

Investor Newsletter

Issue **04** 2017

 **MicroPort**

MicroPort® Orthopedics Announces Launch of its EVOLUTION® Revision Tibial System and EVOLUTION® BioFoam® Tibia in US and Europe

On April 5, MicroPort Orthopedics Inc., a medical device company that develops and manufactures cutting edge joint replacement implants designed to help patients achieve full function faster, announced the launch of the EVOLUTION® Revision Tibial System and EVOLUTION® BioFoam® Tibia in US and Europe.

The EVOLUTION® Medial-Pivot Knee System is built on 17 years of clinical success and addresses key issues that can improve satisfaction for patients undergoing total knee replacement. The EVOLUTION® Revision Tibial System is designed to offer surgeons intra-operative flexibility to meet individual anatomic patient needs, address fixation issues caused by poor bone stock, while maintaining the proven kinematic benefits of the Medial-Pivot design. The new system was designed by expert surgeons from Europe, Asia, Canada, and the United States and features all the benefits of the EVOLUTION® Medial-Pivot design.

In addition to its EVOLUTION® Revision Tibial System, MicroPort® Orthopedics also announced the launch of its EVOLUTION® BioFoam® Tibia. This launch completes the EVOLUTION® Medial-Pivot Cementless System, which consists of the EVOLUTION® porous femoral component and the new EVOLUTION® BioFoam® tibial component. This system is designed to combine the unrivaled benefits of the Medial-Pivot philosophy with the advantages of early fixation without compromising the long-term demands that are required in today's increasingly young and more active patients. Building on the success of the ADVANCE® BioFoam® Tibia, which reported survivorship of 98% at two years, the EVOLUTION® BioFoam® Tibia will further enhance the product portfolio.



Minos™ Ultra Low-Profile AAA Stent-Graft System & MicroPort® EP Flashpoint™ Renal Artery RF Ablation Catheter Gain CFDA Green-Path

On April 1, Minos™ Ultra Low-Profile AAA Stent-Graft System, self-developed by MicroPort Endovascular (Shanghai) Co., Ltd. ("MicroPort® Endovascular"); as well as Flashpoint™ Renal Artery RF Ablation Catheter ("Flashpoint™ Catheter"), in-house developed by Shanghai MicroPort EP MedTech Co., Ltd. ("MicroPort® EP") were both granted to enter the special Green-Path by China Food and Drug Administration ("CFDA"), which is rapid-track of review and approval procedure for innovative medical devices.

As the new-generation AAA stent-graft and delivery system, Minos™ Ultra Low Profile AAA Stent-Graft is China's first and sole device with 14F ultra-low-profile delivery system. Minos™ Stent-Graft has unique advantages in treating heavily tortuous anatomy, short neck and narrow access arteries as low as 5mm diameter. Most AAA patients have underlying diseases such as hypertension and arteriosclerosis, and a majority of them suffer from common iliac artery or external iliac artery calcification, tortuosity, stenosis, even total occlusion. Failure of introducing the delivery system is the most common obstacle in AAA endovascular ("EVAR") exclusion surgery. Currently, the delivery sheath of other competitors' devices ranges from 20-24F (6.5-8mm), only suited for accessing femoral artery larger than 7mm. For slightly narrow femoral artery, balloon dilation or bare stent implantation is needed before introducing the stent-graft system, which might result in high failure risk. With main-body and limb outer sheath as low as 14F (<5mm) and 12F (<4mm) respectively, Minos™ Ultra-Low-Profile AAA Stent-Graft System significantly simplify the surgical requirements for introducing femoral artery size, especially suitable for the patients with tortuous aneurysm anatomy, short neck and extremely narrow access arteries less than 5mm.

Combined with Renal Artery RF Generator and Irrigation Pump, Flashpoint™ Catheter is indicated for the treatment of drug resistant hypertension by renal artery sympathetic denervation.



MicroPort® Attends CIT 2017 and Releases One-year Clinical and Angiographic Results of Firesorb® FUTURE I Trial

MicroPort® attended the 15th China Interventional Therapeutics ("CIT 2017") held in China National Convention Center in Beijing from March 30 to April 2. In the CIT 2017, MicroPort® released the one-year clinical and angiographic results of FUTURE I Trial for its in-house developed second-generation fully bioresorbable scaffold Firesorb® Bioresorbable Rapamycin Target Eluting Coronary Scaffold System ("Firesorb®") on a satellite meeting themed "The Rhythm of MicroPort®: From Firehawk® to Firesorb®."

On April 1, MicroPort® hosted the Luncheon Satellite Symposium: Always be MicroPort®'s Heart. Professor Bo Xu of Fuwai Hospital of Chinese Academy of Medical Sciences released the one-year clinical and angiographic follow-up results (clinical, angiographic, IVUS, and OCT findings) of Firesorb® FUTURE I Trial. FUTURE-I Trial is the perspective, single arm, First-in-Man ("FIM") clinical trial of evaluating the safety and efficacy of Firesorb® in the treatment of coronary heart diseases. It enrolled 45 patients. The primary endpoint is 30-day target lesion failure ("TLF"), including cardiac death, myocardial infarction of target vessel and ischemia-driven TLR (Target lesion Revascularization). The one-year clinical results showed that the occurrence of TLF is zero, the occurrence of patient-oriented composite endpoint ("PoCE") is 2.2%, and there is no death and ARC (Academic Research Consortium) defined stent thrombosis. The one-year in-device late lumen loss is 0.13mm and no restenosis occurred. MicroPort® Chief Technology Officer Dr. Qiyi Luo said: "The one-year clinical, angiographic, IVUS, and OCT results once again demonstrated Firesorb®'s feasibility, safety and efficacy in the treatment of single de novo lesions. The pivotal randomized controlled trial of Firesorb® — FUTURE II Trial was initiated in March, which is expected to provide further evidence for its safety and efficacy."





MicroPort® Signs MOU with Ministry of Health of Malaysia Initiating Firehawk® TARGET MALAYSIA REGISTRY

On April 21, MicroPort® signed a memorandum of understanding ("MOU") with the Ministry of Health of Malaysia and announced that the two parties will launch the TARGET MALAYSIA REGISTRY for MicroPort®'s in-house developed Firehawk® Rapamycin Target Eluting Coronary Stent ("Firehawk®"). The Deputy Minister of Malaysia Ministry of Health YB Dato' Seri Dr Hilmi bin Yahaya, CEO of Secretariat for the Advancement of Malaysian entrepreneurs Mr. Neil Foo, MicroPort® First Vice President of International Business Dr. Linda Lin and MicroPort® Vice President of Clinical Science and Medical Affairs Ming Zheng attended the signing ceremony.

TARGET MALAYSIA REGISTRY is a perspective, multi-center, single arm clinical trial, designed to further assess the safety and efficacy of Firehawk® in a real world population. It is planned to enroll a total of 1,200 patients in this trial and all of them will be implanted in Firehawk®. The clinical trial's primary endpoint is the target lesion failure ("TLF") rate at 12 months and patients will be followed up for one-year post study enrollment.



MPSC and Lombard Medical Finalize Strategic Partnership Agreement

On April 3, MicroPort Scientific Corporation ("MPSC") (HK: 853) and Lombard Medical, Inc. ("Lombard Medical") (NASDAQ: EVAR) announced the parties have finalized the definitive agreements to their strategic partnership first announced on December 19, 2016.

The partnership will allow the two companies to accelerate commercialization in China and other global markets for Lombard Medical's abdominal aortic aneurysms ("AAA") product portfolio: Aorfix™, the only stent graft to hold global approvals to treat AAA with aortic neck angles up to 90 degrees, and Altura®, an innovative stent graft and ultra-low profile delivery system that offers an easy to use and predictable treatment option for standard AAA anatomy.

Lombard Medical and MPSC have entered into a component supply manufacturing agreement whereby MPSC will manufacture, in its facilities in Shanghai, certain components for the Aorfix™ and Altura® product lines. It is anticipated that MPSC will begin providing components to Lombard Medical in the second half of 2017.

MPSC has the exclusive marketing rights for the Lombard Medical product portfolio for China and Brazil as well as a technology license to manufacture the products for the China market. MPSC expects to launch Aorfix™ in China after gaining China Food and Drug Administration approval which is anticipated in the second half of 2018.

MicroPort® Signs Strategic Partnership Agreement with China Medical Instrument



MicroPort® recently signed a strategic partnership agreement with China Medical Instrument (Group) Co., Ltd. ("China Medical Instrument").

The signing ceremony took place in MicroPort® Shanghai headquarters and the senior management team of China Medical Instrument, China Pharmaceutical Group Shanghai Medical Instrument Co., Ltd., and MicroPort®'s business segments including cardiovascular, orthopedic, EP, neurovascular, cardiac rhythm management, surgical, endovascular, and lifesciences attended the ceremony.

MicroPort® Chief Marketing Officer Bo Peng said, "This partnership brings together two industry leaders. It is expected that this partnership will allow MicroPort® to leverage SINOPHARM's broad distribution channels and policy advantages and lay a good foundation for further cooperation. By sharing resources and leveraging complementary advantages in logistics and service, we hope to jointly promote the development of medical devices."

MicroPort® Attends SCC 2017

From April 6 to April 9, MicroPort® attended the 19th South China International Congress of Cardiology ("SCC 2017") held in Guangzhou, and hosted a satellite meeting and a case competition. As a premier academic exchange meeting in the cardiovascular industry, the SCC 2017 focused on academic research, application and cooperation, and attracted over 8,000 cardiologists and clinicians in attendance.

MicroPort® EP hosted a satellite meeting "Columbus™: Navigation for the Heart." During the satellite meeting, Professor Wei Wei of Guangdong General Hospital shared her experience in using the Columbus™ 3D EP Navigation System ("Columbus™") and the matching catheters to treat complex arrhythmia. Professor Wei discussed with Professor Yansheng Ding about the procedure experience in Columbus™ and they both agreed that the domestically made 3D navigation system is good enough to meet the clinical needs. Professor Yingkai Cui of the 252th Hospital of PLA also echoed their opinion, saying the safety and efficacy of the radiofrequency ablation guided by 3D navigation was as good as or even superior to traditional method. Professor Cui noted that the launch of domestically made 3D navigation system Columbus™ can effectively lower the medical cost for patient. Professor Xudong Song of Zhujiang Hospital of Southern Medical University said in his speech that though the use of 3D navigation system would to some extent increase the operative cost, it largely reduces the fluoroscopy time and offers a more precise guidance for catheter ablation. The satellite meeting was finished with 3D arrhythmia case sharing by Professor Hengli Lai of Jiangxi Provincial People's Hospital. She said: "As an edge tool in the EP radiofrequency ablation, the 3D navigation system has been recognized by an increasingly more physicians and has brought benefit to a lot of arrhythmia patients." As the only domestic 3D navigation system with magnetic location and full curve display catheter, MicroPort® EP's Columbus™ and its matching catheter FireMagic™ 3D Irrigated Ablation Catheter obtained the approval from China Food and Drug Administration in 2016 and have been used in several hospitals in China with high market recognition.

In the thesis exchange section, Professor Ming Liang of the General Hospital of Shenyang Military delivered a speech about the prospective, multicenter, controlled clinical trial of evaluating the efficacy and safety of PathBuilder™ trans-septal system in the treatment of atrial fibrillation. It was the first time that the research result of the trans-septal system in-house developed by MicroPort® EP was released in a national level academic meeting. The section was chaired by Professor Xianhong Fang of Guangdong General Hospital and Professor Lilei Yu of Renmin Hospital of Wuhan University. Professor Liang spoke highly of the domestically made trans-septal system as it is easy to handle and shows excellent performance. After the section, Professor Yili Liu of Nanfang Hospital of Southern Medical University said she looked forward to the emergence of more outstanding domestically developed medical device like MicroPort® EP's trans-septal system.

MicroPort® Attends Annual Meeting of NIC

From April 14 to April 16, MicroPort® attended the annual meeting of National Interventional Council ("NIC") held in New Delhi, India to display its innovative product Firehawk®. During the meeting, six live cases were performed by six top national key opinion leaders ("KOLs") who used Firehawk® to treat complex lesions like bifurcation, SVGs and etc., and achieved successful results.

NIC is the Interventional faction of the Cardiological Society of India ("CSI"), a recognized body of all cardiologists in India. Every year in the month of April, CSI-NIC organizes a three-day knowledge exchange platform.

In the live cases, all operators highlighted the key features of Firehawk® such as lower polymer and lower drug load compared to the second generation and the third generation stents. They unanimously appreciated the innovative TES technology of Firehawk® and its acute performance. In Particular, its side branch access was highlighted by one of the top KOLs from India during the live case. Also during the NIC annual meeting, one of the top KOLs from India shared the clinical data of Firehawk®.



MicroPort® Attends CICE 2017

From April 5 to April 8, MicroPort® attended the CICE 2017 that was held in São Paulo of Brazil, and invited Professor Chang Shu of Fuwai Hospital of Chinese Academy of Medical Sciences to deliver speeches and present a live case.

On April 5, the first live case broadcasted in the CICE 2017 was performed in Jardim Cuiaba Hospital located in Cuiaba. In this live case, Professor Shu worked with Dr. Nasser to treat a complex abdominal aortic aneurysm with short aneurysm neck and big aneurysm. The two experts discussed the treatment strategies before the operation. It was their second cooperation, and with the tacit understanding for the treatment, they successfully finished the procedure in 30 minutes, implanting Hercules™ Bifurcated Stent-Graft System in-house developed by MicroPort® Endovascular and using two Hercules™ Balloons to well complete kissing procedure. The excellent outcome of the operation was highly recognized by experts and other attendees. During the live case, CICE President Dr. Lobato exchanged ideas with Professor Chang Shu regarding the technique and the market outlook of China's endovascular treatment. Meanwhile, Professor Chang Shu spoke highly of Hercules™ series products in terms of clinical safety and product features.

During the congress, Professor Chang Shu delivered two keynote speeches, focused on "chimney technique" as well as the new strategy, new technology and new development of TEVAR treatment, in which he shared the clinical study cases and the post-operative follow-up outcome of MicroPort® Endovascular's innovative product Castor™ Branched Aortic Stent Graft System ("Castor™"). Professor Shu said, the unique design of Castor™ enlarges the scope of endovascular treatment, lowers the occurrence rate of complications in the perioperative period, and when compared with "hybrid" and "chimney" approach to reconstruct left subclavian and left carotid, it reduces the operative trauma and the occurrence rate of endoleak, and improves the safety of operation.



MicroPort® Attends CCIF 2017

From April 20 to April 22, MicroPort® attended the 20th China Cardiovascular Interventional Forum ("CCIF 2017") held in Hefei, Anhui Province and hosted a case contest.

During the congress, the CCIF President Professor Yong Huo of Peking University First Hospital released the registration data of coronary heart disease interventional treatment in the Chinese mainland in 2016. According to the data, the total number of such treatment stood at 666,495, 17.4% up compared to 2015, and on average 1.5 stents were used in each case, which remained unchanged from the previous years. Professor Yaling Han of the General Hospital of Shenyang Military, who is also the academican of Chinese Academy of Engineering, introduced the China's Percutaneous Coronary Intervention ("PCI") Guide (2016) to the attendees.

MicroPort® OrthoRecon Attends the Sixth Jiangsu Zhejiang Shanghai Anhui Joint Summit

On April 15, Suzhou MicroPort OrthoRecon Co., Ltd. ("MicroPort® OrthoRecon") attended the Sixth Jiangsu Zhejiang Shanghai Anhui Joint Summit held in Yangzhou, Jiangsu Province. A great many of orthopedic surgeons were attracted to attend the summit as it provided an excellent academic exchange platform for experts in the orthopedic industry.

During the summit, Professor Kunzheng Wang, Chairman-elect of Chinese Orthopaedic Association and Director of the Second Affiliated Hospital of Xi'an Jiaotong University, highlighted MicroPort® OrthoRecon's SuperPath™ Micro-posterior Total Hip Arthroplasty ("SuperPath™"). Compared to traditional hip replacement technique, SuperPath™ causes incision as little as a 3-inch and ensures the maximum protection of soft tissue. Professor Wang said, SuperPath™ is designed to precisely reconstruct the hip without cutting external rotators, as it enters the joint capsule through the gap between the piriformis and gluteus minimus by a tissue-sparing procedure to completely preserve the anterior and posterior joint capsule. Because of the preservation of external rotators and joint capsule, SuperPath™ technique reduces blood loss and tissue damage, leading to fewer post-operative restrictions, faster return to function, and improved satisfaction for patients.



MicroPort® Endovascular Listed as "2016 Shanghai Pudong New Area Enterprise R&D Institution"

Shanghai Pudong New Area Technology and Finance Committee recently released the list of Enterprise R&D Institutions in Pudong New Area, and MicroPort® Endovascular was listed among the 38 R&D institutions.

MicroPort® Endovascular primarily focuses on R&D, manufacturing, sales and technical support of the interventional medical devices in the treatment of aortic and peripheral vascular diseases. Product and Technology oriented, MicroPort® Endovascular is dedicated to the R&D and innovation of products with independent intellectual property. Up to date, MicroPort® Endovascular possesses and applied for 111 patents. Its Project of "Development and Industrialization of Key Technologies in Minimally Invasive Treatment of Aortic Diseases" won the First Prize of Shanghai Science and Technology Progress Award. Meanwhile, the company was listed as "2016 Shanghai Specialized, Sophisticated, Distinctive, Innovative SMEs," "2016 Shanghai Science and Technology Little Giant Enterprise (for Cultivation)," and "2015 Shanghai High- and New-Technology Enterprises."

Since MicroPort® Endovascular was listed as one of the Enterprise R&D Institutions in Pudong New Area, it signifies the recognition of government authority in MicroPort Endovascular's R&D abilities, company governance, mid- and long-term strategic goals, and development plans. The President of MicroPort® Endovascular Zhenghua Miao said: "MicroPort® Endovascular will continue to receive the developing concept of continuous innovation and enlarge our R&D input in the field of interventional treatment of aortic and peripheral vascular diseases, to provide patients with more high-quality medical devices with independent intellectual property rights."

R&D

Research and Development
investigative activities that are
new products or procedures in
innovations and improvement
Market research is one of the

MicroPort® NeuroTech Wins the First Prize in "Product R&D and Achievement Transformation" Group of CIAP Innovation Competition

From April 20 to April 23, MicroPort NeuroTech (Shanghai) Co., Ltd. ("MicroPort® NeuroTech") attended the 14th China Forum of Cerebrovascular Diseases ("CFCVD") held in Beijing. The CFCVD is one of the most premier academic events in China's cerebrovascular diseases field, covering neurology, surgical treatment and interventional treatment of cerebrovascular diseases. During this year's CFCVD, the First Innovation Competition of China Intracranial Aneurysm Project ("CIAP") was held and MicroPort® NeuroTech won the first place in the "Product R&D and Achievement Transformation" Group.

The CIAP is a large-scale project of prevention and treatment of patients with intracranial aneurysm. Intracranial aneurysm has high prevalence and leads to high disability and death rate once it ruptures. The CIAP Innovation Competition aims to dive into the disease and find out effective treatments through comparing innovations in three aspects related with intracranial aneurysm including treatment technology, clinical and fundamental research, and product development and achievement transformation. The competition consists of preliminaries and a final. MicroPort® NeuroTech signed up for the competition with the report "the Story of WILLIS® - Medico Engineering Cooperation in the Development of China's Original High-end Neurovascular Interventional Device," showing how the R&D staff and experts jointly worked during the development of the product.



MicroPort® Endovascular Attends the Sixth Pangu Aortic Disease Forum

From April 14 to April 16, MicroPort® Endovascular attended the Sixth Pangu Aortic Disease Forum held in Shenzhen, Guangdong Province. The forum, chaired by Professor Lizhong Sun of Beijing Anzhen Hospital of Capital Medical University, invited over 100 aortic specialists to have in-depth discussion on the new technology, new achievement, and new development of the aortic surgery.

The forum covered five topics including the surgical technique of type A dissection aortic root lesion, the surgical technique of type A dissection aortic arch lesion, the treatment strategy and method of aortic intramural hematoma, the surgical treatment strategy and method of descending aorta aneurysm, and intractable/complex/rare aortic disease cases. Director Hao Lai of Shanghai Fudan University of Zhongshan Hospital made a presentation on "the application of Fontus™ Branched Surgical Stent Graft System in treating TAAD arch." He said, currently open surgery is the principal treatment of aortic arch and dissection. Fontus™ Branched Surgical Stent Graft System in-house developed by MicroPort® Endovascular reduces anastomosis in the LSA and moves the arch anastomosis forward, which makes the operation much easier. At the same time, the product is equipped with better material. On one side, compared to the previous generation that is made of cobalt-chromium alloy, it adopts nitinol which largely enhances the roundness of true lumen, improves the rate of the false lumen closure, lowers anastomosis bleeding, and makes the suture of arch anastomosis more simple and safe. On the other side, the proximal collagen coated graft is coated synthetic vascular graft, which further reduces intraoperative blood loss.

Director Ren Wang of Fujian Provincial Hospital delivered a speech on "the branches reconstruction technique of aortic arch." He said, total aortic arch replacement + elephant trunk procedure is the principal method to treat aortic arch, but for extracorporeal circulation in high-risk patients, total aortic arch replacement by hybrid technique is more suitable for them, and most descending aorta lesion can be treated with interventional technique. He highlighted the necessity of restoring left subclavian artery blood supply in thoracic endovascular aortic repair ("TEVAR"), and under that condition, MicroPort® Endovascular's Castor™ is a more rational and safer option. Meanwhile, Professor Wenhui Wu of Beijing Anzhen Hospital of Capital Medical University shared about the clinical treatment of aortic intramural hematoma. He pointed out narrow access vessel is a universal problem found in TEVAR, which requires lower profile delivery system. Hercules™ Low-Profile Thoracic Stent-Graft System, in-house developed by MicroPort® Endovascular, is designed with outer diameter of delivery sheath 4F lower than competitive products, which reduces the damage to blood vessel and suits for cases with narrow access vessels, vascular calcification and tortuous vascular.



MicroPort® Endovascular Attends 2017 Vascular Innovative Forum

On April 1, MicroPort® Endovascular attended the 2017 Vascular Innovative Forum.

During the forum, Professor Rui Feng of Shanghai Changhai Hospital of the Second Military Medical University presented the innovation path of China's endovascology. When talking about how to bring forth new ideas in old practice, Professor Feng took MicroPort® Endovascular's Castor™ as an example. He said, Castor™ is the first international successful transformation on the aortic arch branched endo-stent-graft, marking a significant step forward in using the technology of aortic arch endovascular intervention to treat aortic arch. Meanwhile, MicroPort® Chief Technology Officer Dr. Qiyi Luo delivered a speech of "building a sustainable medical device innovative platform."

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