

# Investor Newsletter

Issue **01** 2015



## MicroPort Endovascular Attends Vascular Surgery Congress

From December 26 to December 27, the 8th Vascular Surgery Congress was held in Nanjing, Jiangsu Province. MicroPort Endovascular (Shanghai) Co (“MicroPort Endovascular”) participated and learnt the treatment of vascular diseases through case studies.



## MicroPort Attends Cardiac Arrhythmia Forum

From January 3 to January 4, Zhongshan Hospital hosted the third China Complex Cardiac Arrhythmia Forum. Shanghai MicroPort EP MedTech Co (“MicroPort EP”) attended the meeting and promoted our products to attendees.



## MicroPort Completes First Implantation of Reewarm18

MicroPort recently successfully completed its first clinical application for Reewarm18 Peripheral Balloon Dilation Catheter ("Reewarm18") in Beijing-based China-Japan Friendship Hospital.

Reewarm18 is a new-generation peripheral balloon dilation catheter developed by MicroPort's subsidiary MicroPort Endovascular. Specially designed to treat lower extremity arterial diseases ("LEAD"), Reewarm18 is compatible with 4F or 5F sheath. Compared to domestic competitors' peripheral balloon dilation catheters, Reewarm18 has excellent pushability, higher flexibility, outstanding crossing-ability, lower compliance, shorter inflation/deflation time, as well as the widest codes with balloon diameter ranging from 2mm to 7mm and balloon length ranging from 20mm to 220mm, which offer surgeons more options to meet different clinical requirements.

LEAD is mainly caused by arterial atherosclerosis with narrowing or blocking of the arteries in the legs and feet. Depending on the degree of narrowing at each vascular site, a range of severity of symptoms may occur. Some acute events are often associated with thrombosis, embolism or occlusion of a major artery. Individuals with LEAD have an elevated risk for heart attack and a higher chance to die of coronary heart disease. The frequency of LEAD is strongly age related. In a population aged over 65, the prevalence of LEAD is expected to be around 20 percent according to some studies. Endovascular therapy for LEAD has experienced fast development these years for its minimal invasion and short recovery time. Balloon dilatation remains a basic step in the endovascular procedure for whatever new technique as it can open the narrowing in the blood vessels and improve the blood supply to the extremities in a short time. As the LEAD patients increase, there is a growing demand for peripheral balloon catheters in the future. In Europe, around 370,000 peripheral balloon catheters are used every year to treat LEAD, and the amount in China is expected to be more than 100,000 annually.

MicroPort Endovascular will continue carrying out multi-center clinical trials of Reewarm18 in China to ensure its safety and efficacy, according to Zhenghua Miao, President of MicroPort Endovascular.





## MicroPort Orthopedics Reaches Fast Recovery® Milestone with 1,000 SuperPath™ Hip Procedures

MicroPort Orthopedics, a leading global producer of orthopedic implant products, announced on December 30 that Dr. Jimmy Chow has performed over 1,000 Total Hip Arthroplasty surgeries using the SuperPath™ Hip technique. The Supercapsular Percutaneously Assisted Total Hip (SuperPath™) approach is a modification of the standard posterior hip approach that offers gentle treatment of the soft tissues surrounding the hip. This facilitates a faster return to function and independence for patients.

The SuperPath™ approach maintains the advantages of the standard posterior approach, while offering added advantages to surgeons like preservation of the external rotators, decreased operative time, decreased intra-operative blood loss, increased post-operative stability and decreased post-operative recovery time. The resulting benefit to patients and surgeons is fewer post-operative restrictions. The SuperPath™ Hip technique, launched in 2010, is an innovative solution based on pioneering procedures developed by Dr. Brad Penenberg and Dr. Stephen Murphy that focus on soft tissue management to facilitate a faster recovery from hip replacement.

"The SuperPath™ Hip Technique combines the best of each (earlier) procedure(s) to empower any orthopedic surgeon to offer his patients a more comfortable surgical and post-op experience, without having to experience a steep learning curve. The surgeon has complete freedom during the operation," said MicroPort Orthopedics CEO, Ted Davis. "The SuperPath™ procedure results in a faster return to function for patients. That's what Fast Recovery® is all about."

Dr. Chow is a partner at the Hedley Orthopaedic Institute in Phoenix, AZ. He is also the Director of Orthopaedics Hip & Joint Surgery for Phoenix St. Luke's Medical Center where he serves as faculty for both ACGME and ISAKOS fellows.

Dr. Penenberg has extensive experience with primary and revision hip and knee arthroplasty, as well as allograft and autograft uses for bone deficiency. He is a member of the attending staff at Cedars-Sinai Medical Center in Los Angeles and serves as an Assistant Professor at the University of Southern California School of Medicine and the Tufts University School of Medicine.

Dr. Murphy is an orthopedic surgeon at New England Baptist Hospital (NEBH) and Associate Professor of Orthopaedic Surgery at Tufts University School of Medicine. He was one of the first American surgeons to popularize the use of peri-acetabular osteotomy for hip dysplasia and was the first to publish on the topic of femoroacetabular impingement.





## MicroPort Orthopedics TKA Surgery Training

From December 26 to December 27, MicroPort Orthopedics Shanghai held a Total Knee Arthroplasty (“TKA”) training in Zhejiang Provincial Hospital of TCM, and more than 30 orthopedic experts attended the event.

Several healthcare physicians were invited to deliver speeches on the new development of TKA, perioperative period management of TKA and etc. They also issued a report on surgical technique and clinical result of Advance® Medial Pivot Knee.

Meanwhile, we arranged live surgery to enable attendees to get in-depth understanding. Dr. Wang from Shanghai Ninth People's Hospital demonstrated a TKA with Advance® Medial Pivot Knee and the attendees had hot discussions with him during the surgery.



## Mr. Aurelio Sahagun Promoted to COO of MicroPort Orthopedics

We are pleased to announce that Mr. Aurelio Sahagun has been promoted to Chief Operation Officer ("COO") of MicroPort Orthopedics. Mr. Sahagun originally served as International Vice President of MicroPort Orthopedics.



Aurelio Sahagun

Mr. Sahagun joined MicroPort Orthopedics in January 2014 following the asset purchase of OrthoRecon Business from Wright Medical Group, Inc ("Wright Medical"). Mr. Sahagun began serving as Wright Medical's Vice President of Europe, Middle East and Africa ("EMEA") Commercial Operations in May 2011, and had previously served as Vice President of Sales for the region since April 2010. He joined Wright Medical in early 2006 as Director of Finance and Operations in France, and served as both Director of Finance of EMEA and Vice President of Finance of EMEA prior to the positions above. Before Wright Medical, Mr. Sahagun worked for Medtronic where he provided senior financial support to the company's Spine business across Europe. He began his career in Spain, where he held several finance and business management positions in banking and distribution organizations with increased responsibilities covering Spain, Portugal and Latin-America.

Mr. Sahagun holds an MBA degree from HEC (Paris, France), a Bachelor's degree in Economics from UAM (Autonomous University of Madrid, Spain), and has followed additional Executive Education programs at Stanford Graduate School of Business (Stanford, CA - USA) and Harvard Business School (Cambridge, MA - USA).

## **MicroPort EP Attends Cardiovascular Symposium**

On January 7, the 17th Cardiovascular Symposium of China was held in Shanghai. MicroPort EP attended the meeting and promoted our products to healthcare professionals in attendance.



## **MicroPort EP Participates Atrial Fibrillation Symposium in US**

From January 8 to January 11, MicroPort EP attended 2015 Annual Boston Atrial Fibrillation Symposium Mechanisms and New Directions in Therapy in Orlando of the US and learnt the up-to-date industry news.



## PROPHECY™ Registered with CFDA for Record

MicroPort Orthopedics PROPHECY™ Pre-Operative Navigation System was recently registered with China Food and Drug Administration ("CFDA") for the record.

The PROPHECY™ program registered this time contains four models, respectively to support the use of Advance® Medial-Pivot Knee that is available in the China market and the Evolution® Medial-Pivot Knee that will be soon launched.

The PROPHECY™ system is designed as patient-specific surgical instrumentation to assist in the positioning of total knee replacement components intra-operatively and in guiding the marking of bone before cutting.

It is the first product of MicroPort Orthopedics that combines medical modeling technology and 3D printing. The PROPHECY™ system enables surgeons to utilize basic computerized tomography ("CT") or magnetic resonance imagery ("MRI") scans to plan precise implant placement and alignment before surgery. Based on surgeon preferences, the knee is aligned with unobscured anatomic landmarks. Therefore, with PROPHECY™ surgeons are able to envision the results of the operation before it actually occurs.

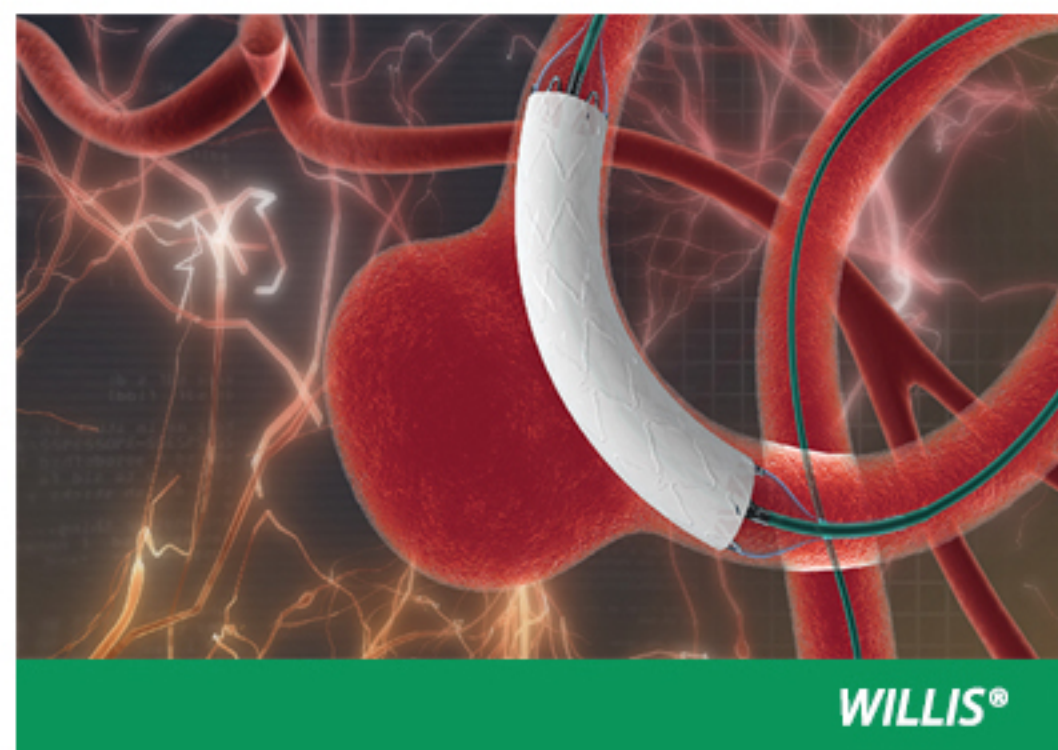


In traditional total knee replacement, although with the help of X-ray examination pre-operatively and navigation instruments intra-operatively, surgeons have to largely rely on naked-eye observation and personal experience to position the bone, which is inaccurate and may even lead to operation failure. In contrast, the PROPHECY™ program utilizes imaging modeling to develop patient-specific guides that follow the unique curvature of the patient's bone. It is expected to improve accuracy, increase operating room efficiency and allow for greater function of the implants. In addition, PROPHECY™ is created to reduce surgical steps and simplify surgery.

The PROPHECY™ system is consisted of femur guide and tibia guide, and the guides are both available in two versions: Alignment Only and Alignment and Resection.



## Research Project of WILLIS® Clinical Application Granted Award



Recently, a research project based on the clinical application of WILLIS® Intracranial Stent Graft System ("WILLIS®") was granted a national award.

The project, titled "Research and Clinical Application of Noninvasive Imaging and Minimally Invasive Treatment of Intracranial Aneurysm and its Related Vascular," was completed by Professor Minghua Li of Shanghai Sixth People's Hospital, Zhiyong Xie, General Manager of MicroPort NeuroTech (Shanghai) Co ("MicroPort NeuroTech") and other professionals. It was granted the second-class award of Science and Technology Achievements in the National Science and Technology Award Congress held by the Central Committee of the Communist Party of China and the State Council in Beijing.

This project, which belongs to the field of medical imaging, develops the noninvasive imaging and minimally invasive treatment of intracranial aneurysms, effectively improving the diagnosis accuracy and cure rate of intracranial aneurysms. The project team promoted the application

of its research results to 18 national medical institutions, in which 2,538 intracranial aneurysm patients were diagnosed with 3D-TOF-MRA and 1,536 were treated with neuro-interventional therapy.

The project was based on the clinical application of WILLIS®, which is researched and developed independently by MicroPort NeuroTech. As the first stent graft system launched in China for the treatment of intracranial aneurysms, WILLIS® achieves complete occlusion of intracranial aneurysms through vascular reconstruction.

"This award proves the superior efficacy of WILLIS®," said Zhiyong Xie. "Compared with the traditional method of stent-assisted coil embolization treatment, the procedure of vascular reconstruction using WILLIS® can effectively shunt the blood flow and keep it off of the aneurysm wall."



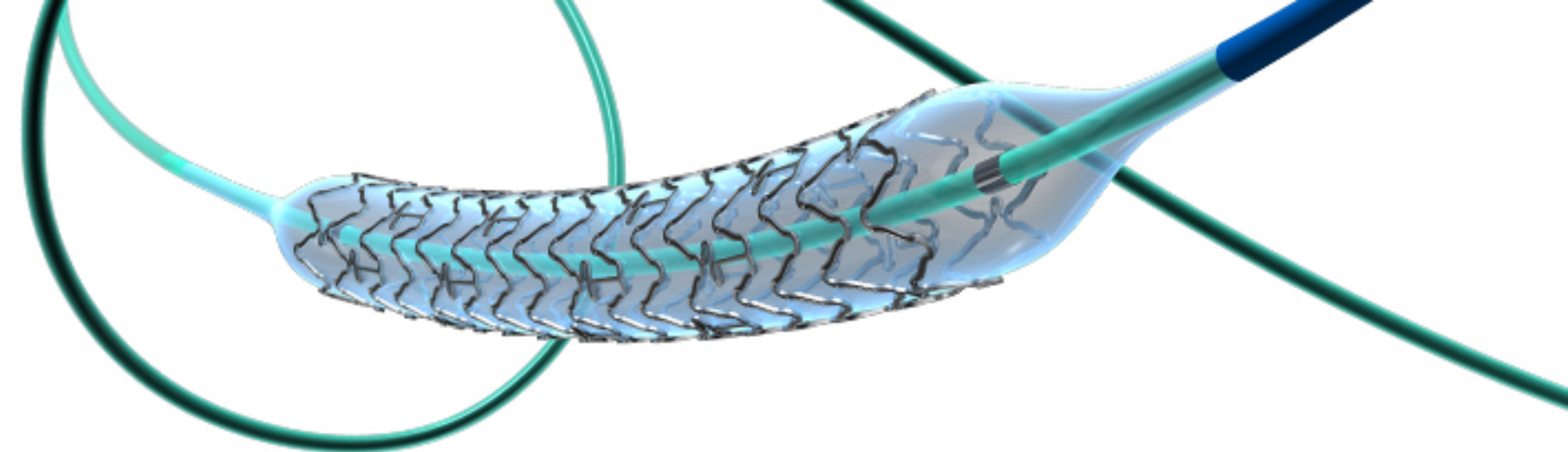
## MicroPort Receives CE Mark Approval for Firehawk®

On January 23, MicroPort received CE Mark approval from the European Notified Body for its Firehawk® Rapamycin Target Eluting Coronary Stent System ("Firehawk®"). Firehawk® is MicroPort's third-generation drug eluting stent ("DES") following Firebird™ Rapamycin-Eluting Coronary Stent and Firebird2™ Rapamycin-Eluting Coronary CoCr Stent. First approved in China by the CFDA in January 2014, Firehawk® is currently being widely used in China to treat patients with coronary artery disease. With the Firehawk® CE Mark approval, MicroPort is now able to offer Firehawk® to hospitals to treat patients with coronary artery disease in European countries that recognize the CE Mark. The Firehawk® stent system will be available in broad size configurations including diameters from 2.25 mm to 4.0 mm and lengths of 13 mm to 38 mm.

"Achieving the CE Mark approval for Firehawk® is just the latest achievement for MicroPort in becoming a global medical device company," said Dr. Zhaohua Chang, Founder, Chairman and Chief Executive Officer of MicroPort. "We look forward to bringing this truly innovative DES product to Europe in order to give European patients the best possible treatment alternatives for coronary artery disease."

The revolutionary target drug-eluting technology is the result of eight years of research and development to create what MicroPort believes to be the world's first and only target eluting stent ("TES"). The unique technology combines the merits of bare metal stents and DES. The Firehawk® Stent features a 100% biodegradable PLA polymer and sirolimus drug combination, which ensures a steady and constant drug release rate, and a proprietary, abluminal groove-filled design on the outer surface of the stent. These features allow the Firehawk® stent to have a targeted release of the rapamycin drug to the coronary vessel wall, thereby significantly reducing the total drug load delivered to the coronary artery of a patient receiving the Firehawk® stent as compared to other DES. This technology provides the same level of restenosis reduction as a conventional DES while offering faster and more complete vessel healing after stent implantation, which could potentially reduce the duration of post-procedure dual antiplatelet therapy.

"The Firehawk® stent is truly an innovative DES technology that has proven to be safe for patients and offers tremendous potential in improving the safety and clinical efficacy for patients with coronary artery disease," says Qiyi Luo, the Chief Technology Officer of MicroPort. "We look forward to building upon the existing body of clinical data for Firehawk® through a European based, large-scale, randomized clinical trial to further study Firehawk®'s clinical performance which we expect to commence later this year."







## MicroPort Orthopedics Shanghai Attends China Knee Society Annual Academic Meeting

From January 17 to January 18, MicroPort Orthopedics Shanghai attended the second Annual Meeting of China Knee Society in Beijing. More than 800 surgeons participated in the meeting.

MicroPort Orthopedics Shanghai displayed the whole product line of both knee and hip implants. We introduced in details the features and advantages of our Advance® and Evolution® medial-pivot knee system and SuperPath™ Micro-Posterior approach to surgeons who came to visit our booth, emphasizing that our products focused on providing innovative solution for orthopedic surgeons and patients. We also invited some healthcare professionals to deliver speeches about the latest trend of total knee arthroplasty in China.

This meeting will help promote medial-pivot knee system, SuperPath™ Micro-Posterior approach and MicroPort Orthopedics' brand image.



# Investor Newsletter

Issue **01** 2015



For more information, please contact:

**Hongbin Sun**

Chief Financial Officer  
Shanghai MicroPort Medical (Group) Co., Ltd. (HQ)  
Tel: (86)(21) 38954600

Email: [ir@microport.com](mailto:ir@microport.com)

**Xun You**

Board Secretary  
Shanghai MicroPort Medical (Group) Co., Ltd. (HQ)  
Tel: (86)(21) 38954600

Email: [ir@microport.com](mailto:ir@microport.com)