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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)

CONTINUING CONNECTED TRANSACTION
LOAN AGREEMENT FOR
REPURCHASE OF INTERESTS IN THE ESOP PLATFORM

THE LOAN AGREEMENT

In order to facilitate the repurchase of interests in the ESOP Platforms from exiting participants of the Employee Incentive Plans by Hainan Yize or its designated party, pursuant to the Board's resolution and the Loan Agreement entered into by the Company and Hainan Yize on August 9, 2024, the Company agreed to provide the Loan to Hainan Yize for a period of three years from the date when the Company first advances the loan amount to Hainan Yize (being the date on which the Loan Agreement shall take effect). Hainan Yize shall hold the repurchased interests as reserve for future awards to eligible participants in accordance with the Employee Incentive Plans.

LISTING RULES IMPLICATION

As at the date of this announcement, Hainan Yize is owned as to 99% by Mr. Pan. As such, Hainan Yize is an associate of a Director and hence, is a connected person under Rule 14A.12(1)(c) of the Listing Rules. Therefore, the transactions contemplated under the Loan Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Annual Caps under the Loan Agreement calculated in accordance with Rule 14.07 of the Listing Rules exceeds 0.1% but below 5%, the transactions contemplated thereunder are only subject to the reporting, annual review and announcement requirements but are exempt from the circular (including the appointment of an independent financial adviser) and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

In order to facilitate the repurchase of interests in the ESOP Platforms from exiting participants of the Employee Incentive Plans by Hainan Yize or its designated party, pursuant to the Board's resolution and the Loan Agreement entered into by the Company and Hainan Yize on August 9, 2024, the Company agreed to provide the Loan to Hainan Yize for a period of three years from the date when the Company first advances the loan amount to Hainan Yize (being the date on which the Loan Agreement shall take effect). Hainan Yize shall hold the repurchased interests for future awards to eligible participants in accordance with the Employee Incentive Plans.

THE LOAN AGREEMENT

The principal terms of the Loan Agreement are set out below:

- (1) Date of Loan Agreement : August 9, 2024 (to be effective from the date when the Company first advances the loan amount to Hainan Yize)
- (2) Parties :
 - (i) The Company, as lender; and
 - (ii) Hainan Yize, as borrower.
- (3) Subject matter and usage : The Company shall provide the Loan to Hainan Yize from time to time during the period of the Loan Agreement for the purpose of satisfying the funding requirements of Hainan Yize to repurchase the interests in the ESOP Platforms from exiting participants of the Employee Incentive Plans in accordance with the relevant terms of the Employee Incentive Plans.

The principal amount of the Loan provided by the Company to Hainan Yize under the Loan Agreement shall be financed by the Group's internal resources including cash and cash equivalents.
- (4) Term : Three years from the date when the Company first provides the loan amount to Hainan Yize (which is currently expected to be on or around August 13, 2024)
- (5) Amount of principal and accrued interest of the Loan : The Loan to be granted is a revolving loan with a principal amount not exceeding RMB11,000,000, subject to the maximum outstanding balance, including principal and accrued interest, not exceeding RMB12,105,500 at any time during the period of the Loan Agreement.

- (6) Interest rate : The annual interest rate shall be calculated with reference to the interest rate of loan for the same period published by the PBOC. Interest shall accrue from the date on which the Company makes the payment to the designated bank account of Hainan Yize for each drawdown and shall be calculated based on the actual number of days that the Loan remains outstanding, on the basis of 365 days per annum.
- (7) Repayment : Hainan Yize may repay all or part of the outstanding balance, including principal and accrued interest, in advance from time to time during the period of the Loan Agreement. For amounts that have been repaid, Hainan Yize may apply to the Company for another loan within the loan period, but the repayment period shall not be later than three years from the date of the first loan payment provided by the Company to Hainan Yize. Upon expiry of the period of the Loan, Hainan Yize shall repay the outstanding principal amount together with all accrued interest in full.
- (8) Security : The Loan is unsecured.
- (9) Default : If Hainan Yize fails to pay any sum payable under the Loan Agreement when due, it shall propose the repayment arrangement and deadline to the Company, and that the extension of payment shall be subject to the Company's approval.

ANNUAL CAPS

The total maximum outstanding balance, including principal amount and accrued interest, owed by Hainan Yize to the Company under the Loan shall not exceed RMB12,105,500 at any time throughout the period of the Loan Agreement, which constitutes the Annual Caps for each financial year during the term of the Loan Agreement.

In determining the Annual Caps, the Company has taken into account:

- (a) the maximum principal amount not exceeding RMB11,000,000 that may be provided by the Company under the Loan Agreement, the amount being determined with reference to funding requirements of Hainan Yize to repurchase interests in the ESOP Platforms from exiting participants of the Employee Incentive Plans in accordance with the relevant terms of the Employee Incentive Plans; and
- (b) the maximum accrued interest amount that may be payable under the Loan Agreement based on the maximum principal amount set out in (a) above, and the interest rate stipulated under the Loan Agreement, with an estimated annual interest rate of 3.35%.

REASONS FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENT

Hainan Yize is the general partner of Hainan Hualing and Hainan Huahui, ESOP Platforms under the Employee Incentive Plans. As the ESOP Platforms have no funding, the loan is provided by the Company to Hainan Yize to repurchase interests in the ESOP Platforms from exiting participants of the Employee Incentive Plans in accordance with the relevant terms of the Employee Incentive Plans. After such repurchase of interests, Hainan Yize will hold the repurchased interests as reserve for future awards to eligible employees of the Company and relevant personnel, and thus be used for continued operation of the Employee Incentive Plans.

Considering the above, the Board considers that the provision of the Loan by the Group will assist the smooth implementation and maintenance of the operation of the Employee Incentive Plans, and in turn further the objectives of the Employee Incentive Plans, including using the ESOP Platforms as vehicles to recognize the contributions of the Company's employees and to incentivize them to further promote the Company's development.

Based on the reasons and the benefits set forth above, including the fact that the terms and conditions of the Loan Agreement, including the Annual Caps, interest rate and repayment terms, were determined after arm's length negotiations between the Company and Hainan Yize, the Directors, including the independent non-executive Directors but excluding Mr. Pan (who controls Hainan Yize), who has abstained from voting in respect of the relevant Board resolutions, are of the view that although the provision of the Loan is not in the ordinary and usual course of business of the Group, the terms of the Loan Agreement and the transactions contemplated thereunder, including the Annual Caps, are on normal commercial terms or better, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Company is a joint stock company incorporated in the PRC with limited liability and the H Shares of which are listed on the main board of the Stock Exchange. The Company is an international medical device company dedicated to the development of interventional products for the treatment of structural heart diseases.

Hainan Yize is a limited company established in the PRC which is owned as to 99% by Mr. Pan. It acts as the sole general partner of each of Hainan Hualing and Hainan Huahui, our ESOP Platforms. All voting rights held by Hainan Hualing and Hainan Huahui in the Company is exercisable by Hainan Yize.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Hainan Yize is owned as to 99% by Mr. Pan. As such, Hainan Yize is an associate of a Director and hence, is a connected person under Rule 14A.12(1)(c) of the Listing Rules. Therefore, the transactions contemplated under the Loan Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Annual Caps under the Loan Agreement calculated in accordance with Rule 14.07 of the Listing Rules exceeds 0.1% but below 5%, the transactions contemplated thereunder are only subject to the reporting, annual review and announcement requirements but are exempt from the circular (including the appointment of an independent financial adviser) and independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Annual Caps”	the total maximum outstanding balance, including principal amount and accrued interest, owed by Hainan Yize to the Company under the Loan which shall not exceed RMB12,105,500 at any time throughout the period of the Loan Agreement
“Board” or “Board of Directors”	the board of Directors
“Company”	Jenscare Scientific Co., Ltd. (寧波健世科技股份有限公司), a joint stock company incorporated in the PRC with limited liability on March 23, 2021, or, where the context requires (as the case may be), its predecessor Ningbo Jenscare Biotechnology Co., Ltd. (寧波健世生物科技有限公司), a limited liability company established in the PRC on November 8, 2011
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“Employee Incentive Plan(s)”	refers to the Employee Incentive Plan (Maidi) and the Employee Incentive Plan (Hualing), collectively
“Employee Incentive Plan (Hualing)”	the Employee Incentive Plan of Jenscare Scientific Co., Ltd. (Hainan Hualing) considered and approved by the shareholders' general meeting on April 27, 2021 as amended, supplemented or otherwise modified from time to time
“Employee Incentive Plan (Maidi)”	The Employee Incentive Plan of Ningbo Jenscare Biotechnology Co., Ltd. (Ningbo Maidi) considered and approved by Board of Directors on October 13, 2020 as amended, supplemented or otherwise modified from time to time

“ESOP Platform(s)”	Hainan Hualing, Hainan Huahui, Hainan Maidi Enterprise Management L.P. (Limited Partnership)* (海南脈迪企業管理合夥企業(有限合夥)) and Ningbo Sangdi Investment Management L.P. (Limited Partnership)* (寧波桑迪投資管理合夥企業(有限合夥)), the employee incentive platforms
“Group”	the Company and its subsidiaries
“Hainan Huahui”	Hainan Huahui Investment L.P. (Limited Partnership)* 海南華暉投資合夥企業(有限合夥), one of the ESOP Platforms established in the PRC which is controlled by Hainan Yize as the sole general partner and ultimately controlled by Mr. Pan
“Hainan Hualing”	Hainan Hualing Investment L.P. (Limited Partnership)* (海南華翎投資合夥企業(有限合夥)), one of the ESOP Platforms established in the PRC which is controlled by Hainan Yize as the sole general partner and ultimately controlled by Mr. Pan
“Hainan Yize”	Hainan Yize Medical Technology Co., Ltd.* (海南一則醫療科技有限公司), a limited company established in the PRC which is owned as to 99% by Mr. Pan
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
“Loan”	a revolving loan with a principal amount not exceeding RMB11,000,000 to be granted in accordance with the terms of the Loan Agreement, subject to the maximum outstanding balance, including principal and accrued interest, not exceeding RMB12,105,500 at any time during the period of the Loan Agreement
“Loan Agreement”	the revolving loan agreement dated August 9, 2024 entered into between the Company and Hainan Yize, pursuant to which the Company agreed to provide the Loan to Hainan Yize for a term of three years from the date when the Company first advances the loan amount to Hainan Yize
“Mr. Pan”	Mr. PAN Fei (潘斐), an executive Director and the vice president and chief financial officer of our Company
“PBOC”	People’s Bank of China (中國人民銀行), the central bank of the PRC

“PRC”	the People’s Republic of China, which for the sole purpose of this announcement excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus of the Company dated September 23, 2022
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the shares of the Company
“Shareholder(s)”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

* The English name is a translation of its Chinese name and is included for identification purposes only.

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

Hong Kong, August 9, 2024

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