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- 1** Annual Results Highlights
- 2** Financial Review
- 3** Business Review
- 4** Outlook
- 5** LIVANOVA CRM Acquisition
- 6** Appendix – Financial Statement

# 2017 Result Highlights

## Financial Results (YoY % Growth)

USD: million

### Revenue

\$444.2M

+14.7%

### Net Profit attributable to equity shareholders

\$18.8M

+33.1%

## Business Segment Revenue (YoY % Growth)

USD: million

### cardiovascular



\$165.6M

+21.5%

### Orthopedics



\$224.6 M

+7.3%

### Endovascular



\$24.8 M

+33.1%

### Neurovascular



\$13.5 M

+54.7%

### Electrophysiology



\$9.4 M

+39.0%

## 2017 Results Highlights

- Revenue: \$ 444.2M, 14.7% YOY↑, underpinned by robust growth of key segments and core products
  - Cardio: 21.5% YOY↑, among which Firehawk™ 61.1% YOY↑ in domestic China market and 53.3% YOY↑ in overseas markets
  - Ortho: 7.3% YOY↑, Intl. Ortho 6.2% YOY↑, China Ortho-Recon 31.9% YOY↑
  - Endo: 33.1% YOY↑; Neuro: 54.7% YOY↑; EP: 39.0% YOY↑
- Net profit attributable to equity shareholders: \$ 18.8M, 33.1% YOY↑, strong operating performance offset by FX impact and Lombard investment loss
  - GPM and Operating Expense as percentage of Revenue improved
  - Intl. Ortho achieved “break even” in Q4, and achieved net loss attributable to equity shareholders of \$8.7M, improvement of \$10.7M
  - FX impact of \$ 11M
  - Loss attributable to equity shareholders from Lombard investment of \$ 6.8M
- Substantial progress in R&D and pipeline development
  - Gained **52** registration approvals from **12** countries in 2017
  - **10** products obtained CFDA approval
  - **6** products granted CFDA Green Path
  - By far **12** products granted CFDA Green Path, among which **5** products obtained CFDA approval.



# 2017 Product and Pipeline Progress

- Procotyl™ Prime Acetabular Cup System
- EVOLUTION™ Revision Tibial System
- Medial-Pivot Knee System demonstrates its excellent clinical outcomes for both satisfaction (95%) and survivorship (98.8%) at 17 years. Longest clinical data for knee products with this high survivorship rate.



- Firefighter™ PTCA Balloon Catheter
- Outstanding results of Target AC clinical trial with 99.9% strut coverage rate; excellent results of Target I clinical trial with zero Def/Prob stent thrombosis at 5 years
- Firehawk™ gained regulatory approval in Mexico, Kazakhstan, South Korea and Aruba
- Firefighter™, Foxtrot™ Pro & Foxtrot™ NC gained regulatory approval in India
- Firehawk™ Target MR started enrollment
- Firesorb™ received promising 1 year follow-up results in FUTURE I Trial. FUTURE II started patient enrollment in August.



- Reewarm™ Peripheral Balloon Dilation Catheter
- Castor™ Branched Aortic Stent Graft and Delivery System
- Talos™ Thoracic Stent Graft System
- Minos™ Ultra Low Profile AAA Stent-Graft System
- Altura™ Endograft System
- Hercules™ Series Products gained regulatory approval in Colombia



- FireMagic™ 3D Ablation Catheter
- PathBuilder™ Transseptal Guiding Introducer and Needle
- OptimAblate™ Irrigation Pump
- RhythmWatch™ Single lead ECG Recorder
- Flashpoint™ Renal Artery RF Ablation Catheter
- Contact Force Sensing RF Ablation Catheter
- FireMagic™ Cardiac RF Ablation Catheter and EasyFinder™ Fixed Curve Diagnostic Catheter gained regulatory approval in South Korea
- FireMagic™ Catheter and other 4 products gained regulatory approval in Thailand



- APOLLO™ in large sizes
- Tubridge™ Vascular Reconstruction Device
- Vertebral Artery Stent



- VitaFlow™ (TAVI) completed one-year clinical follow-up with promising clinical data



- Rega™ Family Implantable Pacemakers -3 series (Orchidee™, Trefle™, and Rega™) with 8 models- are the first domestic PM with world-class quality
- Self-developed BonaFire™ pacing leads completed clinical follow up in China
- In-house-developed Pacing System Analyzer CompassAnalyzer™ completed pre-market clinical trial in China



- CFDA Approval
- CFDA Green Path
- USFDA Approval

# 2017 Financing and Investment

## Strategic Development - Positioning for Long-term Success



### Acquisition

#### Acquired LivaNova's CRM Business for \$190 million\*

- Strengthen leadership position in cardiovascular device market in China
- Develop the most advanced domestic CRM Business in China
- Accelerate the time to market for CRM devices in China
- Increase operational scale in Europe

\*Subject to the approval of Extraordinary General Meeting



### Quotation

MicroPort EP was quoted on the NEEQ on August 15, which is expected to provide a good platform for EP's financing and to reflect the fair value of our EP business. MicroPort now holds 81.93% in MicroPort EP.



### Strategic Partnership

CardioFlow attracted well-known financial investors and achieved a premium valuation of RMB 2.1 billion. The 1st project at clinical trial stage well recognized by capital market. MicroPort now holds 67.83% equity interests in MicroPort CardioFlow.



### Strategic Partnership

Endo attracted well-known financial investors and achieved a premium valuation of RMB 1.85 billion. MicroPort now holds 61.79% equity interests in MicroPort Endo.



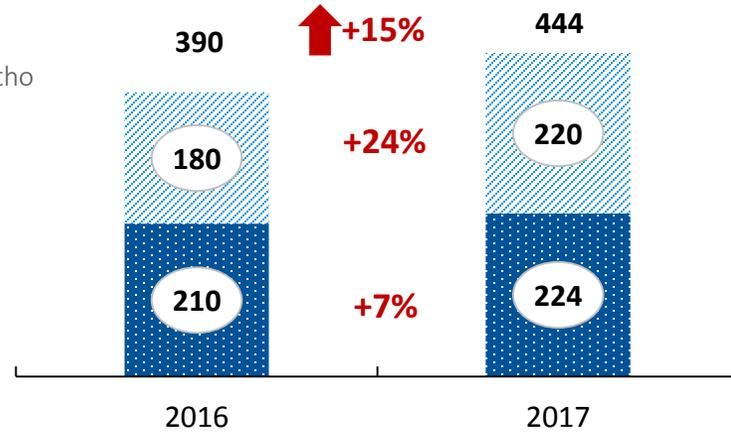
- 1** Annual Results Highlights
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# Consolidated Financial Performance

## Revenue

USD: million

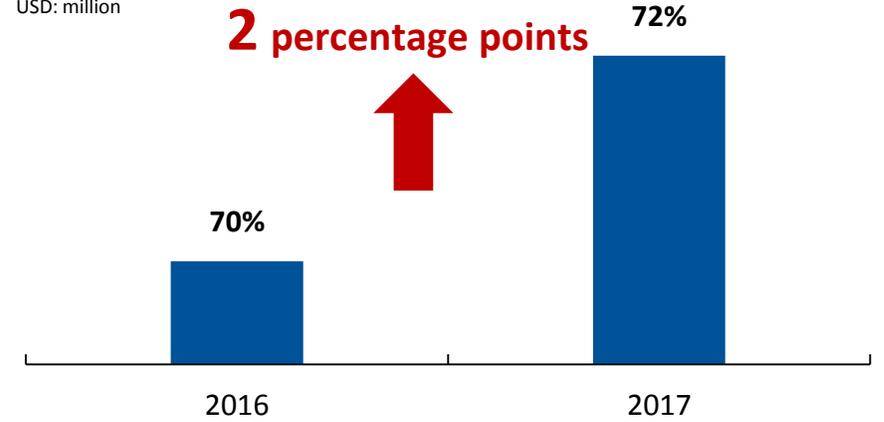
Non-Ortho  
Ortho



Group revenue up 15% excl. FX, 14% as reported

## Gross Profit Margin

USD: million

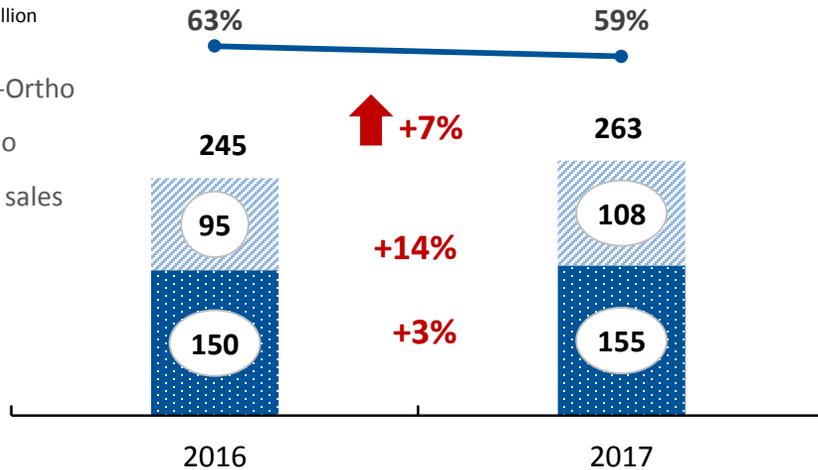


Gross Margin improved by 2 percentage points

## Operating Expenses

USD: million

Non-Ortho  
Ortho  
% of sales

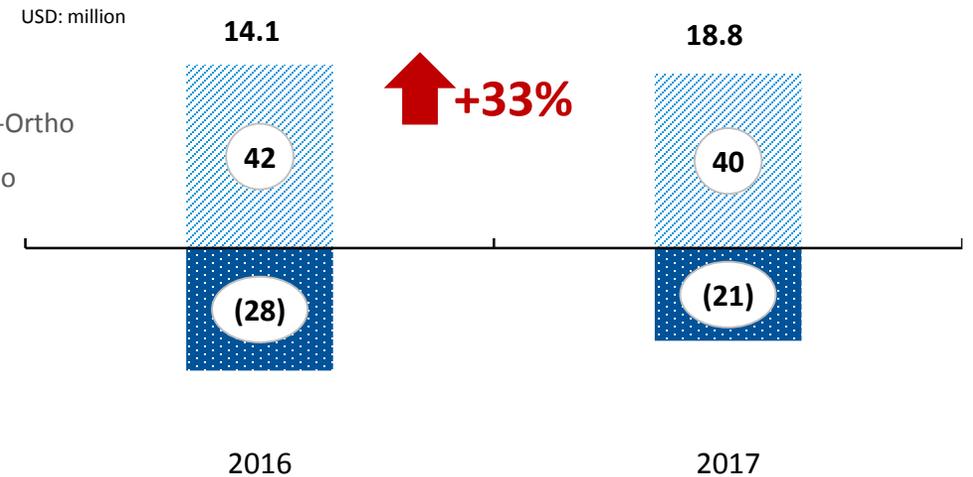


Percentage of sales improved by 4 percentage points

## Net Profit Attributable to Equity Shareholder

USD: million

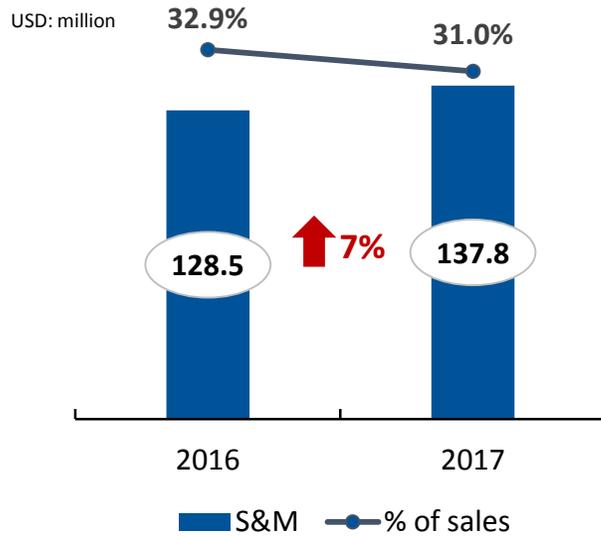
Non-Ortho  
Ortho



Net profit attributable to equity shareholder up by 33%

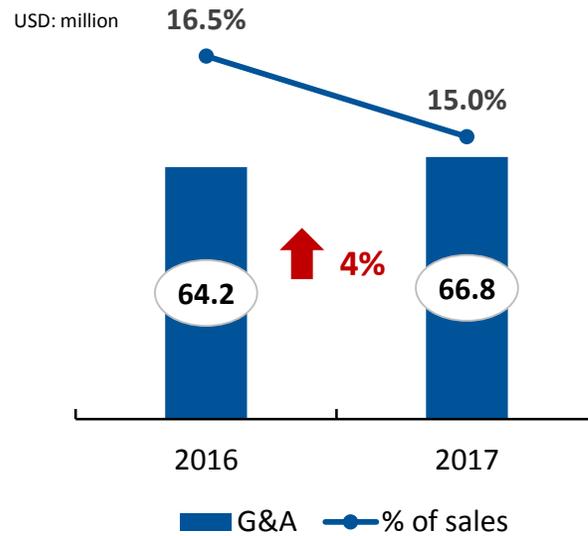
# Operating Expense

## Sales and Marketing Expenses



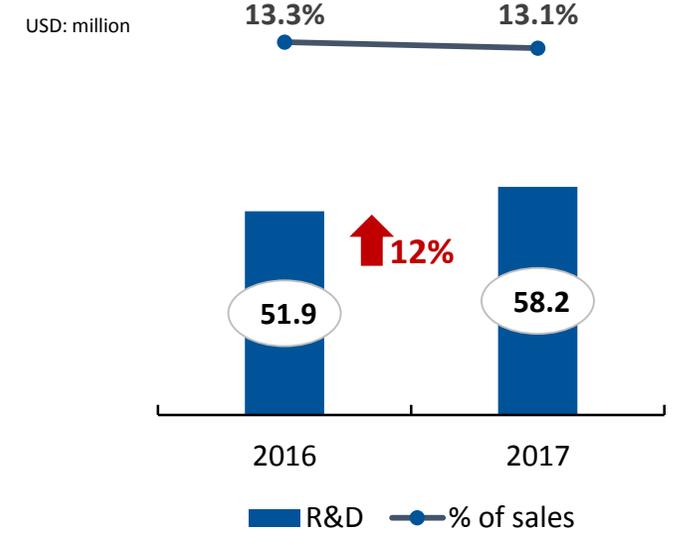
- Percentage of sales ↓ 1.9 percentage points
- Increased by 9.3M
  - Increase in sales bonus;
  - Increase in admission fees and other expenses for broader participation of industry conferences and events

## Administrative Expenses



- Percentage of sales ↓ 1.5 percentage points
- Increased by 2.6M
  - Increased in reward under the share option scheme and share award scheme

## Research and Develop. Expenses



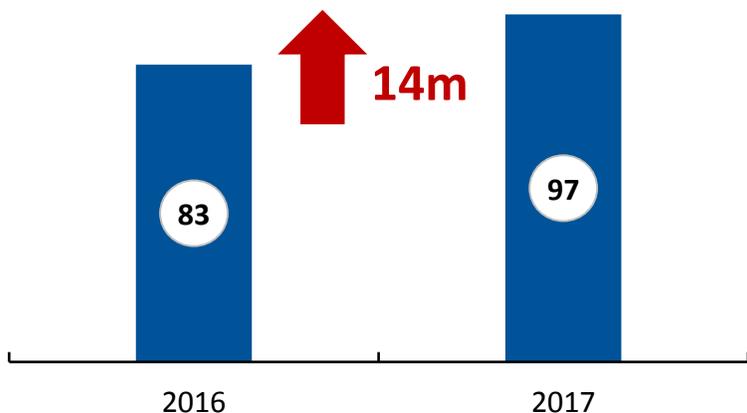
- Percentage of sales ↓ 0.2 percentage points
- increased by 6.3M
  - Increased investment in the on-going R&D projects and the newly kicked off R&D projects



# Cashflow Summary

## Net Cashflow from Operating Activities

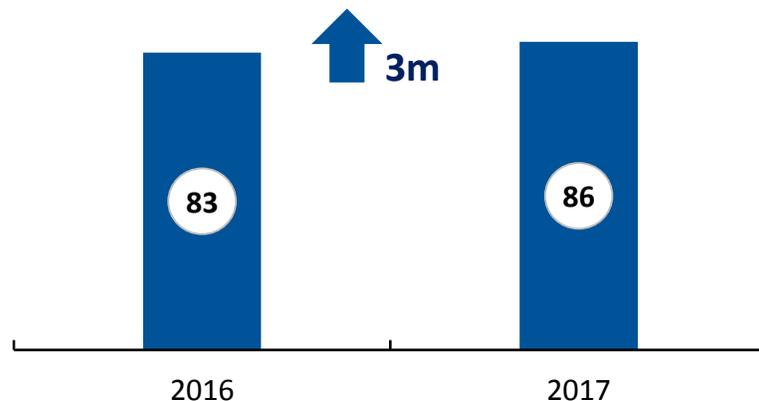
USD: million



- Net operating cash inflow increased by \$14m

## Net Cashflow from Investing Activities

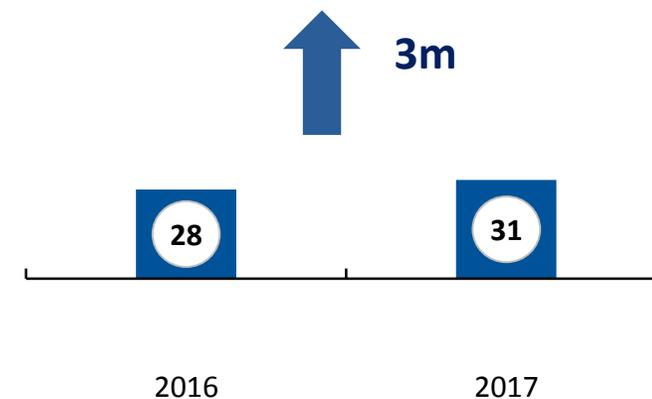
USD: million



- Net investing cash outflow increased by \$3m

## Net Cashflow

USD: million



- Net cash inflow increased by 3m.
- Net financing cash inflow decreased by \$ 8M



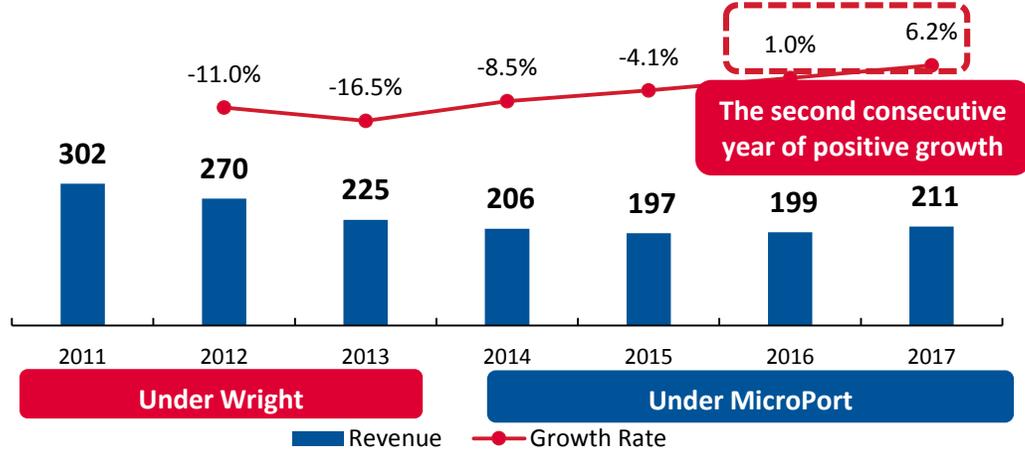
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# 1. Orthopedics Business - Non China

## Revenue

USD: million

**6.2% YOY Highest Revenue Growth in Decade**



## Other Financial Performance

USD: million

2016 2017

### GP Margin



- Significant Margin improvement
- Remarkable accomplishment considering the material price pressure environment globally

### Net Income



- Net loss significantly narrowed down
- On track with turnover plan
- business break even in Q4 2017

### Free Cash Flow



- Steady FCF improvement
- Gains in Net Income offset by large increase in Inventory from new product launches and increased fill rates

## Revenue by Geographic Areas

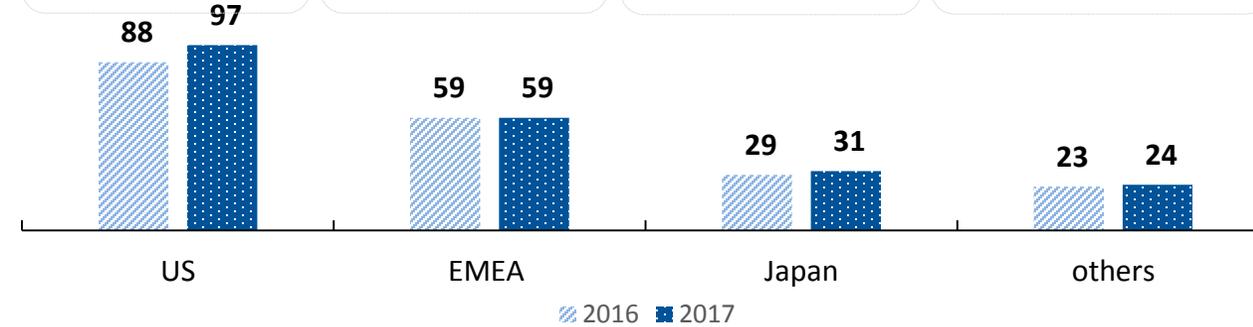
USD: million

US core ↑ 10.5%  
3~4 times of US market growth rate

EMEA Subs  
France ↑ 11% and  
Germany ↑ 11%

Japan ↑ 9.3%  
reversing ~5 years of declining revenue

Latin America ↑ 6.1%  
Australia ↑ 10.3%



2016 2017

## Highlights

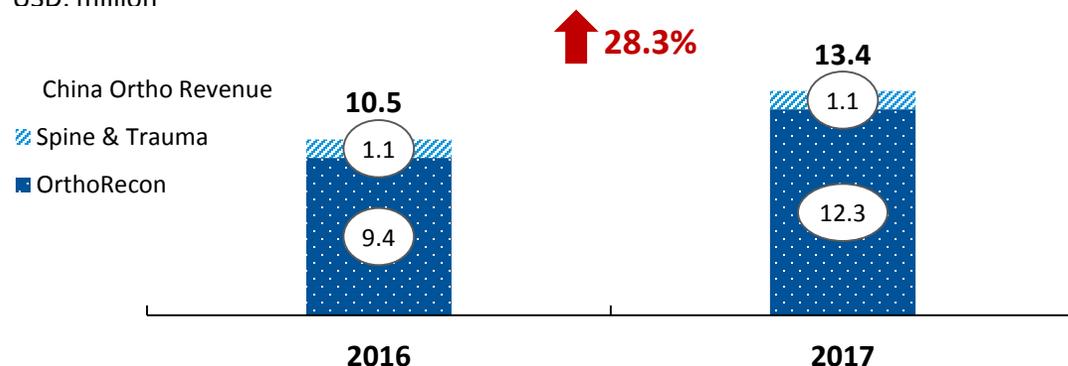
- Revenue: 211m, 6.2% YOY ↑
  - ★ 2<sup>nd</sup> consecutive year of positive growth
  - ★ highest revenue growth in a decade
- Robust growth driven by:
  - Executed on all defined sales drivers: Brand and Sales channels/coverage
  - Increased focus on training and medical education
  - Launch of targeted products across international markets
  - Significant focus on talent retention and development.
  - positive contribution of celebrity endorsement
- GPM: improved from 61.8% to 65.1%, mainly due to
  - Reduced unit product cost by more focus on manufacturing efficiencies, reduction of waste, improved sourcing
  - Profitability-gear sales strategy: more profit-driven product mix and geographic mix
- Successful new product campaigns
  - Evolution™ Revision Tibia System launched in US
  - Global commercialization of Procotyl™ Acetabular Cup System



# 1. Orthopedics Business - China

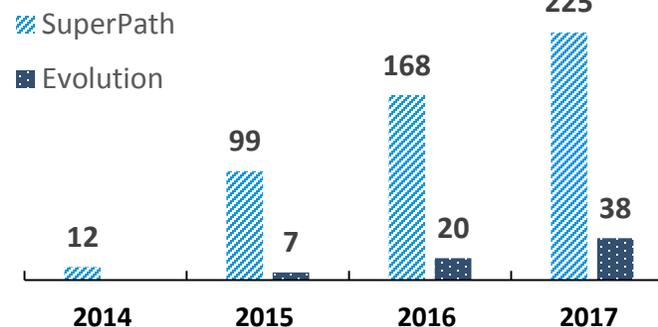
## Revenue

USD: million

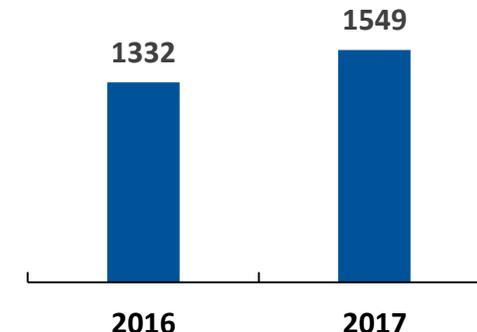


## 2017 SuperPath™ and Evolution™

### Hospital Coverage



### SuperPath™ Surgical Cases



### China Ortho Recon:

- Revenue: 12.3m, 31.9% YOY ↑, driven by
  - Knee product ↑78% YOY
  - Evolution™ revenue ↑136% YOY
  - Expanded market with 87 new hospitals penetrated



### Knee Strategy :

- Expand market share by entering top 10 hospitals with highest number of surgical cases in China
- Increased number of surgical cases in every covered hospitals
- “Medial Stability” marketing campaign for better understanding of product strengths.



### Global Supply Center (“GSC”):

- Continued to lower the capex of orthopedic business
- Contribute to the optimization of operational expense



### Spine and Trauma (“S&T”):

- Business rebranding
- Increased emphasis on spine products
- Product portfolio adjustment
- New market strategy well accepted by market



### Hip Strategy:

- Maintain and strengthen “SuperPath™” approach
- Parallel promotion of “DAA” another minimal invasive approach which is well accepted in the market
- Product upgrade to enrich product portfolio



### Surgical Instrument:

- Multiple newly developed instruments, especially instruments for Evolution™
- Effective on promoting cost savings and profitability

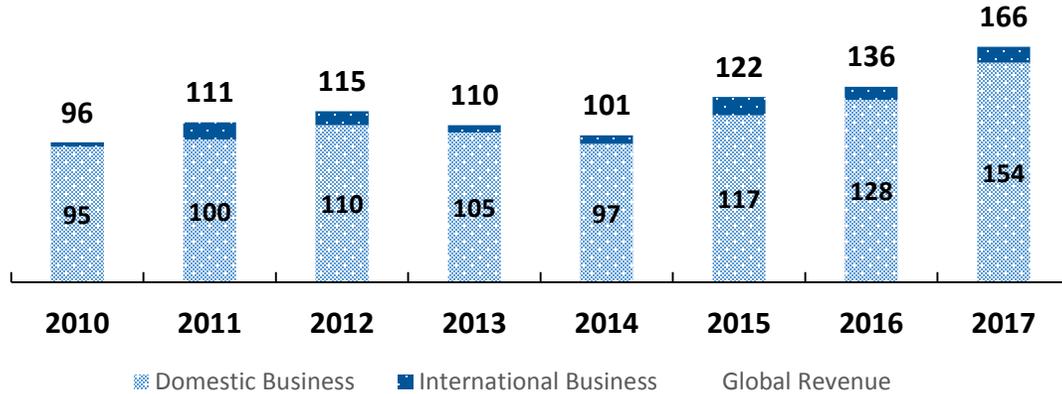


# 2. Cardiovascular Business

## Revenue of Cardiovascular Business

USD: million

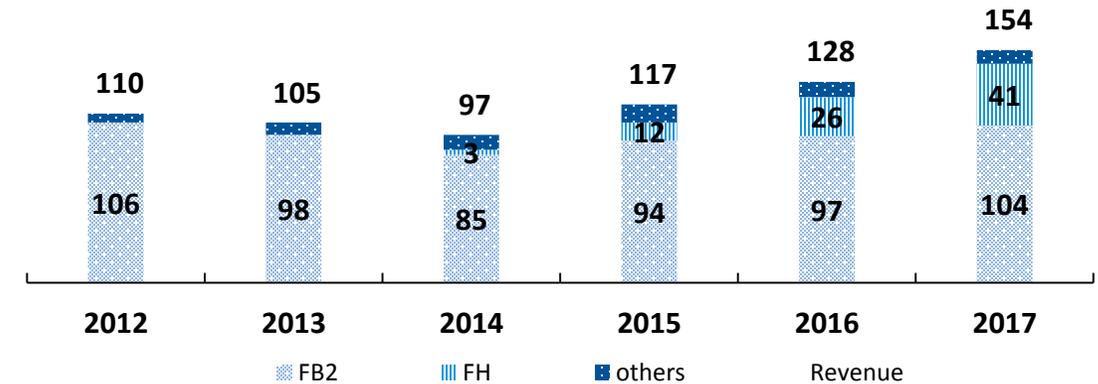
Global Revenue : **22% ↑**; Domestic DES: **20% ↑**; Overseas DES: **25.1% ↑**



## Domestic Sales Growth by Products

USD: million

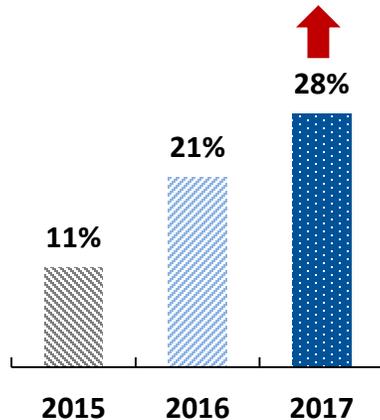
Firehawk™ : **61% ↑** ; Firebird™ : **9% ↑**



## Performance of DES in Domestic Market

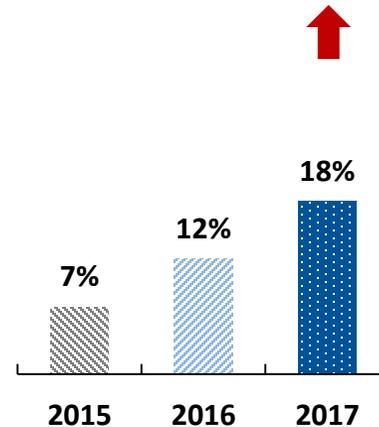
Revenue% of FH in FB2+FH

**7 percentage point**



Sales units% of FH in FB2+FH

**6 percentage point**



## Highlights

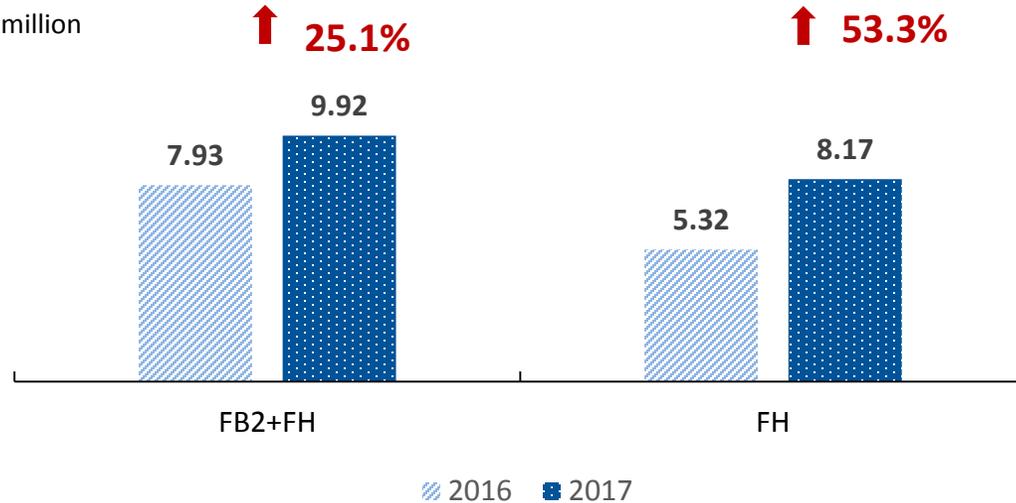
- Revenue: **21.5% YOY ↑**
- Domestic Stent sales: **20.0% YOY ↑**, way above market average growth rate
  - Firehawk™ : **61.1% YOY ↑**
  - Firebird2™ : **9.0% YOY ↑**
  - Balloon Products: **51.7% YOY ↑**
- Hospital Coverage:
  - Firehawk™ covered 524 hospitals, **58% YOY ↑**
  - Firebird2™ covered 1380 hospitals, **10% YOY ↑**
- Sales mix:
  - Revenue% of Firehawk™ in DES is 28%, **7 percentage point YOY ↑**
  - Sales units% of Firehawk™ in DES is 18%, **6 percentage point YOY ↑**
- “Fei Yan” Project: **penetrated 133 hospitals in rural areas, 58% YOY ↑**
- Clinical:
  - 5 years result of Target I clinical trial shows the five-year thrombosis rate of Firehawk™ is zero



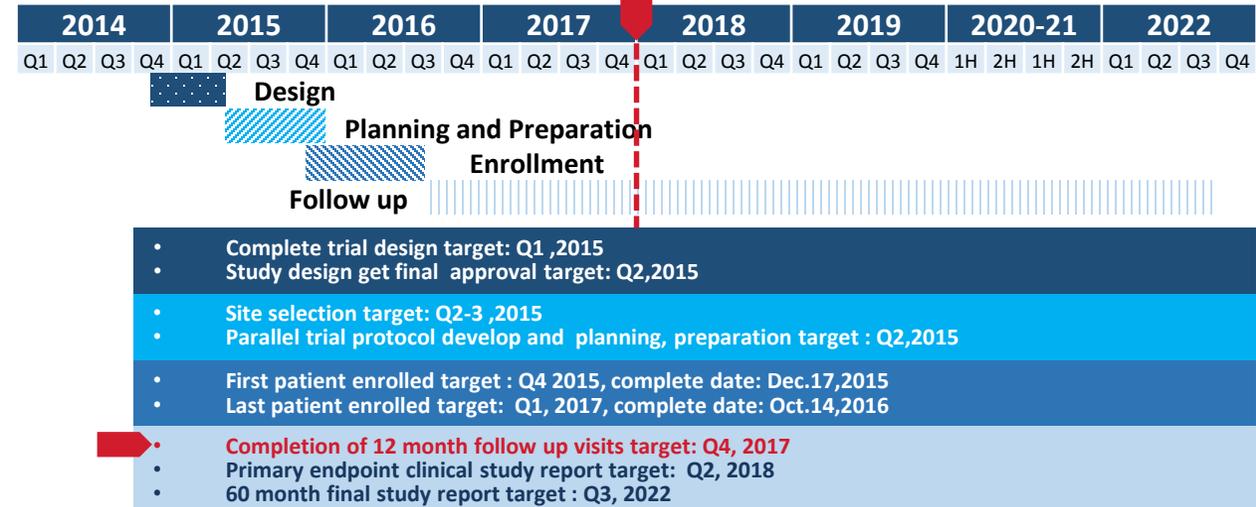
## 2. Cardiovascular Business- international business

### Overseas DES Revenue

USD: million



### Promising Results of Target AC Clinical Trial



### New Countries & Distributors Development



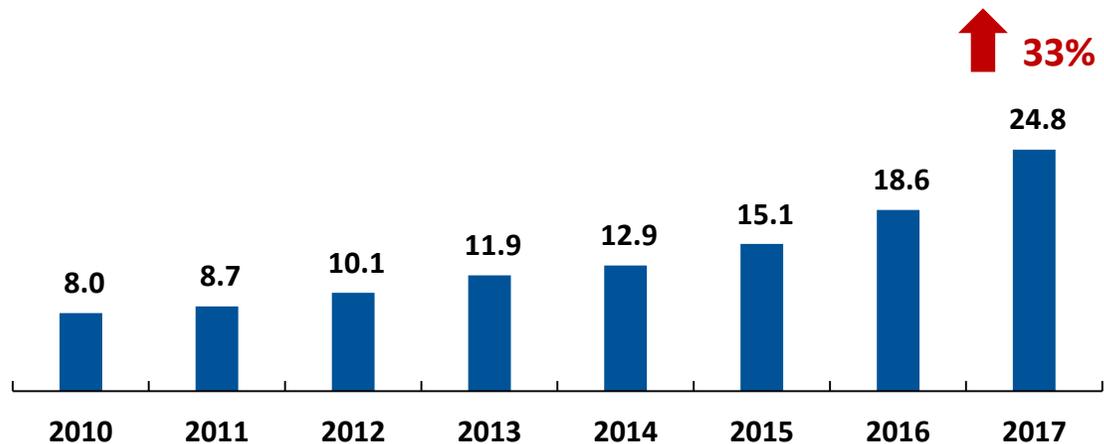
### Highlights

- Overseas DES revenue: 25.1% YOY↑, of which Firehawk™ 53.3% YOY↑
- Great performance in India with DES sales grew 509%
- Firehawk™ commercially available in 32 countries, and obtained regulatory approvals in Mexico, South Korea, Aruba and Kazakhstan in 2017
- Firefighter™, Foxtrot™ Pro & Foxtrot™ NC gained regulatory approval in India
- 3-month OCT follow up data of Target AC clinical trial:
  - The mean neointimal thickness was 75.5μm
  - Percentage of malapposed and uncovered struts is 0.0%
- Result of Target AC primary end point will be released in 1H 2018

# 3. Endovascular Business

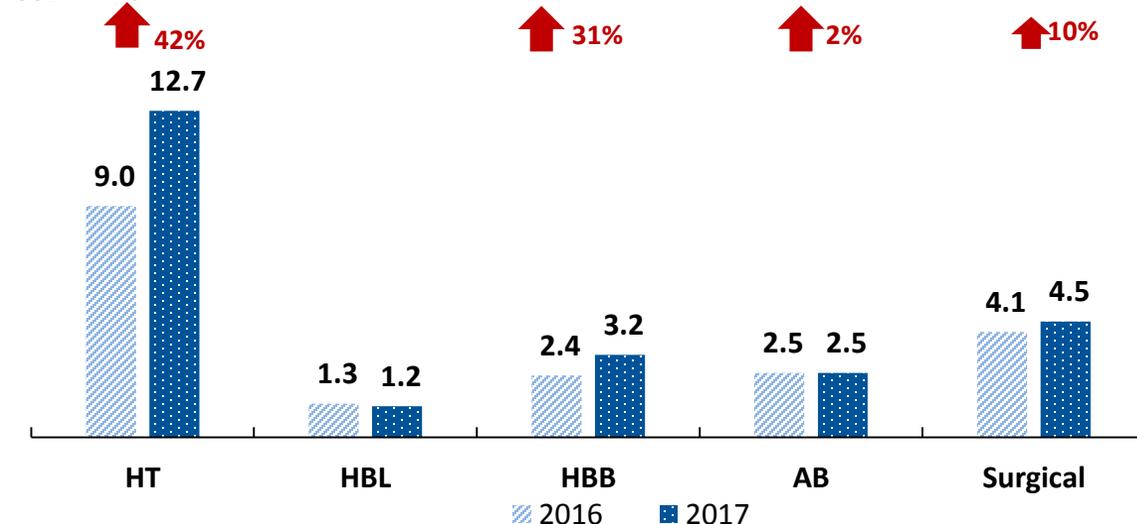
## Revenue

USD: million



## Sales Growth by Products

USD: million



## Extensive Product Pipeline

### Product Name

2017

Q4 2018

Q2 2019

2020

Castor™ Branched Aortic Stent Graft System



Reewarm™ Peripheral Balloon Dilation Catheter



Minos™ Ultra Low Profile AAA Stent-Graft



Reewarm™ PTX Drug Coated Balloon



Fontus™ Branched Surgical Stent Graft System



Talos™ Thoracic Stent-Graft System



CFDA Approved



On track for CFDA Approval

## Highlights

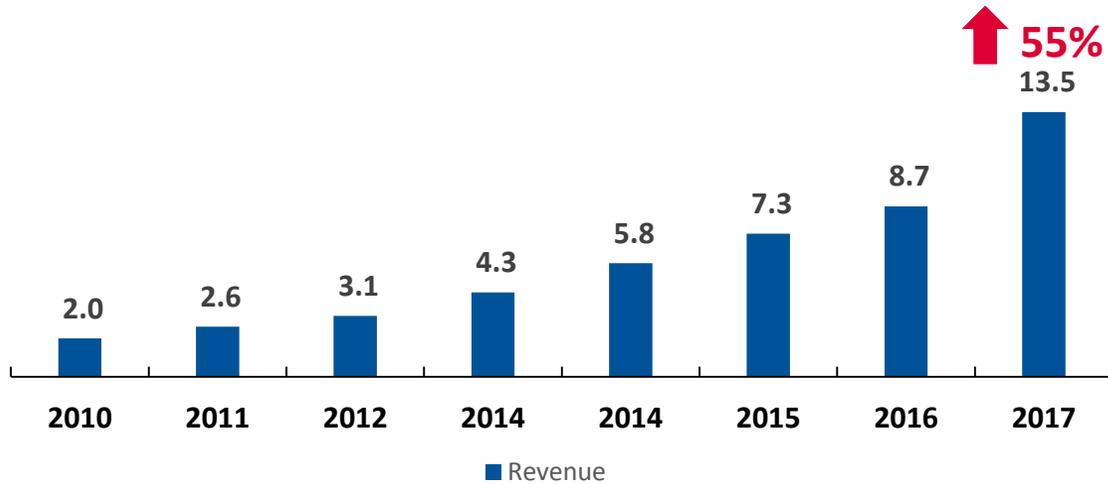
- Revenue: **33.1% YOY** ↑, exceeding market growth rate
- Penetrated additional **98** hospitals, among which 50+ are county-level or 2nd tier hospitals
- Hercules™ Thoracic Stent-Graft System** maintains strong growth momentum with 42% YOY growth in revenue
- Castor™ Branched Aortic Stent-Graft System**, world's first stent graft specially designed for endovascular treatment of thoracic aorta and great vessels of the arch simultaneously, was first implanted in September of 2017. As at Dec. 31 2017, Castor™ is available in nearly 50 key hospitals nationwide.
- Endo's project - "Key Technology Development and Large-scale Industrialization of Aortic Stent Graft Products" - won the second prize of State Science and Technology Progress Award, the fifth State Science and Technology Progress Award earned by MicroPort



# 4. Neurovascular Business

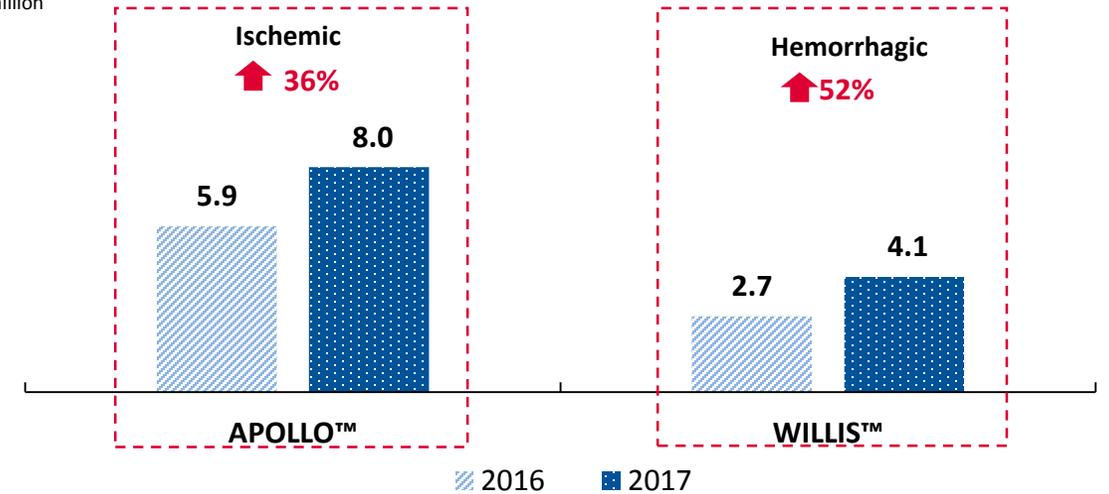
## Revenue

USD: million

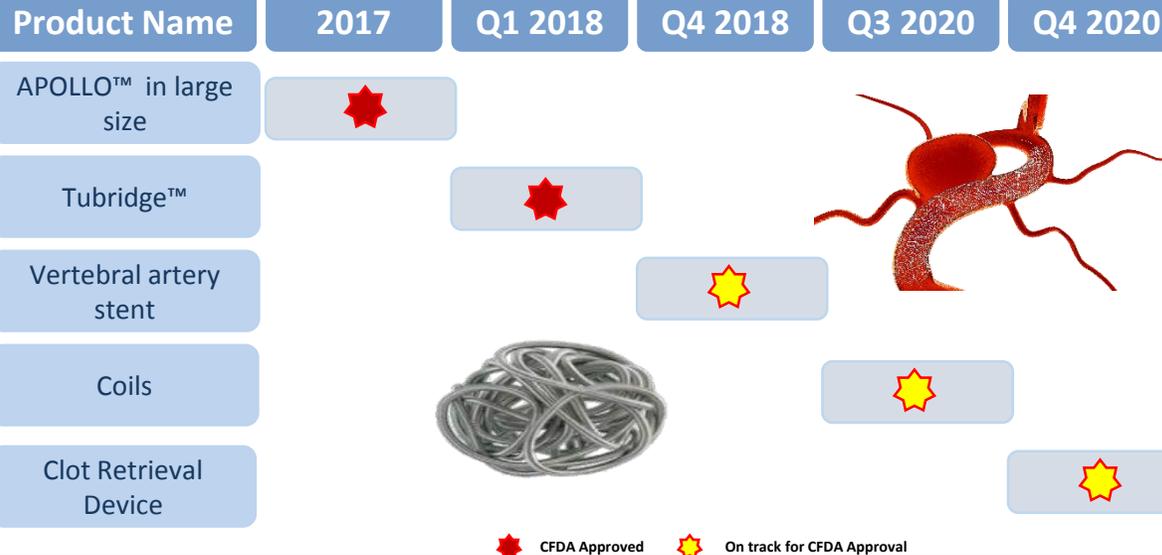


## Sales Growth by Products

USD: million



## Pipeline -- Full range of solutions



## Highlights

- **Revenue: 54.7% YOY↑**, of which
  - APOLLO™ revenue 35.6% YOY ↑
  - WILLIS™ revenue 52.0% YOY↑
- **Rapid revenue growth driven by:**
  - Competitive product performance
  - Dominated market share in China
  - Increasing number of thrombectomy procedures in the market
- **Hospital coverage:**
  - APOLLO™ covered 771 hospitals, 130 newly entered
  - WILLIS™ covered 342 hospitals, 79 newly entered

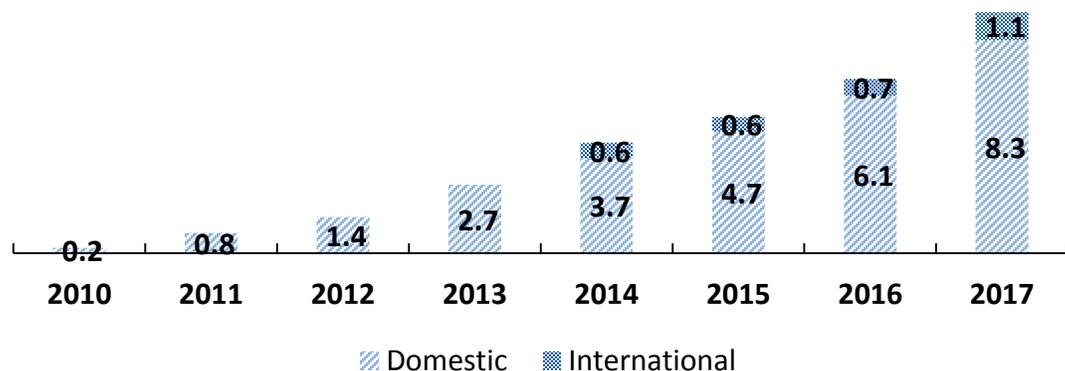


# 5. Electrophysiology Business

## Revenue

USD: million

Total: **39% ↑**; Domestic: **36% ↑**; Overseas: **65% ↑**

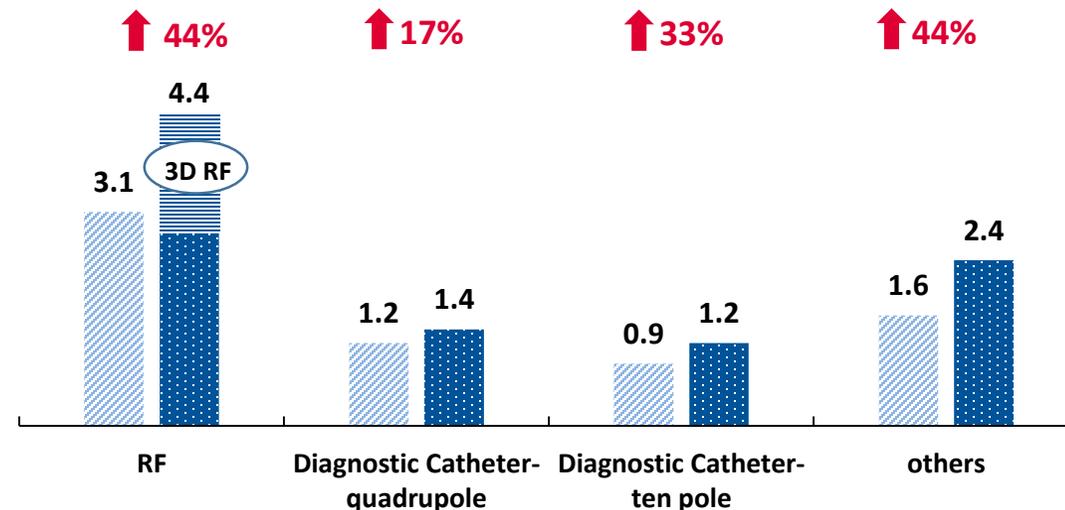


## Sales Growth by Products

USD: million

2016

2017



## EP Pipeline

Product Name

Q2 2017

Q4 2017

Q2 2018

2019

OptimAblate™



FireMagic™ 3D Ablation Catheter



PathBuilder™ Transseptal Guiding Introducer and needle



RhythmWatch™ ECG Recorder



Columbus™ (2<sup>nd</sup> generation)



OptimAblate™ RF Generator



CFDA Approved



On track for CFDA Approval



## Highlights

- Revenue: **39.0% YOY ↑**, driven by rapid market development
  - Domestic revenue: **36.2% YOY ↑**
  - Overseas revenue: **65.1% YOY ↑**
- Rapid revenue growth driven by:
  - Superior quality of in-housed developed products
  - Achievements in expanding market
- RhythmWatch™ Single-lead ECG Recorder is the **1<sup>st</sup> product** to gain CFDA Approval according to the newly implemented Registration Policy.
- EP product coverage:
  - In China: covered 281 EP clinical center 31% YOY ↑
  - In overseas market: available for sale in 9 countries, 5 more than 2016



# 6. Achievements Gained by MicroPort China JV

## Serve China

- Feb. 2015, Sales & Marketing team established
- About 3,000 pts served within 3 years
- 120% growth on an annual basis
- Actively participating academic events
- Promoting Sorin technologies and Rebuilding brand

## Made-in-China

- Jun. 27th, 2015, opening ceremony of MSC manufacture facility
- Aug. 31st, 2017, CFDA approval of Rega™ pacemaker family
- Dec. 22nd, 2017 official launch of Rega™
- March 2018, first implant completed

## Innovated-in-China

- May 2015, initiated E-ID system
- Nov. 2016, follow up completed for of BonaFire™ passive leads FIM study
- Sep. 2017, enrollment completed for the CompassAnalyzer™ pre-market study
- Nov. 2017, CompassAnalyzer™ registration submission
- Dec. 2017, RAS prototype completed



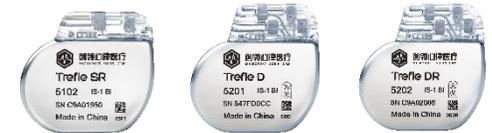
## Rega™ Family Pacemaker

1<sup>st</sup> Domestically Made PM with world class quality

### 7 Series Rega™



### 5 Series Trefle™



### 3 Series Orchidee™



Domestically made with lower price

- Product price materially more affordable than MNC products



World-class quality

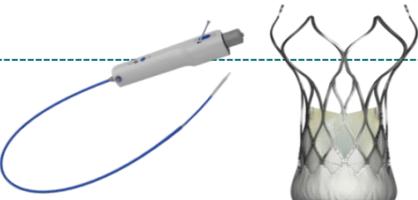
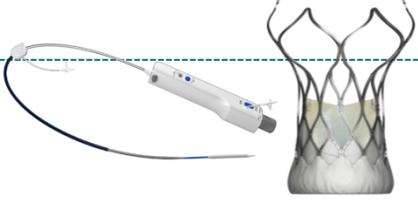
- Unique Physiological pacing;
- Highest battery life/ volume ratio;
- Automates the management from implant surgery to home;
- Longest EGM Storage



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# Outlook 2018 to 2020

## Continuous Product Pipeline Fueling Long-term Growth

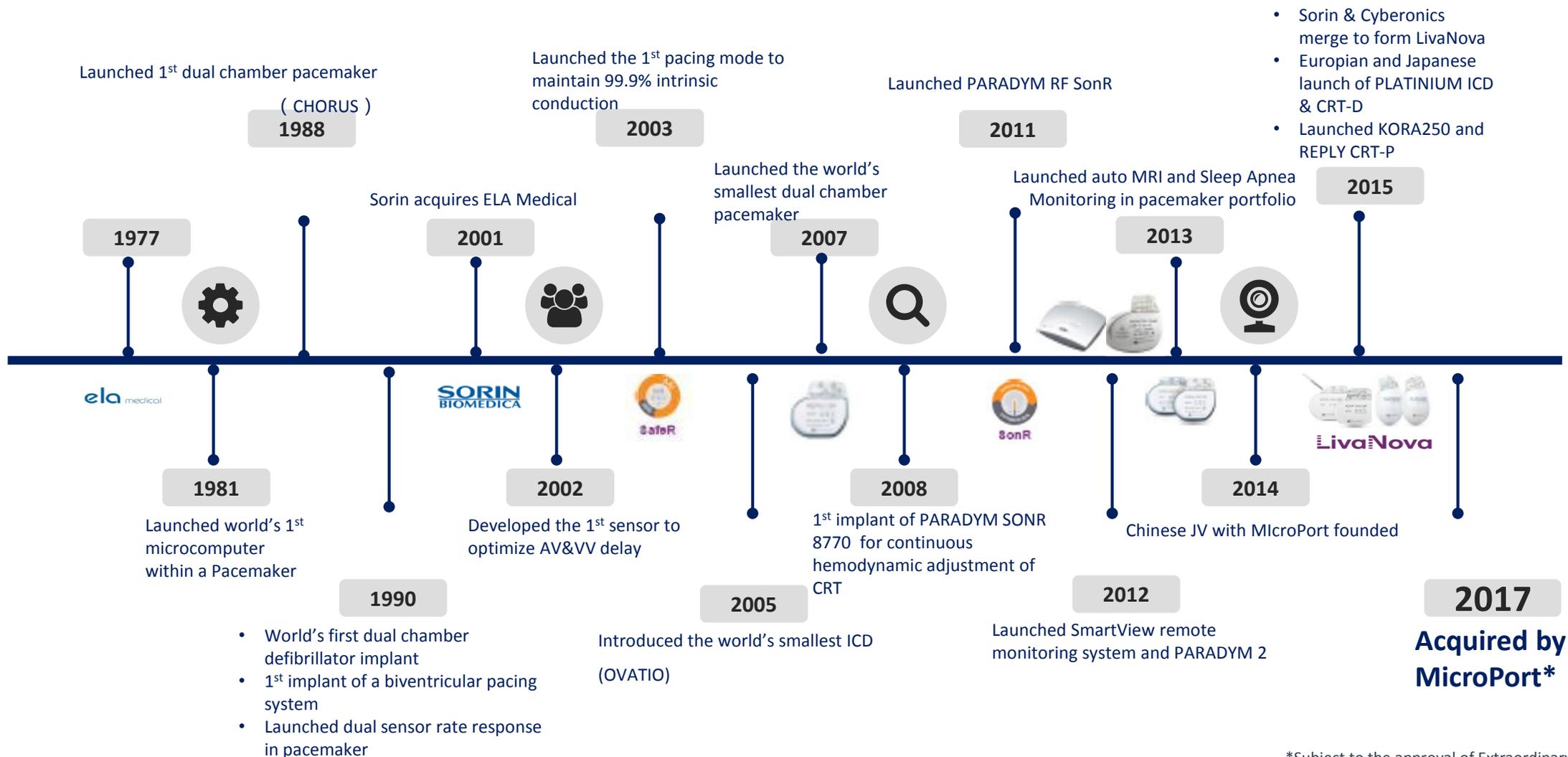
<b>Orthopedics</b>	Domestically made knee system	Domestically made hip system	Domestically made surgical instrument for knee system	Domestically made surgical instrument for hip system		
<b>Cardiovascular</b>	VitaFlow™ Transcatheter Aortic Valve (TAVI) CFDA	Firehawk™ Plus CFDA	Firefighter™ NC CE	Firefighter™ NC CFDA	VitaFlow™ R Transcatheter Aortic Valve and Re-sheathable Delivery System CFDA & CE	Firesorb™ CFDA
<b>Endovascular</b>	Minos™ Ultra Low Profile AAA Stent-Graft CFDA	Reewarm™ PTX Drug Coated Balloon CFDA	Aorfix™ Endovascular Stent Graft CFDA	Fontus™ Branched Surgical Stent Graft System CFDA	Talos™ Thoracic Stent-Graft System CFDA	
<b>Electrophysiology</b>	Columbus™ 3D Electrophysiological Mapping System CFDA (2nd generation)	OptimAblate™ RF Generator CFDA			<b>VitaFlow™</b> 2018 CFDA	<b>VitaFlow™ II</b> Delivery system
<b>Neurovascular</b>	Vertebral Artery Stent CFDA	Coils CFDA	Clot Retrieval Device CFDA			
<b>MicroPort Sorin CRM</b>	CompassAnalyzer™ PSA CFDA	Even more comprehensive product pipeline upon completion of LivaNova CRM acquisition		<b>Columbus™ 2nd generation</b> 2018 CFDA	<b>Firesorb™</b> 2020 CFDA	<b>Talos™ TAA Stent</b> 2020 CFDA
<b>Surgical Robot</b>	3D Laparoscope Surgical Robot					



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# 1. History of LivaNova CRM Business

~ US\$1 billion of investment and >1 million patients implanted globally over nearly 4 decades.



\*Subject to the approval of Extraordinary General Meeting



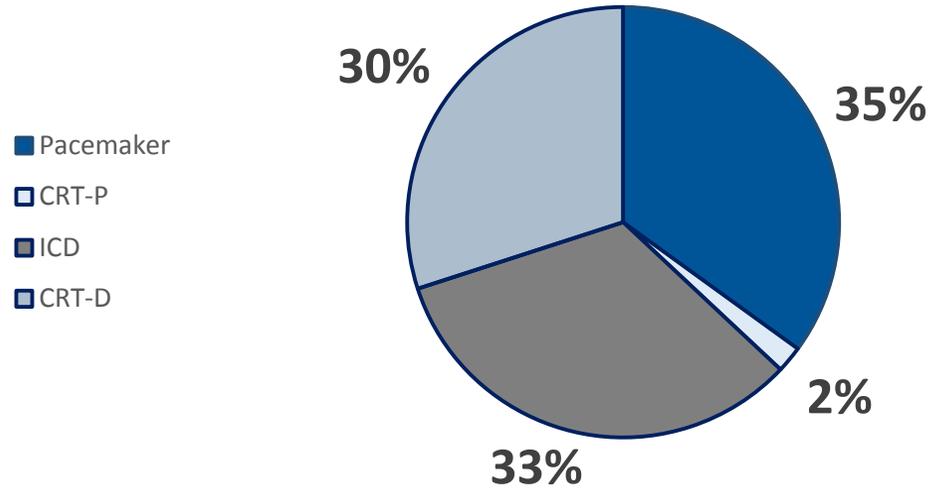
## 2. Complete Product Portfolio

<p><b>Products</b></p>	<p><b>Low Voltage</b></p>		<p><b>High Voltage</b></p>		<p><b>Leads/Other</b></p>
<p><b>Diseases</b></p>	<p>Bradycardia</p>	<p>Heart Failure</p>		<p>Tachycardia</p>	 Pacing Leads  Defibrillation Leads  LV Leads  Programmer  Remote Monitoring  Arrhythmia Assessment
<p><b>Therapy</b></p>	<p>Pacing</p>				
<p><b>Selected Product Features</b></p>	<p>Resynchronization</p>		<p>Defibrillation</p>		
<ul style="list-style-type: none"> <li>• Unique size and longevity</li> <li>• Full-body MRI solution with AutoMRI mode</li> <li>• Clinical benefits of SafeR (HF prevention in Brady patients)</li> <li>• Sleep apnea diagnostic capabilities (SAM)</li> </ul>	<ul style="list-style-type: none"> <li>• World's longest projected longevity               <ul style="list-style-type: none"> <li>➢ 14.3 years (VR)</li> </ul> </li> <li>• Best- in – class size and shape               <ul style="list-style-type: none"> <li>➢ 31.2cc, Ergoform (VR)</li> </ul> </li> <li>• Smart algorithms fro better patient outcomes               <ul style="list-style-type: none"> <li>➢ Parad +, SafeR, BTO, SonR</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>• Unique size and longevity</li> <li>• Full-body MRI solution with AutoMRI mode</li> <li>• Clinical benefits of SafeR (HF prevention in Brady patients)</li> <li>• Sleep apnea diagnostic capabilities (SAM)</li> </ul>		



# 3. CRM Market Overview

Global CRM Market



## Nearly \$10 billion global CRM market

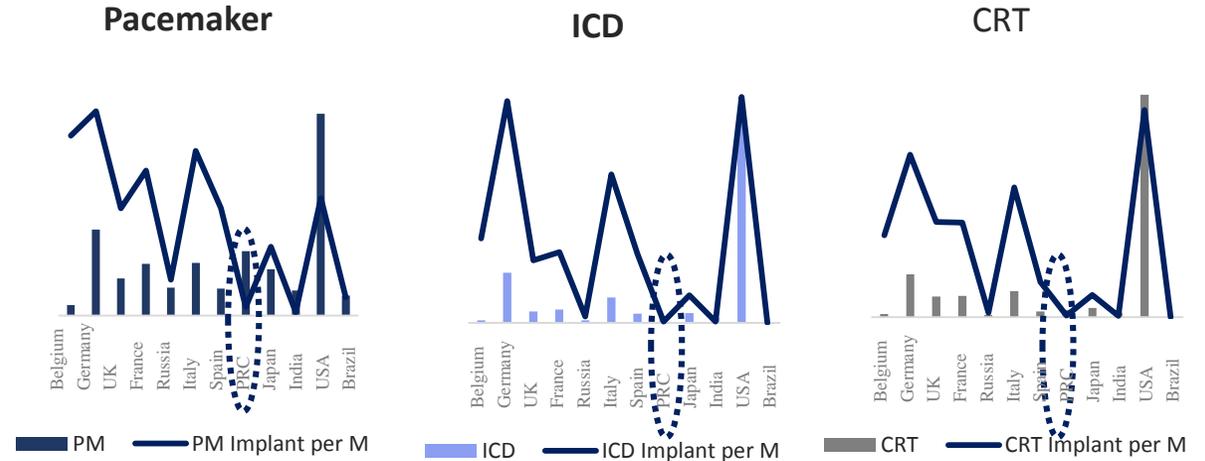
- Stable market across all segment
  - High growth sub-market include
    - China <sup>(1)</sup> (10% Low Voltage, 16 High Voltage)
    - Emerging Markets <sup>(2)</sup> (1% Low Voltage, 4% High Voltage)
- Attractive industry structure
  - 5 key players: Medtronic\Boston Scientific\Abbott\Biotronik\LivaNova

Source: company estimates

1. Based on 2017E-2020E CAGR

2. Emerging markets includes Australia, Canada and additional indirect countries (ex. China)

China CRM Market



## CRM market in China is highly unpenetrated

- 100,000 Pacemaker implanted, low penetration rate compared to developed countries
- ICR and CRTD therapy poorly developed in China
- China is one of the few countries that enjoys high and stable growth rate in CRM business



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# Appendix I- Consolidated Income Statement

(USD '000)	2017	2016	Flux %
Revenue	444,190	389,921	14.0%
Cost of sales	(125,793)	(118,243)	6.4%
<b>Gross profit</b>	<b>318,397</b>	<b>271,678</b>	<b>17.2%</b>
Other revenue & net gain/(loss)	(2,540)	20,677	-112.3%
Research and development costs	(58,150)	(51,897)	12.0%
Distribution costs	(137,766)	(128,464)	7.2%
Administrative expenses	(66,804)	(64,245)	4.0%
Other operating costs	(5,276)	(1,818)	190.2%
<b>Operating Profit</b>	<b>47,861</b>	<b>45,931</b>	<b>4.2%</b>
Finance costs	(13,489)	(16,704)	19.2%
Gain on disposal of subsidiaries	6,531		N/A
Share of losses of JV and associates	(10,535)	(3,941)	167.3%
<b>Profit before taxation</b>	<b>30,368</b>	<b>25,286</b>	<b>20.1%</b>
Income tax	(13,417)	(10,217)	31.3%
<b>Net profit</b>	<b>16,951</b>	<b>15,069</b>	<b>12.5%</b>
<b>Profit attributable to equity shareholders</b>	<b>18,823</b>	<b>14,141</b>	<b>33.1%</b>

# Appendix II- Consolidated Balance Sheet

USD'000	31 Dec 2017	31 Dec 2016
Fixed assets	304,403	270,243
Intangible assets	83,904	68,152
Prepayments for fixed assets	2,491	2,010
Goodwill	54,458	54,458
Interest in associate	13,998	11,432
Interest in joint venture	197	676
Available-for-sale financial assets	5,000	2,000
Deferred tax assets	5,584	4,739
Other non-current assets	3,883	3,364
<b>Total Non-current Assets</b>	<b>473,918</b>	<b>417,074</b>
Inventories	106,160	100,863
Trade and other receivables	162,242	128,752
Deposits with banks and investments	760	668
Cash and cash equivalents	160,229	123,694
Derivative financial assets	314	3,499
<b>Total Current Assets</b>	<b>429,705</b>	<b>357,476</b>
<b>Total Assets</b>	<b>903,623</b>	<b>774,550</b>
Trade and other payables	(125,085)	(96,858)
Interest-bearing borrowings	(68,819)	(108,456)
Income tax payable	(4,989)	(4,621)
Derivative financial liability	-	(23)
Obligation under finance leases	-	(81)
Other current liabilities	-	-
<b>Total Current Liabilities</b>	<b>(198,893)</b>	<b>(210,039)</b>
Interest-bearing borrowings	(28,235)	(40,085)
Convertible bonds	(154,421)	(147,769)
Deferred income	(24,291)	(24,231)
Other payables	(54,796)	(2,664)
Deferred tax liabilities	(3,535)	(3,283)
<b>Total Non-current Liabilities</b>	<b>(265,278)</b>	<b>(218,032)</b>
Share capital	(14)	(14)
Reserves	(401,589)	(332,895)
Non controlling interests	(37,849)	(13,570)
<b>Total Equity</b>	<b>(439,452)</b>	<b>(346,479)</b>
<b>Total Liabilities and Equity</b>	<b>(903,623)</b>	<b>(774,550)</b>
<b>Net Assets</b>	<b>439,452</b>	<b>346,479</b>

# Appendix III - Condensed Consolidated Cash Flow Statement

(USD '000)	2017	2016	Flux %
Cash generated from operations	107,437	89,875	20%
Net income tax paid	(10,251)	(7,341)	40%
<b>Net cash from operating activities</b>	<b>97,186</b>	<b>82,534</b>	<b>18%</b>
<b>Net cash from investing activities</b>	<b>(86,170)</b>	<b>(82,811)</b>	<b>4%</b>
<b>Net cash from financing activities</b>	<b>20,382</b>	<b>28,137</b>	<b>-28%</b>
<b>Net movement in cash and cash equivalent</b>	<b>31,398</b>	<b>27,860</b>	<b>13%</b>
<b>Cash and cash equivalents as at 1 January</b>	<b>123,694</b>	<b>99,467</b>	<b>24%</b>
Effect of foreign exchange rate changes	5,137	(3,633)	-241%
<b>Cash and cash equivalents as at 31 December</b>	<b>160,229</b>	<b>123,694</b>	<b>30%</b>



**MicroPort<sup>TM</sup>**

**The Patient Always Comes First**