the output VAT and is equivalent to 5% of the Property Value (i.e. RMB18.0 million)[Note 1] and the initial registered capital contribution of RMB10,000 made to the Target Company by the Vendor, the Net Asset Value of the Target Company may deviate from the value of the Target Property to certain extent. Notwithstanding the above, the parties have agreed that the Consideration shall not exceed RMB380.0 million under any circumstances, taking into account the potential variation in the Net Asset Value due to the estimated deductive tax assets and the initial registered capital contribution mentioned above.

The Consideration shall be paid by cash to an account designated by the Vendor pursuant to the following schedule and be satisfied by the internal resources of the Group without the Group's net proceeds from the Global Offering and bank loans, if needed:

(i) No less than 40% of the Consideration payable to the Vendor within fifteen (15) Business Days upon satisfaction of the conditions precedent under the Equity Transfer Agreement and the financial report setting out the Net Asset Value is confirmed by both parties (the "**Closing Payment**"); and

(ii) The remaining portion of the Consideration payable to the Vendor within three (3) months upon the completion of the relevant registration with and filling to the market supervision and administration bureau and the obtaining of the updated business license of the Target Company.

Basis of Consideration

The Consideration was reached after arms' length negotiation among parties after taking into consideration of a number of factors, including but not limited to the valuation performed by the independent Valuer, engaged for the Acquisition, to determine the fair value of the Target Property, and the reasons for and benefits of entering into the Equity Transfer Agreement as set out in the sections headed "Information about Target Company and Target Property" and "Reasons for and Benefits of the Acquisition" in this announcement hereto. The Valuer is an independent certified PRC valuer with staff possessing the relevant qualifications and experience required to perform the valuation of Target Property and the person in-charge of the valuation has sufficient experience in conducting valuation services to a wide range of clients in different industries.

Note 1: Pursuant to the applicable tax regulations in the PRC: (i) general taxpayers transferring real estate which is self-constructed before April 30, 2016, are subject to a 5% VAT on the total transfer price received; and (ii) after May 1, 2016, general taxpayers acquiring real estate which also accounts for as fixed assets under the accounting system, can claim the input VAT credit which can be used to offset the output VAT arising from future business income. Therefore, Shanghai MicroPort Medical shall pay a 5% VAT on the transfer the ownership of Target Property to the Target Company and will issue a VAT invoice to the Target Company pursuant to the Equity Transfer Agreement. Target Company can then deduct this VAT in the future.

The valuation of the Target Property was provided based on the market value by adopting the market approach which provides an indication of value by comparing the Target Property with identical or similar assets for which price information is available. As confirmed by the Valuer, market approach was chosen because it is standard practice to use it when there is ample sales data for comparable assets. In the case of the Target Property, the income approach, which relies on the generation of rental income, was deemed unsuitable as the Target Property is utilized by its owner and does not produce any rental revenue. Furthermore, due to lack of industrial land transaction in Zhangjiang, where the Target Property is located, the cost approach was found to be impractical for valuing the Target Property.

As advised by the Valuer, the valuation of the Target Property was prepared fully in compliance with the applicable requirements and standards, including Royal Institution of Chartered Surveyors ("**RICS**") Global Valuation Standards (2020) published by the RICS which incorporates with the International Valuation Standards of the International Valuation Standards Council, and the requirements set out in Chapter 5 and Practice Note 12 of the Listing Rules. The market value of the Target Property is RMB360.0 million as of May 31, 2024 under the market approach. For further details, please refer to the valuation report for the Target Company contained in the Company's circular published on or before August 30, 2024.

Conditions Precedent

The closing of the Acquisition is conditional upon the satisfaction of the conditions set out in the Equity Transfer Agreement. The conditions precedent are set out below:

(i) Each of MP CardioFlow and Shanghai MicroPort Medical has obtained all necessary approvals and authorizations to (a) execute and perform the Equity Transfer Agreement and the other transaction documents, and (b) complete the transaction contemplated thereunder, and the Equity Transfer Agreement and the other transaction documents have been executed mutually;

(ii) There is no material breach of any representations and warranties made by Shanghai MicroPort Medical in the Equity Transfer Agreement;

(iii) No Material Adverse Change has occurred;

(iv) Shanghai MicroPort Medical has transferred the ownership of the Target Property (including the land use right of the Target Land (as defined below)) to the Target Company and the registered owner of the Target Property has been changed to the Target Company. The Target Property is not subject to any encumbrance; and

(v) Shanghai MicroPort Medical has fulfilled and complied with applicable covenants, obligations and conditions contained in the Equity Transfer Agreement and the other transaction documents on or prior to the Closing (as defined below).

In accordance with the Equity Transfer Agreement, none of the above conditions precedent can be waived. As of the date of this announcement, none of the conditions precedent mentioned above have been fulfilled.

Closing

Subject to the terms and conditions of the Equity Transfer Agreement, the closing of the Acquisition shall take place after the satisfaction of the conditions under the Equity Transfer Agreement and upon the date on which MP CardioFlow has made the Closing Payment to Shanghai MicroPort Medical in accordance with the Equity Transfer Agreement (the "**Closing**").

Indemnity for Non-Compliance

Pursuant to the Equity Transfer Agreement, the Vendor undertakes that if the development, construction, decoration, renovation, reconstruction, and expansion of the Target Property (including the Target Land (as defined below)) violates applicable laws and regulations before the Closing, and causes losses (including any loss caused by a limited number of defective buildings in the Target Property, if any) to the Purchaser after the Closing, the Vendor shall make commercially reasonable efforts to assist the Purchaser in jointly addressing the relevant issues and compensate the Purchaser for all direct losses incurred as a result.

Termination

The Equity Transfer Agreement could be terminated and the transactions contemplated thereunder could be abandoned, upon the occurrence of any of the followings:

(i) If, following the execution date of the Equity Transfer Agreement and prior to the date of the Closing, any of the following occurs and is not rectified within the time period (if any) specified as below, it shall constitute a material breach by Shanghai MicroPort Medical, in which case MP CardioFlow shall have the right to terminate the Equity Transfer Agreement and the related transaction documents by written notice to Shanghai MicroPort Medical:

    a. The occurrence of any event or circumstance that has caused a Material Adverse Change and has not been waived by MP CardioFlow, and if such event or circumstance is capable of being rectified but is not rectified within ten days, or if such event or circumstance is incapable of being rectified by its nature;

    b. Any representation or warranty of Shanghai MicroPort Medical is untrue, inaccurate, incomplete or misleading in any material respect, and such breach is not rectified within fifteen (15) Business Days upon MP CardioFlow's written notice, or is incapable of being rectified by its nature;

c. Shanghai MicroPort Medical fails to perform or breaches any agreement, covenant or obligation contained in the Equity Transfer Agreement or the other transaction documents in any material respect, and such failure or breach is not rectified within fifteen (15) Business Days upon MP CardioFlow's written notice, or is incapable of being rectified by its nature; or

d. Shanghai MicroPort Medical or the Target Company are dissolved by resolution or declared bankrupt by court;

(ii) If, following the execution date of the Equity Transfer Agreement and prior to the date of the Closing, any of the following occurs and is not rectified within the time period (if any) specified below, it shall constitute a material breach by the MP CardioFlow, in which case the Shanghai MicroPort Medical shall have the right to terminate the Equity Transfer Agreement and the related transaction documents by written notice to MP CardioFlow:

a. MP CardioFlow fails to pay any amount payable to Shanghai MicroPort Medical under the Equity Transfer Agreement, and such failure is not rectified within ten (10) Business Days upon Shanghai MicroPort Medical's written request;

b. Any representation or warranty of MP CardioFlow is untrue, inaccurate, incomplete or misleading in any material respect, and such breach is not rectified within fifteen (15) Business Days upon Shanghai MicroPort Medical's written notice, or is incapable of being rectified by its nature;

c. MP CardioFlow fails to perform or breaches any agreement, covenant or obligation contained in the Equity Transfer Agreement or the other transaction documents in any material respect, and such failure or breach is not rectified within fifteen (15) Business Days upon Shanghai MicroPort Medical's written notice, or is incapable of being rectified by its nature; or

d. MP CardioFlow is dissolved by resolution or declared bankrupt by court; or

(iii) By unanimous written consent between the parties

Except as provided above, neither Shanghai MicroPort Medical nor MP CardioFlow shall unilaterally terminate the Equity Transfer Agreement and the related transaction documents. Either party undertakes to promptly disclose to the other in writing any matters of which it is aware or become aware that may trigger the termination provisions under the Equity Transfer Agreement.

INFORMATION ABOUT THE TARGET COMPANY AND THE TARGET PROPERTY

The Target Company, a limited liability company established in the PRC on June 21, 2024, is a wholly-owned subsidiary of Shanghai MicroPort Medical. It was established solely to serve as a vehicle for acquiring and holding the Target Property from Shanghai MicroPort Medical. Since its establishment, the Target Company had not engaged in any substantial operating activities.

The Target Property is the state-owned land use right of a parcel of land for high-tech use with an area of 13,320 sq.m. located at 501 Niudun Road, Zhangjiang Science City, Pudong New Area, Shanghai, the PRC (中國上海市浦東新區張江科學城牛頓路501號) (the "**Target Land**") as well as the three buildings with a gross floor area of 8,781.03 sq.m. constructed on the Target Land (Real Estate Title Certificate No.: Hu Fang Di Pu Zi (2013) No. 010498 (滬房地浦字(2013)第010498號)) (the "**Target Buildings**"). The Target Property is also equipped with 73 aboveground car spaces (the "**Car Spaces**"). The original acquisition cost of the Target Land is RMB4,955,040 and the original acquisition cost of each of the Target Buildings and the Car Spaces is nil as the Target Buildings and the Car Spaces were developed by Shanghai MicroPort Medical itself. The Target Property was an industrial base, designed and equipped for workshop and lab for medical device R&D and production, office and warehouse uses. The current book value of the Target Company is RMB10,000. After the transfer of the ownership of the Target Property to the Target Company, the book value of the Target Company is estimated to be RMB378.1 million.

Pursuant to the unaudited management account of the Vendor, the revenue attributable to the Target Property, which is mainly rental income, for the two years ended December 31, 2022 and 2023 was nil and approximately RMB1.69 million, respectively. All lease arrangements concerning the Target Property were terminated by the end of 2023.

After the Acquisition, the Target Property will be used as the global headquarters of the Group for the R&D, production and office purposes in relation to the Group's expanding businesses as well as the R&D and production base for the LAA medical devices, addressing the expected near-term shortage of R&D and production space for the Group's certain business lines, in particular to promptly meet the demand for expansion of production capacity of the LAA medical devices.

The Target Property does include a limited number of defective buildings. However, after due and careful evaluation taking into account, among others, the following considerations, the Directors believe that the defective buildings in the Target Property will not adversely affect the fairness and reasonableness of the Acquisition:

(i) The defective buildings, which are separate from and not integral to the Target Building, represent only a small fraction of the entire Target Property. They are designated solely for staff lounge, staff canteen, office and storage purposes after the Acquisition, not for R&D or manufacturing of the medical devices of the Group, which are the primary intended uses of the Target Property as set out above. Should these buildings become unusable or require removal, there will be no material adverse effect on the Company's operations;

(ii) The Vendor has not received any administrative penalties or rectification notices from relevant authorities regarding the aforementioned defective buildings, as confirmed by the Vendor and verified by the Company's PRC legal advisor through public channels;

(iii) The Valuer has ascribed no commercial value to the defective buildings in the valuation of the Target Property; and

(iv) As stated in the section headed "Indemnity for Non-Compliance" above, the Vendor, under the terms of the Equity Transfer Agreement, undertakes that if the development, construction, decoration, renovation, reconstruction, and expansion of the Target Property (including the Target Land) violates applicable laws and regulations before the Closing, and causes losses to the Purchaser after the Closing, the Vendor shall make commercially reasonable efforts to assist the Purchaser in jointly addressing the relevant issues and compensate the Purchaser for all direct losses incurred as a result.

INFORMATION OF THE PARTIES

MP CardioFlow is a limited liability company established in the PRC. MP CardioFlow is the principal operating subsidiary of the Group through which the Group conducted its business primarily. The Company is a medical device company focusing on the R&D and commercialization of innovative transcatheter solutions for structural heart diseases, dedicated to providing universal access to state-of-the-art total solutions to physicians and patients for the treatment of structural heart diseases. The Group is a medical device group primarily focusing on the R&D, manufacturing and sale of medical devices treating structural heart diseases.

Shanghai MicroPort Medical is a limited liability company established in the PRC, which is a wholly-owned subsidiary of MicroPort® and primarily focused on manufacture, distribution and R&D of medical devices. MicroPort® Group is a leading medical device group focusing on innovating, manufacturing and marketing high-end medical devices globally in a broad range of business segments including cardiovascular, orthopedics, cardiac rhythm management, endovascular, neurovascular, heart valve, surgical robot and other business.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Prior to the Acquisition, the Company has exclusively relied on leased properties for its R&D, production, and office operations. While this reliance on leased properties sufficed historically, the Company's business, particularly the LAA medical device business, which were acquired through the acquisition of a 51% equity interest in MP CardioAdvent early this year, is experiencing rapid expansion. The current facilities are becoming increasingly inadequate to meet the growing market demands, particularly for the emerging LAA medical devices market. The Company anticipates that these demands will soon surpass the capacity constraints of the current premises.

To address the escalating needs of the LAA business and facilitate the Company's global expansion, securing a new base for R&D, production and office operations has become urgent. The Company believes that acquiring the Target Property is the most advantageous approach at this time, compared to alternatives such as leasing or constructing new facilities from scratch.

Historically, leasing has provided certain short-term economic and operational flexibilities. Nonetheless, in view of the Company's accelerated growth trajectory and the expanding market demand, it has become strategically beneficial to acquire the entire equity interest in the Target Company. The Acquisition is anticipated to secure substantial long-term benefits by eliminating the uncertainties commonly associated with leasing. It will also provide the Company with high-quality real estate assets, thereby enhancing the stability and reliability of our production and operational facilities. This strategic move will allow the Company to focus more intently on its core business operations without the ongoing concerns associated with potential relocations or renegotiations of leases. Moreover, the Acquisition is expected to yield significant financial benefits by reducing future rental expenses. The funds thus conserved can be redirected towards further investments in R&D, enhancing production capabilities, and expanding market reach efforts that are crucial for bolstering the Company's competitive edge in the industry.

The Company manufactures Class III medical devices, including LAA medical devices, which are subject to stringent regulatory requirements regarding production facilities. The Target Property is uniquely designed and currently equipped for Class III medical device R&D and production, making it exceptionally well-suited to meet the Company's specific operational needs. It boasts a substantial area and possesses a well-developed infrastructure, which are essential for supporting the Company's plans for capacity expansion and to accommodate the anticipated business growth.

Opting to acquire the Target Company directly offers a more time-efficient, resource-conserving, and operationally advantageous alternative compared to the extensive processes involved in planning, constructing, and outfitting new facilities from scratch. The pre-existing suitability of the Target Property for our specialized operations allows for immediate integration and rapid commencement of enhanced productivity, which is paramount for maintaining a competitive advantage in the rapidly evolving medical device sector. Moreover, consolidating the R&D, production, and operation of LAA medical devices at the Target Property in a timely manner will also significantly enhance the production efficiency and operational efficiency of the Company's LAA business.

This strategic Acquisition aligns with the Company's long-term objectives of operational stability and market leadership. Through the Acquisition, with production capacities improved, the Company can focus more on market expansion and R&D innovation for LAA medical devices, strengthening its position in the LAA market. The Board believes that this Acquisition will not only ensure the necessary expansion of our production capacities and meet the immediate needs for LAA medical devices but will also enhance shareholder value through improved operational efficiencies and reduced long-term operational costs.

Based on the above, the Directors (including the independent non-executive Directors but excluding Mr. Chen Guoming, Ms. Wu Xia and Mr. Jonathan H. Chou, who are also Directors appointed by MicroPort® or hold director's positions in the Retained MicroPort® Group) are of the view that the terms of the Equity Transfer Agreement are on normal commercial terms or better and the entering into of the Equity Transfer Agreement and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As of the date of this announcement, through its wholly-owned subsidiary Shanghai MicroPort, MicroPort® was indirectly interested in approximately 46.13% of the total issued share capital of the Group. As Shanghai MicroPort Medical is a wholly-owned subsidiary of MicroPort®, it is a connected person of the Company.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Acquisition exceeds 5% but less than 25%, the Acquisition constitutes a disclosable and connected transaction of the Company and is therefore subject to the reporting, announcement, Independent Shareholders' approval and circular requirements under Chapters 14 and 14A of the Listing Rules.

MicroPort® (holding 1,112,855,680 Shares or approximately 46.13% of the Shares in the Company as of the date of this announcement) who is involved in, or interested in Equity Transfer Agreement will abstain from voting the relevant resolutions at the EGM pursuant to Rule 14A.36 of the Listing Rules.

GENERAL

Mr. Chen Guoming, Ms. Wu Xia and Mr. Jonathan H. Chou, who are also Directors appointed by MicroPort® or hold director's positions in the Retained MicroPort® Group and are deemed to have interest in the Acquisition and thus had abstained from voting the relevant Board resolutions of the Company on the Acquisition.

The Directors (excluding the independent non-executive Directors, whose opinion will be formed after taking into account the advice to be provided by the Independent Financial Adviser), consider that the terms of the Equity Transfer Agreement are fair and reasonable, and the transaction contemplated thereunder is on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

The Company has established an Independent Board Committee, consisting of the independent non-executive Directors who are not the directors of MicroPort®, to advise the Independent Shareholders in respect of the Acquisition, and as to how to vote at the EGM. The Company has also appointed Gram Capital Limited, as the Independent Financial Adviser, to advise the Independent Board Committee and the Independent Shareholders in this respect.

A circular containing, among others, (i) details of the Acquisition; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its commendations; and (iii) a letter of advice from Gram Capital Limited to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM is expected to be dispatched to the Shareholders on or before August 30, 2024 in accordance with the Listing Rules.

Completion of the Acquisition is conditional upon, among other things, the fulfilment of the conditions set out in the Equity Transfer Agreement. There is no assurance that completion will take place or as to when it may take place. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

"Acquisition"	the acquisition of the entire equity interest in the Target Company as contemplated under the Equity Transfer Agreement
"Board"	the board of directors of the Company
"Business Day(s)"	a day other than a statutory holiday or a rest day in the PRC
"China" or "PRC"	the People's Republic of China, but for the purpose of this announcement and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Class III medical device(s)"	the medical device(s) recognized by the China National Medical Products Administration with high risk level, the safety and effectiveness of which can be ensured through strict control and administration with special measures
"Company" or "our Company"	MicroPort CardioFlow Medtech Corporation (微创心通医疗科技有限公司), a company with limited liability incorporated under the laws of the Cayman Islands on January 10, 2019
"connected person"	has the meaning as defined in the Listing Rules
"Director(s)"	the director(s) of the Company, including all executive, non-executive and independent non-executive directors
"EGM"	an extraordinary general meeting of the Company to be held to consider and approve, among other things, the Equity Transfer Agreement and the transaction contemplated thereunder
"Equity Transfer Agreement"	The equity transfer agreement dated August 22, 2024, pursuant to which MP CardioFlow, as the Purchaser, has conditionally agreed to acquire, and Shanghai MicroPort Medical, as the Vendor, has conditionally to sell, the entire equity interest in the Target Company

"Global Offering"	the Hong Kong Public Offering and the International Offering as defined in the Prospectus
"Group", "we", "us", or "our"	the Company and all of its subsidiaries or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, the present subsidiaries of the Company and the businesses operated by such subsidiaries or their predecessors (as the case may be)
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board, consisting of the independent non-executive Directors, Ms. Sun Zhixiang and Dr. Ding Jiandong who are not the directors of MicroPort®, established for the purpose of advising the Independent Shareholders in relation to the Acquisition
"Independent Financial Adviser" or "Gram Capital Limited"	Gram Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the Equity Transfer Agreement and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders of the Company, excluding MicroPort® and Shanghai MicroPort
"Independent Third Party(ies)"	persons who are not the connected person(s) of the Group
"LAA"	left atrial appendage
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange, as amended or supplemented from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the GEM

"Material Adverse Change"	refers to any event, change or circumstance that, individually or collectively, constitutes a material adverse effect on (i) the assets, business, results of operations or financial condition of the Target Company; or (ii) the ability of the Vendor to perform its obligations in accordance with the Equity Transfer Agreement
"MicroPort®"	MicroPort Scientific Corporation (微創醫療科學有限公司), an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 00853)
"MicroPort® Group"	MicroPort® and its subsidiaries
"MP CardioAdvent"	Shanghai MicroPort CardioAdvent Co., Ltd, (上海佐心醫療科技有限公司), a limited liability company established in the PRC on September 10, 2019
"MP CardioFlow" or "Purchaser"	Shanghai MicroPort CardioFlow Medtech Co., Ltd. (上海微創心通醫療科技有限公司), a limited liability company established in the PRC on May 21, 2015 and a wholly-owned subsidiary of the Company
"Prospectus"	the prospectus issued by the Company on January 26, 2021
"R&D"	research and development
"Retained MicroPort® Group"	MicroPort® and its subsidiaries, excluding the Group
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Shanghai MicroPort"	Shanghai MicroPort Limited, a company incorporated in the BVI with limited liability on January 8, 2019, a wholly-owned subsidiary of MicroPort® and one of the controlling shareholders of the Company
"Shanghai MicroPort Medical" or "Vendor"	Shanghai MicroPort Medical (Group) Co., Ltd. (上海微創醫療器械（集團）有限公司), a limited liability company established in the PRC on May 15, 1998 and a wholly-owned subsidiary of MicroPort®

"Share(s)"	ordinary share(s) in the share capital of the Company of US$0.000005 each
"Shareholder(s)"	holder(s) of the Share(s) from time to time
"sq.m."	square meter(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary"	has the meaning as ascribed to it under the Listing Rules
"Target Company"	Shanghai Xinyong Medical Technology Co., Ltd. (上海心永醫療科技有限公司), a limited liability company established in the PRC on June 21, 2024, whose establishment is solely for the purpose of being used as a vehicle to acquire and hold the Target Property from Shanghai MicroPort Medical
"Target Property"	the state-owned land use rights of a parcel of land with an area of 13,320 sq.m. located at 501 Niudun Road, Zhangjiang Science City, Pudong New Area, Shanghai, the PRC (中國上海市浦東新區張江科學城牛頓路501號) as well as three buildings with a gross floor area of 8,781.03 sq.m. constructed on this parcel of land (Real Estate Title Certificate No.: Hu Fang Di Pu Zi (2013) No. 010498 (滬房地浦字(2013)第010498號)) and 73 car spaces
"Valuer"	Colliers Appraisal and Advisory Services Co., Ltd., an independent valuer engaged for the Acquisition
"VAT"	the PRC value-added tax
"%"	per cent

By Order of the Board
MicroPort CardioFlow Medtech Corporation
Chen Guoming
Chairman

Shanghai, PRC, August 22, 2024

As of the date of this announcement, the executive Directors are Mr. Jeffrey R Lindstrom, Mr. Zhao Liang and Ms. Yan Luying, the non-executive Directors are Mr. Chen Guoming, Mr. Zhang Junjie and Ms. Wu Xia, and the independent non-executive Directors are Mr. Jonathan H. Chou, Dr. Ding Jiandong and Ms. Sun Zhixiang.