

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)

**UPDATE ON
PROPOSED TRANSFER OF EQUITY INTEREST IN
MP CARDIOFLOW
AND
PROPOSED CAPITAL INCREASE OF
MP CARDIOFLOW**

The Board hereby announces that on 8 February 2018, the Original Shareholders, the Target Company, the Initial Investors and CICC Kangrui entered into the supplementary agreement to the Share Transfer and Capital Increase Agreement dated 22 August 2017 (the “**Supplementary Agreement**”), pursuant to which, the parties agreed that CICC Pucheng will transfer its equity interests in the Target Company and all of its rights, interests and obligations under the Share Transfer and Capital Increase Agreement to CICC Kangrui. As CICC Kangrui replaced CICC Pucheng as an Investor, the parties entered into the Restated Shareholders’ Agreement, the terms of which is as same as the terms of the Subsequent Shareholders’ Agreement.

INTRODUCTION

We refer to the announcements of the Company dated 22 August 2017, 4 September 2017, 20 October 2017 and 27 October 2017 in respect of certain investors’ investments in MP Cardioflow (the “**Announcements**”). Unless otherwise stated, capitalized terms used herein have the same meanings as those defined in the Announcements.

As stated in the Announcements, on 22 August 2017, the Original Shareholders and the Target Company entered into the Share Transfer and Capital Increase Agreement and Shareholders’ Agreement with the Initial Investors including, among others, CICC Pucheng. On 20 October 2017, the Original Shareholders and the Target Company entered into the Subsequent Share Transfer and Capital Increase Agreement with the Subsequent Investor, and the Original Shareholders, the Target Company, the Initial Investors and the Subsequent Investor entered into the Subsequent Shareholders’ Agreement, which replaced the Shareholders’ Agreement after comes into effect. Pursuant to the Share Transfer and Capital Increase Agreement, the Shareholders’ Agreement, the Subsequent Share Transfer and Capital Increase

Agreement and the Subsequent Shareholders' Agreement, the Investors agreed to purchase certain equity interest in the Target Company held by Chenxue Investment and Jianyi Xinghe and to subscribe for certain of the enlarged share capital of the Target Company upon the completion of the Transfer and Investment Transactions. The Investors were granted the Investors' Put Options under the Subsequent Shareholders' Agreement.

The Board hereby announces that on 8 February 2018, the Original Shareholders, the Target Company, the Initial Investors and CICC Kangrui entered into the supplementary agreement to the Share Transfer and Capital Increase Agreement dated 22 August 2017 (the "**Supplementary Agreement**"), pursuant to which, the parties agreed that CICC Pucheng will transfer all of its rights, interests and obligations under the Share Transfer and Capital Increase Agreement to CICC Kangrui. As CICC Kangrui replaced CICC Pucheng as an Investor, the parties entered into the Restated Shareholders' Agreement, the terms of which is as same as the terms of the Subsequent Shareholders' Agreement.

PRINCIPAL TERMS OF THE SUPPLEMENTARY AGREEMENT

As stated in the Announcements, CICC Pucheng agreed to acquire a total of approximately 10.3767% of the enlarged share capital of the Target Company upon the completion of the Transfer and Investment Transactions with a total consideration of RMB180,000,000. Such transactions will be carried out through each of Step I Investment, Step II Investment and Step III Investment.

As at the date of this announcement, the Step I Investment under the Share Transfer and Capital Increase Agreement, namely acquiring equity interest held by Chenxue Investment and subscribing for additional equity interest issued by the Target Company, has been completed, and CICC Pucheng holds 6.0774% share capital of the Target Company.

The principal terms of the Supplementary Agreement are set out below:

Date: 8 February 2018

Parties:

- (1) MP CardioFlow (the Target Company);
- (2) MicroPort Shanghai (as the controlling shareholder of the Target Company);
- (3) Chenxue Investment;
- (4) Jianyi Xinghe;
- (5) Huajie;
- (6) CICC Pucheng;
- (7) Huatai Ruihe; and
- (8) CICC Kangrui

Principal Terms: All parties agreed that CICC Kangrui will replace CICC Pucheng as an Investor to the Share Transfer and Capital Increase Agreement and any of its subsequent and supplemental agreements by way of transferring all of CICC Pucheng's rights, interests and obligations under the Share Transfer and Capital Increase Agreement to CICC Kangrui. All parties agreed to unconditionally cooperate and waive all their claims or rights in respect of such transfer against CICC Pucheng or any of its direct or indirect shareholders, directors and senior managements.

Upon the signing of the Supplementary Agreement, the rights and interests of CICC Pucheng under the Share Transfer and Capital Increase Agreement will be enjoyed by CICC Kangrui, and the obligations and liabilities of CICC Pucheng under the Share Transfer and Capital Increase Agreement will be born and undertaken by CICC Kangrui. The Supplementary Agreement will be equally authentic as the Share Transfer and Capital Increase Agreement.

PRINCIPAL TERMS OF THE RESTATED SHAREHOLDERS' AGREEMENT

As CICC Kangrui would replace CICC Pucheng as an Investor to the Share Transfer and Capital Increase Agreement and any of its subsequent and supplemental agreements, the Original Shareholders, the Target Company, Huajie, CICC Kangrui, Huatai Ruihe and SDIC Chuanghe entered into the Restated Shareholders' Agreement, which contains the same terms of the Subsequent Shareholders' Agreement. The Subsequent Shareholders' Agreement dated 20 October 2017 was replaced after the Restated Shareholders' Agreement comes into effect.

The principal terms of the Restated Shareholders' Agreement are set out below:

Date: 8 February 2018

Parties:

- (1) MP CardioFlow (the Target Company);
- (2) MicroPort Shanghai (as the controlling shareholder of the Target Company);
- (3) Chenxue Investment (as a shareholder of the Target Company);
- (4) Jianyi Xinghe (as a shareholder of the Target Company) ;
- (5) Huajie (as a shareholder of the Target Company);
- (6) CICC Kangrui (as a shareholder of the Target Company);
- (7) Huatai Ruihe (as a shareholder of the Target Company); and
- (8) SDIC Chuanghe (as a shareholder of the Target Company).

Nomination Rights: Pursuant to the Restated Shareholders' Agreement, MicroPort Shanghai has the right to appoint three directors and Huajie and CICC Kangrui have the right to each appoint one director. Huatai Ruihe and SDIC Chuanghe has the right to each appoint one observer to sit on the board meeting, respectively. The directors appointed by the Investors shall not be removed or replaced without their written consent.

As at the date of this announcement, the board of the Target Company comprises with five directors, including two directors each appointed by Huajie and CICC Kangrui, respectively.

A shareholder shall lose its right to appoint director if its shareholding in the Target Company drops to less than 5%. Such shareholder shall, within five days, present the certified documents to the board to remove the Director it appointed.

**Transfer of
Equity Interests
by the Original
Shareholders:**

- (1) Subject to applicable laws and regulations and without prejudice to any other terms of the Shareholders' Agreement, after the completion of the Comprehensive Investment Transactions, any disposal (by selling, granting, pledge or any other ways) of the equity interest in the Target Company by any Original Shareholders to any third party shall be approved in writing by the shareholders with more than half of the voting rights of the Target Company (which shall include more than three fourths of the voting rights held by the Investors). This restriction shall not apply to any transfer of equity interests to the Investors under the Comprehensive Investment Transactions.
- (2) Notwithstanding the agreement set out above, the other shareholders of the Target Company shall approve any transfer by the Original Shareholders of no more than 3% in aggregate of the total equity interests before the proposed transactions of the Target Company. If the Target Company has completed another round of financing with a valuation of the Target Company no less than two times of the valuation of the Target Company upon the completion of the Comprehensive Investment Transactions and the total consideration for the new investment is no less than 1.5 times than that of the Comprehensive Investment Transactions within 24 months after the Shareholders' Agreement became into effect, the other shareholders of the Target Company shall approve any transfer by the Original Shareholders of no more than 6% in aggregate of the total equity interests before the new transactions of the Target Company.

- (3) The agreement set out in (2) above will not apply to any transfer of equity interests in the Target Company by Chenxue Investment for the purpose to allot the proceeds of such transfer to the senior managements and core employees of the Target Company, while such transfer will still be subject to the agreement set out in (1) above.
- (4) MicroPort Shanghai shall not transfer any equity interest in the Target Company to any third party (other than a related party (as defined under the Share Transfer and Capital Increase Agreement) of MicroPort Shanghai which is beneficially owned by the Company) which would result in its ceasing to be the controlling shareholder of the Target Company before the listing of the Target Company.

Transfer of Equity Interests by the Investors:

Before the shareholders' general meeting of the Target Company passes a resolution to restructure the Target Company into a joint stock company, or during the period commencing from 12 months after the completion of joint stock restructuring and to the date of filing of listing documents by the Target Company, the Investors may transfer their equity interests in the Target Company without the approval by other shareholders, but are required to notice the Target Company and its other shareholders no later than 10 business days in writing before entering such share transfer agreement. The other shareholders other than the transferring shareholder of the Target Company agree to waive their pre-emptive rights to the transfer.

Notwithstanding the agreement set out above, the Investors shall not transfer any equity interest to any competitor or its subsidiaries which competes with the Target Company in its business without the written consent of MicroPort Shanghai. MicroPort Shanghai's written consent is deemed given if MicroPort Shanghai has not replied within ten business days upon the notice of such transfer by the Investors.

Investors' Special Rights:

Commencing from the date of initial application of registrations of the changes with competent registration authorities for each steps of the investments by the Investors, the Investors will enjoy the following rights in proportion to their equity interests in the Target Company upon the completion of such step of investment. The Original Shareholders have confirmed to irrevocably waive their priority rights in relation to the Target Company (if any). The Investors' pre-emptive rights for transferred shares and newly issued securities and tag-along rights will not be applicable to the Comprehensive Investment Transactions.

If any of the Investors' special rights are not in compliance with the listing requirements, such rights will be terminated automatically from the date of first filing of listing documents by the Target Company, until (i) 24 months (which may be extended by the approval of shareholders' general meeting of the Target Company as well as such Investors with more than three quarters voting rights among them) after the termination of such rights if the Target Company failed to be listed during such period, (ii) the date on which the Target Company withdraw the application for listing, or (iii) the date on which the rejection for the listing application of the Target Company take place, whichever is earlier.

Pre-emptive Rights for Transferred Shares: In the circumstance of share transfer by any other shareholder of the Target Company (except transfers to Chenxue Investment for the purpose of share option scheme for employees), the Investors of the Target Company shall have the pre-emptive right to purchase such equity interest of the Target Company to be transferred by such shareholder at the same price and on the same conditions. If more than two Investors intend to exercise their rights and no mutual agreement is reached on the subscription proportions by them, they shall exercise the pre-emptive rights in proportion to their equity interest in the Target Company.

Pre-emptive Rights for Newly Issued Securities: In the circumstance of the Target Company proposing to increase its share capital or issue shares, convertible bonds or share options (other than shares / options to be issued under an employee share incentive scheme), shareholders of the Target Company shall have pre-emptive rights to subscribe for such increased share capitals or newly issued shares, convertible bonds and share options on the same conditions and at the same price in proportion to their equity interests in the Target Company.

Tag-along Rights: If MicroPort Shanghai or Chenxue Investment intends to transfer all or any part of their interest in the Target Company to any third party, the Investors who does not exercise their pre-emptive rights shall have the right to sell their respective equity interest in the Target Company to such third party at the same price and on the same conditions in proportion to their equity interest in the Target Company. This tag-along right does not apply to the transfers under "Transfer of Equity Interests by the Investors" above.

Put Option Please see below for details.

Liquidation Priority: The Investors shall have certain priorities in the entitlements to the residual assets of the Target Company than the Original Shareholders during liquidation process, which shall be subject to certain restrictions and conditions.

Anti-dilution: From the completion of the Subsequent Step I Investment, without the approval by the Investors, the Target Company shall not issue new shares or increase capital at a price lower than the issue price at the latest step of the Comprehensive Investment Transactions. In case the Target Company issue new shares or increase capital at a price lower than the issue price at the latest step of the Comprehensive Investment Transactions, the Target Company shall reach an agreement with the Investors in respect of a share compensation scheme subject to (i) the approval by more than three fourths of the voting rights held by the Investors, and (ii) the completion of internal approval procedures by MicroPort Shanghai (if required). The Target Company shall not issue new shares or increase capital before reaching the share compensation scheme.

Listing of the Target Company:

The Target Company and MicroPort Shanghai undertook that the Target Company shall make its best efforts to be listed on a stock exchange within six years after the completion of the Subsequent Step I Investment under the Subsequent Share Transfer and Capital Increase Agreement with a valuation no less than below:

$$V \times (1+15\%)^T$$

Among which:

- (i) “V” means the valuation of the Target Company upon the completion of the Comprehensive Investment Transactions, being RMB2,100 million.
- (ii) “T” means the number of calendar days between the completion date of Step III Investment and listing date of the Target Company divided by 365.

The place of the listing for the Target Company shall be approved by its shareholders’ general meeting and the Investors with more than two thirds of the voting rights held by all the Investors.

Non-Completion Undertaking:

MicroPort Shanghai undertook that, during the existence of the Target Company, it will not be engaged in or participate in, and will procure its directors, senior management, any company it establishes directly or indirectly or controls, and its controlling shareholders and de facto controllers not to be engaged in or participate in any business that competes or is likely to compete, directly or indirectly, with the Target Company, i.e. being engaged in any business that threatens or is likely to threaten the chance of the Target Company to win any commercial opportunities directly or significantly (the “**Non-compete Undertaking**”). If MicroPort Shanghai has any business similar to the cardiac valve intervention medical device business of the Target Company, MicroPort Shanghai shall use its best effort to eliminate such competition. If MicroPort Shanghai fails to eliminate the competition, the Investors shall have the right to require MicroPort Shanghai to compensate the Target Company or the Investor for all damages suffered by them as a result, or exercise Investors’ Put Option I.

MicroPort Shanghai further undertook that, if such Competing Businesses do exist and have obstructed the listing of the Target Company, it will make all reasonable commercial efforts to eliminate such obstacles. If MicroPort Shanghai could not eliminate such obstacles which result in failure of the listing of the Target Company during the period as agreed, the Investors shall have the right to require MicroPort Shanghai to compensate the Company or the Investor for all damages suffered by them as a result, or to exercise the Investors’ Put Option II.

The Non-compete Undertaking will remain effective so long as (i) the Target Company exists; and (ii) MicroPort Shanghai maintains the position of the controlling shareholder (i.e., holding more than 50% equity interests) of the Target Company.

Given the financial results of the Target Company would still be consolidated in the financial statement of the Company during the time that the Non-compete Undertaking is effective and in the event that MicroPort Shanghai ceases to be the controlling shareholder of the Target Company, the Company would still maintain the flexibility to explore and compete in the relevant market without being restricted, therefore the Company believe that such arrangement would not affect the interests of the Company and its shareholders.

INVESTORS’ PUT OPTIONS

The Investors were granted the Investor’s Put Options under the Restated Shareholder’s Agreement, which are of the same terms of the put options under the Subsequent Shareholders’ Agreement dated 20 October 2017. After the Restated Shareholders’ Agreement comes into effect, the Subsequent Shareholders’ Agreement dated 20 October 2017 will be replaced and the put options thereunder will become invalid. Pursuant to the Investors’ Put Options, the Investors were entitled to require the Repurchase Obligors to repurchase the Redeemable Shares held by them in accordance with the terms and conditions under the Restated Shareholders’ Agreement.

Details of the terms in respect of the Investors' Put Option I are set out below:

Investors' Put Option I: Pursuant to the Restated Shareholders' Agreement, each of the Investors was entitled to require MicroPort Shanghai and/or any other entity controlled by the Company as agreed by the Investors (the "**Repurchase Obligors**") to repurchase part or all of their equity interests in the Target Company which can be redeemed (the "**Redeemable Shares**"), at the price agreed in the Restated Shareholders' Agreement (the "**Repurchase Price I**") within four to six years after the completion of the Step I Investment, by a written notification no later than six months before the requirement.

Redeemable Shares: The Redeemable Shares consist of equity interests of the Target Company acquired by an Investor in Step I Investment (or Subsequent Step I Investment for the Subsequent Investor) and Step III Investment of the Comprehensive Investment Transactions.

Repurchase Price I: The Repurchase Price I is calculated as follows:

$$M1 \times R \times (1+Q1)^{T1} + M3 \times R \times (1+Q1)^{T3}$$

Among which:

"M1", "M3", "R", "Q1" and "T1" and "T3" have the meaning as defined below.

Details of the terms in respect of the Investors' Put Option II are set out below:

Investors' Put Option II: Pursuant to the Restated Shareholders' Agreement, if any of the prerequisites of the Investors' Put Option II occurs, the Investors were entitled to require the Repurchase Obligors to repurchase part or all of their Redeemable Shares, at the price as agreed in the Restated Shareholders' Agreement (the "**Repurchase Price II**").

Prerequisites:

- (i) The Target Company fails to be listed on a stock exchange within six years after the completion of the Subsequent Step I Investment, in which circumstance the Investors are entitled to exercise the Investors' Put Option II within six months after the occurrence of such event; or
- (ii) The Target Company fails to obtain the third class medical instruments registration certification from the CFDA for its VitaFlowTM product before 31 December 2019, in which circumstance the Investors are entitled to exercise the Investors' Put Option II within twelve months after the occurrence of such event.

Redeemable Shares: Same as those under Investors' Put Option I.

**Repurchase
Price II:**

The Repurchase Price II is calculated as follows:

$$M1 \times R \times (1+Q2)^{T1} + M3 \times R \times (1+Q2)^{T3}$$

Among which:

- (i) “M1” means the total consideration paid by an Investor in the Step I Investment (or the Subsequent Step I Investment for the Subsequent Investor), and “M3” means the total consideration paid by an Investor in the Step III Investment;
- (ii) “R” means the percentage of Redeemable Shares which the Investor requires to be repurchased;
- (iii) “Q1” means the interest rate for Investors’ Put Option I, being 12%;
- (iv) “Q2” means the interest rates for the exercise of Investors’ Put Option II, being 15%, and
- (v) “T1” means number of calendar days between the completion of the Investors’ Step I Investment (or the Subsequent Step I Investment for the Subsequent Investor) and the date on which the Investor require to exercise the Investors’ Put Option I or Investors’ Put Option II divided by 365, and “T3” means number of calendar days between the completion of Step III Investment and the date on which the Investor require to exercise the Investors’ Put Option I or Investors’ Put Option II, respectively divided by 365.

Pursuant to the Restated Shareholders’ Agreement, each of the Investors may exercise the Investors’ Put Options for twice in aggregate. If any of the Investors has required the Repurchase Obligors to repurchase part of its Redeemable Shares for twice under either Investors’ Put Option I or Investors’ Put Option II, such Investor will not be entitled to exercise the any Investors’ Put Option for the rest of its equity interests in the Target Company.

Before requiring the Repurchase Obligors to repurchase the Redeemable Shares in cash, the Investors are entitled to negotiate with the Repurchase Obligors for repurchasing the Redeemable Shares with the shares of the Company as consideration. If the parties fail to reach an agreement or the repurchase with shares of the Company as consideration cannot be completed within four months after the first negotiation between the parties, the Investors may require the Repurchase Obligors to repurchase the Redeemable Shares in cash. The repurchase with shares of the Company, if applicable, will be conditional upon the internal approval for issuing shares by the Company.

If the Repurchase Obligators fail to fulfill their obligations under the Investors' Put Options and remain failing to fulfill such obligations after 20 business days upon a written notice from the Investors, the Investors shall be entitled to the right to require the Repurchase Obligators to fulfill their obligations with a doubled Q1 or Q2 set out above, as applicable.

INFORMATION OF THE PARTIES INVOLVED

The Company

The Company is incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange. The Company is a leading medical technology company that develops, manufactures and sells high-end interventional medical devices.

The Target Company

The Target Company, MP CardioFlow, was incorporated in the PRC with limited liability, and is a leading company in China engaged in the research, development and manufacturing of high-end cardiac valve intervention medical device. It has an extensive research and development layout of innovation cardiac valve intervention business. As at the date of this announcement, the Company controls 67.8329% of its equity interest through MicroPort Shanghai.

MicroPort Shanghai

MicroPort Shanghai, a company incorporated in China with limited liability and a wholly-owned subsidiary of the Company. Its primary businesses involve research and development, manufacture and distribution of minimally invasive interventional products as treatment of vascular disease.

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. Its primary businesses involve investment management and investment consulting. As at the date of the announcement, Chenxue Investment holds 7.9804% interest in the Target Company.

Jianyi Xinghe

Jianyi Xinghe, a limited partnership incorporated in China, and an independent third party of the Company. Its general partner is Shanghai Xingze Investment Management Co., Ltd. (上海杏澤投資管理有限公司), an independent third party of the Company. Its primary businesses involve venture capital investment and investment management. As at the date of the announcement, Jianyi Xinghe holds 7.9803% interest in the Target Company.

CICC Pucheng

CICC Pucheng, a limited company incorporated in China, and an independent third party of the Company. Its primary business activity is investment management and investment consulting. As at the date of the announcement, CICC Pucheng holds 6.0774% interest in the Target Company.

CICC Kangrui

CICC Kangrui, a limited partnership incorporated in China, and an independent third party of the Company. Its primary business activity is private equity investment and its general partner is CICC Kongzhi (Ningbo) Equity Investment Management Limited (中金康智(寧波)股權投資管理有限公司), an independent third party of the Company.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

| | |
|--|--|
| “Announcements” | the announcements of the Company dated 22 August 2017, 4 September 2017, 20 October 2017 and 27 October 2017 in respect of certain investors’ investments in MP Cardioflow |
| “Board” | the board of directors of the Company |
| “CFDA” | China Food and Drug Administration |
| “Chenxue Investment” | Shanghai Chenxue Investment Management Center (Limited Partnership) (上海琛雪投資管理中心(有限合夥)) |
| “CICC Kangrui” | CICC Kangrui I (Ningbo) Equity Investment Limited Partners (Limited Partnership) (中金康瑞壹期(寧波)股權投資基金合夥企業(有限合夥)) |
| “CICC Pucheng” | CICC Pucheng Investment Corporation Limited (中金浦成投資有限公司) |
| “Company” | MicroPort Scientific Corporation (微創醫療科學有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange |
| “Comprehensive Investment Transactions” | the equity transfer of and capital increase in the Target Company, comprising the transactions contemplated under the Share Transfer and Capital Increase Agreement (as supplemented by the Supplementary Agreement), the Shareholders’ Agreement, the Subsequent Share Transfer and Capital Increase Agreement, the Subsequent Shareholders’ Agreement and the Restated Shareholders’ Agreement |
| “Directors” | the director(s) of the Company |

| | |
|--|--|
| “Group” | the Company and its subsidiaries |
| “Hong Kong Stock Exchange” | the Stock Exchange of Hong Kong Limited |
| “Huajie” | Huajie (Tianjin) Medical Investment Partnership (Limited Partnership) (華傑(天津)醫療投資合夥企業(有限合夥)) |
| “Huatai Ruihe” | Beijing Huatai Ruihe Medical Industry Investment Center (Limited Partnership) (北京華泰瑞合醫療產業投資中心(有限合夥)) |
| “Initial Investors” | Huajie, CICC Pucheng (which was replaced by CICC Kangrui) and Huatai Ruihe |
| “Investors” | Huajie, CICC Pucheng (which was replaced by CICC Kangrui), Huatai Ruihe and SDIC Chuanghe |
| “Investors’ Put Option(s)” | has the meaning as defined in the section headed “Investors’ Put Options” of this announcement |
| “Jianyi Xinghe” | Shanghai Jianyi Xinghe Investment Management Center (Limited Partnership) (上海健益興禾投資管理中心(有限合夥)) |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “MicroPort Shanghai” | Shanghai MicroPort Medical (Group) Co., Ltd. (上海微創醫療器械(集團)有限公司), a company incorporated in China with limited liability and a wholly-owned subsidiary of the Company as at the date of this announcement |
| “MP Cardioflow” or “Target Company” | MicroPort Shanghai CardioFlow Medtech Co., Ltd. (上海微創心通醫療科技有限公司), a company incorporated in China with limited liability and a non-wholly-owned subsidiary of the Company |
| “Non-compete Undertaking” | has the meaning as defined in the section headed “Principal Terms of the Restated Shareholders’ Agreement” of this announcement |
| “Original Shareholders” | MicroPort Shanghai, Chenxue Investment and Jianyi Xinghe |
| “PRC” or “China” | the People’s Republic of China and for the purpose of this announcement, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan |
| “Redeemable Shares” | has the meaning as defined in the section headed “Investors’ Put Options” of this announcement |

| | |
|--|---|
| “Repurchase Obligors” | has the meaning as defined in the section headed “Investors’ Put Options” of this announcement |
| “Repurchase Price I” | has the meaning as defined in the section headed “Investors’ Put Options” of this announcement |
| “Repurchase Price II” | has the meaning as defined in the section headed “Investors’ Put Options” of this announcement |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SDIC Chuanghe” or “Subsequent Investor” | SDIC Chuanghe National Emerging Industry Venture Capital Investment Guiding Fund (Limited Partnership) (國投創合國家新興產業創業投資引導基金(有限合夥)) |
| “Supplementary Agreement” | the supplementary agreement dated 8 February 2018 to the Share Transfer and Capital Increase Agreement entered into among MP Cardioflow, MicroPort Shanghai, Chenxue Investment, Jianyi Xinghe, Huajie, CICC Pucheng, Huatai Ruihe and CICC Kangrui |
| “Shareholder(s)” | the holder(s) of the ordinary share(s) of the Company |
| “Shareholders’ Agreement” | The shareholders agreement dated 22 August 2017 entered into among MP Cardioflow, MicroPort Shanghai, Chenxue Investment, Jianyi Xinghe, Huajie, CICC Pucheng and Huatai Ruihe |
| “Share Transfer and Capital Increase Agreement” | the share transfer and capital increase agreement dated 22 August 2017 entered into among MP Cardioflow, MicroPort Shanghai, Chenxue Investment, Jianyi Xinghe, Huajie, CICC Pucheng and Huatai Ruihe |
| “Step I Investment” | has the meaning as defined in the announcement of the Company dated 22 August 2017 |
| “Step II Investment” | has the meaning as defined in the announcement of the Company dated 22 August 2017 |
| “Step III Investment” | has the meaning as defined in the announcement of the Company dated 22 August 2017 |
| “Subsequent Step I Investment” | has the meaning as defined in the announcement of the Company dated 20 October 2017 |
| “Subsequent Step I Investment(i)” | has the meaning as defined in the announcement of the Company dated 20 October 2017 |

| | |
|---|---|
| “Subsequent Step I Investment(ii)” | has the meaning as defined in the announcement of the Company dated 20 October 2017 |
| “Subsequent Transactions” | the transactions contemplated under the Subsequent Share Transfer and Capital Increase Agreement and the Subsequent Shareholders’ Agreement |
| “Subsequent Shareholders’ Agreement” | The shareholders agreement dated 20 October 2017 entered into among MP Cardioflow, MicroPort Shanghai, Chenxue Investment, Jianyi Xinghe, Huajie, CICC Pucheng, Huatai Ruihe and SDIC Chuanghe |
| “Subsequent Share Transfer and Capital Increase Agreement” | the share transfer and capital increase agreement dated 20 October 2017 entered into among MP Cardioflow, MicroPort Shanghai, Chenxue Investment, Jianyi Xinghe and SDIC Chuanghe |
| “Transfer and Investment Transactions” | the equity transfer of and capital increase in the Target Company, comprising the transactions contemplated under the Share Transfer and Capital Increase Agreement, the Shareholders’ Agreement, the Subsequent Share Transfer and Capital Increase Agreement and the Subsequent Shareholders’ Agreement |
| “Restated Shareholders’ Agreement” | The restated shareholders agreement dated 8 February 2018 entered into among MP Cardioflow, MicroPort Shanghai, Chenxue Investment, Jianyi Xinghe, Huajie, CICC Kangrui, Huatai Ruihe and SDIC Chuanghe |

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

Shanghai, the PRC, 8 February 2018

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*