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)

CONTINUING CONNECTED TRANSACTION IN RELATION TO THE PROPERTY LEASE AGREEMENT

PROPERTY LEASE AGREEMENT

On April 1, 2025 (after trading hours), MP CardioFlow entered into the Property Lease Agreement with Shanghai MicroPort Medical, pursuant to which MP CardioFlow agrees to lease the Lease Property to Shanghai MicroPort Medical for the R&D and offices purposes for a term from April 1, 2025 to March 31, 2028 (both days inclusive).

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 Company. 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 (other than the profits ratio) in respect of the highest amount of the annual caps under the Property Lease Agreement exceeds 0.1% but is less than 5%, the transactions under the Property Lease Agreement are subject to the reporting, announcement and annual review requirements but exempt from the circular (including the appointment of an independent financial adviser) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

PROPERTY LEASE AGREEMENT

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The principal terms of the Property Lease Agreement are set out as follows:

Date

April 1, 2025

Parties

(i) MP CardioFlow, as the lessor

(ii) Shanghai MicroPort Medical, as the lessee

Duration:

From April 1, 2025 to March 31, 2028 (both days inclusive)

Description and Location of the Lease Property:

Floor 1 and 2, Building 2, Area A at 501 Niudun Road, Zhangjiang Science City, Pudong New Area, Shanghai Province, the PRC (中國上海市浦東新區張江科學城牛頓路501號), with the total gross floor area of approximately 2,200 sq.m.

Use of the Lease Property:

For R&D and offices operations purposes of Shanghai MicroPort Medical.

Rental and Payment Terms:

The rent of the property shall be RMB6.54/sq.m. per day from April 1, 2025 to March 31, 2028 (both days inclusive). Shanghai MicroPort Medical shall pay the rental to MP CardioFlow on a quarterly basis.

Water and Electricity Charges:

Shanghai MicroPort Medical shall be responsible for the cost of water and electricity incurred on the Lease Property during the lease term.

Termination

Pursuant to the Property Lease Agreement, either party may terminate the agreement during the lease term by providing the other party with at least thirty (30) days' prior written notice, without incurring liability for breach of the agreement. Failure to do so will render the breaching party liable to pay the non-breaching party liquidated damages as stipulated in the Property Lease Agreement.

Historical Transaction Amounts

There was no historical transaction amount regarding leasing the Lease Property from MP CardioFlow to Shanghai MicroPort Medical.

Proposed Annual Caps and Basis of Annual Caps

The annual caps for the transaction contemplated under the Property Lease Agreement are as follows:

	2025	2026	2027	2028
		(RMB' million)		
Annual Cap	4[(1)]	5.3[(2)]	5.3[(3)]	1.4[(4)]

Notes:

(1) During the period from April 1, 2025 to December 31, 2025.

(2) During the period from January 1, 2026 to December 31, 2026.

(3) During the period from January 1, 2027 to December 31, 2027.

(4) During the period from January 1, 2028 to March 31, 2028.

The rental under the Property Lease Agreement was determined after arm's length negotiations by the parties with reference to (i) the prevailing market rental rates for comparable lands and buildings in the local property market; and (ii) the historical rental amounts of the Lease Property in transactions with other lessees.

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 TRANSACTIONS

To address the long-term needs for the Company's business and align with the Company's global expansion, MP CardioFlow entered into an equity transfer agreement with Shanghai MicroPort Medical in August 2024, pursuant to which, MP CardioFlow has agreed to acquire a state-owned land use rights of a parcel of land with an area of 13,320 sq.m. ("**Acquisition Property**") and the Lease Property is part of the Acquisition Property. For further details of the acquisition, please refer to the Company's announcement dated August 22, 2024 and circular dated August 29, 2024.

According to the Company's current needs for the R&D and offices facilities, there are some short-term vacancy in the Acquisition Property. By entering into the Property Lease Agreement, the Group is able to lease the Lease Property to generate a steady stream of rental income. This additional cash flow will enhance the Company's financial flexibility and support its ongoing business operations and strategic initiatives. What's more, leasing the Lease Property enables the Company to maximize the value of its assets while ensuring that the Acquisition Property is effectively utilized. In addition, the long-standing relationship between the Company and MicroPort® (including Shanghai MicroPort Medical) fosters a collaborative environment that is conducive to mutual growth. This established trust between both parties not only reduces communication costs but also enhances communication efficiency.

Taking into account the above, the Directors (including the Independent Non-executive Directors) consider that, although the transactions under the Property Lease Agreement are not conducted in the ordinary and usual course of business of the Company, the terms of Property Lease Agreement (including the annual caps) were arrived upon arm's length negotiation between MP CardioFlow and Shanghai MicroPort Medical and have been entered in to on normal commercial terms and the terms thereof are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

LISTING RULES IMPLICATIONS

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As the highest applicable percentage ratio as defined under the Listing Rules (other than the profits ratio) in respect of the highest amount of the annual caps under the Property Lease Agreement exceeds 0.1% but is less than 5%, the transactions under the Property Lease Agreement are subject to the reporting, announcement and annual review requirements but are exempt from the circular (including the appointment of an independent financial adviser) and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BOARD APPROVAL

Mr. Chen Guoming, Ms. Wu Xia and Mr. Jonathan H. Chou, who are Directors appointed by MicroPort® or hold directorships in the Retained MicroPort® Group, are deemed to have interest in the Property Lease Agreement, and thus had abstained from approving the relevant Board resolutions in relation to the Property Lease Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors has a material interest in the Property Lease Agreement which would require them to abstain from voting on the relevant Board resolutions.

DEFINITIONS

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

"Board"	the board of directors of the Company
"China" or "PRC"	the People's Republic of China, but for the purpose of the circular and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"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
"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

"Lease Property"	the property located at Floor 1 and 2, Building 2, Area A at 501 Niudun Road, Zhangjiang Science City, Pudong New Area, Shanghai Province, the PRC (中國上海市浦東新區張江科學城牛頓路501號), with the total gross floor area of approximately 2,200 sq.m
"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
"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 CardioFlow"	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
"Property Lease Agreement"	the property lease agreement dated April 1, 2025 between MP CardioFlow (as lessor) and Shanghai MicroPort Medical (as lessee), pursuant to which MP CardioFlow agrees to lease the Lease Property to Shanghai MicroPort Medical for the R&D and offices purposes for a term from April 1, 2025 to March 31, 2028 (both days inclusive)
"R&D"	research and development
"Retained MicroPort® Group"	MicroPort® and its subsidiaries, excluding our Group
"RMB"	Renmibi, the lawful currency of the PRC
"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"	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
"%"	per cent

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

Shanghai, PRC, April 1, 2025

As at the date of this announcement, the executive Directors are Mr. Zhang Ruinian, 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.