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**Jenscare Scientific Co., Ltd.**  
**寧波健世科技股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 9877)**

**(1) PROPOSED ISSUE OF A SHARES AND LISTING ON  
THE STAR MARKET AND OTHER ANCILLARY RESOLUTIONS;  
(2) PROPOSED AMENDMENTS TO THE ARTICLES PURSUANT TO  
THE TRIAL MEASURES;  
AND  
(3) PROPOSED AMENDMENTS TO THE ARTICLES ANCILLARY TO  
THE PROPOSED ISSUE OF A SHARES**

**PROPOSED ISSUE OF A SHARES**

The Company is pleased to announce that, at a meeting of the Board held on April 14, 2023, the Company has proposed to apply to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 73,617,757 A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option) and proposed to apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the STAR Market.

The Issue of A Shares will be subject to, among other things, the approval by the Shareholders by way of special resolutions at the EGM and the Class Meetings, as well as the approvals by the CSRC and the Shanghai Stock Exchange.

**OTHER ANCILLARY RESOLUTIONS RELATING TO THE ISSUE OF A SHARES**

Other relevant resolutions in connection with the Issue of A Shares were also passed at respective meetings of the Board and are subject to Shareholders' approval. Details of these resolutions are set out in the paragraphs headed "Other Resolutions relating to the Issue of A Shares" below.

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION ANCILLARY TO THE PROPOSED ISSUE OF A SHARES**

The Board further announces that for the purpose of the listing on the STAR Market, the Board considered and approved the proposed amendments to the Articles.

The proposed amendments to the Articles would form part of the listing application materials to be submitted to the CSRC and the Shanghai Stock Exchange for the Issue of A Shares and listing on the STAR Market, and will be subject to (i) the approval by the Shareholders by way of special resolutions at the EGM and the Class Meetings, and (ii) the draft amendments to the Listing Rules in Appendix II to the consultation paper “Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers” published on February 24, 2023 by the Stock Exchange being fully implemented and becoming effective. If approved, the amended Articles will take effect upon completion of the Issue of A Shares and listing on the STAR Market.

Further details of the proposed amendments to the Articles for the Issue of A shares will be set out in the circular to be despatched to the Shareholders in due course.

### **GENERAL**

The Company will, at the EGM and the Class Meetings, seek the Shareholders’ approval by way of special resolutions on: (1) the Proposed Issue of A Shares and the listing on the STAR Market and other ancillary resolutions; (2) authorizing the Board to fully handle matters in connection with the Issue of A Shares and the listing on the STAR Market; (3) the investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis; (4) the proposal for accumulated profit distribution and the plan for undertaking unrecovered losses prior to the Issue of A Shares and the listing on the STAR Market; (5) the three-year share price stabilization plan after the Company’s initial public offering of A Shares and the listing on the STAR Market; (6) the three-year dividend return plan for Shareholders after the Company’s initial public offering of A Shares and listing on the STAR Market; (7) the analysis on the impact of dilution on immediate return by the Company’s initial public offering of A Shares and adoption of remedial measures; (8) the undertakings and restraining measures relating to the Company’s Issue of A Shares and listing on the STAR Market; (9) the proposed amendments to the Articles pursuant to the Trial Measures; and (10) the proposed amendments to the Articles ancillary to the Proposed Issue of A Shares.

The Company will also, at the EGM, seek the Shareholders' approval by way of ordinary resolutions on: (11) the appointment of professional parties in connection with the Issue of A Shares and listing on the STAR Market; (12) the amendments to or adoption of each of the following internal management policies ancillary to the Proposed Issue of A Shares: "Rules of Procedures for the Meeting of Shareholders", the "Rules of Procedures for the Board of Directors", the "Rules of Procedures for the Supervisory Committee", the "Management Policies for Related/Connected Transactions"; the "Management Policies for External Guarantees"; the "Management Policies for External Investment"; the "Terms for Reference for the Independent Directors"; the "Management Policies for Raised Proceeds"; the "Management Policies for Financial Dealings with Related Parties"; and the "Implementation Rules of Cumulative Voting System"; (13) the amendments to each of the following internal management policies pursuant to the Trial Measures: the "Rules of Procedures for the Meeting of Shareholders", the "Rules of Procedures for the Board of Directors", the "Rules of Procedures for the Supervisory Committee", the "Management Policies for External Guarantees", and the "Management Policies for External Investment"; (14) the status of major transactions with related parties during the Track Record Period; and (15) the use of proceeds report of the Company for the year ended December 31, 2022.

A circular containing, among other things, the above matters, a notice of the EGM, and notices of the Class Meetings respectively will be despatched to the Shareholders in due course.

**There is no assurance that the Issue of A Shares will proceed. Shareholders and investors are advised to exercise caution in dealings in the H Shares. Further details about the Issue of A Shares will be disclosed by the Company in due course.**

## **PROPOSED ISSUE OF A SHARES AND LISTING ON THE STAR MARKET**

### **I. PROPOSED ISSUE OF A SHARES**

The Board is pleased to announce that at a meeting of the Board held on April 14, 2023, the Company proposed to apply to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 73,617,757 A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option) and proposed to apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the STAR Market.

The Issue of A Shares will be subject to, among other things, the approval by the Shareholders by way of special resolutions at the EGM and the Class Meetings, as well as the approvals by the CSRC and the Shanghai Stock Exchange.

#### **Details of the Issue of A Shares**

##### ***(1) Class of new Shares to be issued***

Ordinary Shares with a nominal value of RMB1.00 each (A Shares).

**(2) *Place of listing***

All A Shares will be listed and traded on the STAR Market.

**(3) *Nominal value of new Shares to be issued***

RMB1.00 each.

**(4) *Issue size***

The Company proposes to issue not more than 73,617,757 new A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option), representing approximately 17.65% of the issued share capital of the Company as of the Latest Practicable Date, and approximately 15.00% of the enlarged issued share capital upon completion of the Issue of A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option). The Issue of A Shares only involves issue of new Shares, and will not involve sale of Shares by existing Shareholders. The total number of A Shares to be issued under the over-allotment option shall not exceed 15% of the Shares initially available under the Issue of A Shares. The final issue size will be determined by the Board after consultation with the lead underwriter(s) according to the authorization (if granted at the EGM and the Class Meetings), and be subject to final number of A Shares registered by the CSRC.

Please refer to “V. OTHER INFORMATION IN RELATION TO THE PROPOSED ISSUE OF A SHARES – (2) Effects of the Issue of A Shares on the Shareholding Structure of the Company” below for effects on shareholding structure.

**(5) *Target subscribers***

Investors who fulfill the relevant rules and requirements relating to the STAR Market published by the Shanghai Stock Exchange and the CSRC (excluding those in respect of which subscription has been prohibited by laws, regulations and regulatory documents of the PRC).

If any of the target subscribers is a connected person of the Company, and the Company decides to allot and issue the A Shares to such target subscribers, the Company will comply with the relevant requirements, including (if applicable) reporting, announcement and independent shareholders’ approval, under the Listing Rules.

As at the Latest Practicable Date, none of the connected person(s) of the Company has indicated to the Company that he/she/it intends to participate in the subscription of the A Shares.

**(6) *Method of issuance***

The Issue of A Shares will be conducted through a combination of off-line placement to the price consultation participants and offering by way of on-line subscription by public investors, or other methods of issuance approved by the securities regulatory authorities (including but not limited to offering to strategic investors).

To the best knowledge of the Directors, there is currently no other methods of issuance other than through a combination of off-line placement to the price consultation participants and offering by way of on-line subscription by public investors.

**(7) *Pricing methodology***

The issue price for the A Shares will be determined by the Company according to the authorization (if granted at the EGM and the Class Meetings) and the lead underwriter(s) in accordance with applicable laws and regulations, or by other pricing methods recognized by the CSRC and the Shanghai Stock Exchange.

Pursuant to the Implementing Rules of the Shanghai Stock Exchange for the Issuance and Underwriting Business for Initial Public Offerings of Securities (上海證券交易所首次公開發行證券發行與承銷業務實施細則), where an initial public offering of securities adopts the price inquiry method, price inquiries shall be made to professional institutional investors (such as securities firms, fund management companies, futures companies, trust companies, insurance companies, finance companies, qualified foreign institutional investors and private fund managers).

Based on the Company Law of the PRC (《中華人民共和國公司法》), the issue price of the A Shares shall not be lower than the nominal value of the Shares of the Company, i.e. RMB1.00 per Share. There is no other legal or regulatory requirements stipulating the price floor in the Issue of A Shares. As at December 31, 2022, the net asset value per share of the Company was RMB3.76. The Company does not intend to issue the A Shares at a price lower than the latest audited net asset value per share prior to the Proposed Issue of A Shares.

**(8) *Strategic placing***

The A Shares may be placed to strategic investors as part of the Issue of A Shares. The specific strategic placing plan will be determined by the Board or persons authorized by the Board according to the authorization (if granted at the EGM and the Class Meetings), the approvals by the CSRC and Shanghai Stock Exchange and the then market conditions.

As of the Latest Practicable Date, there was no discussion with any connected person of the Company in relation to strategic placing, as no specific strategic placing plan has been formed. In the event that any of the strategic investors of the Issue of A Share are or will become connected persons of the Company, the Company will comply with the relevant provisions of the Listing Rules and the relevant PRC laws, regulations and regulatory documents.

**(9) *Method of underwriting***

The Issue of A Shares will be underwritten by the lead underwriter(s) by way of standby commitment.

**(10) *Schedule of issuance***

The Company will proceed with the Issue within 12 months after the Shanghai Stock Exchange issues the approval opinion and CSRC approves the Issue. The Board and the lead underwriter(s) will determine the listing date for the A Shares after the CSRC agrees to the registration of the A Shares and after completion of the offering.

**(11) *Use of proceeds***

After deducting the listing expenses, the proceeds raised by the Company from the Proposed Issue of A Shares will be used for (i) the medical device industrialization and incubation base project\*, (ii) the structural heart disease medical device research and development project\*, (iii) the marketing network construction project\* and (iv) as supplementary working capital.

**(12) *Expenses in relation to the Issue of A Shares***

The Company will bear all underwriting and sponsoring fees and other expenses in relation to the Issue of A Shares, such expenses include fees of legal counsels, fees of auditors, expenses in relation to capital verification, valuation expenses, expenses arising out of information disclosure in relation to the Issue of A Shares, share registration fees, handling fees and other expenses.

**(13) *Validity period of the resolutions***

The resolutions in respect of the Proposed Issue of A Shares will be valid for a period of 12 months upon the approval by Shareholders at the EGM and the Class Meetings.

*\*Note:* Final names of the projects shall be based upon names approved by or filed with (if required) the government authorities.

## II. OTHER RESOLUTIONS RELATED TO THE ISSUE OF A SHARES

Other relevant resolutions in connection with the Issue of A Shares were also passed at the meeting of the Board, and will be proposed for Shareholders' approval at the forthcoming EGM and Class Meetings (where appropriate).

If the Issue of A Shares as set out in the section headed "I. PROPOSED ISSUE OF A SHARES" of this announcement is not approved by the Shareholders, the Issue of A Shares will not proceed, and the ancillary matters as set out in this announcement (i.e., resolutions 2 to 8 and 10 to 12 set out in this section) will not proceed. The following summarizes the main contents of the relevant resolutions:

**(1) Authorization to the Board of Directors to fully handle matters in connection with the Issue of A Shares and listing on the STAR Market**

In order to ensure the smooth progress of the relevant matters relating to the Company's Issue of A Shares and listing on the STAR Market, a proposal will be submitted at the EGM and the Class Meetings to authorize the Board of Directors to fully handle the relevant matters in connection with the Issue of A Shares and listing on the STAR Market.

**(2) The investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis**

The proceeds raised by the Company from the Proposed Issue of A Shares will be used for the following projects (the "Projects") after deducting the issuance expenses:

No. Project name <sup>(1)</sup>	Total investment amount (in millions) (RMB)	Proposed amount from proceeds raised (in millions) (RMB)
1. Medical device industrialization and incubation base project <sup>(2)</sup>	567.86	500.10
2. Structural heart disease medical device research and development project <sup>(3)</sup>	448.51	448.51
3. Marketing network construction project <sup>(4)</sup>	204.34	204.34
4. Supplementary working capital	350.00	350.00
<b>Total</b>	<b>1,570.71</b>	<b>1,502.95</b>

Notes:

- (1) Final names of the Projects shall be based upon names approved by or filed with (if required) the government authorities.



- (2) The proceeds will be used to fund the construction of a new production base for the industrialized and large-scale production of heart disease interventional therapy devices in Hangzhou Bay New District, Ningbo (the “**Project Facility**”). The Project Facility is designed to support the acceleration of the commercialization of the Company’s products, realize the Company’s profit as soon as possible and ensure the Company’s sustainable development.

So far, the Company has obtained the environmental impact assessment (環境評估) approval for the project issued by the Ecological Environment Bureau of Ningbo Qianwan New District (寧波前灣新區生態環境局), and the Project Facility has preliminarily begun construction using the Company’s own funds, which did not involve the proceeds received from the Global Offering. The project commenced in September 2022 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (3) The proceeds will be used to fund the research and development of products for the treatment of tricuspid valve disease, aortic valve disease, mitral valve disease and heart failure. The research and development will be conducted mainly by clinical trials and animal trials in the PRC and in the European Union, with the aim of completing the formal clinical trials and obtaining domestic registration certificates and CE certification and accelerating commercialization of the related products. The proceeds will also be used to fund the technical development of polymer valves and other structural heart diseases devices, to provide technical support for the research and development and upgrade of related products for the treatment of tricuspid valve disease and aortic valve disease. The results of the research will accelerate the process of product launch and commercialization and help the Company to build a full range of differentiated product pipelines. It will also improve the Company’s independent innovation capabilities, strengthen its technical capabilities and help the Company to achieve performance growth and sustainable development.

The project will commence in May 2023 and the duration is around four years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (4) The proceeds will be used to fund the construction of around 10 marketing outlets in various regions in the PRC by relying on domestic partnered hospitals, the construction of four marketing outlets in key overseas cities, conduct market education and establish a market image through academic conferences and other methods. The project is designed to expand the Company’s market influence, promote the sales of the Company’s products, and improve product accessibility.

The project will commence in January 2024 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

Before the proceeds raised from the Issue of A Shares are in place, the Company may make an initial investment with its own funds according to the needs of the Projects. The Company will use the proceeds from the Issue of A Shares for the Projects. The implementation of these Projects will be kept separate from the intended use of net proceeds from the H Shares offering as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. After the proceeds raised are in place, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

For further details, please refer to the circular to be despatched to Shareholders in due course.



**(3) Proposal for accumulated profit distribution or the plan for undertaking unrecovered losses prior to the Issue of A Shares and Listing on the STAR Market**

The proposal for accumulated profit distribution or the plan for undertaking unrecovered losses prior to the Issue of A Shares is as follows:

As at the Latest Practicable Date, the Company has no undistributed accumulated profit. If the Company has undistributed accumulated profit or uncovered losses before the Issue of A Shares and listing on the STAR Market, it is proposed that the new and existing Shareholders shall share such profit or bear such losses in proportion to their respective shareholdings after the Issue of A Shares and listing on the STAR Market.

**(4) The three-year share price stabilization plan after the Company's initial public offering of A Shares and the listing on the STAR Market**

The Company has formulated the "Three-Year Plan for Stabilization of Price of Shares after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.".

**(5) The three-year dividend return plan for Shareholders after the Company's initial public offering of A Shares and listing on the STAR Market**

The Company has formulated the "Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.".

**(6) The analysis on the impact of dilution on immediate return by the Company's initial public offering of A Shares and adoption of remedial measures**

In order to protect the interests of minority shareholders, the Company has conducted sufficient analysis on the impact of dilution on immediate return by the Issue of A Shares and has formulated the "Analysis on the impact of Dilution on Immediate Return by the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board and Remedial Measures for the Immediate Return of Jenscare Scientific Co., Ltd.".

**(7) Undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the STAR Market**

A proposal will be submitted at the EGM and the Class Meetings to consider and approve the undertakings and restraining measures relating to the Issue of A Shares and listing on the STAR Market, and to authorize the Board to make appropriate undertakings for the purpose of the Issue of A Shares in accordance with the laws, regulations and regulatory documents of the PRC, the relevant regulations and policies of the securities regulatory departments, and combining the review for listing on the STAR Market in practice and the actual situation of the Company.

For further details, please refer to the circular to be despatched to Shareholders in due course.

**(8) The appointment of professional parties in connection with the Issue of A Shares and listing on the STAR Market**

An ordinary resolution will be proposed at the EGM to consider and approve the appointment of the following professional parties in connection with the Issue of A Shares and listing on the STAR Market and to authorize the Board to do all such acts and things to give effect to such matters:

- (a) Huatai United Securities Co., Ltd as the sponsor (lead underwriter) of the Issue of A Shares and listing on the STAR Market;
- (b) Commerce & Finance Law Offices as the legal advisers to the Company as to PRC law; and
- (c) Ernst & Young as the auditors of the Company.

**(9) The resolution on the Proposed Amendments to the Articles ancillary to the Proposed Issue of A Shares**

In order to prepare for the Proposed Issue of A Shares and listing on the STAR Market and comply with the relevant CSRC and Shanghai Stock Exchange rules, to further improve and regulate the Articles and to satisfy the relevant requirements of laws, regulations and regulatory documents, including the Company Law of the PRC (《中華人民共和國公司法》), the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) and the Rules Governing the Listing of Securities on the Sci-Tech Innovation Board of the Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), to make other miscellaneous and housekeeping changes, and taking the practical circumstances of the Company into consideration, the Board resolved to further amend the Articles on top of the Proposed Amendments pursuant to the Trial Measures.

Following the Company having obtained approval from the Shanghai Stock Exchange and registered with the CSRC for the Issue of A Shares, the amended Articles in respect of the Issue of A Shares shall become effective on the date of listing of the Company's A Shares on the STAR Market and replace the Company's then effective Articles.

The details of the proposed amendments to the Articles of Association, which were prepared in the Chinese language, are set out in Appendix IV-B to the circular to be despatched to the Shareholders in due course. In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the Articles of Association, the Chinese version shall prevail.

The legal advisers to the Company as to Hong Kong laws have confirmed that the amended Articles conform with the requirements of the Listing Rules, in particular Appendix 3 to the Listing Rules regarding the core shareholder protection standards, and the legal advisers to the Company as to the laws of the PRC have confirmed that the amended Articles conform with the relevant requirements under the laws of the PRC. The Company also confirms that there is nothing unusual about the amended Articles for a company listed in Hong Kong.

The proposed amendments have been approved by the Board, and are subject to (i) the approval by the Shareholders by way of special resolutions at the EGM and Class Meetings, and (ii) the draft amendments to the Listing Rules in Appendix II to the consultation paper "Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers" published on February 24, 2023 by the Stock Exchange being fully implemented and becoming effective.

**(10) Amendment and/or adoption of the internal management policies of the Company**

The Company intends to revise the following internal management policies:

- (a) the "Rules of Procedures for the Meeting of Shareholders";
- (b) the "Rules of Procedures for the Board of Directors";
- (c) the "Rules of Procedures for the Supervisory Committee";
- (d) the "Management Policies for Related/Connected Transactions";
- (e) the "Management Policies for External Guarantees";
- (f) the "Management Policies for External Investment";
- (g) the "Terms for Reference for the Independent Directors";
- (h) the "Management Policies for Raised Proceeds";

- (i) the “Management Policies for Financial Dealings with Related Parties”; and
- (j) the “Implementation Rules of Cumulative Voting System”.

The above internal management policies will come into effect on the date of completion of the Issue of A Shares and listing on the STAR Market. Until then, the current internal management policies will continue to apply.

The Board of Directors agreed to propose to the Shareholders at the EGM to authorize the Board of Directors and its authorized persons to adjust and amend the above internal management policies which will become effective from the date of completion of the Issue of A Shares and listing on the STAR Market in accordance with the provisions of the relevant laws, regulations and regulatory documents, and the requirements and suggestions from the relevant domestic and overseas government authorities and regulatory institutions, and taking into consideration the actual situation of this Issue of A Shares and listing on the STAR Market.

In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the internal management policies, the Chinese version shall prevail.

#### **(11) Confirmation of the Company’s related party transactions during the Track Record Period**

The Board has confirmed the status of transactions with related parties during the Track Record Period and considered that such related party transactions were conducted according to the relevant laws and regulations, in line with commercial principles, and the pricing of the transactions were not more favorable than similar transactions conducted with non-related parties.

For further details, please refer to the circular to be despatched to Shareholders in due course.

This proposal has been approved by the Board, and shall be submitted to the EGM for consideration and approval by way of an ordinary resolution.

To the best of the Directors’ knowledge, information and belief, as at the Latest Practicable Date, the related Shareholders including Mr. Lv, Ningbo Sangdi Investment Management L.P. (Limited Partnership) (寧波桑迪投資管理合夥企業 (有限合夥)), Ningbo Mukang Venture Capital Partnership (Limited Partnership) (寧波沐康創業投資合夥企業 (有限合夥)), Ningbo Kefeng Investment Management L.P. (Limited Partnership) (寧波鈞灃投資管理合夥企業 (有限合夥)), Hainan Maldi Enterprise Management L. P. (Limited Partnership) (海南脈迪企業管理合夥企業 (有限合夥)), Ningbo Linfeng, Shanghai Shidi Industrial Development Co., Ltd. (上海仕地實業發展有限公司), Hainan Hualing Investment L.P. (Limited Partnership) (海南華翎投資合夥企業 (有限合夥)) and AUT-VII, each of whom shall abstain from voting on the relevant ordinary resolution to be proposed at the EGM.

## **(12) Use of proceeds report of the Company for the year ended December 31, 2022**

In accordance with applicable laws, regulations and regulatory documents, including stipulations of securities regulatory authorities and other relevant organizations, the Company has prepared a report titled “Use of Proceeds Report of the Company for the Year Ended December 31, 2022”, full details of which are set out in Appendix XV to the circular to be despatched to Shareholders in due course.

### **III. PROPOSED AMENDMENTS TO THE ARTICLES PURSUANT TO THE TRIAL MEASURES**

The State Council and the CSRC issued the Decision of the State Council to Repeal Certain Administrative Regulations and Documents (《國務院關於廢止部分行政法規和文件的決定》) and the Trial Measures on February 17, 2023 respectively which came into effect on March 31, 2023 (the “**New PRC Regulations**”). On the same date as the above-mentioned New PRC Regulations took effect, the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) and the Mandatory Provisions for Companies Listing Overseas (《到境外上市公司章程必備條款》) (the “**Mandatory Provisions**”) were repealed and no longer applicable. Under the New PRC Regulations, (i) the Mandatory Provisions shall cease to apply and the Company as a PRC issuer shall formulate the Articles of Association in line with the New PRC Regulations and other guidelines on the articles of association issued by the CSRC in place of the Mandatory Provisions; and (ii) holders of domestic shares and H shares are no longer deemed to be different classes of shareholders, thus the class meeting requirement applicable to holders of domestic shares and H shares are no longer necessary and removed.

Given the commencement of the above-mentioned new regulations and taking into account the actual situation of the Company, the Company proposes to amend the Articles of Association accordingly. The details of the amendments which were prepared in the Chinese language, are set out in Appendix IV-A to the circular to be despatched to Shareholders in due course. In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the Articles of Association, the Chinese version shall prevail.

The Board is of the view that the proposed amendments (including the removal of the class meeting requirement from the Articles of Association following the repeal of the Mandatory Provisions) will not compromise protection of the H Shareholders and will not have material impact on measures relating to shareholder protection, as Domestic Shares and H Shares are regarded as one class of ordinary shares under PRC law, and the substantive rights attached to these two kinds of shares of Shares (including voting rights, dividends and asset distribution upon liquidation) are the same.

After the proposed amendment to the Articles of Association takes effect, the Company will continue to comply with the Listing Rules to meet the core shareholder protection standards through compliance with PRC laws in combination with its constitutional documents pursuant to Appendix 3 of the Listing Rules and will further monitor its ongoing compliance with these standards and notify the Stock Exchange if it becomes unable to comply with any of these standards. The legal advisers to the Company as to Hong Kong laws have confirmed that the amended Articles conform with the requirements of the Listing Rules, in particular Appendix 3 to the Listing Rules regarding the core shareholder protection standards, and the legal advisers to the Company as to the laws of the PRC have confirmed that the amended Articles conform with the relevant requirements under the laws of the PRC. The Company also confirms that there is nothing unusual about the amended Articles for a company listed in Hong Kong.

The proposed amendments have been approved by the Board, and are subject to (i) the approval by the Shareholders by way of special resolutions at the EGM and Class Meetings, and (ii) the draft amendments to the Listing Rules in Appendix II to the consultation paper “Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers” published on February 24, 2023 by the Stock Exchange being fully implemented and becoming effective.

#### **IV. PROPOSED AMENDMENTS TO INTERNAL MANAGEMENT POLICIES OF THE COMPANY PURSUANT TO THE TRIAL MEASURES**

The Company intends to revise the following internal management policies:

- (a) the “Rules of Procedures for the Meeting of Shareholders”;
- (b) the “Rules of Procedures for the Board of Directors”;
- (c) the “Rules of Procedures for the Supervisory Committee”;
- (d) the “Management Policies for External Guarantees”; and
- (e) the “Management Policies for External Investment”.

The proposed amendments have been approved by the Board, and are subject to the approval by the Shareholders by way of ordinary resolutions at the EGM, full texts of which are set out in Appendices V to VII, IX and X to this circular respectively.

In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the internal management policies, the Chinese version shall prevail.



## **V. OTHER INFORMATION IN RELATION TO THE PROPOSED ISSUE OF A SHARES**

### **1. Reasons for the Issue of A Shares and listing on the STAR Market**

The Company considers that the listing on the STAR Market would be beneficial to the Company and its Shareholders as a whole and is beneficial to strengthen the sustainable development of the Company.

#### ***Favorable policies in the PRC encourage listing on the STAR Market***

In June 2022, the Shanghai Stock Exchange issued the Shanghai Stock Exchange STAR Market Issuance and Listing Review Guidelines No.7–5th Set of Listing Standards Applicable to Medical Device Enterprises (《上海證券交易所科創板發行上市審核規則適用指引第7號–醫療器械企業適用第五套上市標準》), which introduced the listing conditions and requirements for pre-revenue companies in the PRC. In particular, it has provided a domestic financing platform for eligible medical device enterprises that are still in the early stage of research and development, to make use of the domestic capital markets to promote the innovation capabilities of Chinese medical device enterprises.

With the above-mentioned favorable policies and the Company working towards the commercialization of the Core Products, listing on the STAR Market will help the Company accelerate the research and development and the commercialization of products and enhance brand recognition. In addition, as the principal place of business of the Company is located in the PRC, listing on the STAR Market facilitates equity incentives for employees and is conducive to attracting core talents.

#### ***Branding and benefits as a dual listed company***

Following the listing of the H Shares of the Company in October 2022, the Issue of A Shares would allow the Company to become a dual listed company and further enrich its capital base and develop both domestic and international financing platforms. Listing domestically in the PRC would also enable the Company to further enhance its brand image and influence in the domestic market.

As a dual listed company, the Company will be required to comply with the listing rules of both the Hong Kong Stock Exchange and the Shanghai Stock Exchange, which further optimizes the Company's corporate governance structure and provides a higher level of corporate transparency to Shareholders and potential investors, which is more conducive to protecting the interests of all shareholders as a whole.

Since the establishment of the STAR Market, it has attracted a lot of companies with strong technological capabilities. Listing on the STAR Market is beneficial to promoting the value and interests of the Company and Shareholders as a whole.



### ***Further funding needs to be met by proceeds from Proposed Issue of A Shares***

While the proceeds raised from the Global Offering provides strong support for the R&D and commercialization of the Company's Core Products and other key products in its product pipeline, the proceeds from the Proposed Issue of A Shares will enable the Company to meet the industrialization and commercialization needs of the Company's products, further develop the Company's range of product pipelines, and implement the Company's marketing infrastructure.

Amongst the net proceeds of approximately HK\$206.4 million raised from the Global Offering, approximately HK\$134.1 million is allocated to the research and development, manufacturing and commercialization of our Core Products and approximately HK\$51.6 million is allocated to the research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products. As disclosed in the Prospectus, the Company has a portfolio of twelve product candidates in various stages of development, so the Company needs to raise further funds to support the development of its other product candidates and expand our product portfolio thought R&D.

## **2. Effects of the Issue of A Shares on the Shareholding Structure of the Company**

Upon completion of the Proposed Issue of A Shares and listing on the STAR Market, all of the existing Domestic Shares and Unlisted Foreign Shares will be converted into A Shares and be listed on the STAR Market. Such converted A Shares will be deposited in China Securities Depository and Clearing Co., Ltd and subject to lock-up periods as required under relevant PRC laws and regulations.

Assuming that a total of 73,617,757 new A Shares are to be issued, the shareholding structure of the Company as at the Latest Practicable Date and immediately after the completion of the Issue of A Shares is as follows (assuming there is no other change in the share capital of the Company from the Latest Practicable Date up to and including the date of completion of the Issue of A Shares):

	As of the Latest Practicable Date	Immediately after the completion of the Issue of A Shares	Immediately after the completion of the over-allotment option
<b>Substantial shareholders, Directors, Supervisors, chief executive and their respective associates</b>			
(1) Domestic Shares	202,792,986	–	–
(2) Unlisted Foreign Shares	21,750,000	–	–
(3) A Shares to be converted from Domestic Shares	–	202,792,986	202,792,986
(4) A Shares to be converted from Unlisted Foreign Shares	–	21,750,000	21,750,000
(5) H Shares	59,344,614	59,344,614	59,344,614
<b>Sub-total</b>	<b>283,887,600</b> (68.05% of the total Issued Shares)	<b>283,887,600</b> (57.84% of the total Issued Shares)	<b>283,887,600</b> (56.67% of the total Issued Shares)
<b>Other Shareholders</b>			
(1) Domestic Shares	49,622,094	–	–
(2) Unlisted Foreign Shares	11,411,578	–	–
(3) A Shares to be converted from Domestic Shares	–	49,622,094	49,622,094
(4) A Shares to be converted from Unlisted Foreign Shares	–	11,411,578	11,411,578
(5) H Shares	72,246,018	72,246,018	72,246,018
<b>New A Shares proposed to be issued</b>	–	<b>73,617,757</b>	<b>73,617,757</b>
<b>New A Share proposed to be issued pursuant to the over-allotment option</b>	–	–	<b>11,042,663</b>
<b>Total</b>	<b>417,167,290</b>	<b>490,785,047</b>	<b>501,827,710</b>

Assuming a maximum of 73,617,757 A Shares are issued, it is expected that a total of 206,897,447 Shares of the Company, representing approximately 42.16% of the total issued Shares of the Company will be held by the public (including H Shares and A Shares held by the public but excluding any Shares held by the Company's substantial shareholders, Directors, Supervisors, chief executive and their respective close associates) following the completion of the Proposed Issue of A Shares. As such, the Company would still be able to meet the minimum requirement on public float percentage under the Listing Rules. The Company will closely monitor the shareholdings of the controlling Shareholders and other core connected persons to monitor its public float percentage (including H Shares and A Shares held by the public) to maintain the minimum percentage of listed securities as prescribed by Rule 8.08 of the Listing Rules at all times, including during the stabilization period for the newly issued A Shares, in public hands. The Company will also ensure its compliance with relevant requirements on public float as stipulated under the Listing Rules and will promptly notify the Stock Exchange of any changes in the Company's public float.

### **3. Fund raising activities in the past twelve months**

On October 10, 2022, the Company issued 8,076,400 new H Shares at HK\$27.80 per H Share for total gross proceeds of approximately HK\$224.5 million (equivalent to RMB203.1 million) by way of initial public offering of the Company on the Stock Exchange.

After the deduction of listing expenses, the total net proceeds from the Global Offering was approximately HK\$206.4 million (equivalent to RMB186.6 million).

The intended use of net proceeds from the Global Offering as disclosed in the Prospectus is as below:

- approximately 65.0%, or approximately HK\$134.1 million, will be allocated to the research and development, manufacturing and commercialization of our Core Products, namely, LuX-Valve and Ken-Valve;
  - approximately 33.3%, or approximately HK\$68.7 million, will be used for the ongoing research and development activities, further clinical studies, preparation for registration filings, and planned commercial launch of LuX-Valve;
  - approximately 31.7%, or approximately HK\$65.4 million, will be used for the ongoing research and development activities, further clinical studies, preparation for registration filings, and planned commercial launch of Ken-Valve;
- approximately 25.0%, or approximately HK\$51.6 million, will be allocated to the research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products; and

- approximately 10.0%, or approximately HK\$20.7 million, will be used for our working capital and general corporate purposes.

As at the Latest Practicable Date, the Company has used RMB8.9 million of the proceeds from the Global Offering mentioned above.

The table below sets forth a detailed breakdown and description of the use of the Company's proceeds from the Global Offering as at the Latest Practicable Date:

	<b>Amount of utilized net proceeds as of the Latest Practicable Date (RMB millions)</b>	<b>% of net proceeds used (Approximately)</b>
Research and development, manufacturing and commercialization of our Core Products, namely, LuX-Valve and Ken-Valve;	0.80	0.43%
Research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products		
<ul style="list-style-type: none"> <li>• Research and development of LuX-Valve Plus, our second-generation transcatheter tricuspid valve replacement system</li> </ul>	3.00	1.61%
<ul style="list-style-type: none"> <li>• Research and development of KenFlex, our new-generation transcatheter aortic valve replacement product candidate</li> </ul>	0.97	0.52%
<ul style="list-style-type: none"> <li>• Research and development of JensClip, our proprietary transcatheter mitral valve repair system</li> </ul>	2.89	1.55%
Working capital and general corporate purposes	6.75	3.62%
<b>Total</b>	<b>14.41</b>	<b>7.73%</b>

The remaining proceeds are intended to be used in line with those disclosed in the Prospectus.

Apart from the fund raising activities listed above, the Company has not conducted any fund raising activities involving the issue of equity securities within the 12 months immediately prior to the Latest Practicable Date.

## GENERAL

The Company will, at the EGM and the Class Meetings, seek the Shareholders' approval by way of special resolutions on: (1) the Proposed Issue of A Shares and the listing on the STAR Market and other ancillary resolutions; (2) authorizing the Board to fully handle matters in connection with the Issue of A Shares and the listing on the STAR Market; (3) the investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis; (4) the proposal for accumulated profit distribution and the plan for undertaking unrecovered losses prior to the Issue of A Shares and the listing on the STAR Market; (5) the three-year share price stabilization plan after the Company's initial public offering of A Shares and the listing on the STAR Market; (6) the three-year dividend return plan for Shareholders after the Company's initial public offering of A Shares and listing on the STAR Market; (7) the analysis on the impact of dilution on immediate return by the Company's initial public offering of A Shares and adoption of remedial measures; (8) the undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the STAR Market; (9) the proposed amendments to the Articles pursuant to the Trial Measures; and (10) the proposed amendments to the Articles ancillary to the Proposed Issue of A Shares.

The Company will also, at the EGM, seek the Shareholders' approval by way of ordinary resolutions on: (11) the appointment of professional parties in connection with the Issue of A Shares and listing on the STAR Market; (12) the amendments to or adoption of each of the following internal management policies ancillary to the Proposed Issue of A Shares: "Rules of Procedures for the Meeting of Shareholders", the "Rules of Procedures for the Board of Directors", the "Rules of Procedures for the Supervisory Committee", the "Management Policies for Related/Connected Transactions"; the "Management Policies for External Guarantees"; the "Management Policies for External Investment"; the "Terms for Reference for the Independent Directors"; the "Management Policies for Raised Proceeds"; the "Management Policies for Financial Dealings with Related Parties"; and the "Implementation Rules of Cumulative Voting System"; (13) the amendments to each of the following internal management policies pursuant to the Trial Measures: the "Rules of Procedures for the Meeting of Shareholders", the "Rules of Procedures for the Board of Directors", the "Rules of Procedures for the Supervisory Committee", the "Management Policies for External Guarantees", and the "Management Policies for External Investment"; (14) the status of major transactions with related parties during the Track Record Period; and (15) the use of proceeds report of the Company for the year ended December 31, 2022.

A circular containing, among other things, the above matters, a notice of the EGM, and notices of the Class Meetings respectively will be despatched to the Shareholders in due course.

**There is no assurance that the Issue of A Shares will proceed. Shareholders and investors are advised to exercise caution in dealings in the H Shares. Further details about the Issue of A Shares will be disclosed by the Company in due course.**

In this announcement, the following expression shall have the meanings set out below unless the context requires otherwise:

“A Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company proposed to be allotted, issued and listed on the STAR Market
“Articles of Association” or “Articles”	the articles of association of the Company, as amended from time to time
“Board of Directors” or “Board”	the board of Directors of the Company
“China” or the “PRC”	the People’s Republic of China, for the purpose of this announcement, excluding the regions of Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Class Meetings”	The 2023 first class meeting of holders of H Shares and the 2023 first class meeting of holders of Domestic Shares and Unlisted Foreign Shares to be held
“Company”	Jenscare Scientific Co., Ltd. (寧波健世科技股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 9877)
“Core Products”	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for the purposes of this announcement, our Core Products refer to LuX-Valve and Ken-Valve
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded in any stock exchange
“Domestic Shareholder(s)”	holder of the Domestic Shares
“EGM”	the 2023 first extraordinary general meeting of the Company to be held

“Global Offering”	as defined in the Prospectus
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange
“H Shareholder(s)”	holders of the H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	April 13, 2023, being the latest practicable date prior to the printing of this announcement for ascertaining certain information in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Proposed Issue of A Shares”, “Issue of A Shares” or “Issue”	the proposed initial public issue of not more than 73,617,757 A Shares, which will be listed on the STAR Market
“Prospectus”	the prospectus of the Company dated September 23, 2022
“R&D”	research and development
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising Domestic Share(s), Unlisted Foreign Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares
“STAR Market”	The Science and Technology Innovation Board of the Shanghai Stock Exchange
“State Council”	the State Council of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company



“Supervisory Committee”	the supervisory committee of the Company
“Track Record Period”	the three years ended December 31, 2020, 2021 and 2022
“Trial Measures”	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) issued by the CSRC on February 17, 2023 and came into effect on March 31, 2023
“Unlisted Foreign Share(s)”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid for in currency other than RMB by foreign investors and are not listed on any stock exchange
“Unlisted Share(s)”	Domestic Shares and Unlisted Foreign Shares

By order of the Board  
**Jenscare Scientific Co., Ltd.**  
**Mr. LV Shiwen**  
*Chairman and Executive Director*

Hong Kong, April 14, 2023

*As at the date of this announcement, the Board comprises Mr. LV Shiwen and Mr. PAN Fei, as executive Directors; Mr. TAN Ching, Mr. ZHENG Jiaqi, Ms. XIE Youpei and Mr. CHEN Xinxing, as non-executive Directors; and Dr. LIN Shoukang, Ms. DU Jiliu and Dr. MEI Lehe, as independent non-executive Directors.*