



March 9, 2023

To whom it may concern,

Company: Japan Lifeline Co., Ltd.
Representative: Keisuke Suzuki, President and CEO
(Code: 7575 TSE Prime Market)
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Japan Lifeline Announces Divestiture of Its Specified Subsidiary

Japan Lifeline Co., Ltd. (“Japan Lifeline”) has decided at the board of directors meeting held today that it will transfer all of the shares of JLL Shenzhen Co., Ltd. (“JLL Shenzhen”), its specified subsidiary, to Enlight Medical Limited (“Enlight Medical”).

1. Reasons for the divestiture

JLL Shenzhen, a specified subsidiary of Japan Lifeline, has contributed to the growth of the company group as a manufacturing base for the PI (percutaneous intervention) business. However, the macroenvironment has changed so that Japan Lifeline has explored to sharpen the focus in its core development areas. Under such circumstances, Japan Lifeline received a proposal to acquire all shares of JLL Shenzhen from Enlight Medical, which was expecting to scale its production capacity and strengthen its wide range of product portfolio covering structural heart disease, endovascular treatment, and neuromodulation.

Japan Lifeline has decided the divestiture to concentrate more in the areas of strengths such as arrhythmia and cardiovascular surgery, as well as the strategic focus on gastrointestinal and neurovascular spaces.

(There is a continuation on the next page)

2. Summary of the specified subsidiary to be divested

(1) Name	JLL Shenzhen Co., Ltd.		
(2) Address	5-6/F, Building A, Xinghui Technology Industrial Park, 52 Huaning Road, Xinshi Community, Dalang Street, Longhua District, Shenzhen 518109, China		
(3) Title and name of representative	Mr. Kenji Yamada, Director		
(4) Business	Manufacture and sales of medical devices		
(5) Capital stock	7.5 million USD (812 million JPY)		
(6) Date of establishment	March 30, 2005		
(7) Major shareholders and shareholding ratio	Japan Lifeline Co., Ltd. 100%		
(8) Relationship between the Company and JLL Shenzhen	Capital ties	Japan Lifeline has a 100% stake in JLL Shenzhen	
	Personal relationship	A director and an employee of Japan Lifeline concurrently serve as a director of JLL Shenzhen and an employee of Japan Lifeline serves as an auditor of JLL Shenzhen. In addition, two employees of Japan Lifeline are on loan to JLL Shenzhen.	
	Business relationship	JLL Shenzhen supplies Japan Lifeline with its products	
(9) Financial status and operating results for the last three years (units are in millions of JPY)			
Accounting Period	FYE December 2020	FYE December 2021	FYE December 2022
Net assets	-21	520	606
Total assets	476	584	721
Net sales	525	550	495
Operating profit	65	24	47
Ordinary profit	50	18	46
Net profit	43	-24	46

3. Summary of Enlight Medical (the counterparty to which the share will be transferred)

(1) Name	Enlight Medical Limited	
(2) Address	Unit 3A-8, 12/F Kaiser CTR, No.18 Centre ST, Sai Ying Pun, Hong Kong	
(3) Title and name of representative	Mr. Rao Jie Yu, Director	
(4) Business	Manufacture and sales of medical devices	
(5) Capital stock	Information not available	
(6) Date of establishment	October 23, 2020	
(7) Net assets	Information not available	
(8) Total assets	Information not available	
(9) Major shareholders and shareholding ratio	Information not available	
(10) Relationship between Japan Lifeline and Enlight Medical	Capital ties	None
	Personal relationship	None

	Business relationship	None
	Applicability to related parties	None

4. Number of shares transferred, transfer price and status of shares held before and after transfer

(1)	Ownership before transfer	100%
(2)	Transfer ratio	100%
(3)	Transfer price	No disclosure due to contractual confidentiality obligations ¹
(4)	Ownership after transfer	0%

*1 The transfer price was determined through discussions and negotiations based on the corporate valuation conducted by Enlight Medical and Japan Lifeline's internal analysis of that corporate valuation.

5. Schedule

(1)	Board resolution date	March 9, 2023
(2)	Date of contract close	March 9, 2023
(3)	Equity transfer date	Late March 2023 (scheduled)

6. Impact on financials

The Company estimates that the impact of this divestiture on the consolidated financial results for the fiscal year ending March 2023 will be minor.

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