
STRUCTURE OF THE GLOBAL OFFERING

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises:

- (i) the Hong Kong Public Offering of 1,370,000 Offer Shares (subject to adjustment as mentioned below) in Hong Kong as described below in “—The Hong Kong Public Offering” below; and
- (ii) the International Offering of 12,330,000 Offer Shares (subject to adjustment and the Over-allotment Option) (i) in the United States to Qualified Institutional Buyers, or QIBs, in reliance on Rule 144A or another available exemption; and (ii) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, or other available exemption from the registration requirements under the U.S. Securities Act, as described below in “— The International Offering.”

Of the 12,330,000 Offer Shares initially being offered under the International Offering, 685,000 Offer Shares (representing approximately 5.56% and 5.00% of the Offer Shares initially being offered under the International Offering and the Global Offering, respectively) will be offered to Qualifying MicroPort Shareholders as an Assured Entitlement as described in “— The Preferential Offering.”

Investors may either

- (1) apply for the Hong Kong Offer Shares under the Hong Kong Public Offering; or
- (2) apply for or indicate an interest for International Offer Shares under the International Offering, but may not do both (except that Qualifying MicroPort Shareholders who are eligible to apply for the Reserved Shares in the Preferential Offering may also either (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering, if eligible; or (ii) indicate an interest for International Offer Shares under the International Offering, if qualified to do so).

The Offer Shares in the Global Offering will represent approximately 2.35% of the total Shares in issue immediately following the completion of the Global Offering, without taking into account the exercise of the Over-allotment Option. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 2.69% of the total Shares in issue immediately following the completion of the Global Offering and the full exercise of the Over-allotment Option. In the event the Over-allotment Option is exercised, the number of Reserved Share will not change.

References to applications, Application Forms, application or subscription monies, or procedure for applications relate solely to the Hong Kong Public Offering and the Preferential Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares Initially Offered

Our Company is initially offering 1,370,000 Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price, representing 10.00% of the total number of Offer Shares

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initially available under the Global Offering. Subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 0.24% of our Company's enlarged issued share capital immediately after the completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in the paragraph headed "— Conditions of the Global Offering" below.

Allocation

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary depending on the number of Hong Kong Offer Shares validly applied for by applicants. We may, if necessary, allocate the Hong Kong Offer Shares on the basis of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of the Offer Shares available under the Hong Kong Public Offering is to be divided equally into two pools (subject to adjustment at odd lot size): Pool A and Pool B, both of which are available on an equitable basis to successful applicants:

Pool A: the Offer Shares will be allocated on an equitable basis to applicants who have applied for the Offer Shares with an aggregate subscription price of HK\$5.0 million or less (excluding the brokerage fee, the SFC transaction levy, the FRC transaction levy and the Stock Exchange trading fee); and

Pool B: the Offer Shares will be allocated on an equitable basis to applicants who have applied for Offer Shares with an aggregate subscription price of more than HK\$5.0 million (excluding the brokerage fee, the SFC transaction levy, the FRC transaction levy and the Stock Exchange trading fee) and up to the total value of Pool B.

For the purpose of this sub-section only, the "subscription price" for Hong Kong Offer Shares means the price payable on application.

Applicants should be aware that applications in Pool A and applications in Pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Offer Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly.

Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B but not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 685,000 Hong Kong Offer Shares (being 50% of the 1,370,000 Offer Shares initially available under the Hong Kong Public Offering) will be rejected.

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Reallocation

The allocation of Offer Shares between the Hong Kong Public Offering and the International Offering is subject to reallocation under the Listing Rules. Paragraph 4.2 of Practice Note 18 of the Listing Rules and the Guidance Letter HKEX-GL91-18 issued by the Stock Exchange requires a clawback mechanism to be put in place which would have the effect of increasing the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering if certain prescribed total demand levels are reached. 1,370,000 Offer Shares are initially available in the Hong Kong Public Offering, representing 10.00% of the Offer Shares initially available under the Global Offering. The allocation of Shares between the Hong Kong Public Offering and the International Offering is subject to adjustment.

If the number of Offer Shares validly applied for under the Hong Kong Public Offering represents (i) 15 times or more but less than 50 times, (ii) 50 times or more but less than 100 times, and (iii) 100 times or more of the number of Hong Kong Offer Shares initially available under the Hong Kong Public Offering, the Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering. As a result of such reallocation, the total number of Hong Kong Offer Shares will be increased to 4,110,000 Offer Shares (in the case of (i)), 5,480,000 Offer Shares (in the case of (ii)) and 6,850,000 Offer Shares (in the case of (iii)), representing 30%, 40% and 50% of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), respectively. In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B in equal proportion and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Joint Global Coordinators deem appropriate.

In addition, the Joint Global Coordinators may allocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In accordance with the Guidance Letter HKEX-GL91-18, if such allocation is done other than pursuant to the clawback mechanism above, the maximum total number of Offer Shares that may be allocated to the Hong Kong Public Offering following such reallocation shall be not more than double the initial allocation to the Hong Kong Public Offering (i.e. 2,740,000 Shares, representing 20.00% of the total number of Offer Shares initially available under the Global Offering).

If the Hong Kong Public Offering is not fully subscribed for, the Joint Global Coordinators have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering in such proportions as the Joint Global Coordinators deem appropriate.

The Reserved Shares which are offered under the Preferential Offering to Qualifying MicroPort Shareholders out of the Offer Shares being offered under the International Offering will not be subject to reallocation between the Hong Kong Public Offering and the International Offering.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him or her that he or she and any person(s) for whose benefit he or she is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares

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under the International Offering, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or it has been or will be placed or allocated Offer Shares under the International Offering.

Applicants under the Hong Kong Public Offering are required to pay, on application, the Offer Price of HK\$24.64 per Offer Share in addition to any brokerage, SFC transaction levy, FRC transaction levy and Stock Exchange trading fee payable on each Offer Share. Further details are set out below in the section headed "How to Apply for Hong Kong Offer Shares and Reserved Shares."

THE PREFERENTIAL OFFERING

Basis of the Assured Entitlement

In order to enable MicroPort Shareholders to participate in the Global Offering on a preferential basis as to allocation only, subject to the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares on the Main Board of the Stock Exchange and the Global Offering becoming unconditional, Qualifying MicroPort Shareholders are being invited to apply for an aggregate of 685,000 Reserved Shares in the Preferential Offering as Assured Entitlement (representing approximately 5.56% and 5.00% of the Offer Shares initially being offered under the International Offering and the Global Offering, respectively). The Reserved Shares are being offered out of the International Offer Shares under the International Offering and are not subject to reallocation as described in "— The Hong Kong Public Offering — Reallocation" above. In the event the Over-allotment Option is exercised, the number of Reserved Shares will not change.

The basis of the Assured Entitlement is one Reserved Share for every integral multiple of 2,700 MicroPort Shares held by Qualifying MicroPort Shareholders as at 4:30 p.m. on the Record Date.

Qualifying MicroPort Shareholders should note that Assured Entitlement to Reserved Shares may not represent a number of a full board lot of 1,000 Shares. Further, the Reserved Shares allocated to the Qualifying MicroPort Shareholders will be rounded down to the closest whole number if required. No odd lot matching services will be provided and dealings in odd lots of the Shares may be at a price below the prevailing market price for full board lots.

Assured Entitlement of Qualifying MicroPort Shareholders to Reserved Shares are not transferable and there will be no trading in nil-paid entitlements on the Stock Exchange.

Qualifying MicroPort Shareholders who hold less than 2,700 MicroPort Shares on the Record Date and therefore will not have an Assured Entitlement to the Reserved Shares will still be entitled to participate in the Preferential Offering by applying for excess Reserved Shares as further described below.

Basis of Allocation for Applications for Reserved Shares

Qualifying MicroPort Shareholders may apply for a number of Reserved Shares which is greater than, less than or equal to their Assured Entitlement or may apply only for excess Reserved Shares under the Preferential Offering.

A valid application for a number of Reserved Shares which is less than or equal to a Qualifying MicroPort Shareholder's Assured Entitlement under the Preferential Offering will be accepted in full,

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subject to the terms and conditions set out in the **BLUE** Application Form, and assuming the conditions of the Preferential Offering are satisfied.

Where a Qualifying MicroPort Shareholder applies for a number of Reserved Shares which is greater than the Qualifying MicroPort Shareholder's Assured Entitlement under the Preferential Offering, the relevant Assured Entitlement will be satisfied in full (subject to terms and conditions mentioned above) but the excess portion of such application will only be met to the extent that there are sufficient Available Reserved Shares (as defined below).

Where a Qualifying MicroPort Shareholder applies for excess Reserved Shares only under the Preferential Offering, such application will only be satisfied to the extent that there are sufficient Available Reserved Shares as described below.

Qualifying MicroPort Shareholders (other than HKSCC Nominees) who intend to apply for less than their Assured Entitlement using the **BLUE** Application Form for Assured Entitlement or who intend to apply for excess Reserved Shares using the **BLUE** Application Form for excess Reserved Shares, should apply for a number which is one of the numbers set out in the table of numbers and payments in the **BLUE** Application Form and make a payment of the corresponding amount. If you are a Qualifying MicroPort Shareholder and wish to apply for excess Reserved Shares in addition to your Assured Entitlement, you should complete and sign the **BLUE** Application Form for excess Reserved Shares and lodge it, together with a separate remittance for the full amount payable on application in respect of the excess Reserved Shares applied for.

To the extent that the excess applications for the Reserved Shares are:

- (a) less than the Reserved Shares not taken up by the Qualifying MicroPort Shareholders' Assured Entitlement (the "**Available Reserved Shares**"), the Available Reserved Shares will first be allocated to satisfy such excess applications for the Reserved Shares in full and thereafter will be allocated, at the discretion of the Joint Global Coordinators, to the International Offering;
- (b) equal to the Available Reserved Shares, the Available Reserved Shares will be allocated to satisfy such excess applications for the Reserved Shares in full; or
- (c) more than the Available Reserved Shares, the Available Reserved Shares will be allocated on a fair and reasonable basis, which is consistent with the allocation basis commonly used in the case of over-subscriptions in public offerings in Hong Kong, where a higher allocation percentage will be applied in respect of smaller applications of excess Reserved Shares.

If there are any Shares remaining after satisfying the excess applications, such Shares will be reallocated, at the discretion of the Joint Global Coordinators, to the International Offering. No preference will be given to any excess application made to top up odd lot holdings to whole lot holdings of Shares. Nominee companies are regarded as single shareholder for the purpose of this application.

Save for the above, the Preferential Offering will not be subject to the clawback arrangement between the International Offering and the Hong Kong Public Offering. Beneficial MicroPort

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Shareholders (not being Non-Qualifying MicroPort Shareholders) whose MicroPort Shares are held by a nominee company should note that the Company will regard the nominee company as a single MicroPort Shareholder according to the register of members of MicroPort. Accordingly, such Beneficial MicroPort Shareholders whose MicroPort Shares are held by a nominee company should note that the arrangement under paragraph (c) above will not apply to them individually. Any Beneficial MicroPort Shareholders (not being Non-Qualifying MicroPort Shareholders) whose MicroPort Shares are registered in the name of a nominee, trustee or registered holder in any other capacity should make arrangements with such nominee, trustee or registered holder in relation to applications for Reserved Shares under the Preferential Offering. Any such person is advised to consider whether it wishes to arrange for the registration of the relevant MicroPort Shares in the name of the beneficial owner prior to the Record Date.

Applications by Qualifying MicroPort Shareholders for the Hong Kong Offer Shares

In addition to any application for Reserved Shares made on the **BLUE** Application Form, Qualifying MicroPort Shareholders will be entitled to make one application for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via CCASS or by applying through the **White Form eIPO** service. Qualifying MicroPort Shareholders will receive no preference as to entitlement or allocation in respect of applications for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC or through the **White Form eIPO** service under the Hong Kong Public Offering.

Qualifying MicroPort Shareholders and Non-Qualifying MicroPort Shareholders

Only MicroPort Shareholders whose names appeared on the register of members of MicroPort at 4:30 p.m. on the Record Date and who are not Non-Qualifying MicroPort Shareholders, are entitled to subscribe for the Reserved Shares under the Preferential Offering.

Non-Qualifying MicroPort Shareholders are those MicroPort Shareholders with registered addresses in, or who are otherwise known by MicroPort to be residents of, jurisdictions outside Hong Kong on the Record Date, in respect of whom the directors of MicroPort and the Company, based on the enquiries made by them, consider it necessary or expedient to exclude from the Preferential Offering on account either of the legal restrictions under the laws of the relevant jurisdiction in which the relevant MicroPort Shareholder is resident or the requirements of the relevant regulatory body or stock exchange in that jurisdiction.

The directors of MicroPort and the Company have made enquiries regarding the legal restrictions under the applicable securities legislation of the Specified Territory and the requirements of the relevant regulatory bodies or stock exchanges with respect to the offer of the Reserved Shares to the MicroPort Shareholders in the Specified Territory. Having considered the circumstances, the directors of MicroPort and the Company have formed the view that it is necessary or expedient to restrict the ability of MicroPort Shareholders in the Specified Territory to take up their Assured Entitlement to the Reserved Shares under the Preferential Offering due to the time and costs involved in the registration or filing of this prospectus and/or approval required by the relevant authorities in such territory and/or additional steps which the Company and the MicroPort Shareholders would need to take to comply with the local legal and/or other requirements which would need to be satisfied in order to comply with the relevant local or regulatory requirements in such territory.

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Accordingly, for the purposes of the Preferential Offering, the Non-Qualifying MicroPort Shareholders are:

- (a) MicroPort Shareholders whose names appeared in the register of members of MicroPort on the Record Date and whose addresses as shown in such register are in the Specified Territory; and
- (b) MicroPort Shareholders on the Record Date who are otherwise known by MicroPort to be resident in the Specified Territory.

Notwithstanding any other provision in this prospectus or the **BLUE** Application Form, the Company reserves the right to permit any MicroPort Shareholder to take up his/her/its Assured Entitlement to the Reserved Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions described above.

Beneficial MicroPort Shareholders who hold MicroPort Shares through Shenzhen-Hong Kong Stock Connect

Pursuant to Article 23 of the Implementation Rules for Registration, Depository and Clearing Services under the Mainland-Hong Kong Stock Markets Connect Program, the China Securities Depository and Clearing Corporation (CSDC) does not provide services relating to the subscription of newly issued shares. Accordingly, Beneficial MicroPort Shareholders who hold MicroPort Shares through Shenzhen-Hong Kong Stock Connect cannot participate in the Preferential Offering and will not be able to take up their respective Assured Entitlement to the Reserved Shares under the Preferential Offering through the trading mechanism of Shenzhen-Hong Kong Stock Connect.

Distribution of this Prospectus and the BLUE Application Form

A **BLUE** Application Form has been dispatched to each Qualifying MicroPort Shareholder. In addition, Qualifying MicroPort Shareholders will receive a copy of this prospectus in the manner in which they have elected, or are deemed to have elected, to receive corporate communications under MicroPort's corporate communications policy. For further details, see "How to Apply for Hong Kong Offer Shares and Reserved Shares" in this prospectus.

Application Procedures

The procedures for application under and the terms and conditions of the Preferential Offering are set out in "How to Apply for Hong Kong Offer Shares and Reserved Shares" in this prospectus and on the **BLUE** Application Form.

THE INTERNATIONAL OFFERING

Number of Offer Shares Offered

Our Company will be initially offering for subscription under the International Offering 12,330,000 Offer Shares, representing 90.00% of the Offer Shares under the Global Offering and approximately 2.12% of our total Shares in issue immediately following completion of the Global Offering, assuming the Over-allotment Option is not exercised. Subject to the reallocation of Offer

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Shares between the International Offering and the Hong Kong Public Offering, the International Offer Shares will represent approximately 2.46% of our Company's enlarged issued share capital immediately after the completion of the Global Offering, assuming that the Over-allotment Option is fully exercised.

Allocation

The International Offering will include selective marketing of Offer Shares to the QIBs in the United States as well as to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States. The International Offering is subject to the Hong Kong Public Offering being unconditional.

Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Prospective professional, institutional and other investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at particular price. This process, known as "book-building", is expected to continue up to July 8, 2022.

Allocation of Offer Shares pursuant to the International Offering will be determined by the Joint Global Coordinators and will be based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the listing of the Offer Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our Shareholders as a whole.

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Joint Global Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any application of Offer Shares under the Hong Kong Public Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the clawback arrangement described in "— The Hong Kong Public Offering — Reallocation" or the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering and/or any Offer Shares from the International Offering to the Hong Kong Public Offering at the discretion of the Joint Global Coordinators.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, our Company is expected to grant an Over-allotment Option to the International Underwriters.

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Pursuant to the Over-allotment Option, the International Underwriters have the right, exercisable by the Joint Global Coordinators (for themselves and on behalf of the International Underwriters) at any time during the 30-day period from the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 2,055,000 additional Shares, representing 15.00% of the total number of the Offer Shares initially available under the Global Offering in aggregate, at the same price per Offer Share under the International Offering to cover over-allocation in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional Shares to be issued pursuant thereto will represent approximately 0.35% of our total Shares in issue immediately following the completion of the Global Offering. In the event that the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the Underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to retard and, if possible, prevent, any decline in the market price of the securities below the Offer Price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong and certain other jurisdictions, the price at which stabilization is effected is not permitted to exceed the Offer Price.

China International Capital Corporation Hong Kong Securities Limited has been appointed by us as the Stabilization Manager for the purposes of the Global Offering in accordance with the Securities and Futures (Price Stabilizing) Rules made under the SFO. In connection with the Global Offering, the Stabilizing Manager, or any person acting for it, on behalf of the Underwriters, may over-allocate or effect short sales or any other stabilizing transactions with a view to stabilizing or maintaining the market price of the Offer Shares at a level higher than that which might otherwise prevail in the open market. Short sales involve the sale by the Stabilization Manager of a greater number of Shares than the Underwriters are required to purchase in the Global Offering. “Covered” short sales are sales made in an amount not greater than the Over-allotment Option. The Stabilization Manager may close out the covered short position by either exercising the Over-allotment Option to purchase additional Offer Shares or purchasing Shares in the open market. In determining the source of the Offer Shares to close out the covered short position, the Stabilization Manager will consider, among other things, the price of Offer Shares in the open market as compared to the price at which they may purchase additional Offer Shares pursuant to the Over-allotment Option. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or curbing a decline in the market price of the Offer Shares while the Global Offering is in progress. Any market purchases of our Offer Shares may be effected on any stock exchange, including the Stock Exchange, any over-the-counter market or otherwise, provided that they are made in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager or any persons acting for it, to conduct any such stabilizing action. Such stabilization action, if taken, will be conducted at the absolute discretion of the Stabilizing Manager or any person acting for it and may be discontinued at any time, and is required to be brought to an end within 30 days of the last day for the lodging applications under the Hong Kong Public Offering.

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The number of the Offer Shares that may be over-allocated will not exceed the number of the Shares that may be sold under the Over-allotment Option, namely, 2,055,000 Offer Shares, which is 15.00% of the total number of Offer Shares initially available under the Global Offering, and cover such over-allocation by exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price.

Stabilization action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO includes:

- (a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of the Shares;
- (b) selling or agreeing to sell the Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the Shares;
- (c) purchasing or subscribing for, or agreeing to purchase or subscribe for, our Shares pursuant to the Over-allotment Option in order to close out any position established under (a) or (b) above;
- (d) purchasing, or agreeing to purchase, any of the Shares for the sole purpose of preventing or minimizing any reduction in the market price;
- (e) selling or agreeing to sell any of our Shares in order to liquidate any position established as a result of those purchases; and
- (f) offering or attempting to do anything as described in (b), (c), (d) or (e) above.

Stabilizing actions by the Stabilization Manager, or any person acting for it, will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

As a result of effecting transactions to stabilize or maintain the market price of the Shares, the Stabilization Manager or any person acting for it, may maintain a long position in the Shares. The size of the long position and the period for which the Stabilization Manager, or any person acting for it, will maintain the long position is at the discretion of the Stabilization Manager and is uncertain. In the event that the Stabilization Manager liquidates this long position by making sales in the open market, this may lead to a decline in the market price of the Shares.

Stabilizing action by the Stabilization Manager, or any person acting for it, is not permitted to support the price of the Shares for longer than the stabilizing period, which begins on the day on which trading of the Shares commences on the Stock Exchange and ends on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing period is expected to end on Sunday, August 7, 2022. As a result, demand for the Shares and their market price, may fall after the end of the stabilizing period. These activities by the Stabilization Manager may stabilize, maintain or otherwise affect the market price of the Shares. As a result, the price of the Shares may be higher than the price that otherwise may exist in the open market. Any stabilizing action taken by the Stabilization Manager, or any person acting for it, may not necessarily result in the market price of the Shares staying at or above the Offer Price either during or after the stabilizing period. Bids for or market purchases of the Shares by the Stabilization Manager, or any person acting

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for it, may be made at a price at or below the Offer Price and therefore at or below the price paid for the Shares by purchasers. A public announcement in compliance with the Securities and Futures (Price Stabilizing) Rules will be made within seven days of the expiration of the stabilizing period.

Over-allocation

Following any over-allocation of Shares in connection with the Global Offering, the Stabilizing Manager or any person acting for it may cover such over-allocations by (among other methods) exercising the Over-allotment Option in full or in part, by using Shares purchased by the Stabilizing Manager or any person acting for it in the secondary market at prices that do not exceed the Offer Price, or through the stock borrowing arrangement as detailed below or a combination of these means.

Stock Borrowing Arrangement

To facilitate the settlement of over-allocation in connection with the Global Offering, the Stabilizing Manager may choose to borrow, whether on its own or through its affiliates, up to 2,055,000 Shares, representing 15.00% of the Offer Shares (being the maximum number of Offer Shares which may be issued upon exercise of the Over-allotment Option) from MP Scientific, pursuant to the Stock Borrowing Agreement which is expected to be entered into between the Stabilizing Manager and MP Scientific. Such stock borrowing arrangement under the Stock Borrowing Agreement, if entered into, will not be subject to the restrictions of Rule 10.07(1)(a) of the Listing Rules provided that the requirements set out in Rule 10.07(3) of the Listing Rules are complied with.

Such stock borrowing arrangement is fully described in this prospectus and must be for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option. The same number of Offer Shares so borrowed must be returned to MP Scientific or its nominees on or before the third Business Day following the earlier of (a) the last day on which the Over-allotment Option may be exercised, (b) the day on which the Over-allotment Option is exercised in full and the relevant Offer Shares subject to the Over-allotment Option having been issued by our Company, or (c) such earlier time as the Stabilizing Manager and MP Scientific may agree in writing. No payment will be made to MP Scientific by the Stabilizing Manager or its agent in relation to such stock borrowing arrangement.

PRICING AND ALLOCATION

The International Underwriters will be soliciting from prospective investors' indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building", is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

The Offer Price will be HK\$24.64 per Offer Share unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Hong Kong Public Offering.

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Price Payable on Application

Applicants under the Hong Kong Public Offering are required to pay, on application, the Offer Price of HK\$24.64 per Offer Share (plus brokerage of 1.0%, SFC transaction levy of 0.0027%, FRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005%).

Reduction in Number of Offer Shares

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, where they deem appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with the consent of the Company, reduce the number of Offer Shares offered and/or the Offer Price below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, the Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of the Company and the Stock Exchange at www.medneurotech.com and www.hkexnews.hk, respectively, notices of the reduction. Upon the issue of such a notice, the revised number of Offer Shares and/or the Offer Price will be final and conclusive. If the number of Offer Shares and/or the Offer Price is so reduced, all applicants under the Hong Kong Public Offering will be entitled to withdraw their applications and will need to confirm their applications in accordance with the procedures set out in the supplemental prospectus. Supplemental listing documents will also be issued by the Company in the event of a reduction in the number of Offer Shares or the Offer Price. Such supplemental listing documents will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in this prospectus, and any other financial information which may change as a result of any such reduction. In the absence of any such notice so published, the number of Offer Shares and/or the Offer Price will not be reduced. Failure to confirm within the prescribed time will lead to the application being lapsed and all unconfirmed applications will not be valid.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the indicative Offer Price may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in this prospectus, and any other financial information which may change as a result of any such reduction. In the absence of any such notice so published, the number of Offer Shares will not be reduced and/or the Offer Price.

In the event of a reduction in the number of Offer Shares, the Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, at their discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering, provided that the number of Offer Shares comprised in the Hong Kong Public Offering shall not be less than 10% of the total number of Offer Shares available under the Global Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Joint Global Coordinators (for themselves and on behalf of the Underwriters).

STRUCTURE OF THE GLOBAL OFFERING

Basis of Allocations

The level of indications of interest in the Global Offering, the results of allocations and the basis of allotment of the Hong Kong Offer Shares are expected to be announced on Thursday, July 14, 2022, on the website of the Stock Exchange at www.hkexnews.hk and on the website of our Company at www.medneurotech.com.

UNDERWRITING AGREEMENT

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is conditional upon the International Underwriting Agreement being signed and becoming unconditional.

We expect to enter into the International Underwriting Agreement relating to the International Offering on July 8, 2022. The underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement are summarized in the section headed “Underwriting.”

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares is conditional on:

- (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including any Shares that may be issued under the Over-allotment Option), and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;
- (b) the execution and deliver of the International Underwriting Agreement on or about July 8, 2022; and
- (c) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements in each case on or before the dates and times specified in the Hong Kong Underwriting Agreement or the International Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times).

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, each other offering becoming unconditional and not having been terminated in accordance with its respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published on the website of the Stock Exchange (www.hkexnews.hk) and on our website (www.medneurotech.com) on the next day following such lapse. In such situation, all application monies will be returned, without interest, on the terms set forth in the section headed “How to Apply for Hong Kong Offer Shares and Reserved Shares.” In the

STRUCTURE OF THE GLOBAL OFFERING

meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Share certificates for the Offer Shares will only become valid at 8:00 a.m. on Friday, July 15, 2022, provided that the Global Offering has become unconditional in all respects at or before that time.

DEALING IN THE SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, July 15, 2022, it is expected that dealings in our Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, July 15, 2022.

Our Shares will be traded in board lots of 1,000 Shares each and the stock code of the Shares is 2172.