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Medtronic completes investment in LifeTech

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Singapore:Ã?Â US-headquartered Medtronic and LifeTech Scientific, a public company listed in Hong Kong stock exchange, have closed a transaction creating a strategic alliance that brings together the resources and technologies of the world's largest medical device company with the local market expertise, brand recognition and growth potential of a recognized leader in China, which is fast becoming one of the world's largest device markets.

The strategic alliance will allow each company to serve cardiovascular patients and clinicians who previously have been unreachable by either company alone, and to develop a more robust cardiovascular platform.

Under the terms of the definitive agreements, Medtronic purchased a 19 percent equity interest in LifeTech, and received the right of first negotiation to distribute current and future LifeTech products as well as the opportunity to acquire additional ownership in LifeTech. Medtronic will also provide services and expertise to LifeTech to support its continued growth, development pipeline and manufacturing capabilities to better serve patients and clinicians in China and globally.

Medtronic purchased its initial equity investment for approximately $46.5 million (HK$3.80 per share or HK$361 million) in total. Medtronic also purchased approximately $19.6 million (HK$152 million) convertible note representing an additional approximately 7.4 percent equity on a fully-diluted post-conversion basis. Medtronic will also have the opportunity to acquire additional convertible notes.