

Ad hoc announcement pursuant to Art. 53 LR

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

## **Announcement on the 2023 Profit Distribution Plan of the Company**

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

Lepu Medical Technology (Beijing) Co., Ltd. (hereinafter referred to as the Company) will convene the 7<sup>th</sup> meeting of the 6<sup>th</sup> Board of Directors and the 6<sup>th</sup> meeting of the 6<sup>th</sup> Board of Supervisors on Apr. 19, 2024. Both meetings have passed the proposal regarding *Profit Distribution Plan for 2023 of the Company*. This proposal still needs to be submitted to the annual Shareholders' Meeting of 2023 for review. Now, related contents are hereby announced as follows:

### **I. Basic conditions of profit distribution plan**

#### 1. Specific contents of profit distribution plan

After the audit of BDO China Shu Lun Pan CPAs, the net profits attributable to shareholders of the listed companies were RMB 1,258,200,337.67, and the Company achieved a net profit of RMB 684,986,398.67. In accordance with the relevant regulations of *Company Law* and the *Articles of Association*, a statutory reserve fund of RMB 68,498,639.87 is set aside at 10% of the net profit of the parent company in 2023, and the profit available for distribution to shareholders this year is RMB 616,487,758.80.

The Company plans to distribute a cash dividend of RMB 3.3141 (including tax) for every 10 shares based on the total share capital of date of record in the future implementation of the equity distribution plan in 2024, after deducting the repurchased shares, and carry over the remaining undistributed profits to the next year.

As of Mar. 29, 2024, the Company's total share capital was 1,880,610,488 shares, and 28,235,700 shares of the Company have been repurchased through the special

account for share repurchase securities, accounting for 1.5014% of the Company's total share capital. Estimated in accordance with the Company's total share capital of 1,880,610,488 shares minus 28,235,700 repurchased shares, the total cash dividend is temporarily RMB 613,900,000.00 (including tax).

During the period from the disclosure date of this cash dividend plan to the implementation of the plan in date of record, if the share capital changes, the share capital after change will be basis for implementation, and the distribution ratio of cash dividend of RMB 3.3141 (including tax) for every 10 shares will remain unchanged.

## 2. Legality and compliance of the profit distribution plan

This profit distribution plan is in compliance with *Company Law*, *Securities Law*, CSRC's *Notice on Further Implementing the Matters Related to Cash Dividends of Listed Companies*, *Regulatory Guidelines for Listed Companies No. 3 - Distribution of Cash Dividends of Listed Companies (2022 Revision)* and the *Articles of Association*, etc., and it is in line with the Company's profit distribution policy and shareholder returns planning. The profit distribution plan is legal, compliant and reasonable.

## 3. Matching of the profit distribution plan with Company growth

The profit distribution plan for 2023 is proposed on the premise of ensuring the normal operation and long-term development of the Company, taking into account the Company's business development and the interests of investors, conducive to investors sharing the business results of the Company's development and matching the Company's business performance and future development.

## **II. Precautions of relevant risks**

This profit distribution plan must be submitted to the Company's Shareholders' Meeting for deliberation and approval before it can be implemented. There are still uncertainties in this matter, therefore, investors are advised to pay attention to investment risks.

## **III. Deliberative procedures and explanations of relevant opinions**

### 1. Opinions of the Board of Directors

The 7<sup>th</sup> meeting of the 6th Board of Directors of the Company reviewed and passed *Proposal regarding Profit Distribution Plan for 2023*, and the Board of Directors thinks

that, The Company's profit distribution plan for 2023 matches with the growth of the Company's performance. The Company's profit distribution plan conforms to the actual situation of the Company and the provisions of *Company Law* and the *Articles of Association*, and does not harm the interests of the Company's shareholders, especially the minority shareholders, and is conducive to the normal operation and healthy development of the Company. *Profit Distribution Plan for 2023 of the Company* is approved to be submitted to Shareholders' Meeting for review.

#### 2. Opinions of the Board of Supervisors

The 6<sup>th</sup> meeting of the 6<sup>th</sup> Board of Supervisors of the Company reviewed and passed *Proposal regarding Profit Distribution Plan for 2023*, and the Board of Supervisors thinks that, The Board of Directors proposed the profit distribution plan for 2023 in accordance with the actual conditions of the operation and development of the Company, and give consideration to both of the immediate profits and long-term profits of shareholders. This profit distribution plan conforms to the profit distribution policies stipulated in *Company Law*, *Securities Law*, *Regulatory Guidelines for Listed Companies No. 3 - Distribution of Cash Dividends of Listed Companies (2022 Revision)* and *Articles of Association*, etc., and is legal, compliant and reasonable. Therefore, profit distribution plan for 2023 of the Company is approved.

#### **IV. Other instructions**

Before the disclosure of this profit distribution plan, the Company strictly controlled the scope of insider information in accordance with laws, regulations, normative documents and the relevant provisions of the company system, fulfilled the obligation of keeping secrets and prohibiting insider trading to relevant insider information insiders, and at the same time, filed the insiders of the insider information in time to prevent the disclosure of insider information.

#### **V. Reference documents**

1. The resolution of 7<sup>th</sup> Meeting of the 6<sup>th</sup> Session of the Board of Directors of the Company;
2. The resolution of 6<sup>th</sup> Meeting of the 6<sup>th</sup> Session of the Board of Supervisors of the Company;

It is hereby announced.

Lepu Medical Technology (Beijing) Co., Ltd.

Board of Directors

Apr. 20, 2024