

## Mindray Medical Receives Reduced Buyout Offer



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Mindray Medical International Limited, a leading developer, manufacturer and marketer of medical devices worldwide has announced that the board of directors of the Company has received a revised non-binding proposal from Mr. Li Xiting, its Executive Chairman of the Board, President and Co-CEO, Mr. Xu Hang, its Chairman of the Board, and Mr. Cheng Minghe, its Co-CEO and Chief Strategic Officer, to acquire all of the outstanding shares of the Company not already owned by the Buyer Group for US\$27 per American Depositary Share or US\$27 per ordinary share in cash, subject to certain conditions.

This development has resulted in a decline in the company share by 2.4 percent. It is important to note that the revised price is lower than the earlier proposed price of \$30 per ADS that was made in June. It is at a 14 percent premium to the closing price of \$23.60 on September 10th and is higher than a previous offer of a 9 percent premium made in June. It is believed that this offer may prove to be a profitable one for the investors.

Mindray Medical had a disappointed first half of 2015 that have made investors sceptical about the company's ability to bounce back. Share prices have declined to a 52-week low and is down by 30.2 percent from the 52-week high . The company has had a sluggish performance recently with modest revenue growth and contraction in gross and operating margins. For the remaining of the fiscal year, net revenue growth is expected to remain low and the company has projected an adjusted net income decline of 30 percent due to lower revenues and interest income. The primary reason for this performance is the increased competition from Japanese and European device makers in China.

The special committee of the Board formed to consider the original proposal by the Buyer Group, is evaluating this revised proposal with the assistance of its financial and legal advisors. The Special Committee cautions the Company's shareholders and others considering trading in the Company's securities that no decision has been made by the Special Committee or the Board with respect to the revised proposal. There can be no assurance that any definitive offer will be made, any agreement will be executed or that this or any other transaction will be approved or consummated.

Source: [Mindray Medical](#), [Zacks.com](#)

Image Credit: Mindray Medical

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