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ANNUAL RESULT HIGHLIGHTS

REVENUE

$669M  +49%\text{YoY}

Orthopedics
$236.3M  +4%

Cardiovascular
$202.8M  +22%

CRM
$158.4M  -

Endovascular
$35.0M  +40%

Neurovascular
$18.4M  +37%

Electrophysiology
$12.7M  +35%

NET PROFIT attributable to equity shareholders

$23.9M  +27%\text{YoY}

*CRM consolidation since April 30th 2018
*Revenue Growth Rates and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact
FINANCIAL HIGHLIGHTS

- **Revenue:** $669.5m, **48.6% YOY↑**, mainly attributable to a significant growth from key segments and core products
  - Cardio: **22% YOY↑**, among which Firehawk™ **49% YOY↑** in China market
  - Ortho: **4% YOY↑**, Intl. Ortho **2% YOY↑**, China Ortho **33% YOY↑**
  - Endo: **40% YOY↑**; Neuro: **37% YOY↑**; EP: **35% YOY↑**

- **Gross Profit:** $470m, **48% YOY↑** and GP Margin of **70.2%**, decreased by 1.5 percentage points, mainly due to
  - the dilutive impact of the newly acquired CRM business with a gross margin lower than the average of the Group

- **Operational cost:** $418m, **59% YOY↑**, mainly due to
  - the acquisition of CRM devices business
  - increased investments in R&D projects, sales promotion, post-launching clinical trial expenses

Net profit attributable to equity shareholders: $23.9m, **27% YOY↑**

NEW CATALYSTS FOR FUTURE GROWTH

- **10 products obtained NMPA approval**, including Tubridge® Vascular Reconstruction Device, EasyFinder™ 3D Steerable Curve Mapping Catheter, Columbus™ 3D EP Navigation System (2.0), ComplexAnalyzer™ PSA, etc.

- **3 products entered NMPA Green Path**
  - Vertebral Artery Stent System, VitaFlow® II and Fontus™
  - Cumulatively, 15 MicroPort products have entered the NMPA Green Path

- **Products obtained registration approvals in overseas markets:** Eno™, Teo™ and Oto™ 1.5T & 3T MRI Conditional Pacemakers, xFine™ passive fixation lead, MRI 1.5T compatible pacing lead family, SmartTouch™ program, etc.

R&D AND CLINICAL PROGRESS

- **Firehawk™ TARGET AC** showed non-inferiority with the Xience stent family. Results were published on “The Lancet”
- ** Firesorb™ released 2-year follow up of FIM clinical trial with occurrence of patient-oriented composite endpoint is 2.2%**
- **Vitaflow™ Transcatheter Aortic Valve and Delivery System** completed 1-year clinical follow up with 2.7% all-cause mortality rate
- **VitaFlow® II Transcatheter Aortic Valve and Recapturable Delivery System** completed its first implantation in Ireland
**ORTHO**
- Domestic made femoral stem
- Domestically made Aspiration Medial Stability Total Knee Replacement System – PS Type Implant
- Trailwalker™ Intramedullary nail
- ARBORES™ Percutaneous vertebroplasty
- Domestic made Instrument kit for ADVANCE™ Medial-Pivot Knee and EVOLUTION™ Medial-Pivot Knee

**CARDIO**
- Firehawk™ gained regulatory approval in Taiwan region, Burma and Serbia
- Firebird2™ gained regulatory approval in Brazil, Mexico and Taiwan region
- Foxtrot™ NC gained regulatory approval in Iran, Malaysia, Brazil and Thailand
- Firehawk Liberty™ obtained CE certification
- Firesorb™ FUTURE II trial enrolled 232 patients

**ENDO**
- Hercules™ Stent-Graft System (extended sizes)
- Fontus™ Branched Surgical Stent Graft System
- Reewarm™ PTX Drug Coated Balloon PTA Catheter passed the QS review

**NEURO**
- Tubridge™ Vascular Reconstruction Device
- Rapamycin Target Eluting Vertebral Artery Stent System
- Coil embolization has completed all patient enrollment

**EP**
- Columbus™ 3D EP Navigation System (2.0)
- EasyFinder™ 3D Steerable Curve Mapping Catheter
- OptimAblate™ submitted registration material
- PathBuilder™ Steerable Introducer expected to gained NMPA approval in 2019 Q2

**CRM**
- ComplexAnalyzer™ PSA
- BEFLEX™ pacing lead family
- xFine™ passive fixation lead obtained CE certification
- SmartTouch™ programmer obtained CE certification
- Eno™, Teo™ and Oto™ 1.5T & 3T MRI Conditional Pacemakers obtained CE certification
- PLATINIUM™ 4LV SonR obtained approval in Japan

**STRUCTURAL HEART**
- VitaFlow™ completed 1-year clinical follow-up with 2.7% all-cause mortality
- VitaFlow™ II Transcatheter Aortic Valve and Recapturable Delivery System completed its first implantation in Ireland and entered NMPA Green Path
FINANCIAL REVIEW – Consolidated Financial Performance

Revenue
(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>non-CRM Business</th>
<th>CRM Business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>511.1</td>
<td>158.4</td>
<td>669.5</td>
</tr>
<tr>
<td>2017</td>
<td>441.9</td>
<td>2.3</td>
<td>444.2</td>
</tr>
</tbody>
</table>

Gross Profit Margin

- 2017: 71.7%
- 2018: 70.2%

Operational Expenses
(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>non-CRM Business</th>
<th>CRM Business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>307.0</td>
<td>111.3</td>
<td>418.3</td>
</tr>
<tr>
<td>2017</td>
<td>262.7</td>
<td>262.7</td>
<td>525.4</td>
</tr>
</tbody>
</table>

Net Profit/(Loss)
(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>non-CRM Business</th>
<th>CRM Business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>22.0</td>
<td>-5.0</td>
<td>17.0</td>
</tr>
<tr>
<td>2018</td>
<td>42.6</td>
<td>18.4</td>
<td>61.0</td>
</tr>
</tbody>
</table>

*CRM consolidation since April 30th 2018
*Revenue Growth Rates and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact
FINANCIAL REVIEW – Operating Expenses

Sales and Marketing Expenses
(USD: Million)

- 2017: 31.0%
- 2018: 32.5%
- 2017: 137.8
- 2018: 156.6

- non-CRM
- CRM
- % of sales

- Sales & Marketing expenses increased by 80m, 58% YOY↑
  - the acquisition of CRM devices business
  - increase in sales promotion, post-launch
  - Increase in staff cost

Administrative Expenses
(USD: Million)

- 2017: 15.0%
- 2018: 14.3%
- 2017: 66.8
- 2018: 77.1

- non-CRM
- CRM
- % of sales

- Administrative expenses increased by 29m, 43% YOY↑
  - the acquisition of CRM devices business
  - increase in staff cost

Research and Develop. Expense
(USD: Million)

- 2017: 13.1%
- 2018: 15.7%
- 2017: 58.2
- 2018: 73.2

- non-CRM
- CRM
- % of sales

- Research & Development expenses increased by 47m, 80% YOY↑
  - the acquisition of CRM devices business
  - increased investments in the ongoing and newly kicked off R&D projects

*CRM consolidation since April 30th 2018
*Revenue Growth Rate and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact
2018 Revenue
(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>209.3</td>
</tr>
<tr>
<td>2015</td>
<td>199.8</td>
</tr>
<tr>
<td>2016</td>
<td>201.7</td>
</tr>
<tr>
<td>2017</td>
<td>214.2</td>
</tr>
<tr>
<td>2018</td>
<td>218.5</td>
</tr>
</tbody>
</table>

2018 Revenue by geographic areas
(USD: Million)

- **EMEA**: 61.4 (2017), 60.1 (2018)
- **Japan**: 32.0 (2017), 34.5 (2018)

*Revenue Growth Rates and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact

Net Loss
(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>(8.7)</td>
</tr>
<tr>
<td>2018</td>
<td>(2.4)</td>
</tr>
</tbody>
</table>

- **Revenue**: $218.5m, 2.0% YOY ↑, in line with the average Orthopedics market growth
- **Sales growth rate slowed down by**: Isolated personnel related matters in the U.S. and Italy, Loss of a major agent in the U.S., Overall negative trend in international markets due to several macroeconomic factors
- **Reach positive Operating Profit of $3.7m for the 1st time under MicroPort**
- **Net loss continued to narrow down, but fail to breakeven in segment’s Net Profit due to**: deceleration on revenue growth and GPM improvement under expectation
- **Successful new product campaigns**: 4 new products launched in US: Evolution® CCK System, Evolution® Stemmed Tibia Instrumentation, the optimized,12-tab Prime Acetabular Cup System, Biolox®Delta® Options System and Biolox®Delta® Extra-Long Heads

Operating Profit
(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>(3.9m)</td>
</tr>
<tr>
<td>2018</td>
<td>3.7</td>
</tr>
</tbody>
</table>
Revenue and Growth
(USD: Million)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>China Ortho</td>
<td>13.4</td>
<td>17.8</td>
</tr>
<tr>
<td>Joints</td>
<td>12.4</td>
<td>16.3</td>
</tr>
</tbody>
</table>

Revenue and Growth (USD: Million)

China Business Highlights

- **Revenue**: $17.8m, 32.8% YOY up
- **Revenue of joints**: $16.3m, 31.6% YOY up, driven by:
  - Implant volume of Knee products increased by 82% YOY
  - Over 1600 SuperPath™ surgeries performed, 16% YOY up
  - Covered 50% of Top 20 Hospitals in China
- **Revenue of Spine and Trauma**: $1.5m, 32.9% YOY, driven by:
  - New platforms built in 3 provinces: Yunnan, Shandong, and Shanxi
  - Professional senior salesmen and utilization of industry resources
- **Surgical Instrument**
  - Capable of manufacturing the major instruments for Knee and Hip products
  - Capable of manufacturing the full set of Spine & Trauma instruments
- **Global Supply Center ("GSC")**
  - Continued to optimize the operational expense
  - Newly developed Evolution® instrument kit case expected to cut cost significantly
- **R&D and clinical progress**:
  - Domestically made femoral stem gained NMPA approval in December, 2018
  - Domestically made Aspiration Medial Stability Total Knee Replacement System – PS Type Implant gained NMPA approval in January, 2019
  - Domestically made instrument kits for Advance®, Medial-pivot knee and Evolution®
  - Medial-pivot knee system gained NMPA approval, with much smaller quantity and lower cost contributed to the improvement of GPM.

**Progress in China**

**Hospital Penetration**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>SuperPath™</td>
<td>86</td>
<td>136</td>
</tr>
<tr>
<td>Hip Products</td>
<td>102</td>
<td>80</td>
</tr>
<tr>
<td>Advance®</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Evolution®</td>
<td>80</td>
<td>80</td>
</tr>
</tbody>
</table>

**Surgical Cases**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>SuperPath™</td>
<td>+16%</td>
<td>+26%</td>
</tr>
<tr>
<td>Hip Products</td>
<td></td>
<td>+82%</td>
</tr>
<tr>
<td>Knee Products</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*All Growth Rate and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact*
**2018 Revenue**

(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Business</th>
<th>International Business</th>
<th>Global Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>94</td>
<td>3</td>
<td>97</td>
</tr>
<tr>
<td>2011</td>
<td>99</td>
<td>12</td>
<td>111</td>
</tr>
<tr>
<td>2012</td>
<td>105</td>
<td>10</td>
<td>115</td>
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<tr>
<td>2013</td>
<td>110</td>
<td>10</td>
<td>115</td>
</tr>
<tr>
<td>2014</td>
<td>102</td>
<td>6</td>
<td>108</td>
</tr>
<tr>
<td>2015</td>
<td>122</td>
<td>13</td>
<td>137</td>
</tr>
<tr>
<td>2016</td>
<td>128</td>
<td>9</td>
<td>137</td>
</tr>
<tr>
<td>2017</td>
<td>155</td>
<td>11</td>
<td>166</td>
</tr>
<tr>
<td>2018</td>
<td>191</td>
<td>12</td>
<td>203</td>
</tr>
</tbody>
</table>

Global: 22.0% ↑; Domestic: 23.4% ↑; Overseas: 2.6% ↑

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**Highlights on Sales**

- **Revenue**: $202.8m, 22.0% YOY ↑
- **Domestic revenue**: $191m, strong growth of 23.4% YOY ↑, driven by:
  - Firehawk™: 48.5% YOY ↑, Firebird2™: 11.7% YOY ↑: Balloon Products: 60.1% YOY ↑
- **Hospital Coverage**:
  - Firehawk™ China hospital coverage 29% YOY ↑
  - Firebird2™ China hospital coverage 16% YOY ↑
- “Fei Yan” Project Penetrated 203 county-level hospitals in 28 provinces, 32.7% YOY ↑
- **International revenue**: $11.7m, 2.6% YOY ↑
  - Obtained 57 registration approvals from 16 countries/regions
  - Firehawk™ available in 24 countries/regions and newly developed 6 countries/regions, including regions of Taiwan and Hong Kong, and countries like Spain, Peru, etc.
  - Negative impact from new government policy in India and currency exchange rate

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**Highlights on Products**

- **Firehawk™** clinical data from the Target AC trial has been accepted for publication in the Medical Journal “The Lancet”: Primary endpoint data at 12 months and powered QCA angiography data at 13 months showed Firehawk™ had non-inferiority with Xience stent family
- **Firehawk™** gained NMPA approval for its 6 extended sizes
- **Firesorb™** development:
  - The clinical and imaging outcome of the Future-I research showed the occurrence of the main endpoint in 2 years is 0, which fully demonstrated the safety and efficacy of Firesorb
  - FUTURE II trial has enrolled 232 patients by the end of 2018
- **Next generation of Firehawk™**:
  - With improvement on delivery system, Firehawk Liberty™ obtained CE certification in 2019

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*Revenue Growth Rates and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact*
New Products Launch

- **xFine™** March 2018
- **PLATINUM™ 4LV SonR CRT-D** June 2018
- **Eno™, Teo™ and Oto™** January 2019
- **SmartTouch™** January 2019

Non-China Business Highlights

- **Revenue:** $152.7m since consolidation, decreased mainly due to incomplete product portfolio
- **Profitability being negative in 2018, due to:**
  - Lower revenue
  - Increase in investments in R&D (to accelerate the improvement of product portfolio)
  - Transitional costs associated with acquisition of CRM
- **New product launch:**
  - xFine™ passive fixation lead, MRI 1.5T compatible pacing lead family
  - New programmer SmartTouch™, Eno™, Teo™ and Oto™ world’s smallest 1.5T & 3T MRI Conditional Pacing Systems
  - First implants of Eno™ and Teo™ completed in 2019
- **Subsidiary in Japan was established to commercialize the CRM portfolio**
- **Subsidiary of CRM in France is not subject to any antitrust fine**

2018 China Business Revenue

(USD: Million)

- **Imported Pacemakers:** 2.9
- **Domestic Pacemakers:** 1.6
- **PSA:** 1.2

China Business Highlights

- **Revenue:** $5.7m, significant growth driven by:
  - Domestic made pacemaker Rega™ family contributed 29% of China business revenue in 2018
  - Speedy growth of the acknowledgement to the company brand
  - Launch of the new products
- **Hospital coverage:**
  - Covered 272 hospitals and newly penetrated 116 hospitals, 74% YOY↑
  - Rega™ family pacemakers are implanted in over 130 hospitals in 19 provinces / municipalities since first implanted in March 2018
- **New product launch:**
  - ComplexAnalyzer™ PSA gained NMPA approval
  - BEFLEX™ pacing lead family gained NMPA approval
**2018 Revenue**
(USD: Million)

<table>
<thead>
<tr>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.1</td>
<td>8.8</td>
<td>10.2</td>
<td>12.0</td>
<td>13.1</td>
<td>15.2</td>
<td>18.8</td>
<td>25.1</td>
<td>35.0</td>
</tr>
</tbody>
</table>

*39.6% YOY Highest Revenue Growth in Decade*

**Sales Growth by Products**
(USD: Million)

- **Castor™**
  - TAA: 13.4 to 15.7 (28.9% growth)
  - AAA: 7.0 to 9.1 (26.9% growth)
  - Surgical: 4.0 to 5.8 (26.9% growth)

**Extensive Product Pipeline**

- **Minos™ Ultra Low Profile AAA Stent-Graft**
  - 2019: ✔️
  - 2020: ✔️
  - Green Path: March, 2017

- **Reewarm™ PTX Drug Coated Balloon**
  - 2019: ✔️
  - 2020: ✔️
  - Green Path: December, 2015

- **Fontus™ Branched Surgical Stent Graft System**
  - 2019: ✔️
  - 2020: ✔️
  - Green Path: August, 2018

- **Talos™ Thoracic Stent-Graft System**
  - 2019: ✔️
  - 2020: ✔️
  - Green Path: September, 2017

**Highlights**

- **Revenue**: $35.0m, 39.6% YOY↑, driven by:
  - Fast growing Chinese market with CGAR at 13% - 15%
  - Revenue of Castor™ contributed 18.2% of TAA revenue
  - Solid competitive advantages in 2nd to 4th tier cities
- **Penetrated additional 103 hospitals**
- **Solid R&D pipeline continuously drives the profitability**
  - Minos™ Ultra Low Profile AAA Stent-Graft and Reewarm™ PTX Drug Coated Balloon are expected to gain NMPA approval in 2019
  - By now, 5 products have entered NMPA Green Path

*Revenue Growth Rates and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact*
### 2018 Revenue

(USD: Million)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2.0</td>
<td>2.6</td>
<td>3.1</td>
<td>4.3</td>
<td>5.7</td>
<td>7.3</td>
<td>8.7</td>
<td>13.5</td>
</tr>
<tr>
<td>+36.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>18.4</td>
</tr>
</tbody>
</table>

### Sales Growth by Products

(USD: Million)

- **Ischemic**
  - +5.2%
  - 2017: 8.2
  - 2018: 8.6

- **Hemorrhagic**
  - -8.5%
  - 2017: 4
  - 2018: 3.7

- **Tubridge™**
  - 2018: 3.6

### Extensive Product Pipeline

- **Tubridge™**
  - 2018: ✔
  - 2020: ✔
  - Green Path: ✔
  - February, 2016

- **Vertebral artery stent**
  - 2018: ✔
  - 2020: ✔
  - March, 2018

- **Coils**
  - 2018: ✔
  - 2020: -

- **Clot Retrieval Device**
  - 2018: ✔
  - 2020: -

### Highlights

- **Revenue**: $18.4m, 36.5% YOY↑, mainly due to:
  - Launch of new product Tubridge™
  - Sales volume of APOLO™ increased by 15% YOY ↑
  - Revenue decrease of WILLIS™ partly due to launch of competing product

- **Hospital coverage**:
  - APOLO™: newly penetrated 83 hospitals
  - WILLIS™: hospital coverage reduced by 5
  - Tubridge™: newly penetrated 72 hospitals

- **R&D achievement**:
  - Tubridge™ gained NMPA approval on March, 264 implant surgeries have been performed
  - Vertebral artery stent has entered the NMPA Green Path and is expected to be approved by 2020

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*Revenue Growth Rate and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact*

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MicroPort Scientific Corporation | 2018 Earnings Release | 27 March 2019 | 15
### 2018 Revenue
(USD: Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>0.8</td>
<td></td>
</tr>
<tr>
<td>2012</td>
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<td>2014</td>
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<tr>
<td>2015</td>
<td>4.7</td>
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<tr>
<td>2016</td>
<td>6.1</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>8.3</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>11.0</td>
<td></td>
</tr>
</tbody>
</table>

**Total:** 34.5% ↑; **Domestic:** 31.6% ↑; **Overseas:** 55.9% ↑

### Extensive Product Pipeline

- **Columbus™ 2nd generation** 2018
- **EasyFinder™ Deflectable Mapping Catheter 3D** 2018
- **PathBuilder Steerable Introducer** 2018

### Sales Growth by Products
(USD: Million)

**Sales Volume**
- 2017: 7%
- 2018: 10%

**Sales Revenue**
- 2017: 24%
- 2018: 30%

### Highlights
- **Revenue:** 12.7m, 34.5% YOY↑, driven by rapid market development
  - Domestic revenue: 31.6% YOY ↑, Overseas revenue: 55.9% YOY ↑
- **Rapid revenue growth driven by:**
  - Substitution effect of 3D products to 2D products, Promotion of 3D operation across the nation (Penetrated 174 new 3D EP hospitals in China)
  - Expanding international coverage: 12 countries, newly penetrated 3 countries in 2018
- **New catalyst:**
  - Columbus™ 3D (2.0) & EasyFinder™ 3D gained NMPA approval
  - Products received registration approvals from 7 countries/regions in 2018
- **Delisted from NEEQ and introduced strategic investor**
  - Subject to the completion of financing, MPSC will own 45.1% of MPEP’s equity

*Revenue Growth Rates and Historic Revenue Numbers Adjusted to Exclude Foreign Exchange Impact*
Highlights on Products

VitaFlow®
- VitaFlow® is designed to provide a solution for aortic valve stenosis and has demonstrated safety and effectiveness in treating severe calcified aortic stenosis
- Low all-cause mortality of 2.7% and no major stroke in 1-year follow-up study
- VitaFlow® is expected to gain NMPA approval in 2019

VitaFlow® II
- VitaFlow® II is equipped with retrievable delivery system
  - "Retrievable" feature will provide solution to the challenging positioning issue, thereby improving precision and success rate
  - While achieving the retrievable feature, VitaFlow® II maintains its remarkable deployment stability and ability in preventing PVL
- VitaFlow® II has entered NMPA Green Path in December 2018
- Expected to gain NMPA approval by 2020
- First patient enrollment for premarketing Europe Clinical Trial has successfully completed in Ireland

VitaFlow® composition
- VitaFlow® is consisted of the following:
  - Transcatheter aortic valve
  - Delivery system
  - Balloon catheter and introducer set

Product timeline
- VitaFlow® entered NMPA Green Path: Dec, 2016
- VitaFlow® II entered NMPA Green Path: Dec, 2018
- VitaFlow® expected to gain NMPA approval: 2020
CONTENTS

- ANNUAL RESULT HIGHLIGHTS
- FINANCIAL REVIEW
- BUSINESS REVIEW
- OUTLOOK
- APPENDIX – FINANCIAL STATEMENTS
Continuous Product Pipeline Fueling Long-term Growth

**Ortho**
- Domestically made knee system NMPA
- VitaFlow™ Transcatheter Aortic Valve (TAVI) NMPA
- Minos™ Ultra Low Profile AAA Stent-Graft NMPA
- PathBuilder™ Steerable Introducer NMPA
- Vertebral Artery Stent NMPA
- 1.5T and 3T MRI conditional pacemaker family CE
- 3D Laparoscope Surgical Robot NMPA

**Cardio**
- Domestically made hip system NMPA
- Firehawk™ Nova NMPA
- Reewarm™ PTX Drug Coated Balloon NMPA
- OptimAblate™ RF Generator NMPA
- Coils NMPA
- Kora100™ pacemaker family NMPA

**Endo**
- Domestically made spine system NMPA
- Firefighter™ NC NMPA & CE
- Aorfix™ Endovascular Stent Graft NMPA
- Clot Retrieval Device NMPA
- TPG (external temporary pacemaker) NMPA

**EP**
- Domestically made surgical instrument for hip system NMPA
- Firebird2™ Nova NMPA & CE
- Fontus™ Branched Surgical Stent Graft System NMPA
- Domestic made MRI compatible pacemaker family NMPA

**Neuro**
- VitaFlow™ II Transcatheter Aortic Valve and Re-sheathable Delivery System NMPA & CE
- Talos™ Thoracic Stent-Graft System NMPA

**CRM**

**Surgical Robot**
<table>
<thead>
<tr>
<th></th>
<th>Unit: USD’000</th>
<th>FY2018</th>
<th>FY2017</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td>669,490</td>
<td>444,190</td>
<td>51%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(199,474)</td>
<td>(125,793)</td>
<td></td>
<td>59%</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td></td>
<td><strong>470,016</strong></td>
<td><strong>318,397</strong></td>
<td><strong>48%</strong></td>
</tr>
<tr>
<td>Other net income/(loss)</td>
<td></td>
<td>13,796</td>
<td>(2,540)</td>
<td>-643%</td>
</tr>
<tr>
<td>Research and development costs</td>
<td></td>
<td>(104,814)</td>
<td>(58,150)</td>
<td>80%</td>
</tr>
<tr>
<td>Distribution cost</td>
<td></td>
<td>(217,792)</td>
<td>(137,766)</td>
<td>58%</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td></td>
<td>(95,742)</td>
<td>(66,804)</td>
<td>43%</td>
</tr>
<tr>
<td>Other operating costs</td>
<td></td>
<td>(13,410)</td>
<td>(5,276)</td>
<td>154%</td>
</tr>
<tr>
<td><strong>Profit from operations</strong></td>
<td></td>
<td><strong>52,054</strong></td>
<td><strong>47,861</strong></td>
<td><strong>9%</strong></td>
</tr>
<tr>
<td>Finance cost</td>
<td></td>
<td>(21,020)</td>
<td>(13,489)</td>
<td>56%</td>
</tr>
<tr>
<td>Gain on disposal of subsidiaries</td>
<td></td>
<td>-</td>
<td>6,531</td>
<td>-100%</td>
</tr>
<tr>
<td>Gain on deemed disposal of a joint venture</td>
<td></td>
<td>4,133</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>Share of losses of associates</td>
<td></td>
<td>(2,036)</td>
<td>(5,493)</td>
<td>-63%</td>
</tr>
<tr>
<td>Share of losses of a joint venture</td>
<td></td>
<td>(202)</td>
<td>(5,042)</td>
<td>-96%</td>
</tr>
<tr>
<td><strong>Profit before taxation</strong></td>
<td></td>
<td><strong>32,929</strong></td>
<td><strong>30,368</strong></td>
<td><strong>8%</strong></td>
</tr>
<tr>
<td>Income tax</td>
<td></td>
<td>(14,548)</td>
<td>(13,417)</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td></td>
<td><strong>18,381</strong></td>
<td><strong>16,951</strong></td>
<td><strong>8%</strong></td>
</tr>
<tr>
<td>Attributable to: Equity shareholders of the Company</td>
<td></td>
<td><strong>23,913</strong></td>
<td><strong>18,823</strong></td>
<td><strong>27%</strong></td>
</tr>
</tbody>
</table>

*CRM consolidation since April 30th 2018*
## APPENDIX II – Consolidated Balance Sheet (1)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment properties</td>
<td>5,451</td>
<td>5,899</td>
<td>-8%</td>
</tr>
<tr>
<td>Other property, plant and equipment</td>
<td>336,263</td>
<td>282,280</td>
<td>19%</td>
</tr>
<tr>
<td>Land use right</td>
<td>15,087</td>
<td>16,224</td>
<td>-7%</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>117,489</td>
<td>83,904</td>
<td>40%</td>
</tr>
<tr>
<td>Prepayments for non-current assets</td>
<td>6,222</td>
<td>2,491</td>
<td>150%</td>
</tr>
<tr>
<td>Goodwill</td>
<td>162,673</td>
<td>54,458</td>
<td>199%</td>
</tr>
<tr>
<td>Interest in associates</td>
<td>12,291</td>
<td>13,998</td>
<td>-12%</td>
</tr>
<tr>
<td>Interest in a joint venture</td>
<td>5,100</td>
<td>197</td>
<td>2489%</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>11,910</td>
<td>5,000</td>
<td>138%</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>15,291</td>
<td>5,584</td>
<td>174%</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>31,979</td>
<td>3,883</td>
<td>724%</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>719,756</strong></td>
<td><strong>473,918</strong></td>
<td><strong>52%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current assets</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>175,957</td>
<td>106,160</td>
<td>66%</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>245,143</td>
<td>162,242</td>
<td>51%</td>
</tr>
<tr>
<td>Pledged deposits and time deposits</td>
<td>3,537</td>
<td>760</td>
<td>365%</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>130,054</td>
<td>160,229</td>
<td>-19%</td>
</tr>
<tr>
<td>Derivative financial assets</td>
<td>-</td>
<td>314</td>
<td>-100%</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>554,691</strong></td>
<td><strong>429,705</strong></td>
<td><strong>29%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current liabilities</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>236,813</td>
<td>125,085</td>
<td>89%</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>10,060</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Interest-bearing borrowings</td>
<td>100,901</td>
<td>68,819</td>
<td>47%</td>
</tr>
<tr>
<td>Convertible bonds</td>
<td>86,834</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Income tax payable</td>
<td>5,782</td>
<td>4,989</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>440,390</strong></td>
<td><strong>198,893</strong></td>
<td><strong>121%</strong></td>
</tr>
</tbody>
</table>
## APPENDIX II - Consolidated Balance Sheet (2)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest-bearing borrowings</td>
<td>137,829</td>
<td>28,235</td>
<td>388%</td>
</tr>
<tr>
<td>Deferred income</td>
<td>23,905</td>
<td>24,291</td>
<td>-2%</td>
</tr>
<tr>
<td>Contract liabilities</td>
<td>27,766</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>Convertible bonds</td>
<td>3,571</td>
<td>154,421</td>
<td>-98%</td>
</tr>
<tr>
<td>Other payables</td>
<td>93,625</td>
<td>54,796</td>
<td>71%</td>
</tr>
<tr>
<td>Derivative financial liabilities</td>
<td>10,640</td>
<td>-</td>
<td>n.a.</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>7,775</td>
<td>3,535</td>
<td>120%</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>305,111</strong></td>
<td><strong>265,278</strong></td>
<td><strong>15%</strong></td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td>528,946</td>
<td>439,452</td>
<td>20%</td>
</tr>
</tbody>
</table>

### CAPITAL AND RESERVES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital</td>
<td>16</td>
<td>14</td>
<td>14%</td>
</tr>
<tr>
<td>Reserves</td>
<td>442,780</td>
<td>401,589</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total equity attributable to equity shareholders of the Comp</strong></td>
<td><strong>442,796</strong></td>
<td><strong>401,603</strong></td>
<td><strong>10%</strong></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>86,150</td>
<td>37,849</td>
<td>128%</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>528,946</td>
<td>439,452</td>
<td>20%</td>
</tr>
</tbody>
</table>

*CRM consolidation since April 30th 2018*