

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**MicroPort Scientific Corporation**

**微創醫療科學有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 00853)**

**DISPOSAL TRANSACTIONS  
FURTHER INFORMATION ON THE PROPOSED TRANSFER OF  
EQUITY INTEREST IN MP CARDIOFLOW  
AND  
PROPOSED CAPITAL INCREASE OF  
MP CARDIOFLOW**

We refer to the announcement of the Company dated 22 August 2017 in respect of certain investors' investments in MP Cardioflow (the "**Announcement**"). Unless otherwise stated, capitalized terms used herein have the same meanings as those defined in the Announcement.

As stated in the Announcement, the Investors agreed to subscribe for certain interest to be newly issued in the enlarged share capital of the Target Company upon the completion of the Transactions at an aggregate consideration of RMB248,381,153 and to purchase certain interest in the Target Company held by Chenxue Investment and Jianyi Xinghe at an aggregate consideration of RMB181,618,847, respectively. The Transactions will be carried out through the Step I Investment, the Step II Investment and the Step III Investment. The consideration payable by the Investors for the Transactions was determined after arm's length negotiations between the parties with reference to the valuation of the Target Company before the Transactions, which was calculated with reference to the valuation of comparable companies at the similar developing stage in the market engaged in similar businesses with that of the Target Company.

The Company would like to provide the following further and supplemental information on the Transactions to the shareholders:

## **DETAILS OF THE CONSIDERATION TO BE PAID BY EACH INVESTOR**

### **Step I Investment**

The considerations to be paid by each Investor under the Step I Investment are set out below:

<b>Investor</b>	<b>Consideration to be paid to Chenxue Investment for transfer of equity interests under Step I Investment (i)</b>	<b>Consideration to be paid to the Target Company for subscription of newly issued equity interests under Step I Investment (ii)</b>	<b>Total consideration to be paid under Step I Investment (RMB)</b>
Huajie	23,390,152	71,609,848	<b>95,000,000</b>
CICC Pucheng	22,159,091	67,840,909	<b>90,000,000</b>
Huatai Ruihe	7,386,364	22,613,636	<b>30,000,000</b>
<b>Total</b>	<b>52,935,607</b>	<b>162,064,393</b>	<b>215,000,000</b>

### **Step II Investment**

The considerations to be paid by each Investor under the Step II Investment are set out below:

<b>Investor</b>	<b>Consideration to be paid to Jianyi Xinghe under Step II Investment (RMB)</b>
Huajie	56,860,036
CICC Pucheng	53,867,403
Huatai Ruihe	17,955,801
<b>Total</b>	<b>128,683,240</b>

### Step III Investment

The considerations to be paid by each Investor under the Step III Investment are set out below:

<b>Investor</b>	<b>Consideration to be paid to the Target Company under Step III Investment (RMB)</b>
Huajie	38,139,964
CICC Pucheng	36,132,597
Huatai Ruihe	12,044,199
<b>Total</b>	<b>86,316,760</b>

Under each of Step I Investment, Step II Investment and Step III Investment, the average consideration per percentage of the enlarged share capital of the Company is approximately RMB14,620,579, RMB18,000,173 and RMB20,863,065, respectively and such differences reflect (i) the difference of share capital of the Target Company in different investment stage, as a result of the capital increase in the Target Company of the Transactions; and (ii) the difference of valuation of the Target Company in different investment stages having considered the time difference of different stage of investments.

### **BASIS AND FACTORS TO DETERMINE THE CONSIDERATION**

The consideration payable by the Investors for the Transactions was determined after arm's length negotiations between the parties with reference to the valuation of the Target Company before the Transactions, which was calculated with reference to the valuation of comparable companies at the similar developing stage in the market engaged in similar businesses with that of the Target Company. The following basis and factors were considered to analyze and determine such valuation:

- (a) the valuation of Edwards Lifesciences Corporation (a company listed in the New York Stock Exchange, stock code: EW). Edwards Lifesciences Corporation is the benchmark company engaging in the transcatheter aortic valve implantation (the "TAVI") business similar to the Target Company;
- (b) the consideration payable by Boston Scientific Corporation (a company listed in the New York Stock Exchange, stock code: BSX) for its acquisition of Symetis SA as announced on 30 March 2017. Symetis SA is a Switzerland Company at the similar developing stage and engaged in similar businesses with that of the Target Company;
- (c) the growth potential in global and PRC TAVI markets and the scarcity of TAVI product suppliers in PRC market; and
- (d) the consideration proposed by other potential investors for their investment to the Target Company.

## PUT OPTIONS

Put Option II is exercisable within a certain period after the occurrence of the prerequisite events as disclosed in the Announcement, i.e. (1) if The Target Company fails to be listed on a stock exchange within six years after the completion of the Step I Investment, the Investors are entitled to exercise the Put Option II within six months after the occurrence of such event; and (2) if the Target Company fails to obtain the third class medical instruments registration certification from the CFDA for its VitaFlow™ product before 31 December 2019, the Investors are entitled to exercise the Put Option II within twelve months after the occurrence of such event.

## INFORMATION OF CHENXUE INVESTMENT

Chenxue Investment, a limited partnership incorporated in China. Its general partner is Shanghai Changlong Biomedical Technology Co., Ltd. (上海常隆生命醫學科技有限公司), and its limited partners are the Group's certain employees and other companies, which are all independent third parties not connected with the Group.

By Order of the Board  
**MicroPort Scientific Corporation**  
**Dr. Zhaohua Chang**  
*Chairman*

Shanghai, the PRC, 4 September 2017

*As at the date of this announcement, the executive Director is Dr. Zhaohua Chang; the non-executive Directors are Mr. Norihiro Ashida, Mr. Hiroshi Shirafuji, Ms. Weiwei Chen, Ms. Janine Junyuan Feng; and the independent non-executive Directors are Mr. Jonathan H. Chou, Dr. Guoen Liu, and Mr. Chunyang Shao.*

\* *for identification purpose only*