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MicroPort Scientific Corporation

微創醫療科學有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00853)

ACQUISITION OF 100% EQUITY INTEREST IN AN ORTHOPEDICS COMPANY IN SUZHOU

The Board is pleased to announce that on 9 September 2011, Microport Orthopedics, a wholly owned subsidiary of the Company, as the Purchaser entered into Sale and Purchase Agreement with the Vendors, pursuant to which, the Purchaser has agreed to purchase and the Vendors have agreed to sell, 100% equity interest in Suzhou Best. Suzhou Best owns 100% equity interest in the Target. The aggregate cash consideration for the Acquisition is RMB110 million (equivalent to approximately US\$17 million). Piper Jaffray Asia Limited is financial advisor to the Company in respect of the Acquisition.

This announcement is made by the Company on a voluntary basis.

THE SALE AND PURCHASE AGREEMENT

Date: 9 September 2011

Parties:

Purchaser: Microport Orthopedics, a wholly owned subsidiary of the Company

Vendors: (i) Weizhong Gu;
(ii) Xinsheng Huang; and
(iii) Guofang Hu.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, each of the Vendors is a third party independent of the Company and the connected persons of the Company.

Consideration:

RMB110 million (equivalent to approximately US\$17 million) based on was arrived at by the Purchaser and the Vendors after arm's length negotiation and taking into account factors including (i) the financial position, business outlook and future prospects of the Target; (ii) the prospects of the orthopedics industry in the PRC; (iii) the valuation of other comparable companies listed on the Stock Exchange and other exchanges which are engaged with similar business as the Target and (iv) the valuation of comparable transactions. In view of the above, the Board considers that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

Conditions Precedent:

Completion shall be conditional upon, among others, the duly completion of business and financial due diligence by the Purchaser and the results of such due diligence satisfactory to the Purchaser.

INFORMATION ON THE TARGET

The Target is located in Suzhou, China and is a domestic manufacturer and marketer of orthopedic implants and related medical instruments.

The Target's factory buildings and workshops are all designed according to the manufacturing and management standards of medical appliances.

The Target has 2 lines of orthopedic implant products: trauma and spine, with more than 11 product series covering a wide array of orthopedic implants (metal spine plate, metal anatomical plate, straight metal plate, metal plate sleeve, twist-locking intramedullary nails, spinal fixation device, metal bone screws, hollow screws, and bone needles etc.) and associated instruments. Products are primarily sold and used in China, and are sold through distributors or logistic platforms. With 80-90 distributors, the Target's products cover all different tiers of hospitals in every province and area in China (except Fujian Province).

Based on information provided by the Target, its unaudited turnover and net profit after tax for the year ended 31 December 2010 were about RMB22 million and RMB9 million respectively.

INFORMATION ON MICROPORT ORTHOPEDICS

The Group currently conducts its orthopedic business through its wholly owned subsidiary, Microport Orthopedics, and has 6 orthopedic devices in development. On 16 July 2011, Microport Orthopedics managed to secure the first significant agreement with a key international distributor and will soon supply its spinal implants to international market.

In 2010, Microport Orthopedics obtained CE certificates for four orthopedic products namely Firestone (cervical fusion device), Antelope (anterior cervical plate system), Firefox (spine posterior fixation system) and Futago (thoracic-lumbar fusion device).

The Group has commenced the clinical trials of Firestone and Futago aimed for SFDA approval.

REASONS FOR THE ACQUISITION

The Group is the leading developer, manufacturer and marketer of minimally invasive interventional products for treatment of vascular diseases and disorders. As disclosed in its annual report, the Group aims to strengthen its position as a leader in developing, manufacturing and marketing medical devices in China and selected international markets. The Group also intends to diversify by expanding into other medical device markets which offer significant growth opportunities, including devices for the treatment of arrhythmia, diabetes and orthopedic related problems.

According to a report by Frost and Sullivan, China's orthopedic implant market was of the size of RMB6.1 billion in 2009, and is expected to grow to RMB16.6 billion in 2015, representing a CAGR of 18.1% from 2009. Increase of the entire population, the aging of the population, increase of disposable income, healthcare expenditures, medical insurance coverage, enhanced awareness and willingness of treatment and increase of surgeons in this field will all contribute to further penetration of the market. It was the 3rd largest market in 2010, and will be the 2nd largest in 2015, surpassing Japan.

The orthopedic market in China is highly fragmented and has witnessed consolidation trend recently and the major players are mostly multinational corporations and listed domestic players. The Acquisition will provide the Group an immediate access to the PRC orthopedic market and a well established platform to significantly expedite the process of expanding its orthopedic business.

The Board views the Acquisition to be beneficial to the long term development of the Group's orthopedics business as the Target is well positioned in respect of its brand, broad product coverage and distribution network/relationship in the PRC orthopedic industry. The Acquisition will also provide a solid platform for the Group to leverage on the strength and network of the Target to quickly penetrate and expand its market share in the PRC orthopedic market.

As Completion is subject to the conditions precedent set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed. Shareholders and investors should exercise caution when dealing in securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

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| “Acquisition” | the acquisition by the Purchaser from the Vendors of the 100% equity interest in the Target, an orthopedics company pursuant to the Sale and Purchase Agreement |
| “CE” | Conformite Europeenne |
| “Company” | MicroPort Scientific Corporation, an exempted company incorporated in the Cayman Islands with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange |
| “Completion” | The completion of the Acquisition pursuant to the Sale and Purchase Agreement |
| “Consideration” | aggregate consideration for the Acquisition, being RMB110 million (equivalent to approximately US\$17 million) in cash |
| “Director(s)” | director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Microport Orthopedics” or “Purchaser” | Shanghai MicroPort Orthopedics Co., Ltd. (上海微創骨科醫療科技有限公司), a company established under the laws of the PRC, which is our indirectly wholly owned subsidiary |
| “PRC” or “China” | the People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Sale and Purchase Agreement” | the agreement dated 9 September 2011 entered into between the Purchaser and the Vendors in relation to the Acquisition |
| “SFDA” | the State Food and Drug Administration of the PRC |
| “Share(s)” | ordinary shares of US\$0.00001 each in the share capital of the Company |

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| “Shareholder(s)” | holder(s) of the Shares |
| “Suzhou Best” | the holding company of the Target which owns 100% equity interest in the Target |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Target” | an orthopedics company located in Suzhou, China, a domestic manufacturer and marketer of orthopedic implants and related medical instruments |
| “Vendors” | (i) Weizhong Gu; (ii) Xinsheng Huang; and (iii) Guofang Hu, three individuals who are independent third parties |
| “US\$” | United States Dollars |

For the purposes of illustration only, amounts denominated in RMB in this announcement have been translated into US\$ at the rate of RMB1=US\$0.1563. Such translation should not be constructed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.

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

Hong Kong, 9 September 2011

As at the date of this announcement, the executive Directors are Dr. Zhaohua Chang, Ms. Yan Zhang, Mr. Hongbin Sun and Mr. Qiyi Luo; the non-executive Directors are Mr. Norihiro Ashida, Mr. Hiroshi Shirafuji and Mr. Lei Ding; and the independent non-executive Directors are Mr. Zezhao Hua, Mr. Jonathan H. Chou and Dr. Guoen Liu.