Boston Scientific

Boston Scientific Announces Strategic Investment to Acquire Majority Stake of Acotec Scientific Holdings Limited

MARLBOROUGH, Mass., Dec. 11, 2022 /PRNewswire/ -- Boston Scientific Corporation (NYSE: BSX) and Acotec Scientific Holdings Limited ("Acotec" and 6669.HK) announced today that Boston Scientific will make a partial offer to acquire a majority stake, up to a maximum of 65%, of shares of Acotec, a Chinese medical technology company that offers solutions designed for a variety of interventional procedures. The proposed price is HK$20 per share, which represents a total upfront cash payment consideration of approximately US$523 million for the 65% stake at current exchange rates[i].

Acotec is a leader in innovative medical solutions, including drug-coated balloons (DCBs), which are used in the treatment of vascular and other diseases. In 2016, the company launched the first peripheral DCB in China after receiving approval from the National Medical Products Administration. The Acotec portfolio also includes radiofrequency ablation technologies and thrombus aspiration catheters, as well as more than 20 other products in various stages of development across a range of specialties. In the 12-month period ending June 30, 2022, Actotec generated sales ofRMB 339 million (approximately US$53 million), growing 25% year-over-year in the first six months of 2022 with strong double-digit growth in each of the two years prior.[ii]

"Acotec is a profitable, fast-growing company with a strong portfolio and innovative pipeline of medical technologies, and we believe this investment will generate growth opportunities for both companies," said Art Butcher, executive vice president and group president, MedSurg and Asia Pacific, Boston Scientific. "We expect completion of the partial offer to further strengthen our presence in China and create the potential for commercialization of Acotec products globally, providing an increased number of physicians and patients access to our robust and complementary product portfolios."

Boston Scientific expects the impact to adjusted earnings per share to be immaterial in 2023 and the impact to GAAP earnings per share to be less accretive, or dilutive, as the case may be, due to amortization expense and acquisition-related net charges.

The completion of the transaction, which is anticipated in the first half of 2023, is subject to acceptance and approval by Acotec shareholders and other conditions set forth in related filings.

Additional information about this investment is available on the Events and Presentations section of the Boston Scientific investor relations website.

About Boston Scientific

Boston Scientific transforms lives through innovative medical solutions that improve the health of patients around the world. As a global medical technology leader for more than 40 years, we advance science for life by providing a broad range of high-performance solutions that address unmet patient needs and reduce the cost of healthcare. For more information, visit www.bostonscientific.com and connect on Twitter and Facebook.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements may be identified by words like "anticipate," "expect," "project," "believe," "plan," "may", "estimate," "intend" and similar words. These forward-looking statements are based on our beliefs, assumptions and estimates using information available to us at the time and are not intended to be guarantees of future events or performance. These forward-looking statements include, among other things, statements regarding the financial and business impact of the transaction, our business plans and product performance and impact. If our underlying assumptions turn out to be incorrect, or if certain risks or uncertainties materialize, actual results could vary materially from the expectations and projections expressed or implied by our forward-looking statements. These factors, in some cases, have affected and in the future (together with other factors) could affect our ability to implement our business strategy and may cause actual results to differ materially from those contemplated by the statements expressed in this press release. As a result, readers are cautioned not to place undue reliance on any of our forward-looking statements.

Factors that may cause such differences include, among other things: future U.S. and global economic, political, competitive, reimbursement and regulatory conditions; new product introductions; expected procedural volumes; the closing and integration of acquisitions; demographic trends; intellectual property rights; litigation; financial market conditions; the execution and effect of our business strategy, including our cost-savings and growth initiatives; and future business decisions made by us and our competitors; the conditions to the completion of the proposed transaction, including the receipt of the required regulatory approvals and clearances, may not be satisfied; closing of the proposed transaction may not occur or may be delayed. New risks and uncertainties may arise from time to time and are difficult to predict, including those that have emerged or have increased in significance or likelihood as a result of the COVID-19 pandemic. All of these factors are difficult or impossible to predict accurately and many of them are beyond our control. For a further list and description of these and other important risks and uncertainties that may affect our future operations, see Part I, Item 1A – Risk Factors in our most recent Annual Report on

Form 10-K filed with the Securities and Exchange Commission, which we may update in Part II, Item 1A – Risk Factors in Quarterly Reports on Form 10-Q we have filed or will file hereafter. We disclaim any intention or obligation to publicly update or revise any forward-looking statements to reflect any change in our expectations or in events, conditions or circumstances on which those expectations may be based, or that may affect the likelihood that actual results will differ from those contained in the forward-looking statements. This cautionary statement is applicable to all forward-looking statements contained in this document.

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[i]Exchange rate of USD/HKD applied is 7.7838 as of December 9, 2022, based on Factset data and analytics

[ii]Average exchange rate in the 12-month period ending June 30, 2022, of USD/RMB applied is 6.4553, based on Factset data and analytics

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