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Jinhai Medical Technology Limited

今海醫療科技股份有限公司

(Incorporated in the Cayman Islands with members' limited liability)

(Stock Code: 2225)

VOLUNTARY ANNOUNCEMENT RESOLVING OF HIGH CONCENTRATION OF SHAREHOLDING

This is a voluntary announcement made by the Company to inform its Shareholders and Potential Investors of the shareholding structure of the Company as at 9 December 2024.

The Board is satisfied that, based on the results of the Analysis, (i) the shareholding concentration of the Company as at 20 November 2024 as stated in the SFC Announcement no longer existed as at 9 December 2024; and (ii) there has been no concentration of the shareholdings of the Company in the hands of a limited number of Shareholders.

This is a voluntary announcement made by Jinhai Medical Technology Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) to inform its shareholders (the “**Shareholders**”) and potential investors (the “**Potential Investors**”) of the Company of the shareholding structure of the Company as at 9 December 2024.

This announcement is made in response to the shareholding concentration announcement (the “**SFC Announcement**”) dated 9 December 2024 and issued in respect of the Company by the Securities and Futures Commission (the “**SFC**”) regarding the then high concentration of shareholding in the Company as at 20 November 2024.

BACKGROUND

According to the SFC Announcement, as at 20 November 2024, a group of 27 Shareholders held an aggregate of 533,280,000 shares of the Company (the “**Shares**”) in the issued share capital of the Company, representing 41.26% of the issued Shares. Such shareholding, together with 632,500,000 Shares (representing 48.94% of the issued Shares) held by the Company’s chairman and executive director, represented 90.20% of the issued Shares as at 20 November 2024. As such, only 126,720,000 Shares (representing 9.80% of the issued Shares) were held by other Shareholders.

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to remind the Shareholders and Potential Investors that the information disclosed in the SFC Announcement only reflected the shareholding structure of the Company as at 20 November 2024 based on an enquiry into the shareholding of the Company by the SFC at the material times, and is not representative of the current shareholding structure of the Company.

ANALYSIS OF THE BOARD

In order to enhance the transparency of the shareholding structure of the Company, the Board has conducted an analysis of the shareholding structure of the Company (the “**Analysis**”), including engagement of an agent to carry out an investigation (the “**Investigation**”) on the ownership of interests of its Shares. Based on the report from the agent delivered on 30 December 2024 and to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the updated shareholding structure of the Company as at 9 December 2024 is as follows:

	Number of Shares held (Shares)	Approximate percentage of total number of issued Shares (%)
Full Fortune International Co., Ltd ⁽²⁾	632,500,000	48.94
A group of 22 Shareholders which held between 10,000,001 Shares to 100,000,000 Shares	469,765,000	36.35
A group of 26 Shareholders which held between 1,000,000 Shares to 10,000,000 Shares	98,070,000	7.59
Other Shareholders ⁽³⁾	92,165,000	7.13
Total	<u>1,292,500,000</u>	<u>100</u>

Notes:

1. The approximate percentage of the total number of issued Shares is rounded to the nearest two decimal places and may not add up to total due to rounding.
2. The entire issued share capital of Full Fortune International Co., Ltd (“**Full Fortune**”) is owned by Mr. Chen Guobao (“**Mr. Chen**”), chairman of the Board and executive Director. Ms. Jiang Xiahong is the spouse of Mr. Chen and is therefore deemed to be interested in all the Shares held by Mr. Chen through his controlled corporation by virtue of the Securities and Futures Ordinance (the “**SFO**”).
3. Other Shareholders comprised (i) those identified under the Investigation to be each holding less than 1,000,000 Shares and in aggregate, holding 11,409,060 Shares, representing approximately 0.88% of the total issued Shares; and (ii) those that cannot be individually identified under the Investigation.

To further demonstrate the Company’s shareholding is no longer concentrated, based on the results of the Investigation, the Company summarises the percentage of shareholding held by its top Shareholders as at 9 December 2024:

	Aggregate shareholding percentage as at 9 December 2024
Top 10 Shareholders	70.83%
Top 20 Shareholders	82.65%

The percentage of shareholding of the top 20 Shareholders as at 9 December 2024 are less than that disclosed in the announcement of the Company dated 29 December 2023 (“**2023 Announcement**”). As stated in the shareholding structure of the Company above, in addition to the 632,500,000 Shares held by Full Fortune International Co., Ltd., representing approximately 48.94% of the entire issued share capital of the Company, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as at 9 December 2024, save for the Shares held by Full Fortune, approximately 43.93% of the Shares were held by over 48 identified Shareholders (each holding 1,000,000 Shares or more) and approximately 7.32% of the remaining issued share capital were held by other Shareholders.

The results of the Investigation also revealed that, as at 9 December 2024, the shareholding structure of the Company was geographically diversified across Hong Kong, the People’s Republic of China, the United Kingdom, Luxembourg, Belgium, Singapore, Japan and Italy.

ACTIONS TAKEN SINCE THE PUBLICATION OF THE SFC ANNOUNCEMENT

As disclosed in the 2023 Announcement, actions have been and will be taken to diversify the shareholding structure of the Company. The Company has implemented an investor relations plan, including hosting existing shareholder meetings, increasing interactions with domestic and international investment banks, brokers and other institutional investors, and raising the Company’s profile amongst the investment and financial community, agencies and institutional analysts.

In addition to the above, following the issue of the 2023 Announcement, the Company has also taken the following steps to widen its shareholding base, a summary of which is as follows:

- (i) As disclosed in the announcement of the Company dated 1 November 2024, each of the issued and unissued Shares have been subdivided (the “**Share Subdivision**”) into four ordinary share(s) of par value of HK\$0.0025 each in the share capital of the Company on 12 December 2024, in order to reduce the trading price of each Share in the Company correspondingly which would appeal to more investors. The Board believed that the Share Subdivision would enhance the liquidity in trading of Shares and thereby would enable the Company to attract more investors and broaden its Shareholder base.
- (ii) As disclosed in the announcement of the Company dated 29 January 2024 in relation to the share award scheme, which aims to recognize the contributions by certain grantees and to provide them with incentives, the Board has resolved to grant an options to subscribe 129,250,000 Shares (equivalent to an aggregate of 517,000,000 existing Shares after the share sub-division) which will further enlarges the Shareholders bases of the Company.

CONCLUSION

In light of the above, the Company is of the view that the concern over the high concentration of shareholding as mentioned in the SFC Announcement no longer existed as at 9 December 2024 and the high concentration of shareholding of the Company as stated in the SFC Announcement should not be used as a basis for evaluating the current status of the shareholding structure of the Company.

The Board is satisfied that, based on the results of the Analysis, (i) the shareholding concentration of the Company as at 20 November 2024 as stated in the SFC Announcement no longer existed as at 9 December 2024; and (ii) there has been no concentration of the shareholdings of the Company in the hands of a limited number of Shareholders.

By Order of the Board
Jinhai Medical Technology Limited
Chen Guobao
Chairman of the Board and executive Director

Hong Kong, 31 December 2024

As at the date of this announcement, the Board comprises eight Directors, of which four are executive Directors, namely Mr. Chen Guobao, Mr. Wang Zhenfei, Mr. Li Yunping and Mr. Dai Yong; one is non-executive Director, namely Mr. Wang Huasheng; and three are independent non-executive Directors, namely Mr. Yan Jianjun, Mr. Fan Yimin and Ms. Yang Meihua.