

# **Lepu Medical Technology (Beijing) Co., Ltd.**

## **Announcement on Annual Equity Distribution of 2022**

**The Company and all members of the Board of Directors warrant that the contents of the announcement are authentic, accurate and complete, and contains no false records, misleading statements or material omissions.**

### **Special notes:**

1. During this equity distribution, the conversion of the convertible corporate bonds of the company, Lepu Zhuan 2 (bond code: 123108), has been suspended. As of the disclosure date of this announcement, the total share capital of the Company is 1,880,610,036 shares.

2. The Company does not enjoy the right of profit distribution when it repurchases the shares in the special account. The Company will distribute RMB 3.41000 (including tax) in cash to all shareholders for every 10 shares, based on the 1,880,610,036 shares of the total share capital minus 18,273,500 repurchased shares, with a total cash dividend of RMB 635,056,758.78 (including tax).

3. In accordance with the principle that the total amount of dividends remains unchanged, a cash dividend of RMB 3.376866 will be distributed for every 10 shares based on the dividend ratio converted from 1,880,610,036 shares of the Company's total share capital, and the relevant parameters and calculation formula of the ex-dividend and ex-right reference price calculated accordingly are as follows:

Ex-dividend and ex-right reference price = closing price of the previous trading day before ex-dividend and ex-right date – RMB 0.3376866

### **I. The basic situation of the implementation of the equity distribution plan**

1. The 2022 annual equity distribution plan of Lepu Medical Technology (Beijing) Co., Ltd. (hereinafter referred to as the Company) was reviewed and approved at the 2022 Annual Shareholders' Meeting held on May 19, 2023;

2. During the period from the disclosure of this equity distribution plan to the implementation, the total share capital of the Company has changed due to the conversion of convertible corporate bonds into two shares. As of the disclosure date of this announcement, the total share capital of the Company has increased from 1,880,609,906 shares on Mar. 31, 2022 to 1,880,610,036 shares;

3. The plan to be implemented this time is the same as that deliberated and adopted at the Shareholders' Meeting.

4. The implementation of the equity distribution plan is less than two months since it was deliberated and adopted by the Shareholders' Meeting g.

## **II. Equity distribution plan**

In accordance with the regulations of "Article 22: when a listed company repurchases shares in a special account, it is not entitled to the right to vote at the Shareholders' Meeting, profit distribution, convert reserve funds into share capital, subscribe for new shares and convertible corporate bonds, and may not pledge or lend them" of *Shenzhen Stock Exchange Guidelines for Listed Companies on Self-supervision No. 9 - Repurchase Share*, in accordance with the principle that the distribution ratio remains unchanged, the Company's annual equity distribution plan for 2022 is as follows: Based on 1,880,610,036 shares of the Company's existing total share capital minus 18,273,500 repurchased shares, RMB 3.410000 in cash (including tax) is distributed to all shareholders for every 10 shares. after tax deduction, RMB 3.069000 per 10 shares will be distributed to Hong Kong market investors, QFII and RQFII that hold shares at Shenzhen bourse, and individuals and securities investment funds that hold restricted shares before IPO; A differentiated tax rate is implemented for the individual dividend tax of those who hold post-IPO restricted shares, equity incentive restricted shares and unlimited outstanding shares. The Company does not withhold personal income tax for the time being, but will calculate the tax payable based on the

shareholding period during the individual share transfer Note; the dividend tax involved in securities investment funds that hold post-IPO restricted shares, equity incentive restricted shares and unlimited outstanding shares is levied at 10% on the fund shares held by Hong Kong investors, while a differentiated tax rate is levied on the fund shares held by mainland investors. [The total cash bonus distributed in this equity distribution is RMB 635,056,758.78 (1,862,336,536 shares \* RMB 3.41 / 10 shares) (including tax). ]

Note: According to the FIFO principle, the share holding period will be calculated on the basis of the investor's securities account, and the overdue tax will be paid at RMB 0.682000 per 10 shares for the share holding period of 1 month (including 1 month) or less; If hold the shares more than one month to more than one year (including one year), pay the overdue tax bill RMB 0.341000 per 10 shares; If the shares are held for more than one year, there is no need to pay the overdue tax.

**III. Stock right registration date and ex-dividend and ex-right date**

The equity registration date for the equity distribution this time is: 2023/6/29;  
Ex-dividend and ex-right date is: 2023/6/30.

**IV. Objects of equity distribution**

Distribution objects of this time are: All the shareholders of the Company registered in China Securities Depository and Clearing Corporation Limited Shenzhen Branch (hereinafter referred to as "CSDC Shenzhen Branch") as of the afternoon of 2023/6/29 when the Shenzhen Stock Exchange is closed.

**V. Equity distribution method**

1. The cash dividends distributed by the CSDC Shenzhen Branch on behalf of the Company will be directly transferred to the capital accounts through the shareholder custodian securities company (or other custodian agencies) on 2023/6/30.

2. The cash dividends of the following A-share shareholders shall be distributed by the Company by itself:

Serial No.	Account No. of shareholder	Name of shareholder
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1	01*****640	PU Zhongjie
2	01*****138	
3	08*****133	WP MEDICAL TECHNOLOGIES, INC
4	08*****381	Houde Yimin (Beijing) Investment Management Co., Ltd.
5	08*****133	Houde Yimin (Ningbo) Investment Management Co., Ltd.

During the application period of equity distribution business (application date: 2023/6/19 to registration date: 2023/6/29), in case the cash dividends to be distributed by CSDC Shenzhen Branch under entrustment are insufficient due to the decrease in shares in shareholders' securities accounts caused by self-distribution, all legal responsibilities and consequences shall be borne by the Company.

## VI. Ex-dividend and ex-right reference price

1. After the implementation of this equity distribution, in accordance with the principle that the distribution ratio remains unchanged, a cash dividend of RMB 3.376866 will be distributed for every 10 shares based on the converted dividend ratio of 1,880,610,036 shares of the Company's existing total share capital. Relevant parameters and calculation formulas are as follows:

The cash dividend for every 10 shares converted in accordance with the total share capital = total cash dividend / total share capital (including shares repurchased from the secondary market) \* 10 shares = RMB 635,056,758.78 / 1,880,610,036 shares \* 10 shares = RMB 3.376866.

2. After the implementation of this equity distribution, the relevant parameters and calculation formulas of the ex-dividend and ex-right reference price are as follows:

Ex-dividend and ex-right reference price = (closing price on the previous trading day of ex-dividend and ex-right date - cash dividend per share converted according to total share capital) / (1+ share change ratio) = (closing price on the previous trading day of ex-dividend and ex-right date - RMB 3.376866 / 10 shares) / (1+0) = closing price on the previous trading day of ex-dividend and ex-right date - RMB 0.3376866.

## VII. Consulting agency

Consulting agency: Securities Department of Lepu Medical Technology

(Beijing) Co., Ltd.

Consulting address: No. 37 Chaoqian Road, Changping District, Beijing

Contact person for consultation: FAN Xi

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**VIII. Documents for future reference**

1. 2022 Annual Shareholders' Meeting Resolutions;
2. CSDC Shenzhen Branch confirms the documents on the specific time schedule for implementing the annual equity distribution in 2022.

It is hereby announced.

Lepu Medical Technology (Beijing) Co., Ltd.

Board of Directors

2023/6/21